

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Julia Lynn at 8:30 am on Tuesday, February 02, 2016, 548-S of the Capitol.

All members were present

Committee staff present:

Debbie Bartuccio, Kansas Legislative Committee Assistant  
Reed Holwegner, Legislative Research Department  
Edward Penner, Legislative Research Department  
Chuck Reimer, Office of Revisor of Statutes

Conferees appearing before the Committee:

Whitney Damron, on behalf of the City of Topeka  
Representative Stan Frownfelter  
Senator Mitch Holmes  
Mayor Larry Wolgast, on behalf of the City of Topeka and the League of Kansas  
Municipalities  
Mike Taylor, Public Relations Director, Unified Government Public Relations

Others in attendance:

[See Attached List](#)

**Hearing on: SB338 — Rehabilitation of abandoned property by cities.**

Chairperson Lynn opened the hearing on **SB 338** and requested Reed Holwegner, Kansas Legislative Research, to provide an overview of the bill.

Mr. Holwegner addressed questions from Senator Olson concerning property going through a bankruptcy proceeding and nonprofit organizations involved in the rehabilitation of abandoned property.

Senator Faust-Goudeau, referring to recommendations from the 2015 Subcommittee Report on this subject, expressed concern that proper notice be sent to property owners concerning the status of their property. Mr. Holwegner distributed copies of the Subcommittee Report on **SB 84 - Rehabilitation of Abandoned Property** to Committee members. ([Attachment 1](#))

Chairperson Lynn recognized the following conferees:

Whitney Damron, on behalf of the City of Topeka, provided testimony in support of the bill.  
([Attachment 2](#))

## CONTINUATION SHEET

MINUTES of the Committee on Commerce at 8:30 am on Tuesday, February 02, 2016 in Room 548-S of the Capitol.

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Senator Melcher inquired if someone had a piece of property and walked away from it, what would be the minimum length of time for the process in this legislation to complete. Mr. Damron said, in his opinion, the minimum amount of time would be 18 months.

Senator Baumgardner asked what happens to the time frame if a minimum payment is made on the property tax. Mr. Damron said he could not answer the question definitively and would need to research the question before providing a response to the Committee.

Senator Faust-Goudeau said she was now supportive of the bill after reviewing the changes that have been made to the bill.

Senator Denning questioned what would occur if a property owner showed up after the property had been assigned to a nonprofit organization and funds had been spent to rehabilitate the property. Mr. Damron responded the district court would have the authority to order the property owner to pay for the work that had been completed. There was discussion about the time involved with foreclosures of property. Mr. Damron said the foreclosure process may need to be reevaluated, but it was determined not to include foreclosure procedures in this bill.

Senator Holland asked if any of the counties had reached out concerning platted properties. Mr. Damron responded it was decided to limit the bill to properties in cities.

Representative Stan Frownfelter provided testimony in support of the bill. ([Attachment 3](#))

Senator Mitch Holmes provided testimony in support of the bill. ([Attachment 4](#)) His testimony included recommendations for amendments to the bill.

Mayor Larry Wolgast, on behalf of the City of Topeka and the League of Kansas Municipalities, provided testimony in support of the bill. ([Attachment 5](#))

Chairperson Lynn asked Mayor Wolgast if he believed the four year sunset was enough time to determine if the process is working. He responded affirmatively, and he viewed the legislation as a tool which could be adjusted if needed.

Mike Taylor, Public Relations Director, Unified Government Public Relations, provided testimony in support of the bill. ([Attachment 6](#))

Chairperson Lynn inquired as to any cost information Mr. Taylor could share concerning the demolition of these homes. He replied the cost of demolition can range from \$5,000 to \$20,000 per home, and the last tally he had for the Kansas City, Kansas area showed 7,000 homes to be demolished.

Written only testimony in support of the bill was provided by:

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Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

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- Luke Bell, General Counsel and Vice President of Governmental Affairs, Kansas Association of Realtors ([Attachment 7](#))

- Councilwoman Lavonta Williams, Wichita City Council (District I) ([Attachment 8](#))

Written only testimony in opposition to the bill was provided by:

- John Todd, Private Citizen, Wichita, Kansas ([Attachment 9](#))

- James Howell, Chairman, Board of County Commissioners, Sedgwick County, Kansas ([Attachment 10](#))

Written only testimony neutral to the bill was submitted by:

- Ed Jaskinia, President, The Associated Landlords of Kansas ([Attachment 11](#))

At the conclusion of the question and answer session, Chairperson Lynn closed the hearing on **SB 338**.

Chairperson Lynn adjourned the meeting at 9:29 a.m. The next meeting is scheduled for February 3, 2016.