

SESSION OF 2025

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2107

As Amended by Senate Committee of the Whole

Brief*

HB 2107, as amended, would establish a two-year statute of limitations for wildfire-related claims against an electric public utility, authorize the recovery of certain damages, limit the recovery of punitive damages, require the Kansas Corporation Commission (KCC) to convene a workshop on wildfire risks and utility mitigation efforts, and authorize the KCC to open a general investigation or convene additional workshops to further assess wildfire risk and mitigation.

Definitions

The bill would define “fire event” to mean an uncontrolled or unplanned fire in the state alleged to have been caused by an electric public utility.

The bill would define “fire claim” to mean any claim, whether based on negligence, nuisance, trespass, or any other claim for relief, brought by a person against an electric public utility in a civil action to recover for damages resulting from a fire event.

Statute of Limitations

The bill would establish a two-year statute of limitations on fire claims, beginning on the date of the damage from the fire event. The bill would establish, if the fact of injury is not

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <https://klrd.gov/>

reasonably ascertainable until some time after the initial act, then the period of limitation would not commence until the fact of injury becomes reasonably ascertainable to the injured party, except that in no event would an action be commenced more than ten years beyond the fire event.

Recovery of Damages

The bill would establish the burden of proof for fire claims to require a preponderance of evidence. [*Note: A preponderance of evidence is the standard burden of proof used in negligence cases.*] A plaintiff would be permitted to recover economic and non-economic damages to compensate for any such loss.

The bill would limit punitive damages awarded under a fire claim to not exceed \$5.0 million.

Kansas Corporation Commission

The bill would also require the KCC to convene a workshop to assess wildfire risk and mitigation on or before July 31, 2026. The workshop would be required to provide a forum for the presentation and discussion of the following information:

- General wildfire risks in Kansas;
- Utility readiness to mitigate wildfire risks;
- Risk mitigation strategies and approaches; and
- Cost recovery treatment for wildfire mitigation costs, including investments and expenses.

The bill would authorize the KCC to open a general investigation or convene additional workshops to further assess utility wildfire risk and mitigation, if determined to be necessary.

Background

The bill was introduced by the House Committee on Energy, Utilities and Telecommunications, at the request of a representative of Evergy.

House Committee on Energy, Utilities and Telecommunications

In the House Committee hearing, representatives of Evergy and the Kansas Chamber provided **proponent** testimony. The proponents generally stated the bill would codify existing negligence standards and contribute to a more predictable legal climate.

Written-only proponent testimony was provided representatives of Kansas Electric Cooperatives, Inc., and Midwest Energy.

Opponent testimony was provided by representatives of the Kansas Farm Bureau (KFB) and Kansas Livestock Association (KLA). The opponents recommended the bill's limit on awarded damages be raised or removed.

Neutral testimony was provided by a representative of Kansans for Lower Electric Rates. The neutral conferee recommended an amendment to protect utility customers from financial responsibility for fire claims.

Written-only neutral testimony was provided by a representative of the KCC.

No other testimony was provided.

The House Committee amended the bill to:

- Change the statute of limitations to begin on the date of the damage from the fire event;

- Remove the formula for calculating the award damages;
- Change the required KCC trainings to a workshop; and
- Make technical changes.

Senate Committee on Utilities

In the Senate Committee hearing, representatives of Evergy and the Kansas Chamber provided **proponent** testimony that was substantially similar to the testimony provided to the House Committee.

Written-only proponent testimony was provided by representatives of Kansas Electric Cooperatives, Inc., and Midwest Energy.

Written-only neutral testimony was provided by representatives of the KCC, KFB, and KLA.

No other testimony was provided.

The Senate Committee amended the bill to:

- Allow a plaintiff with a fire claim to recover non-economic damages compensation;
- Authorize the KCC to open a general investigation or convene additional workshops to further assess utility wildfire risk and mitigation, if determined to be necessary; and
- Make technical changes.

Senate Committee of the Whole

The Senate Committee of the Whole amended the bill to establish that the period of limitation for filing a claim based on an injury would not commence until the injury is reasonably ascertainable but could not commence more than ten years after the fire event.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the KCC 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 indicated 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 non-judicial personnel in processing, researching, and hearing cases. The Office stated an accurate estimate of the fiscal effect on expenditures cannot be given.

Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2026 Governor's Budget Report*.

Utilities; Kansas Corporation Commission; wildfire; civil liability; damages