

Approved 3/24/83
Date

MINUTES OF THE House COMMITTEE ON Federal and State Affairs

The meeting was called to order by Rep. Neal D. Whitaker at
Chairperson

1:30 ~~xxx~~ a.m./p.m. on March 22, 1983 in room 526-S of the Capitol.

All members were present except:

Committee staff present:

Russ Mills, Legislative Research
Mary Torrence, Revisor of Statute's Office
Nora Crouch, Committee Secretary

Conferees appearing before the committee:

Jon Josserand, Assistant Secretary of State
Laurine Kreipe, Treasurer's Office
Charles Joseph, Board of Tax Appeals
Loren Taylor, Kansas City, Kansas, Police Department
Captain Roger Thebo, Kansas City, Kansas, Police Department

Chairman Whitaker called the meeting to order and announced that SB 215, SB 132, and SB 208 were on hearing status.

Jon Josserand, Assistant Secretary of State, appeared to explain HB 2466 which was re-referred to the Committee and explain proposed amendments to the bill. He stated that many voting places are very cramped and in very close quarters. A number of County Election Commissioners had complained to their office about persons or groups solicitating contributions at polling places that cause problems. (See Attachment A)

Rep. Vancrum moved, Rep. Sughrue seconding, that the amendments be adopted. The motion carried. Rep. Runnels moved, Rep. Smith seconding, that HB 2466 be reported favorably for passage as amended. The motion carried.

The Chairman announced that HB 2069 had also been re-referred to the Committee and both the Speaker and sponsor have asked for hearings. Rep. Roe moved, Rep. Runnels seconding, that HB 2069 be reported favorably for passage. Rep. Ott made a substitute motion, Rep. Ediger seconding, that HB 2069 be tabled until further determinations of fee payments could be made. The motion failed. Rep. Vancrum moved, Rep. Ediger seconding, that HB 2069 refer to the statute on distinctive license tags to include the \$25 fee plus the cost of the tag. The motion carried. Rep. Vancrum moved, Rep. Ramirez seconding, that HB 2069 be reported favorably for passage as amended. The motion carried.

Laurine Kreipe, Administrative Officer, Office of the State Treasurer, appeared to explain the provisions of SB 215. She stated that the Unclaimed Property Division of their office deals with two types of stock and securities. She further outlined the needs of their office to be able to dispose of stocks and securities as well as personal property left in bank safety deposit boxes. (See Attachment B)

Rep. Ardena Matlack appeared to explain the provisions of SB 132 stating the change is on Page 2, Line 59. The Board of Tax Appeals had requested the change in order to reduce some bookkeeping.

Charles Joseph, Chairman, Board of Tax Appeals, appeared in support of SB 132 stating the only change in the bill is the language regarding the publication of state wide application. It was not legislative intent to clutter up the register with numerous orders that are not particularly public matters.

Rep. Matlack moved, Rep. Ott seconding, that SB 132 be reported favorably for passage. The motion carried.

CONTINUATION SHEET

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Loren Taylor, Legal Advisor, Kansas City, Kansas, Police Department, appeared on SB 208 stating this is an attempt to correct some shortcomings in past legislation. Many cities have developed certain plans and procedures for training of police officers. The police cadet program is a method of obtaining career police personnel. This program has 700 academic hours in the Administration of Justice program which is double the requirement of the state. This must be started prior to the age of 21. They would not be commissioned until the age of 21. This is a pilot program within the state which is being very carefully looked at.

Captain Roger Thebo, Kansas City Kansas, Police Department, appeared on SB 208 stating they have 20 cadets at any given time and they are presently recruiting in the high schools right now. They have to meet a set of requirements and have to be tested like a regular police officer. There are lots of washouts in the program. Their intent is to get them through the academy before they get out on the streets. (See Attachment C)

None

The meeting adjourned.

HOUSE BILL NO. _____

By Committee on Federal and State Affairs

AN ACT defining and classifying the crime of disorderly election conduct; and repealing K.S.A. 25-2413.

Be it enacted by the Legislature of the State of Kansas:

Section 1. Disorderly election conduct is willfully: (a) Disturbing the peace in or about any voting place on election day;

(b) leaving or attempting to leave a voting place in possession of any ballot, except as is specifically permitted by law;

(c) approaching or remaining closer than three feet to any voting booth, voting machine or table being used by an election board except as admitted for the purpose of voting or by authority of the supervising judge;

(d) interrupting, hindering or obstructing any person approaching any voting place for the purpose of voting;

(e) engaging in any of the following activities within 250 feet from the entrance of a polling place during the hours the polls are open on election day:

(1) Solicitation of opinions;

(2) solicitation of contributions;

(3) conduct of advisory elections other than those specifically authorized by law to be conducted by a county election officer.

Disorderly election conduct is a class B misdemeanor.

Sec. 2. K.S.A. 25-2413 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

Atch. A

SENATE BILL NO. 215

The Unclaimed Property Division of the State Treasurer's Office deals with two types of stock and securities. First, there are the stock and securities which we presently receive under K.S.A. 58-3905 which has been in the possession of the issuing company and is undeliverable or presumed abandoned.

Second, there are what we call underlying shares, and Section 1(b)(1) and (2) of this Bill covers underlying shares of stock and securities which is stock and securities in the possession of the owner.

Dividends on the underlying shares are presently being reported as abandoned property but it has generally been assumed that the Kansas Disposition of Unclaimed Property Act did not cover shares of stock unless they were in the actual possession of the issuer as undeliverable stock.

Two major concerns have been expressed with the concept of presuming abandonment of underlying stock interests. The first deals with the evidential showing necessary to raise a presumption of abandonment, and the second concerns the rights of the various parties when underlying stock interests are presumed abandoned.

Sec. (b)(1) requires that the owner has neither claimed a dividend or any sum for seven years, nor corresponded in writing with the business or indicated any interest. Sec. (b)(2) requires also that the association does not know the location of the owner at the end of the seven-year period. The writing or indication of interest and ownership knowledge would cover presumption of abandonment of non-dividend paying stock.

If the conditions leading to presumption of abandonment have occurred, the holder must report to the State Treasurer pursuant to K.S.A. 58-3912. The State Treasurer then advertises the existence of the property and sends notice to owners of property valued at \$25 or more.

Many owners will be located through the publication and mail notice of the Act. In the event that abandonment is presumed and the owner subsequently appears, there have been at least three formal opportunities to reunite that owner with the issuer before a duplicate certificate is turned over to the State Treasurer.

If the owner is not located, however, a duplicate certificate will be issued to the State Treasurer for the benefit of the owner pursuant to Sec. 2(b) of the Bill. Thereafter, if the owner appears, the duplicate certificate may be claimed from the State Treasurer. Sec. 3(b) is designed to encourage the State Treasurer to hold the certificate for at least three years. If the stock is sold after three years and the owner appears after his interest has been sold, the owner will receive the net proceeds of sale.

Atch. B

The issuer who delivers a duplicate certificate under the Act is protected, since upon delivery it is relieved of all liability to the extent of the value of the property delivered under K.S.A. 58-3915.

Sec.3(c) of the Bill provides authorization to sell securities on the stock exchange, or other methods for nontradable stock. Previously all abandoned property received by the State Treasurer and eligible to be sold was required to be sold by publication for three weeks and public auction. It would be more convenient and practical to sell securities as set out in Sec. 3(d) of the Bill.

Sec. 3(f) provides for the disposition of property which has no commercial value. As an example, the contents of safety deposit boxes often include such items as rent receipts, personal correspondence and lapsed insurance policies. In such cases, these contents might have some personal significance to the owner which the Treasurer would take into consideration in determining for what period of time after one year she will hold the property awaiting a claim by the owner. However, in the usual situation there will be no interest to be preserved by maintaining this property under state custody.

Under 3(f) the Treasurer would be free to dispose of the property with no commercial value. Further, the Treasurer could transfer it to other agencies or institutions which might have an interest in the property because of its historical value or other independent significance.

The section also provides that the Treasurer in exercising her discretion in disposing of such property shall not be subject to a claim by the missing owner.

Sec. 4 provides for the reporting of unclaimed wages within one year instead of the normal seven-year period. It is the feeling of the State Treasurer that unclaimed wages should be presumed abandoned at an earlier period than that for other property since the chance of locating the missing owner of a wage check materially decreases with the passage of time.

Sec. 5 provides an opportunity for the State Treasurer to publish unclaimed property which has been received and also provides for additional time for the owners to file claims before property finders, or ferrets as we call them, are permitted to come in to locate property of owners on a commission basis.

The U. S. Supreme Court has ruled that where the state of the last known address does not, at the time in question, provide for escheat of the property, the state of corporate domicile could escheat the property, subject to the right of the state of the last known address to recover it if and when its law made provision for escheat or custodial taking of such property. Under K.S.A. 58-3928 the Kansas Act does not apply to any property presumed abandoned or escheated under the laws of another state prior to the effective date of this Act which is July 1, 1979.

As an example, the State of California is now holding \$43,620 belonging to owners with last known addresses in Kansas for unclaimed travelers checks sold in Kansas in the years 1954 through 1963. California takes the position that property which escheated to California prior to July 1, 1979, the date of our Act, would not fall within the purview of the Kansas Act under K.S.A. 58-3928. If 3928 is repealed, California has indicated it could transfer the money to us pursuant to the Texas v. New Jersey Supreme Court decision.

By: Laurine R. Kreipe
Administrative Officer
Office of State Treasurer