

MINUTES OF THE SENATE JUDICIARY COMMITTEE.

The meeting was called to order by Chairman John Vratil at 10:00 a.m. on February 7, 2003, in Room 423-S of the Capitol.

All members were present except: Senator Allen (E)  
Senator Oleen (E)

Committee staff present: Mike Heim, Kansas Legislative Research Department  
Lisa Montgomery, Office of the Revisor of Statutes  
Dee Woodson, Committee Secretary

Conferees appearing before the committee:  
None

Others attending: see attached list

Chairman Vratil announced two sub-committee assignments and the bills to be covered by each. Senator Pugh will chair the first sub-committee with Senators Goodwin and Umbarger, and are assigned bills **SB 86**, **SB 87**, and **SB 137**. The second sub-committee will be chaired by Senator Schmidt with Senators Gilstrap and Donovan, and assigned bills **SB 20**, **SB 110**, and **HB 2032**. He stated that he would like the sub-committee to have a hearing on those bills in sub-committee, and then a written report from the sub-committees on their recommendations that will be distributed to all Judiciary Committee members. He reminded the Committee members that February 25 would be the last meeting date of the committee before turn-around unless Judiciary received special disposition from leadership.

**Final Action on:**

**SB 29 - Corporation Code amendments**

Chairman Vratil reviewed **SB 29**, and explained the controversial aspect of the bill concerned franchise fees which would allow a parent corporation to take as a credit the franchise fees paid by a subsidiary corporation. He stated that it wasn't known what the fiscal impact would be on the state, as currently there was no way to gather that information.

Following discussion, Senator Schmidt made a motion to remove from the bill the provisions related to parent/subsidiary franchise fees. The motion was seconded by Senator Haley. After further discussion, the Chair called for a vote on the motion, and the motion failed.

Senator Donovan made a motion to amend **SB 29** by reducing the \$50,000 maximum fine for violating a Court Order to \$25,000. The motion was seconded by Senator Haley, motion carried.

Senator Goodwin made a motion to pass **SB 29** out favorably as amended, seconded by Senator Donovan, and the motion carried.

**SB 36 - Membership and duties of the judicial council**

Chairman Vratil reviewed **SB 36**, and explained that it was generally a cleanup bill. Statutes have not been updated in a long time. The bill adds some new members to the Judicial Council. Randy Hearrell

CONTINUATION SHEET

MINUTES OF THE SENATE JUDICIARY COMMITTEE on February 7, 2003 in Room 123-S of the Capitol.

from the Kansas Judicial Council offered amendments to **SB 36**. The first amendment was to Section 1, to establish in statute that the Judicial Council shall be an independent agency in the judicial branch of government, shall submit its budget separately and may adopt its own pay plan and personnel rules. The other amendments were technical in nature: Section 4, page 2, line 33, striking the word "criminal" and striking the word "shall" and inserting "may" in line 23. (Attachment 1)

Senator Goodwin moved to make the amendments as presented, seconded by Senator Donovan, and the motion carried.

Following further discussion regarding adding another Senate member to the Judicial Council for balance, Senator Schmidt made a motion to amend SB 36 by adding as a member of the Judicial Council the ranking minority member of the Senate Judiciary Committee. The motion was seconded by Senator Goodwin, and the motion carried.

Senator Goodwin made a motion to pass SB 36 out favorably as amended, seconded by Senator Gilstrap, and the motion carried.

**SB 37 - Receipts from an interest in minerals and other natural resources pursuant to the uniform principal and income act**

Chairman Vratil reviewed **SB 37**, and stated that it changes the allocation of royalties from 90% to principal and replaces it with 15%, which makes the allocation 15% to principal and 85% to interest with the passage of this bill. Senator Donovan moved to pass SB 37 out favorably, seconded by Senator Schmidt, and the motion carried.

**SB 38 - Annual report, filing of certain documents, franchise tax and business activities of certain business entities**

Chairman Vratil reviewed **SB 38**, with clarifications given by Melissa Wangemann from the Secretary of State's Office. Senator Schmidt made a motion to amend the bill by using the NFIB proposed amendment of changing \$2 to \$1 per \$1,000 of net worth with a minimum of \$40 and a maximum of \$5,000. The motion was seconded by Senator Donovan. After discussion and concerns expressed about the fiscal impact of this amendment, the Chair called for a vote on the motion to amend. The motion carried.

Senator Donovan moved to recommend this bill favorably as amended, seconded by Senator Schmidt, and the motion carried.

**SB 48 - Appeal bonds in litigation involving signatories or successors of the tobacco litigation agreement**

Chairman Vratil reviewed **SB 48** which places a maximum limit on an appeal bond of \$25 million. He explained the current Kansas law which requires the judge to set the bond at 100% of the unsecured damages if a judgment is rendered unless there are certain findings made by the judge which are not commonly made.

After brief discussion, Senator Donovan moved to pass SB 48 out favorably, seconded by Senator O'Connor, and the motion carried.

CONTINUATION SHEET

MINUTES OF THE SENATE JUDICIARY COMMITTEE on February 7, 2003 in Room 123-S of the Capitol.

**SB 35 - Criminal use or possession of body armor**

Chairman Vratil reviewed SB 35. Senator Schmidt submitted a proposed balloon amendment, and explained that it included the KBI's recommended changes as well as Manny Barbaran's request that private security guards also be included. He added that this balloon should cover the request from Ron Hein on tribal law enforcement officers as well. (Attachment 2) Senator Schmidt made a motion to amend SB 35 as outlined in his balloon amendment with the Revisor making technical changes. The motion was seconded by Senator Goodwin, and the motion carried.

Following Committee discussion, Senator Haley made a motion to make this a malicious act and to amend the provisions of SB 137 into SB 35. The motion died for lack of a second.

Senator Schmidt moved to pass SB 35 out favorably as amended, seconded by Senator O'Connor, and the motion carried.

**SB 54 - Creating the crime of negligent homicide**

Upon Senator Pugh's suggestion, the Chair postponed discussion and final action on SB 54 until after the Committee heard the review of this proposed bill by a professor from the Kansas University Law School. Senator Pugh had requested some research information be provided on this issue by the Research Department staff which was distributed to the Committee. (Attachment 3)

The minutes of the February 3 and 4 meetings were approved on a motion by Senator O'Connor, seconded by Senator Schmidt, and the motion carried.

The meeting adjourned at 11:00 a.m. The next scheduled meeting is February 10, 2003.