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Laura Kelly, Governor

Adam C. Proffitt, Director

February 10, 2025

The Honorable Leo Delperdang, Chairperson House Committee on Energy, Utilities and Telecommunications 300 SW 10th Avenue, Room 582-N Topeka, Kansas 66612

Dear Representative Delperdang:

SUBJECT: Fiscal Note for HB 2107 by House Committee on Energy, Utilities and Telecommunications

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2107 is respectfully submitted to your committee.

HB 2107 would amend current law to establish utility civil liability parameters for fire damage events and training on wildfire risk and mitigation. The bill would define what constitutes a claim related to damage from a fire to property in a civil suit, provide limitations on the amount that a claim can recover for compensatory and punitive damages, and set a two-year limitation on claims from the date of the fire. In addition, HB 2107 would require the Kansas Corporation Commission to provide training opportunities to assess wildfire risk and mitigation on certain training topics.

Estimated State Fiscal Effect			
	FY 2025	FY 2026	FY 2027
Expenditures			
State General Fund			
Fee Fund(s)		\$200,000	\$100,000
Federal Fund			
Total Expenditures		\$200,000	\$100,000
Revenues			
State General Fund			
Fee Fund(s)			
Federal Fund			
Total Revenues			
FTE Positions			

The Kansas Corporation Commission indicates that enactment of the bill would increase expenditures from agency fee funds for consulting services estimated at \$200,000 for FY 2026 and \$100,000 for FY 2027 based on historical data. The Citizens' Utility Ratepayer Board indicates that enactment of the bill would not affect expenditures or revenues; however, any resulting utility costs would create additional workload in the form of new dockets to discuss recovery of those costs. The Office of Judicial Administration indicates that while enactment of the bill would not have a fiscal effect on revenues outside of docket fees deposited in the State General Fund, it anticipates an increase in cases filed in district courts because it creates a civil cause of action. This increase, in turn, would increase the time spent by district court judicial and nonjudicial personnel in processing, researching, and hearing cases. The Office states an accurate estimate of the fiscal effect on expenditures cannot be given. Any fiscal effect associated with HB 2107 is not reflected in *The FY 2026 Governor's Budget Report*.

Sincerely,

Adam C. Proffitt Director of the Budget

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cc: Lynn Retz, Kansas Corporation Commission Shonda Rabb, Citizens Utility Ratepayer Board Trisha Morrow, Judiciary