

State of Kansas

Office of Judicial Administration

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House Judiciary Committee Testimony in Opposition to HB 2719

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Chairman Patton and committee members, thank you for allowing me to present testimony in opposition to HB 2719. I'm Stephanie Bunten, Chief Financial Officer for the Kansas Judicial Branch.

The Legislature authorizes the collection of unpaid court costs, fines, fees, and related charges in K.S.A. 20-169. Moneys collected under the terms of that statute are distributed to numerous state and local funds, as well as to businesses and private citizens. The statute permits the judicial administrator to enter contracts for the collection of relevant debts, following a competitive bidding process. The law also gives the Supreme Court the authority to establish rules regarding the negotiation and execution of those contracts, as well as the activity performed under them.

For many years the Kansas Attorney General oversaw debt collection activities under this statute. In 2015, at the Attorney General's request, the Legislature transferred oversight of the debt collection contracts to the Office of Judicial Administration (OJA).

HB 2719 is an effort to carve out special rules for some debt collectors who have, thus far, been required to participate in the competitive contracting process prescribed by K.S.A. 20-169. Specifically, the bill would modify K.S.A. 20-379 to exempt a court trustee from any requirement to contract with the judicial administrator under K.S.A. 20-169 when that trustee is engaged in collection activities for his or her appointed district.

OJA strongly opposes this legislation. At a time when debt collection practices are being publicly scrutinized and the need for oversight is paramount, the debt collectors advancing this bill are asking the Legislature to reduce the level of oversight they personally receive, exempt them from a competitive process that may drive down the collection fees assessed against debtors, and move the process away from standardization in certain pockets of the state. While the passage of this legislation may give those collectors a win, it could be a loss for the Kansas

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Judicial Branch and for all the Kansans who find themselves subject to collections activity under K.S.A. 20-169.

OJA's oversight of these contracts has grown steadily over the past five years as we develop standard collection procedures, uniformity in collection reporting and accounting, and begin to gather meaningful statistics about collections activity. As we implement our new centralized case management system, we are also moving towards the centralization of payments across the state. While these changes take time to roll out statewide, we see a future in which funds that flow through the Judicial Branch are handled much more efficiently and consistently, for the benefit of all Kansans. This legislation is a step backwards that will hinder OJA's progress towards standardization of fiscal operations within the branch.

We urge you not to move this legislation forward.

Thank you and I am happy to answer any questions you may have.