Approved:

Date: March 26, 2002

#### MINUTES OF THE SENATE COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE.

The meeting was called to order by Chairperson Sandy Praeger at 9:30 a.m. on March 20, 2002 in Room 234 N of the Capitol.

All members were present except:

Committee staff present: Dr. Bill Wolff, Kansas Legislative Research Department

Ken Wilke, Office of the Revisor of Statutes

JoAnn Bunten, Committee Secretary

Conferees appearing before the committee:

Martha Smith, Kansas Manufactured Housing Bill Henry, Kansas Credit Union Association

Matthew Moser, Titles and Registration, Department of Revenue

Chuck Stones, Kansas Bankers Association

Others attending: See attached list.

### Hearing on HB 2723 - Manufactured homes and mobile homes; certification of titles

Martha Smith, Kansas Manufactured Housing, testified before the Committee in support of **HB 2723** which would allow the owner of a manufactured home that is placed on a permanent foundation to apply to the Division of Vehicles and eliminate the certificate of title on the home. (Attachment 1)

Ms. Smith also provided the Committee with written testimony in support of the bill from Paul Davis, Kansas Bar Association, (<u>Attachment 2</u>); Hayden B. St. John, Lawyers Title of Topeka, Inc., (<u>Attachment 3</u>); and Bill Yanek, Kansas Association of Realtors, (<u>Attachment 4</u>).

Bill Henry, Kansas Credit Union Association, expressed his support to the Committee for <u>HB 2723</u> and noted that several states have similar legislation now in effect. The Credit Union Association's 117 members believe this process would eliminate certain title questions that create problems in obtaining title insurance for manufactured housing. (<u>Attachment 5</u>)

Matthew Moser, Titles and Registration, Department of Revenue, testified as neutral on <u>HB 2723</u>. He noted that the department sees the passage of the bill as a means to streamline the process for customers as well as to establish uniformity for counties as they process customers' purchases and sales. (<u>Attachment 6</u>)

Chuck Stones, Kansas Bankers Association, stated he is supportive of the bill only as amended by the House Committee of the Whole in which New Section 2 was deleted pertaining to language that allowed reversing the process. Mr. Stones stated that such reversal process would become confusing. He felt that once the owner of a manufactured home decides to convert the house to real property and all of the conversion paperwork completed, they should not reconvert at will. The possibility exists that a secured lender would be left without notice and unable to file the necessary paperwork in order for them to be properly secured as noted in his written testimony. (Attachment 7)

The Chair closed the hearing on **HB 2723**.

# Action on HB 2639 - Mortgage Guaranty insurance companies; authorizing real estate security

The Chair asked for consideration of **HB 2639**.

Senator Teichman made a motion the Committee recommend **HB 2639** favorable for passage, seconded by Senator Steineger. The motion carried.

## **CONTINUATION SHEET**

# Discussion on HB 2247 - Kansas business health partnership act; removal of sunset

The Chair briefed the Committee on a balloon of <u>HB 2247</u> showing amendments recommended by the Kansas Business Health Policy Committee. The bill removes the sunset provision thereby making the Kansas Business Health Partnership a permanent program for improving health care availability and affordability for low-income workers of small employers. (<u>Attachment 8</u>)

Dennis Call, owner and President of Benefit Management, Inc., a company in Great Bend, Kansas, that entered into a contractual relationship with the Kansas Business Health Partnership, spoke briefly to the Committee regarding his background and involvement with the Partnership.

Following Committee discussion on the balloon of the bill, the Chair suggested the Committee review the proposed amendments and the two policy questions ..eligibility for subsidy and how to address that issue, and choice of carriers in the state before the bill is worked.

# Adjournment

The meeting was adjourned at 10:30 a.m. The next meeting is scheduled for March 21, 2002.