

**KANSAS CREDIT ATTORNEY ASSOCIATION**

**SENATE BILL NO. 75**

**HOUSE COMMITTEE ON JUDICIARY**

**March 14, 2023**

*WRITTEN TESTIMONY ONLY*

*Chairman Patton and Members of the House Committee on Judiciary:*

I appreciate the opportunity to present remarks to you on behalf of the Kansas Credit Attorney Association.

Senate Bill No. 75, as amended and presented in the House, provides pre-judgment interest to involuntary creditors who have prevailed on their claims in court. Our members tentatively support that amended version.

The bill sponsor worked with our Association to help protect Kansas businesses of all sizes that have found themselves involuntary creditors due to bad checks, unpaid invoices, or poorly drafted contracts.

While we favor the amended version of Senate Bill No. 75 as presented to the House over the original version, we do still have concerns about the need of any changes to K.S.A. 16-201 at all.

- As noted in Senate Judiciary hearing testimony, it is not at all clear that pre-judgment interest is a regular part of court awarded judgment in the types of claims the bill sponsors are targeting – civil tort litigants (e.g. medical malpractice, product liability). If the bill, as amended, effectively creates no change at all, then it should not advance.
- Further, we note that the only individuals who may claim a pre-judgment interest award under K.S.A. 16-201 are those who have prevailed on their claim at court. These individuals would have been awarded pre-judgment interest by a court under the same involuntary and unwilling creditor theory as supports the award in non-tort claims.

If any version of Senate Bill No. 75 is to move forward, we support the amended version which continues protections of K.S.A. 16-201 for Kansas businesses. Nevertheless, there are enough unanswered questions about the need for and impact of the bill which leave us in opposition.

Thank you for your consideration.

Larry Zimmerman  
Legislative Chairperson  
Kansas Credit Attorneys Association