

MINUTES OF THE HOUSE JUDICIARY COMMITTEE

The meeting was called to order by Chairperson Michael O'Neal at 3:30 p.m. On March 14, 20001 in Room 313-S of the Capitol.

All members were present except:

Representative Geraldine Flaharty - Excused
Representative Andrew Howell - Excused
Representative Tom Klein - Excused
Representative Rick Rehorn - Excused

Committee staff present:

Jerry Ann Donaldson, Legislative Research Department
Jill Wolters, Revisor of Statutes Office
Cindy O'Neal, Committee Secretary

Conferees appearing before the committee:

Sheila Walker, Director of Vehicles, Department of Revenue, Division of Vehicles
Todd Butler, President, Kansas Merchant Security Association
Elwaine Pomeroy, Kansas Collectors & Credit Attorneys Association
Francis Kastner, Kansas Food Dealers Association
Marlee Carpenter, Kansas Retail Council
Senator Karin Brownlee
James Freeman, Moor, Hennessy & Freeman, Attorneys at Law
Marvin Allen, Permanent Paving
Roy Worthington, Kansas Land & Title Association
Chuck Stones, Kansas Bankers Association
William Larson, General Counsel, Association of General Contractors of Kansas
Janet Stubbs, Kansas Building & Industry Association

Hearings on **SB 67 - driving under the influence, suspension of driving privileges**, were opened.

Sheila Walker, Director of Vehicles, Department of Revenue, Division of Vehicles, informed the committee that the proposed bill would remedy the conflict where the blood alcohol content of a driver under the age of 21 measures above .08, the license is suspended for a period of one year or the length of the diversion. Some courts are allowing a 30 day license suspension rather than one year. ([Attachment 1](#))

Jim Hanni, American Automobile Association of Kansas, provided the committee with written testimony in support of the bill. ([Attachment 2](#))

Hearings on **SB 67** were closed.

Hearings on **HB 2549 - worthless check; damages**, were opened.

Todd Butler, President, Kansas Merchant Security Association, appeared before the committee as a proponent of the bill. He explained that the proposed legislation would allow merchants the ability to send a notice of a worthless check by first class. This would be less expensive to the merchant. It would also allow merchants to set their return check service charge at \$30 and remove the posting requirement. Finally, it amends the definition of a worthless check to one that "is dishonored and not paid after presentment and demand" ([Attachment 3](#))

Elwaine Pomeroy, Kansas Collectors & Credit Attorneys Association, informed the committee that in most legal instances notices are given by regular mail, therefore saving about \$4.75 per certified letter. ([Attachment 4](#))

Francis Kastner, Kansas Food Dealers Association, appeared in support of the bill. She stated that customers who make honest mistakes are more likely to make good on the check immediately. It's those who want the goods and do not care about being honest that the bill addresses. ([Attachment 5](#))

Marlee Carpenter, Kansas Retail Council, makes two significant changes that benefits businesses: allowing the demand to be sent by first class and the removal of the requirement that a retailer must place a sign informing of the amount of the service charge. ([Attachment 6](#))

Paul Davis, Kansas Bar Association, did not appear before the committee but requested his written testimony in support of the proposed legislation be included in the committee minutes. ([Attachment 7](#))

Hearings on **HB 2549** were closed.

Hearings on **SB 197 - extending filing time on certain mechanics liens**, were opened.

Senator Karin Brownlee thanked the Chairman for holding hearings on the bill. She explained that it would simply extend the time for filing mechanics' liens for contractors and subcontractors to 120 days for residential and 180 for property other than residential property.

James Freeman, Moor, Hennessy & Freeman, Attorneys at Law, informed the committee that the average costs of filing a mechanics lien is \$1,500 and that there was 660 filed in Johnson County last year. Extending the time in which a lien can be filed benefits all the parties involved by determining if there is a dispute or if payment is at issue and gives them an attempt to resolve it. ([Attachment 8](#))

Marvin Allen, Permanent Paving, stated that he has talked to many companies about extending the filing time on mechanics liens and they all support it. The number of liens that are filed are a tremendous costs to the state and county court systems. ([Attachment 9](#))

Written testimony from Commerce Bank & Western Retail Implement & Hardware Association stated their support of the bill and was distributed ([Attachments 10 & 11](#))

Roy Worthington, Kansas Land & Title Association, appeared in opposition to the bill. He commented that the only people that would benefit from the bill would be contractors. The current law is a balanced law that protects property owners and titles. ([Attachment 12](#))

Chuck Stones, Kansas Bankers Association, told the committee that they are concerned that by extending the time in which to file it would put the title in limbo and delay the closing on the loan. ([Attachment 13](#))

William Larson, General Counsel, Association of General Contractors of Kansas, would like to see the lien laws go unchanged. He doesn't see the need or reason to expand the rights. He believes that it would simply have the contractor paying at the end of 180 days instead of the 90 days. ([Attachment 14](#))

Janet Stubbs, Kansas Building & Industry Association, stated that they were concerned about extending the time to file liens on residential property, but have members that support and oppose extending the time on commercial property. ([Attachment 15](#))

Written testimony in opposition to the bill from Mid-America Lumbermens Association was distributed ([Attachment 16](#)).

Hearings on **SB 197** were closed.