Approved: March 12, 2004

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE

The meeting was called to order by Chairman Don Dahl at 9:00 a.m. on February 13, 2004 in Room 241-N of the Capitol.

All members were present except:

Representative Broderick Henderson- excused Representative Stephanie Sharp- excused

Committee staff present:

Jerry Ann Donaldson, Legislative Research Department Norm Furse, Revisor of Statutes Renae Jefferies, Revisor of Statutes June Evans, Committee Secretary

Conferees appearing before the committee:

Others attending:

See Attached List.

The Chairman opened the meeting and stated that staff would be giving a briefing on the Second-Injury Fund as there was some confusion after listening to testimony yesterday.

Jerry Donaldson, Kansas Legislative Research, gave the history of the Workers Compensation Fund, Workers Compensation Fund Oversight Committee, and Kansas Statute No. 46-2401 (<u>Attachments 1, 2 & 3</u>)

Norm Furse, Revisor of Statutes briefed the committee on <u>Sub SB 181 - Workers compensation-pre-existing condition</u> (Attachment 4)

The Chairman stated that <u>HB 2479 - Employment of illegal aliens, penalties</u> was brought up yesterday. There were some concerns during the discussion and understand those concerns have been satisfied and asked if there was any interest in discussing again.

Representative Swenson moved and Representative Carlin seconded to adopt a balloon on page 1, line 22 add ",except that the term "illegal alien" shall not mean any person who currently has the legal right to remain in the United States and to be employed in the United States even though such person originally entered the United States in violation of the federal immigration and naturalization act or regulations issued thereunder and is not a citizen of the United States." Add "of this state" in lines 26 after "authority" and 31 after "commission", and on page 2 add "law of this" in line 2 after "a" in line 3 after "proceeding and line 5 after "a". The motion carried.

Representative Pauls moved and Representative Swenson seconded to add a new Sec. 3 "A person or entity is considered to have complied with a requirement of this subsection notwithstanding a technical or procedural failure to meet such requirement if there was a good faith attempt to comply with the federal requirements found in 8 USC Sec. 1324a." Add Sec. 4 "A person or entity that establishes that it has complied in good faith with respect to the hiring, recruiting, or referral for employment of an alien in the United States has established an affirmative defense." Sect. 3 becomes Sec. 5. On page 2, lines 11 and 12 strike "final order or stipulation" and replace with "not to exceed the federally prescribed civil penalty in 8 USC Sec. 132a." and renumber the following paragraphs. The motion carried.

There was further discussion and <u>Representative Pauls moved and Representative Ruff seconded to strike all of Section 2 and renumber the following paragraphs.</u>

Representative Pauls moved and Representative Lane seconded to move **HB 2479** out as amended. The motion carried.

The Chairman asked what the committee's pleasure was on **HB 2521 - State and municipal contracts**; **preference for Kansas domiciled bidders.**

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE at 9:00 a.m. on February 13, 2004 in Room 241-N of the Capitol.

Representative Ruff moved and Representative Pauls seconded to amend and make (a) the first paragraph and in line 20 add ","before "or" and add "or services" before equipment and after "kind" add "but not including contracts for the construction, improvement, reconstruction or maintenance of roads, streets and bridges in the state or contracts with commercial building contractors for construction or repairs for state or municipal owned buildings," add (b) "As used in this section, a 'contractor domiciled in Kansas' includes a contractor who may be domiciled outside the state of Kansas but who employees in at least 50% of the employment positions covered by the contract individuals who are residents of Kansas." "Redesignate items (a) and (d) as items (1) to (4)." The motion carried.

<u>Representative Novascone moved and Representative Humerickhouse seconded to strike in line 25 "but less than" and strike all of (d).</u> The motion carried.

Representative Ruff moved and Representative Swenson seconded to move **HB 2521** out as amended. A Division was called and the "Nos" had it. The bill was defeated.

The meeting adjourned at 10:30 a.m. The next meeting will be February 16, 2004.

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