SENATE BILL No. 346

By Committee on Local Government

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AN ACT dealing with delinquent taxes and judicial foreclosure; amending K.S.A. 2011 Supp. 79-2804g and 79-2804h and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2011 Supp. 79-2804g is hereby amended to read as follows: 79-2804g. (a) Whenever any tract, lot or piece of real estate is offered for sale at public auction pursuant to K.S.A. 79-2804, and amendments thereto, such tract, lot or piece of real estate shall not be sold, either directly or indirectly, to:

- (1) Any person having a statutory right to redeem such real estate prior to such sale, pursuant to the provisions of K.S.A. 79-2803, and amendments thereto, except that this paragraph (1) shall not prohibit sale to any person or such person's assignee who held an interest in such real estate as mortgagee of record at the time of the sale;
- (2) any parent, grandparent, child, grandchild, spouse, sibling, trustee or trust beneficiary who held an interest in a tract as owner or holder of the record title or who held an interest at any time when any tax constituting part of the county's judgment became due; or
- (3) with respect to a title holding corporation, any current or former stockholder, current officer or director, or any person having a relationship enumerated in paragraph (2) to such stockholder, officer or director.
- (b) If any such real estate is acquired by a county pursuant to K.S.A. 79-2804, and amendments thereto, and, at the end of six months from and after confirmation of such sale to the county, such real estate is advertised for sale at public auction, as provided in K.S.A. 79-2804f, and amendments thereto, such real estate shall not be sold, either prior to or at such auction, to any person having a statutory right to redeem such real estate, under the provisions of K.S.A. 79-2803, and amendments thereto, for an amount less than the original judgment lien and interest thereon, plus the costs, charges and expenses of the proceedings and sale, as set forth in the execution and order of sale issued pursuant to K.S.A. 79-2804, and amendments thereto.
- (c) If any tract, lot or piece of real estate purchased at public auction pursuant to K.S.A. 79-2804, and amendments thereto, is transferred, sold, given or otherwise conveyed to any person who had a statutory right to

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 redeem such real estate prior to such sale pursuant to K.S.A. 79-2803, and amendments thereto, within 10 years of the date of the public auction, such person shall be liable for an amount equal to the original judgment lien and interest thereon from the date of the public auction, except that this subsection shall not apply to any person or such person's assignce who held an interest in such real estate as mortgagee of record at the time of the sale.

- (d) The provisions of this section shall apply to the sale or conveyance of any real estate by a county land bank established pursuant to K.S.A. 19-26,104, and amendments thereto.
- Sec. 2. K.S.A. 2011 Supp. 79-2804h is hereby amended to read as follows: 79-2804h. No sale of real estate as provided for in article 28 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, shall be confirmed as provided for in K.S.A. 79-2804, and amendments thereto, until the purchaser at the sale files with the clerk of the court, an affidavit stating that the purchase of the real estate was not made, either directly or indirectly, for any person having the statutory right to redeem; other than any person or such person's assignee who held an interest in such real estate as mortgagee of record at the time of the sale.
- 20 Sec. 3. K.S.A. 2011 Supp. 79-2804g and 79-2804h are hereby repealed.
- Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.