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February 10, 2016

The Honorable Marvin KleeB, Chairman
House Tax Committee
Capitol Building, Room 582-N
Topeka, KS 66612

Re: H.B. 2477 - Testimony in Support

Dear Chairman KleeB and Members of the Committee:

My client, the Board of Riley County Commissioners, unanimously supports H.B. 2477.

Like my client's companion proposal, H.B. 2476, the purpose of H.B. 2477 is to speed every county's ability to collect delinquent real property taxes. Just as with Riley County's other bill, H.B. 2477 does so without modifying any part of the existing real property tax foreclosure statutes. As my client's written testimony reminded this committee today, registration of a motor vehicle is a privilege, not a right. My client believes everyone ought to keep their real property taxes current. In order to tell you how our proposed legislation promotes that, I once again want to talk a bit about tax foreclosure in Riley County. But this time I want to tell you a little about our 2013 tax foreclosure case.

The 2013 Riley County tax foreclosure action began by identifying 471 properties eligible to be foreclosed. Those parcels carried property tax delinquencies as old as tax year 2009. This time the amount of delinquencies totaled \$2,002,427.73. The usual letter was sent to property owners, warning that a tax sale would be held if the delinquencies weren't paid. That letter generated receipts of \$1,057,799.47, almost 53% of the total amount delinquent.

I submit the most important lesson which can be drawn from the 2013 Riley County tax sale is the same I described in testimony on Riley County's companion bill. It is clear that a significant percentage of those with delinquent real property taxes owed can and will pay those delinquencies without the actual filing of a tax foreclosure lawsuit. But it is also obvious those same delinquent taxpayers will wait years to do so, unless properly motivated. H.B. 2476 provides that motivation, and it does so in a fair manner.

H.B. 2477 is fair, first, because its provisions do not become effective until January 1, 2018. That will give counties ample time to educate the public about this change of law. That will provide delinquent taxpayers the opportunity to make plans to satisfy their property tax delinquencies before the statute's

effective date. H.B. 2477 is also fair because it exempts homestead property from its terms. No one delinquent only on their primary residence will be subject to this legislation's terms. Finally, H.B. 2477 is fair because any delinquent taxpayer who owns a fleet of vehicles will not be prevented from registering one vehicle for their personal use.

Thank you for allowing me to testify on behalf of my client in support of H.B. 2477.

Sincerely,

A handwritten signature in cursive script that reads "Clancy Holeman".

Clancy Holeman
Riley County Counselor

cc: Ben Wilson, Chairman
Robert L. Boyd Jr., Vice Chair
Ronald E. Wells, Member