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Laura Kelly, Governor

March 24, 2021

The Honorable Adam Smith, Chairperson House Committee on Taxation Statehouse, Room 185A-N Topeka, Kansas 66612

Dear Representative Smith:

SUBJECT: Fiscal Note for HB 2441 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2441 is respectfully submitted to your committee.

In current law regarding the Kansas Emergency Management Act, HB 2441 would clarify that any award of compensation when private property is used or commandeered during an emergency disaster declaration would be paid by the governmental organization that ordered the use of the property. Any award would be limited to the actual cost of the use, as determined by a board of appraisers, and would not include loss of present or future profits, opportunity cost, or other extraordinary damages.

Because current law does not exclude loss of present or future profits, opportunity cost, or other extraordinary damages from use of private property when used or commandeered by governmental organizations, the enactment of HB 2441 could reduce potential financial awards to individuals from legal actions; however, a fiscal effect cannot be estimated. Any fiscal effect associated with HB 2441 is not reflected in *The FY 2022 Governor's Budget Report*.

Adam Proffitt

Director of the Budget