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Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

January 30, 2015

The Honorable John Barker, Chairperson House Committee on Judiciary Statehouse, Room 149-S Topeka, Kansas 66612

Dear Representative Barker:

SUBJECT: Fiscal Note for HB 2101 by House Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2101 is respectfully submitted to your committee.

HB 2101 states that a provision in a trust agreement requiring the mediation or arbitration of disputes between or among beneficiaries, a fiduciary, or a person granted nonfiduciary powers is enforceable. However, a provision in a trust agreement requiring the mediation or arbitration of a dispute relating to the validity of a trust is not enforceable unless the interested parties consent to mediation or arbitration of the dispute.

The Office of Judicial Administration states that HB 2102 could have a fiscal effect on the Judiciary. In those trust cases in which mediation and arbitration would occur, judges could spend less time hearing and determining those issues that are the subject of the mediation or arbitration. It is not known how many cases the bill would apply to; therefore, an accurate estimate of the fiscal effect cannot be determined. Any fiscal effect associated with HB 2101 is not reflected in *The FY 2016 Governor's Budget Report*.

Sincerely,

Shawn Sullivan,

Director of the Budget

cc: Mary Rinehart, Judiciary