

March 20, 2023

The Honorable Will Carpenter, Chairperson
House Committee on Federal and State Affairs
300 SW 10th Avenue, Room 346-S
Topeka, Kansas 66612

Dear Representative Carpenter:

SUBJECT: Fiscal Note for HB 2178 by Representatives Woodard, Meyer, and S. Ruiz

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2178 is respectfully submitted to your committee.

HB 2178 would add “sexual orientation or gender identity or expression or status as a veteran” to the classes protected under the Kansas Act Against Discrimination and supplemental acts. The term “sexual orientation” would be defined as actual, or perceived, male or female heterosexuality, homosexuality, or bisexuality by inclination, practice, or expression. The term “gender identity or expression” would be defined as the gender-related identity, appearance, mannerisms, or other gender-related characteristics of an individual, without regard to such individual’s designated sex at birth. The term “veteran” would be defined as a person who served in the active military and who was discharged or released with an honorable discharge.

Under current law, the Kansas Human Rights Commission (KHRC) accepts complaints of discrimination based on sex, which include sexual orientation, gender identity or expression as outlined in the bill. Specifically naming these groups in statute may raise awareness to the public that such cases may be filed with the agency. KHRC anticipates any additional complaints of sexual discrimination could be handled with existing staff.

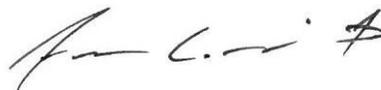
In addition, KHRC estimates 75 complaints would be filed for discrimination based on veteran status under the bill, which would exceed the yearly quota of 72 cases for an investigator. The agency has a work sharing contract with the federal Equal Employment Opportunity Commission (EEOC) to investigate complaints of discrimination filed under the jurisdiction of both commissions. The contract helps prevent duplication of effort in complaint investigations and the KHRC receives federal funds for reimbursement. Because veteran discrimination is not included under Federal anti-discrimination law administered by the EEOC, receipt, investigation

and resolutions of those complaints would not be eligible for reimbursement under the EEOC's work sharing contract. The KHRC anticipates it would need to hire 1.00 FTE Special Investigator II position to investigate additional cases filed alleging discrimination based on veteran status. The agency estimates it also would need \$57,327 from the State General Fund for salaries and wages for the position. The agency estimates an additional \$16,176 from the State General Fund in FY 2024 for operating expenditures, including \$2,936 for postage costs for requests for posters and other communication, \$1,500 for printing and advertising costs to print updated booklets reflecting changes in law, \$6,120 for professional fees to update internal database, \$2,425 for office supplies, and \$3,195 for equipment and furniture. In total, KHRC would require an additional appropriation totaling \$73,503 from the State General Fund in FY 2024 and would be considered ongoing costs.

The Kansas Judicial Branch indicates HB 2178 could increase the number of cases filed in the district courts because it extends the protected classes under the Kansas Act Against Discrimination. These provisions of the bill could increase time spent by district court judicial and nonjudicial personnel in processing, researching, and hearing cases. The enactment of the bill could result in the collection of docket fees in cases filed, which would be deposited into the State General Fund; however, the agency is unable to estimate a fiscal effect. Any fiscal effect associated with HB 2178 is not reflected in *The FY 2024 Governor's Budget Report*.

The Kansas Association of Counties indicates HB 2178 would not have a fiscal effect on counties unless discrimination under the bill's provision would occur at a disproportionate rate. The Kansas League of Municipalities indicates HB 2178 would not have a fiscal effect on cities.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Ruth Glover, Human Rights Commission
Vicki Jacobsen, Judiciary
Wendi Stark, League of Kansas Municipalities
Jay Hall, Kansas Association of Counties