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Sam Brownback, Governor

Jon Hummell, Interim Director

February 3, 2014

The Honorable Jeff King, Chairperson Senate Committee on Judiciary Statehouse, Room 341-E Topeka, Kansas 66612

Dear Senator King:

SUBJECT: Fiscal Note for SB 288 by Senate Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning SB 288 is respectfully submitted to your committee.

Current law allows the Kansas Supreme Court to impose a charge of \$12.50 per docket fee on certain motions made according to the Kansas Code of Civil Procedure and the Kansas Code of Civil Procedure for Limited Actions. Effective July 1, 2014, through July 1, 2015, SB 288 would allow collection agencies under contract with the Attorney General and those under contract with the chief judge of a judicial district to request a hearing in aid of execution without being required to pay docket fees or the \$12.50 surcharge. The docket fee would also be waived for those contractors that file a judgment of restitution. In addition to existing authority to utilize collection services, the bill would allow chief judges to contract with collection attorneys, and would establish the process for contracting with collection attorneys which would run parallel to the existing collections system and mirror many of its provisions.

The Office of Judicial Administration (OJA) indicates that the provisions in SB 288 which allow chief judges to enter contracts with licensed attorneys would increase administrative costs. The OJA also indicates that allowing contracting attorneys to file for hearings without paying a surcharge or docket fees would cause them to more aggressively pursue debt collection cases, thereby increasing judicial and nonjudicial personnel costs to process and hear those cases. In addition, the OJA indicates that while waiving the surcharge and docket fees for collection agents who pursue debts could have a fiscal effect on revenues, absent the ability to waive these fees, debts may otherwise be uncollectable. In any case, until the courts have an opportunity to operate with the provisions of SB 288 in place, an accurate estimate of the fiscal effect on the Judicial Branch cannot be given.

Sincerely

Jon Hummell,

Interim Director of the Budget