Adam C. Proffitt, Director



Phone: (785) 296-2436 adam.c.proffitt@ks.gov http://budget.kansas.gov

Laura Kelly, Governor

February 27, 2025

The Honorable Mike Thompson, Chairperson Senate Committee on Federal and State Affairs 300 SW 10th Avenue, Room 144-S Topeka, Kansas 66612

Dear Senator Thompson:

SUBJECT: Fiscal Note for SB 100 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 100 is respectfully submitted to your committee.

SB 100 would enact the Kansas Fair Chance Housing and Homelessness Reduction Act. The bill would specify that a consumer reporting agency could not make or furnish a consumer report that contains residential or tenant history that is adverse to the consumer unless the agency has contacted the consumer and advised the consumer of the residential or tenant history to be included in the consumer report and offered the consumer an opportunity to provide an explanation regarding the history. The bill would outline the procedures a consumer reporting agency would be required to follow when contacting a consumer.

A consumer report could not be furnished until the consumer has provided an explanation for any adverse residential or tenant history that is in included in the report or after 15 business days of making contact. The report could not include information relating to an eviction of the consumer by a landlord from a dwelling unit that antedate the report by more than three years or rental arrears or collections that antedate the report by more than three years. In considering whether to enter into a rental agreement with a consumer or as a basis for taking any adverse action against a tenant, a landlord could not consider evictions, rental arrears, or a consumer report containing rental history that does not include an explanation.

If a landlord declines to enter into an agreement with a consumer, cancels a rental agreement with a tenant, or alters the terms of a rental agreement adversely to a tenant, the landlord would be required to provide the consumer report or other informational source to the consumer or tenant used in making that decision. A violation of the bill's provisions by a landlord or a

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consumer reporting agency would be a deceptive act or practice under the provisions of the Kansas Consumer Protection Act.

The Office of Judicial Administration states enactment of the bill could increase the number of cases filed in district court because the bill would create a violation of the Kansas Consumer Protection Act, which would increase the time spent by judges and court employees processing and hearing cases. The Office indicates enactment of the bill could result in the collection of docket fees in those cases filed under the bill's provisions, which would be credited to the State General Fund. However, a fiscal effect cannot be estimated.

The Office of the Attorney General estimates additional State General Fund expenditures of \$538,323 in FY 2026 and \$565,238 in FY 2027, along with an additional 5.00 FTE positions in both fiscal years to implement the bill's provisions if enacted. Of the FY 2026 amount, \$453,243 would be for salaries and wages and \$85,080 would be for other operating expenditures. Any fiscal effect associated with SB 100 is not reflected in *The FY 2026 Governor's Budget Report*.

The League of Kansas Municipalities states the bill's enactment would not have a fiscal effect on Kansas cities. The Kansas Association of Counties states any fiscal effect on Kansas counties resulting from the bill's enactment would be negligible.

Sincerely,

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Adam C. Proffitt Director of the Budget

cc: Trisha Morrow, Judiciary Wendi Stark, League of Kansas Municipalities Jay Hall, Kansas Association of Counties Matt Bingesser, Office of the Attorney General