Jon Hummell, Interim Director



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Division of the Budget

Sam Brownback, Governor

February 27, 2014

The Honorable Steve Brunk, Chairperson House Committee on Federal and State Affairs Statehouse, Room 285-N Topeka, Kansas 66612

Dear Representative Brunk:

SUBJECT: Fiscal Note for HB 2600 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2600 is respectfully submitted to your committee.

HB 2600 would require that when a hearing commences, notice of the commencement must be provided to all parties by restricted mail. The bill would also require that when the presiding officer sets the time and place of the hearing, if no previous notice of the proceeding has been provided to the parties, notice must be sent to each party by restricted mail.

The Office of Administrative Hearings (OAH) states that in FY 2013 5,260 notices were sent that would have been subject to the provisions of HB 2600. The OAH states that mailed notices currently cost \$1.00 each which would increase to \$7.00 because of the additional \$6.00 fee for sending as restricted mail. The agency estimates approximately 2,630 of the notices would have to be mailed a second time and 1,315 a third time. The OAH estimates these provisions would increase expenditures by  $$55,230 (5,260 + 2,630 + 1,315 \times $6.00)$  in FY 2015. The Office of Judicial Administration indicates enactment of HB 2600 could increase costs for local governments as they would also be required to mail a notice of the commencement of a pre-hearing to all parties by restricted mail. Any fiscal effect associated with HB 2600 is not reflected in *The FY 2015 Governor's Budget Report*.

Sincerely,

Jon Hummell, Interim Director of the Budget

cc: Mary Rinehart, Judiciary Bob Corkins, OAH