

April 17, 2017

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

Dear Representative Barker:

SUBJECT: Fiscal Note for HB 2123 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2123 is respectfully submitted to your committee.

HB 2123 would amend the Kansas Act Against Discrimination by prohibiting discrimination in employment, housing and public accommodation based on a person's sexual orientation or gender identity. The bill includes definitions of "sexual orientation" and "gender identity."

| Estimated State Fiscal Effect | | | | |
|-------------------------------|----------------|----------------------|----------------|----------------------|
| | FY 2018 SGF | FY 2018 All Funds | FY 2019 SGF | FY 2019 All Funds |
| Revenue | -- | -- | -- | -- |
| Expenditure | \$68,544 | \$68,544 | \$68,544 | \$68,544 |
| FTE Pos. | -- | 1.00 | -- | 1.00 |

Based on information from similar legislation in prior years, it is estimated that HB 2123 would require additional expenditures of \$68,544 from the State General Fund and 1.00 Special Investigator II FTE position in FY 2018 and FY 2019 for the Kansas Human Rights Commission. This cost estimate assumes that the number of public contacts at the intake level would increase by 325 and the projected number of sexual orientation and gender identity complaints would be approximately 50. The number of complaints is based on a U.S. General Accounting Office study published in 2013 that reviewed employment discrimination complaints of sexual orientation and gender identity in 21 states and the District of Columbia. According to

The Honorable John Barker, Chairperson

April 17, 2017

Page 2—HB 2123

the study, 2,127 sexual orientation and gender identity complaints out of a total population of 139,672,848 were received in those states and the District of Columbia, or .0015 percent of the population in the study. If this percentage is applied to the population of Kansas, approximately 44 complaints would be received by the Commission (.0015 percent X 2,904,021). However, based on the Commission's experience with previous changes to the Kansas Act Against Discrimination and a review of 13 states that currently accept sexual orientation and/or gender identity complaints, it is estimated that the number of complaints would be closer to 50.

The expenditures for both fiscal years would include \$54,176 for the salaries and benefits for the position; \$2,103 for increased telecommunication, data and postage costs associated with the 325 public contacts; \$946 for printing new law books and posters; \$190 for routine repair and installation of additional telephones; \$7,234 for updating the Commission's internal complaint database and other Office of Information Technology Services charges; \$685 for various consumable office supplies; and \$3,210 for office equipment for the new position.

The bill has the potential for increasing litigation in the courts from expanding the Kansas Act Against Discrimination. If it does, the Office of Judicial Administration indicates that there would be a fiscal effect on the operations of the court system. However, it is not possible to predict the number of additional court cases that would arise or how complex and time-consuming they would be. Therefore, a fiscal effect cannot be determined. Any fiscal effect associated with HB 2123 is not reflected in *The FY 2018 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Ruth Glover, Human Rights Commission
Ashley Michaelis, Judiciary