

March 2, 2016

The Honorable John Barker, Chairperson
House Committee on Judiciary
Statehouse, Room 519-N
Topeka, Kansas 66612

Dear Representative Barker:

SUBJECT: Fiscal Note for HB 2689 by House Committee on Agriculture and Natural Resources

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2689 is respectfully submitted to your committee.

HB 2689 would prohibit a debt collector from contacting a person if the debt collector has mistakenly identified the person or the person does not owe the debt. Any violation of the provisions of the bill would be an unconscionable act or practice under the Kansas Consumer Protection Act.

The Office of the Attorney General indicates that it would incur additional expenses related to the enforcement of the bill's provisions; however, the precise amount is difficult to predict. The expenditures would likely be offset by civil penalties or investigative fees.

If the bill is enacted into law and the law is challenged, the Office would be required to defend it. The agency anticipates that any ruling at the state or federal level would likely be appealed. Depending on the jurisdiction and appellate process, it is possible that a challenge to the new law would require substantial in-house attorney time or \$150,000 to \$250,000 in fees if outside counsel is used. Any fiscal effect associated with HB 2689 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,
Director of the Budget