

March 17, 2022

The Honorable Elaine Bowers, Chairperson
Senate Committee on Transparency and Ethics
Statehouse, Room 142-S
Topeka, Kansas 66612

Dear Senator Bowers:

SUBJECT: Fiscal Note for SB 552 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 552 is respectfully submitted to your committee.

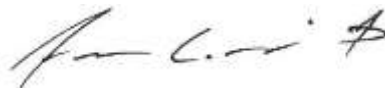
SB 552 would authorize the State Treasurer to establish and maintain a registry of information received from counties relating to real property that has been foreclosed due to delinquent payment of property taxes. The information would be maintained for the purpose of providing the information to the public regarding the potential availability of the property for acquisition. Counties may report information relating to any parcel of real property to the State Treasurer at any time that the property has been foreclosed. The report would include an offer instruction sheet and any other information required by the State Treasurer. When any real property reported to the State Treasurer has been sold, the county that initially reported the property would submit a subsequent report advising the State Treasurer that the property can be removed from the registry. Reports would be submitted in the form and manner as prescribed by the State Treasurer.

If established, the registry would be accessible to the general public through a website maintained by the State Treasurer with a direct link to the website on the State Treasurer's homepage. The website would be updated on a regular basis and would be searchable by property address, type, parcel size, and any other information on the properties listed on the registry that the State Treasurer considers necessary. The State Treasurer would be allowed to accept and expend gifts, grants, and bequests from any source for the purpose of carrying out the provisions of the bill. The State Treasurer would have the authority to adopt rules and regulations to implement the bill.

The State Treasurer indicates SB 552 would require additional programming and website design expenses; however, those costs are estimated to be negligible and could be absorbed within existing resources. The State Treasurer indicates that the existing remit system that counties already use for sending monetary collections to the State Treasurer's Office could be modified to allow counties the ability to log on to this system to make their entries, upload necessary documentation, and keep entries updated. The existing website would be modified to allow for searching the new data as required in the bill.

The Kansas Association of Counties indicates that bill has the potential to increase costs for county governments that participate in this registry program. Counties would likely develop procedures and would need to train personnel on what information is reported to the State Treasurer. The exact cost would vary per county, depending on the amount of personnel who would need to be trained on these new procedures. Counties may require additional accounting and administrative staff time to complete reports to the State Treasurer. It is unknown if the implementation costs could be absorbed within existing staff levels or if additional resources would be needed to implement the bill. However, the program appears to be voluntary, so any additional expenses incurred by a county would likely be offset from higher prices that the county could receive from selling foreclosed property.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt
Director of the Budget

cc: John Hedges, Office of the Treasurer
Jay Hall, Association of Counties