

March 4, 2013

The Honorable Marvin Kleeb, Chairperson  
House Committee on Commerce, Labor and Economic Development  
Statehouse, Room 286-N  
Topeka, Kansas 66612

Dear Representative Kleeb:

**SUBJECT:** Fiscal Note for HB 2123 by House Committee on Commerce, Labor and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2123 is respectfully submitted to your committee.

HB 2123 creates the Public Employees Freedom Act and declares that it is the policy of this state that an employer and employee should be free to contract on their own terms; that mandatory collective bargaining laws violate this freedom; and that it is against the public policy of this state to impose mandatory collective bargaining laws on public employees and the organizations that represent such employees in the collective bargaining process.

Under the bill, public employees would have the right to represent themselves in their relations with their public employer. No provision of any agreement between an employee organization and a public employer, or any other public policy, will impose representation by an employee organization on any public employee who is not a member of the organization. No dues, fees, assessments or any other automatic payroll deductions by public employers from public employee payroll compensation would be allowed for sending to any public employee organization, any intermediary or private individual, other than for primary and supplemental pension plans, life, health and other employee benefits, or contributions made to charitable organizations through a workplace giving program.

The bill would prohibit any person or employee organization to compel or attempt to compel an employee or prospective employee to join, affiliate or financially support an employee organization. The Attorney General is charged by the bill with enforcement of the bill's requirements through investigation and prosecution. The bill contains a severability clause. In the event any provision is held invalid, the other provisions would remain in effect.

According to the Department of Labor, any changes required by HB 2123 would be implemented within existing agency resources. The Attorney General indicates the bill, if enacted, could be challenged in court, requiring defense by its current staff with the assistance of

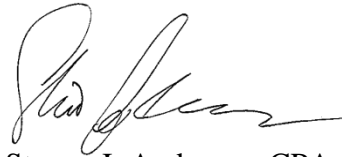
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the state Solicitor General. There would also be ongoing prosecutor and staff time and resources needed for prosecutions under the bill. No precise fiscal effect can be estimated, however. The Department of Administration indicates that enactment of HB 2123 would have no fiscal effect on state agencies. Any fiscal effect associated with HB 2123 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Dawn Palmberg, KDOL  
Pam Fink, DofA  
Willie Prescott, Attorney General's Office