Approved: 2-11-02

MINUTES OF THE HOUSE JUDICIARY COMMITTEE.

The meeting was called to order by Chairperson Michael R. O'Neal at 3:30 p.m. on February 6, 2002 in Room 313-S of the Capitol.

All members were present except:

Representative Dean Newton - Excused Representative Rick Rehorn - Excused Representative Clark Shultz - Excused

Committee staff present:

Jerry Ann Donaldson, Department of Legislative Research Jill Wolters, Department of Revisor of Statutes Sherman Parks, Department of Revisor of Statutes Cindy O'Neal, Committee Secretary

Conferees appearing before the committee:

Ron Hein, RJ Reynolds

Jeff Bottenberg, Kansas Peace Officers Association

Paul Davis, Kansas Bar Association

Bob Wunsch, Attorney, Kingman, Kansas

Mark Beck, Director Property Valuation Division

Bob Krehbiel, Self

John Badger, Chief Legal Counsel for Social and Rehabilitation Services

Kathy Olsen, Kansas Bankers Association

Pedro Irigonegaray, Kansas Trial Lawyers Association

Judge Richard Ballinger, 18th District Court Judge, Sedgwick County

Ron Hein, RJ Reynolds, appeared before the committee with a bill request that would provide enabling legislation to the Non-participating Manufacturer Enforcement Act. (<u>Attachment 1</u>)

Representative Loyd made the motion to have the request introduced as a committee bill. Representative DeCastro seconded the motion. The motion carried.

Jeff Bottenberg, Kansas Peace Officers Association, requested a bill that would increase the ability of certified, properly trained law enforcement officers to conduct investigations. (Attachment 2)

Representative Long made the motion to have the request introduced as a committee bill. Representative Loyd seconded the motion. The motion carried.

Paul Davis, Kansas Bar Association, requested a bill which would update the Uniform Commercial Code with the Delaware corporation code. (Attachment 3)

Representative Long made the motion to have the request introduced as a committee bill. Representative Loyd seconded the motion. The motion carried.

Representative Pauls requested a bill that would increase dock fees where ½ goes to CASA and the other ½ to the Family Preservation Fund. She moved to have the request introduced as a committee bill. Representative Long seconded the motion. The motion carried.

Representative Pauls requested another bill regarding expungement recorded on background checks for officers. She made the motion to have the request introduced as a committee bill. Representative Long seconded the motion. She directed staff to see if there was any current statute that addressed the issue and if not then draft the bill. The motion carried.

Representative Crow requested a bill requiring a certified letter be sent regarding garnishments. <u>She moved to have the request introduced as a committee bill.</u> Representative Long seconded the motion. The motion <u>carried.</u>

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Representative Patterson requested a bill that would expand parties of interest as described in the Code of Civil Procedure not for profit memberships in order to bring actions on behalf of themselves and members. He move to have the request introduced as a committee bill. Representative Long seconded the motion. The motion carried.

Chairman O'Neal received a request from a group of Trinity High School students, located in Hutchinson, who have done a study on vehicle traffic accidents involving young people, that would implement a graduated licenses program with the driving age to 14.9 years, 15.3 years, and 17 years of age a. He made the motion to have the request introduced as a committee bill. Representative Pauls seconded the motion. The motion carried.

Hearings on <u>HB 2697 - Conversion of Chapter 61 cases to Chapter 60 cases permissive not mandatory by the courts</u>, were opened.

Judge Richard Ballinger, 18th District Court Judge, Sedgwick County, requested the bill to allow judges the discretion to transfer cases to Chapter 60 procedures instead of mandatory transfers. (Attachment 4)

Hearings on **HB 2697** were closed.

Hearings on **HB 2672 - Elective share of surviving spouse; waiver of homestead rights**, were opened.

Bob Wunsch, Attorney, requested the proposed bill due to concerns over sub-section (d) which allows a spouse to be considered as having waived his/her homestead or family allowance or both if the document provides that "all rights" in the property or estate of a present or prospective spouse are being waived without providing a clear indication in the document as to what these "rights" are. The proposed bill would address this concern. (Attachment 5)

Hearings on **HB 2672** were closed.

Hearings on <u>HB 2698 - Real estate sales validation questionnaire does not appear to transfer title from a trust without consideration</u>, were opened.

Bob Wunsch, Attorney, Kingman, requested the proposed bill. He has found that a transfer from a trust is not an exemption from the Kansas Real Estate Sales Validation Questionnaire. K.S.A. 79-1437 provides a laundry list of transfers that are exempt. This would simply add "from a trust" to the laundry list. (Attachment 6)

Mark Beck, Director Property Valuation Division, appeared as a proponent of the bill and requested an amendment which would require only one sales validation questionnaire for the purpose of releasing an equitable lien. (Attachment 7)

Bob Krehbiel, Self, reported that he has had problems with transfer on death deeds, which allows transfer of real estate while alive then the title passes at the time of death. Some counties require a sales validation and others don't.

After the committee meeting, Mr. Beck provided the Chairman with a directive sent to all Registers of Deeds on June 30, 1997 stating that they do not require a Kansas Real Estate Sales Validation Questionnaire because it does not actually transfer property at the time of filing. (Attachment 8)

Hearings on <u>HB 2722 - Authorizing financial organizations to provide information to Secretary of SRS</u>, were opened.

John Badger, Chief Legal Counsel for SRS, explained that the proposed bill would allow SRS to request any records in the possession of a financial institution relating to deposits, withdrawals or interest accruals by an applicant for or recipient of public assistance. (Attachment 9)

Kathy Olsen, Kansas Bankers Association, requested an amendment that would allow financial institutions to charge a reasonable fee for producing such documents. (<u>Attachment 10</u>)

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Pedro Irigonegaray, Kansas Trial Lawyers Association, appeared before the committee as an opponent to providing blanket immunity to financial organizations and its employees for the disclosure of information. He requested an amendment which would protect financial institutions and their employees from liability for the release of such information as long as it had been correctly released to SRS. (Attachment 11)

Hearings on **HB 2722** were closed.

Representative Crow made the motion to approve the committee minutes from January 16, 22, 23 and 24. Representative Howell seconded the motion. The motion carried.

Representative Klein requested a bill that related to child support continuing till the age of 21 for special education children as long as they remain in school. <u>He moved to have the request introduced as a committee bill.</u> Representative Swenson seconded the motion. The motion carried.

Chairman O'Neal appointed the following committee members on sub-committee for HB 2469 - Guardian & conservators:

Representative Doug Patterson - Chairperson Representative Dean Newton Representative Tim Owens Representative Marti Crow Representative Jan Pauls

The committee meeting adjourned at 5:30 p.m. The next meeting was scheduled for February 7, 2002.