

March 23, 2023

The Honorable Troy Waymaster, Chairperson  
House Committee on Appropriations  
300 SW 10th Avenue, Room 112-N  
Topeka, Kansas 66612

Dear Representative Waymaster:

**SUBJECT:** Fiscal Note for HB 2460 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2460 is respectfully submitted to your committee.

HB 2460 would prohibit postsecondary educational institutions from conditioning admission or educational aid to applicants, or employment decisions for faculty, upon their support of, or opposition to, statements regarding diversity, equity, inclusion, patriotism, or related topics. It would also require each institution to make publicly available on their website all training for students, faculty, and staff on all matters of nondiscrimination, diversity, equity, inclusion, race, ethnicity, sex, or bias.

The bill would create a cause of action for anyone whose rights were allegedly violated against postsecondary educational institutions and its agent in state or federal court for declaratory relief or injunction. If the court would find a violation of these provisions occurred, it would be required to award the prevailing plaintiff equitable remedies, damages and reasonable court costs and attorney fees. The Attorney General would be authorized to file suit to enjoin a prohibited action or policy. The institution could take disciplinary action against its agent responsible for the violation. In addition to court-imposed relief, the State Treasurer would be required to impose an administrative penalty of \$100,000 for each violation after notice and an opportunity for the institution to have a hearing under the Kansas Administrative Procedure Act.

The Office of Judicial Administration (OJA) indicates the passage of HB 2460 could increase Judicial Branch expenditures for additional time spent by judicial and nonjudicial personnel in processing, researching, and hearing cases because of an increase in the number of civil suits filed in district courts. The OJA indicates the bill could also increase the collection of docket fees in those cases filed under the provisions of the bill, which would be deposited in the State General Fund; however, a fiscal effect cannot be estimated.

The Office of the Attorney General (OAG) indicates HB 2460 could be challenged in state or federal court but it estimate the fiscal impact, which could span several levels of appeals over the course of multiple fiscal years.

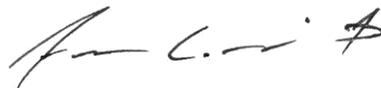
The Kansas Board of Regents indicates the passage HB 2460 would increase expenditures for state universities to publish additional items on the institution's website; however, the costs associated with these activities would be negligible and could be absorbed within current resources.

Emporia State University (ESU) indicates the vast majority of what would be required under this proposed legislation is already mandated by the United States Department of Education and that it follows those requirements. The university estimates it would incur one-time costs of approximately \$5,000 for 200 hours of staff time to convert all materials, which were originally developed in-house, to a format that meets inclusion standards to publish on its website. ESU indicates any on-going costs would depend on the extent to which any annual updates to the posted information would be needed.

Fort Hays State University (FHSU) indicates the enactment of HB 2460 would increase expenditures for costs associated with publishing information on its website; however, these costs would be negligible. FHSU estimates the bill could also increase costs associated with new legal liabilities, incentives, litigation, or legal proceedings but it is unable to estimate these costs. The League of Kansas Municipalities and Kansas Association of Counties indicates the enactment of HB 2460 would have no fiscal effect on local governments.

If fiscal effect information related to the enactment of HB 2460 is provided by Kansas State University, the University of Kansas, and the University of Kansas Medical Center, this fiscal note will be updated. Any fiscal effect associated with HB 2460 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,



Adam Proffitt  
Director of the Budget

cc: Vicki Jacobsen, Judiciary  
Becky Pottebaum, Board of Regents  
Jeff Dewitt, University of Kansas  
Werner Golling, Wichita State University  
Wesley Wintch, Fort Hays State University  
Douglas B. Ball, Pittsburg State University  
Diana Kuhlmann, Emporia State University  
John Milburn, Office of the Attorney General  
Jay Hall, Kansas Association of Counties  
Wendi Stark, League of Kansas Municipalities