Approved: April 4, 2008
Date

MINUTES OF THE SENATE JUDICIARY COMMITTEE

The meeting was called to order by Chairman John Vratil at 9:35 A.M. on January 31, 2008, in Room 123-S of the Capitol.

All members were present except:

Barbara Allen arrived, 9:40 A.M. Donald Betts- excused Dwayne Umbarger arrived, 9:43 A.M.

Committee staff present:

Athena Andaya, Kansas Legislative Research Department Bruce Kinzie, Office of Revisor of Statutes Karen Clowers, Committee Assistant

Conferees appearing before the committee:

Melissa Wangeman, Legal Counsel, Deputy Assistant Secretary of State Leslie Kaufman, Executive Director, Kansas Cooperative Council

Others attending:

See attached list.

Bill Introductions

Senator Derek Schmidt requested introduction of a bill regarding changes to the code of civil procedure amending K.S.A. 60-427, 60-2003 and 60-2006 and repealing the existing sections. <u>Senator Lynn moved</u>, Senator Bruce seconded, to introduce the bill. Motion carried.

The hearing on **SB 448–Applicability of Kansas general corporation code to certain cooperative** was opened.

Melissa Wangeman spoke in favor, indicating in a review of the cooperative laws, it was found that the general corporate code needed to apply to those cooperative laws in order to fill in gaps in the cooperative acts (<u>Attachment 1</u>). Ms. Wangeman stated that the Kansas Cooperative Council, Kansas Electric Cooperatives, and the Kansas Electric Power Cooperative are in agreement with the bill.

Leslie Kaufman appeared in support, stating the proposed changes are not problematic to the co-op family and recommends the bill (<u>Attachment 2</u>).

There being no further conferees, the hearing **SB 448** was closed.

The Chairman opened the hearing on **SB 449–UCC secured transactions, striking forms**.

Melissa Wangeman testified in support, stating <u>SB 449</u> eliminates from statute the forms for financing statements and amendments filed pursuant to the Uniform Commercial Code and allows the Secretary of State to prescribe the forms (<u>Attachment 3</u>). The forms listed are out of date and the International Association of Commercial Administrators no longer promotes these statutory forms. Enactment of this bill will help protect the private information of filers.

There being no further conferees, the hearing **SB 449** was closed.

The hearing on **SB 450–Cemetery corporations, investment of permanent maintenance fund** was opened.

Melissa Wangeman spoke as a proponent. <u>SB 450</u> will remove the ability of a cemetery corporation to use its permanent maintenance fund to build a mausoleum (<u>Attachment 4</u>). Current law allows such action and the Secretary of State believes this exception is bad policy and should be repealed. The permanent

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maintenance fund should be used exclusively for maintenance and reducing the prospect of the cemetery becoming the responsibility of its local government.

There being no further conferees, the hearing **SB 450** was closed.

The Chairman called for final action on **SB 424–Oil and gas leases, distribution of monies deposited with the court**. Senator Vratil reviewed the bill heard on January 28.

Senator Journey moved, Senator Goodwin seconded, to recommend **SB 424** favorably for passage. Motion carried.

The Chairman called for final action **SB 423–Notice of filing of foreign judgment**.

Chairman Vratil reviewed the bill. There was an amendment proposed by Alice Adams in her testimony on January 24 (Attachment 5).

Senator Journey moved, Senator Goodwin seconded, to amend **SB 423** as recommended in the testimony of Alice Adams on January 24. Motion carried.

Senator Journey moved, Senator Bruce seconded, to recommend **SB 423** as amended, favorably for passage. Motion carried.

The meeting adjourned at 9:55 A.M. The next scheduled meeting is February 4, 2008.