

February 20, 2025

The Honorable Susan Humphries, Chairperson  
House Committee on Judiciary  
300 SW 10th Avenue, Room 582-N  
Topeka, Kansas 66612

Dear Representative Humphries:

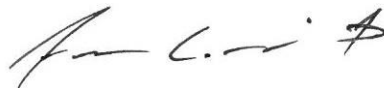
**SUBJECT:** Fiscal Note for HB 2351 by House Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2351 is respectfully submitted to your committee.

HB 2351 would specify that an agreement contained in an insurance contract, entered into or renewed after July 1, 2025, to submit to appraisal or arbitration any existing or subsequent controversy arising between the parties to the agreement. An exception would be made for those contracts between insurance companies, including reinsurance contracts, would not be valid, enforceable, or irrevocable, but would be regarded as an offer by the insurance company to enter into binding or nonbinding arbitration.

The Office of Judicial Administration states the bill's enactment would have a negligible fiscal effect on the operations of the Judicial Branch. The Kansas Department of Insurance states enactment of the bill would not have a fiscal effect on agency operations.

Sincerely,



Adam C. Proffitt  
Director of the Budget

cc: Trisha Morrow, Judiciary  
Kyle Strathman, Insurance Department