

March 14, 2022

The Honorable Robert Olson, Chairperson
Senate Committee on Federal and State Affairs
Statehouse, Room 144-S
Topeka, Kansas 66612

Dear Senator Olson:

SUBJECT: Fiscal Note for SB 547 by Senate Committee on Federal and State Affairs

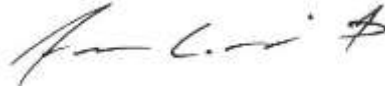
In accordance with KSA 75-3715a, the following fiscal note concerning SB 547 is respectfully submitted to your committee.

SB 547 would exempt broadcast satellite service providers and streaming services from audits of video service providers in certain circumstances and would limit the fees of those providers. For disputes between a municipality and video service provider concerning the amount of fees paid by a provider, a municipality could sue for the amount due, or the video service provider could sue for refund of an overpayment. These actions would have to be brought in a court of competent jurisdiction within three years after the end of the quarter to which the disputed amount relates unless the parties have a written agreement to extend the three-year limit.

The Office of Judicial Administration indicates that SB 547 could increase the number of cases filed in district courts because it allows for lawsuits to be filed. This would increase the time spent by district court judicial and nonjudicial personnel in processing, researching, and hearing cases. The bill could also result in the collection of additional docket fees. Nevertheless, until the courts have had an opportunity to operate under the provisions of the bill, an accurate estimate of the fiscal effect on expenditures and revenue for the Judicial Branch cannot be given. Any fiscal effect associated with SB 547 is not reflected in *The FY 2023 Governor's Budget Report*.

The Kansas Association of Counties and the League of Kansas Municipalities state that SB 547 would cap the costs for video service provider fees at 5.0 percent of gross revenues which could affect city and county revenues, but the fiscal effect is unknown.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt
Director of the Budget

cc: Vicki Jacobsen, Judiciary
Wendi Stark, League of Municipalities
Jay Hall, Association of Counties