MINUTES OF THE SENATE JUDICIARY COMMITTEE.

The meeting was called to order by Chairperson Senator Vratil at 9:41 a.m. on March 19, 2002 in Room 123-S of the Capitol.

All members were present except: Senator Haley (excused) Senator Pugh (excused

Committee staff present:

Gordon Self, Revisor Mike Heim, Research Mary Blair, Secretary

Conferees appearing before the committee:

Don Moler, League of Kansas Municipalities Randy Allen, Kansas Association of Counties Tom R. Tunnell, Kansas Grain and Feed Association Chuck Stones, Kansas Bankers Association

Others attending: see attached list

The minutes of the March 18th, 2002 meeting were approved on a motion by Senator Donovan, seconded by Senator Schmidt. Carried.

HB 2709-uniform commercial code: regarding secured transactions

Conferee Moler testified in support of **HB 2709**, a bill which would make technical adjustments to the Kansas Uniform Commercial Code and delete the definition of "public finance transactions" from the Code. He discussed how the Code, as currently written, would place a financial burden on cities and counties by requiring them to provide additional financial statements on all outstanding bond issues. On inquiry by Committee regarding his position on the "controversial" New Sections 4 and 5 of the bill, he stated that he took no position one way or the other.(attachment 1)

Conferee Allen testified in support of **HB 2709** and described how the language in the Code that specifically deals with governmental bond financing, creates a problem for cities and counties. He reiterated the previous conferee's statement regarding New Section 4 and 5.(<u>attachment 2</u>)

Conferee Tunnell testified as neutral on <u>HB 2709</u> but expressed concerns with New Section 4 of the bill beginning on page 15 line 35 which deals with the issue of insufficient fund (ISF) grain checks. He pointed out that existing law already addresses ISF check potential and requested Committee determine whether or not Section 4 is necessary.(<u>attachment 3</u>)

Conferee Stones testified as neutral on <u>**HB 2709**</u>. He described the history and purpose of New Section 4 of the bill, discussed concerns the KBA had with it, and requested Committee consider whether or not it was necessary.(<u>attachment 4</u>)

Written testimony expressing concern with <u>**HB 2709**</u> amendments was submitted by Community Bankers Association of Kansas.(<u>attachment 5</u>)

Final action:

Sub HB 2673-CINC; changing definition of sexual abuse

Following a review of <u>Sub HB 2673</u> by the Chair, <u>Senator Adkins moved to pass the bill out favorably</u>, <u>Senator Goodwin seconded</u>. Carried.

HB 2697-allowing judges discretion to transfer a chapter 61 case to a chapter 60 case

Following a review of **HB 2697** by the Chair, <u>Senator Oleen moved to amend the bill to make it effective on</u> <u>publication in the Kansas register, Senator Goodwin seconded. Carried</u>. Following brief discussion, <u>Senator</u> <u>Donovan moved to pass the bill out favorably as amended</u>, <u>Senator Goodwin seconded</u>. <u>Carried</u>.

The meeting adjourned at 10:02 a.m. The next scheduled meeting is March 20, 2002.