

SESSION OF 2018

SUPPLEMENTAL NOTE ON SENATE BILL NO. 261

As Amended by House Committee on Judiciary

Brief*

SB 261, as amended, would amend the statute governing disposition of docket fees to extend from June 30, 2019, until June 30, 2021, the period during which the State Treasurer shall deposit and credit the first \$3.1 million to the Electronic Filing and Management Fund (Fund). Beginning with the fiscal year ending June 30, 2022, the bill would increase from \$1.0 million to \$1.5 million the amount the State Treasurer would be directed to deposit and credit to the Fund in subsequent years.

The bill would also amend law requiring an appraisal prior to the State purchasing or disposing of any real property. The bill would transfer the duty to appoint a disinterested appraiser from the Judicial Administrator to the Director of Property Valuation, the head of the Department of Revenue's Division of Property Valuation. Similarly, if the county assessment value of the real property is over \$200,000, the bill would allow the Director of Property Valuation to appoint three disinterested appraisers, rather than the Judicial Administrator.

The bill would be in effect upon publication in the *Kansas Register*.

Background

SB 261 was introduced by Senator Wilborn. As introduced and passed by the Senate, SB 261 contained the

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

provisions regarding transfer of the duty to appoint an appraiser.

In the Senate Committee on Judiciary hearing, a representative of the Judicial Branch appeared as a proponent of the bill and explained the duty to appoint appraisers in these scenarios is far removed from duties tied to judicial administration. Further, the representative indicated the bill represents an agreement between the Judicial Branch and the Department of Revenue for the Director of Property Valuation to assume this role. No other testimony was provided.

The Senate Committee recommended the bill be placed on the Consent Calendar.

In the House Committee on Judiciary hearing, a representative of the Judicial Branch appeared as a proponent of the bill. No other testimony was provided.

The House Committee amended the bill to add the provisions of SB 309, regarding disposition of docket fees. Background information of SB 309 is provided below.

According to the fiscal note prepared by the Division of the Budget on SB 261, as introduced, the Office of Judicial Administration indicates enactment of the bill would eliminate staff time and resources used to appoint appraisers; however, those savings are estimated to be negligible. Any fiscal effect associated with enactment of SB 261 is not reflected in *The FY 2019 Governor's Budget Report*.

Fiscal note information regarding the provisions from SB 309 is provided below.

SB 309 (Disposition of Docket Fees)

SB 309 was introduced by the Senate Committee on Judiciary at the request of the Judicial Branch. In the hearings

before the Senate and House Committees on Judiciary, a representative of the Judicial Branch appeared in support of the bill and explained the bill would extend the deposit of the first \$3.1 million of docket fee revenue into the Fund by two years before that amount is reduced to \$1.5 million to cover the cost of maintenance. The representative stated the extension is needed because of ongoing development and implementation of the eCourt project. Additionally, current estimates indicate the annual cost of maintenance will be \$1.5 million, rather than \$1.0 million. A representative of the Kansas Bar Association provided written-only testimony supporting the bill. No other testimony was provided.

According to the fiscal note prepared by the Division of the Budget on SB 309, the Office of Judicial Administration (OJA) indicates there would be no net change in expenditures to the Judicial Branch budget, as the bill would increase expenditures from the Fund and decrease expenditures from the Judicial Branch Docket Fee Fund. OJA also indicates there would be no net revenue change to the Judicial Branch. Any fiscal effect associated with enactment of SB 309 is not reflected in *The FY 2019 Governor's Budget Report*.