

March 21, 2022

The Honorable Richard Hilderbrand, Chairperson
Senate Committee on Public Health and Welfare
Statehouse, Room 142-S
Topeka, Kansas 66612

Dear Senator Hilderbrand:

SUBJECT: Fiscal Note for SB 437 by Senate Committee on Public Health and Welfare

In accordance with KSA 75-3715a, the following fiscal note concerning SB 437 is respectfully submitted to your committee.

SB 437 would prohibit business entities, ticket issuers, governmental entities, public officials, employers, public accommodations, healthcare facilities, and healthcare professionals from taking certain actions as outlined in the bill based upon an individual's vaccination status or possession of an immunity passport. Violations of would be a severity level 7, nonperson felony and upon a finding of a violation by a business entity or ticket issuer, the court would be required to suspend all licenses issued by the state or any political subdivision of the state for at least 30 days, but not more than one year. "Immunity passport" would be defined as a document, digital record, or software application indicating that a person is immune to disease, either through vaccination or infection and recovery. "Vaccination status" would be defined as an indication of whether a person has received one or more doses of a vaccine.

The bill would prohibit orders pursuant to KSA 38-2242, KSA 38-2243, or KSA 38-2244 if the sole basis for the threat to the child's safety or welfare was related to the vaccination status of the child or an individual who resides with the child and vaccination status of any parent or child could not be considered when determining legal custody, residency, parenting time, or when making a determination of unfitness. The bill would also change references of "order(s)" to "recommendation(s)" throughout KSA 65-201 and KSA 65-202, which relate to the authority of county commissioners and local health officers. SB 437 would take effect upon publication in the *Kansas Register*.

The Kansas Department of Health and Environment states that enactment of SB 437 would result in additional expenditures totaling \$5,204, including \$502 from the State General Fund in FY 2023 related to the reprinting costs of all regulation books to be distributed to child care centers and other programs affected by the prohibitions of certain actions in the bill. Staff time to make the changes would be handled within existing budget resources. There would also be potential costs related to making changes to existing regulations that could not be estimated. The agency notes there could be long term fiscal effects by increasing cases and costs related to outbreaks of

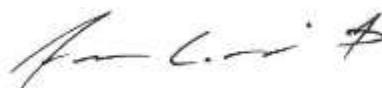
infectious and contagious diseases if the agency was prohibited from implementing interventions to control the spread of such diseases; however, the fiscal effect could not be estimated.

The Office of Judicial Administration states enactment of SB 437 could increase the number of cases filed in district court because it creates illegal actions by businesses and governments and creates additional employee claims that could be the basis for civil actions, which could result in more time spent by court employees and judges processing and deciding these cases. The Office estimates enactment of the bill could result in the collection of docket fees and fines assessed in those cases filed under the bill's provisions. According to the Office, a fiscal effect cannot be estimated.

The Kansas Board of Nursing reports that enactment of the bill would require communication and education regarding changes for those licensed with the Board, Board members, agency staff, and employers. The Board anticipates that the one-time costs would be under \$2,500 from agency fee funds. The Kansas State Board of Healing Arts states the bill could increase complaints and investigations, but the agency could handle the increase within existing resources. The Kansas Board of Pharmacy was unable to estimate a fiscal effect from the bill. The Kansas Department for Aging and Disabilities Services, Kansas Department for Children and Families, Secretary of State's Office, and Kansas Department of Labor state enactment of SB 437 would not have a fiscal effect on agency operations. Any fiscal effect associated with SB 437 is not reflected in *The FY 2023 Governor's Budget Report*.

The Kansas Association of Counties reports that enactment of the bill could affect the county workforces and could impact whether events or other entities book locations based on prohibitions in the bills. The fiscal effect could not be estimated. The League of Kansas Municipalities reported the bill would not have a fiscal effect on cities.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Dan Thimmesch, Health & Environment
Vicki Jacobsen, Judiciary
Dawn Palmberg, Department of Labor
Jill Simons, Board of Nursing
Susan Gile, Board of Healing Arts
Kim Holter, Children & Families
Jay Hall, Association of Counties
Wendi Stark, League of Municipalities
Leigh Keck, Aging & Disability Services
Sandy Tompkins, Office of the Secretary of State
Alexandra Blasi, Board of Pharmacy