

KANSAS CREDIT ATTORNEY ASSOCIATION

SENATE BILL NO. 75

SENATE COMMITTEE ON JUDICIARY

February 2, 2032

Chairwoman Warren and Members of the Senate Committee on Judiciary:

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

Senate Bill No. 75, as drafted, lowers pre-judgment interest rate. Our members are opposed to the bill as drafted.

Kansas businesses of all sizes very often find themselves as unwilling creditors. Bad checks, unpaid invoices, and poorly drafted contracts turn most businesses into creditors needing to recover their losses. The interest rate provided for in K.S.A. 16-201 helps ensure that businesses can recover some part of the costs in becoming an unexpected creditor. Reducing that rate simply means these “accidental creditors” will be further away from being made whole.

We have communicated with the bill sponsors our concerns relating to the unintended impact to our business clients. They have arrived at a proposal (creation of a subsection b) that if adopted will resolved our opposition to the bill as drafted.

Thank you for your consideration.

Larry Zimmerman
Legislative Chairperson
Kansas Credit Attorneys Association