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Laura Kelly, Governor

Larry L. Campbell, Director

February 17, 2019

The Honorable Susan Concannon, Chairperson House Committee on Children and Seniors Statehouse, Room 149-S Topeka, Kansas 66612

Dear Representative Concannon:

SUBJECT: Fiscal Note for HB 2228 by House Committee on Children and Seniors

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2228 is respectfully submitted to your committee.

HB 2228 would allow the issuance of a fine by the Kansas Department of Health and Environment (KDHE) against any person operating a child care facility without the required license. Prior to the fine being levied, KDHE would need to provide written notice and then determine that the child care facility continued to operate. Upon that determination, KDHE would fine the child care facility an amount not to exceed \$1,000 for each violation. In the case of a continued violation, each day that the previously notified violation continues would be a separate violation.

KDHE indicates that enactment of HB 2228 would not have a fiscal effect on expenditures, but would provide additional revenue. Based upon cases in FY 2018, the agency estimates there would be 70 substantiated illegal care cases. If the maximum fine of \$1,000 would be levied, then the agency would receive \$70,000 in additional revenue. The Office of Judicial Administration indicates that the bill has the potential for increasing litigation in the courts because of the new violation created by the bill. If it does, the Office of Judicial Administration indicates that there would be a fiscal effect on the operations of the court system. However, it is not possible to predict the number of additional court cases that would arise or how complex and time-consuming they would be. Therefore, a precise fiscal effect cannot be determined. Any fiscal effect associated with HB 2228 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

Larry L. Campbell
Director of the Budget

cc: Janie Harris, Judiciary
Dan Thimmesch, Health & Environment