

February 8, 2016

The Honorable Steve Huebert, Chairperson
House Committee on Local Government
Statehouse, Room 149-S
Topeka, Kansas 66612

Dear Representative Huebert:

SUBJECT: Fiscal Note for HB 2557 by House Committee on Local Government

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2557 is respectfully submitted to your committee.

HB 2557 would permit a consumer who is the purchaser, lessee or recipient of a unit in a common interest community to file a complaint with the Division of Consumer Protection in the Office of the Attorney General if the consumer believes that the board of directors or the property manager of the common interest community has violated the rights of the consumer under the Kansas Uniform Common Interest Owners Bill of Rights Act. The bill would add certain limitations on board members' powers. The bill would also add certain powers for unit owners.

Estimated State Fiscal Effect				
	FY 2016 SGF	FY 2016 All Funds	FY 2017 SGF	FY 2017 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$133,089	\$133,089
FTE Pos.	--	--	--	2.00

The Office of the Attorney General estimates passage of HB 2557 would require additional expenditures of \$133,089 from the State General Fund in FY 2017. Of this amount, \$103,550 would be for the salaries and wages costs of 1.00 Assistant Attorney General FTE position (\$84,157) and 1.00 Investigator FTE position (\$19,393). The remaining \$29,539 would be for associated operating expenses including \$9,700 for office rent, \$2,500 for office furniture, \$5,880 for travel, \$7,834 for IT purchases and services, \$525 for professional licensing and publications, \$2,500 for training, and \$600 for office supplies.

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The Office notes that it may be able to recover investigative fees and civil penalties permissible under the Consumer Protection Act. However, the precise dollar effect on revenues is unknown because the number of cases that may occur as a result of the bill is difficult to estimate with any certainty. Any fiscal effect associated with HB 2557 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Willie Prescott, Attorney General's Office