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Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

January 21, 2015

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

Dear Senator King:

SUBJECT: Fiscal Note for SB 16 by Senate Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning SB 16 is respectfully submitted to your committee.

Current law states that when a judgment is rendered against an insurance company on any policy written to insure property in this state against loss by fire, tornado, lightning, or hail the court shall allow attorney fees. SB 16 would narrow the scope to apply to judgments in cases involving first-party policy claims for damage to real property or contents of real property caused by loss from fire, tornado, lightning, or hail.

The Office of Judicial Administration states that it is unlikely that SB 16 would have a fiscal effect. However, it is possible that the provisions of this bill could create some issues to be determined by the district or appellate courts. For that reason, until the courts have had an opportunity to operate under the provisions of SB 16, an accurate estimate of the fiscal effect on the Judicial Branch cannot be given.

Sincerely,

Shawn Sullivan,

Director of the Budget

cc: Mary Rinehart, Judiciary Glenda Haverkamp, Insurance