

March 31, 2014

The Honorable Lance Kinzer, Chairperson
House Committee on Judiciary
Statehouse, Room 165-W
Topeka, Kansas 66612

Dear Representative Kinzer:

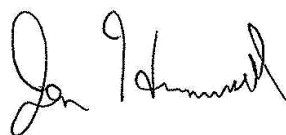
SUBJECT: Fiscal Note for HB 2676 by House Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2676 is respectfully submitted to your committee.

HB 2676 would amend the Commercial Real Estate Broker Lien Act. The bill clarifies the circumstances when a broker can obtain a lien on commercial real estate. The bill would allow a lien on commercial real estate when there is a written agreement between the broker and the owner, buyer, lessee, or the agent of the owner, buyer, or lessee. The written agreement with the broker could be with an individual or an entity. The bill would require the lien to be recorded within the term of the lease or sublease on the property. The bill would clarify when a commercial property lien must be filed by a broker for additional compensation owed as the result of the exercise of an option to expand the leased premises, the renewal or extension of the lease, the purchase of the property, or other transactions under a written agreement.

The Kansas Real Estate Commission indicates HB 2676 would have no fiscal effect on its operations. The Commission indicates that it rarely receives complaints regarding commercial liens and does not anticipate any additional complaints as a result of this legislation.

Sincerely,



Jon Hummell,
Interim Director of the Budget

cc: Sherry Diel, Real Estate Commission
Melissa Wangemann, KAC