

Approved: Jan 23, 1995
Date

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION.

The meeting was called to order by Chairperson Audrey Langworthy at 11:00 a.m. on January 20, 1995 in Room 519--S of the Capitol.

Members present: Senator Langworthy, Senator Corbin, Senator Martin, Senator Bond, Senator Clark, Senator Hardenburger, Senator Lee, Senator Sallee and Senator Wisdom.

Committee staff present: Tom Severn, Legislative Research Department
Chris Courtwright, Legislative Research Department
Don Hayward, Revisor of Statutes
Elizabeth Carlson, Secretary to the Committee

Conferees appearing before the committee: Senator Bill Wisdom
Jeff Fendorf, Assistant Wyandotte County Counselor
Mike Uzelac, Constituent
Chris McKenzie, League of Kansas Municipalities

Others attending: See attached list

APPROVAL OF MINUTES

Senator Bond made a motion to approve the minutes of January 17 and January 18, 1995. The motion was seconded by Senator Wisdom. The motion carried.

Senator Langworthy called the attention of the committee to a handout from Richard Rodewald, Taxpayers Lobbyist, "Outline for Successful Property Tax Appeal Procedure."

SB 51--CONDITIONS OF REAL ESTATE DELINQUENT TAX SALES

Tom Severn, Legislative Research Department, presented a flow chart on how delinquent property gets sold for taxes. (Attachment 1)

Senator Wisdom, who requested the introduction of **SB 51** explained the concept which is to preserve neighborhoods and to maintain the valuation of delinquent property after it is purchased. He called attention to page 1, line 35-39 which are stricken in the bill. New Section 2 gives the purchaser 6 months to bring the property up to code which would then maintain the value of the property. New Section 3 provides that no register of deeds shall record or transfer real estate unless a copy of a receipt from the county treasurer states all real estate taxes and special assessments are paid.

Questions from the committee concerned the removal of the amount of \$10,000 and also if this bill was necessary for the entire state. It was felt this was just another mandate to the counties and cities. Senator Wisdom said maybe the rural parts of the state did not have the problem that Wyandotte County has.

Jeff Fendorf, Assistant Wyandotte County Counselor, said he understands the concerns in this bill and he wished all the property in Wyandotte County could be brought up to code; however, the county has no control over this. He said they have several thousand delinquent buildings. He also said Wyandotte County is not in the business of rehabilitating property and it costs thousands of dollars to demolish a building; commercial buildings could cost as much as \$100 thousand. If the Register of Deeds is prevented from accepting a deed, there is no way that the County has of knowing that someone is interested in the property. He said he is appearing as an opponent to the bill.

Senator Sallee said he objected to the mandate that covers the entire state. **SB 51** should be mandated for Wyandotte County only. He also stated that counties and cities should be able to some of this under home rule.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION, Room 519-S
Statehouse, at 11:00 a.m. on January 20, 1995.

Mike Uzelac, Constituent, told of a neighbor who owed \$28 thousand property tax. He transferred the property to someone else and the taxes still have not been paid. He said you can't have people buying properties and not bring them up to code. It's not fair to the neighbors nor to the tenants. He felt this bill would force everyone in Wyandotte to be a citizen. There will be problems down the road for everyone if this is not done.

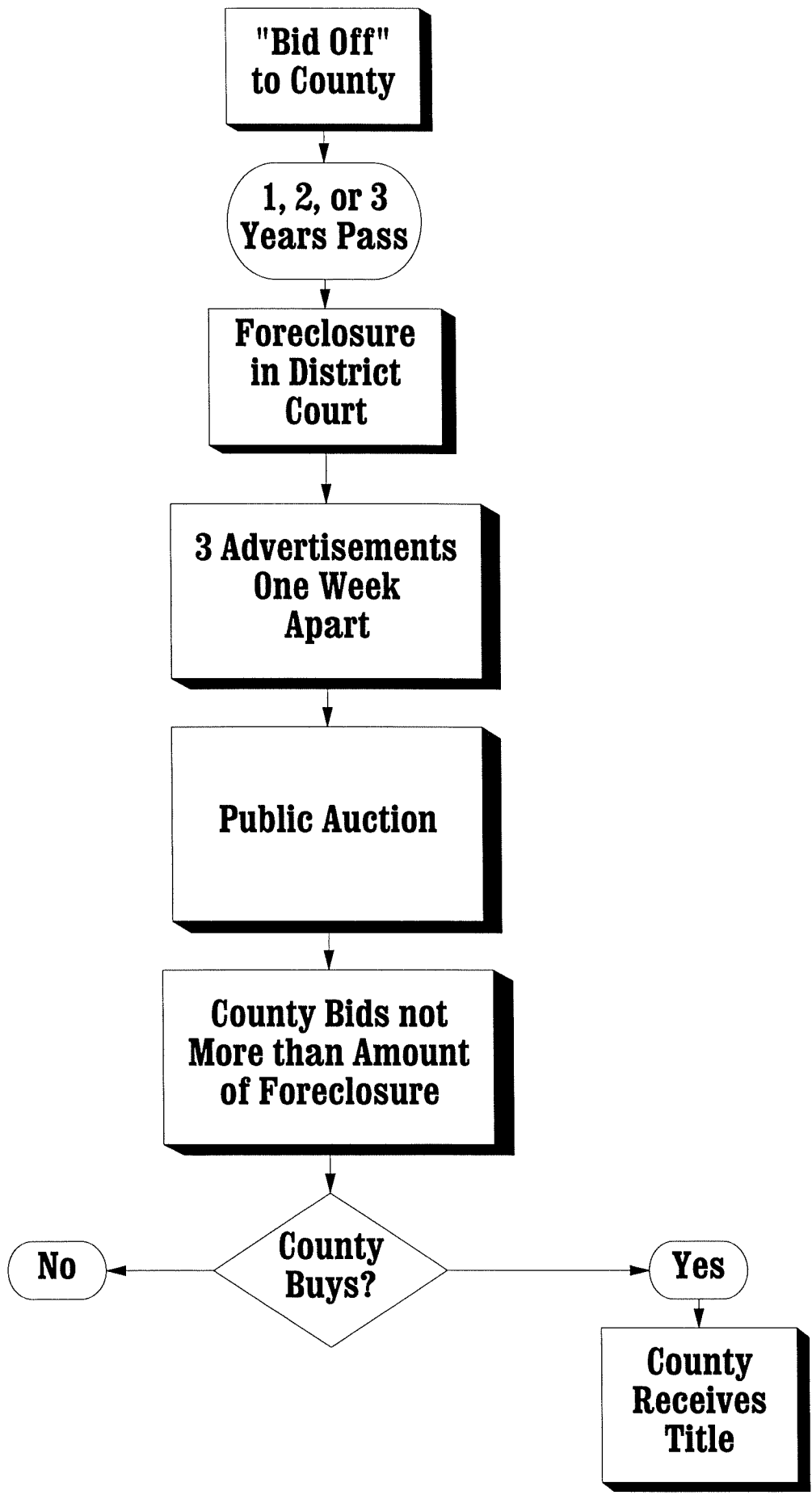
Chris McKenzie, League of Kansas Municipalities, said this is not only a problem in Wyandotte County, it is also a problem in other counties in Kansas. The procedures for foreclosure need to be streamlined. Mr. McKenzie said he would be happy to work with Senator Wisdom on what could be done to bring property up to code and to recover its cost. This would be a step in the right direction. The neighborhoods are having the problems and there are some things which could be done to make the foreclosure system work better.

Senator Wisdom said he appreciated the hearing being held on **SB 51** and if this can be worked out together, maybe a solution can be found.

Senator Langworthy said she would be happy to hold another hearing if changes can be made.

The meeting adjourned at 11:35 a.m.

The next meeting is scheduled for January 23, 1995.



*Senate Cases & Log
Jan 20, 1995
attach 1-1*