

Greater Kansas City Chamber of Commerce Support for SB199, Placing Caps on Appeal Bonds Senate Committee on Judiciary January 18, 2018

The Greater Kansas City Chamber of Commerce, serving as one of the leading voices for business in the Kansas City area, strongly urges this Senate Committee and the Kansas Legislature to pass SB199 which will help protect businesses from potential bankruptcy in a high-stakes case by placing caps on appeal bonds. We urge the Kansas legislature to follow the lead of 34 other states which already have a general cap or no bonding requirement during appeal.

SB199 proposes a cap of \$25 million for most businesses and \$1 million for small business which is defined as not more than 50 full-time employees and less than \$50 million in annual revenue. This bill still allows judges to protect plaintiffs by removing such caps if the defendant is identified as a "bad actor." This bill provides important protections for small businesses during the appeals process by capping an appeal bond at \$1 million.

The Greater Kansas City Chamber of Commerce believes all businesses should have the right to appeal rulings that they believe are in error. However, under current law, the lack of a cap for appeal bonds can make the appeals process financially prohibitive. Senate Bill 199, by instituting a cap on appeal bonds, would ensure the right and ability to appeal is protected for all businesses.

The Greater Kansas City Chamber of Commerce thanks you for the opportunity to provide this testimony in support of Senate Bill 199 and urges the committee to pass this legislation on to the full Senate.

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