

MINUTES OF THE SENATE COMMITTEE ON JUDICIARYThe meeting was called to order by Senator Elwaine F. Pomeroy at
Chairperson10:00 a.m./~~p.m.~~ on January 26, 1983 in room 514-S of the Capitol.~~All~~ members ~~were~~ present ~~except~~ were: Senators Pomeroy, Winter, Burke, Feleciano, Gaar, Gaines, Hein, Hess, Steineger and Werts.Committee staff present: Mary Torrence, Revisor of Statutes
Mike Hein, Legislative Research Department
Mark Burghart, Legislative Research Department

Conferees appearing before the committee:

Bud Grant, Kansas Association of Commerce and Industry
John Brookens, Kansas Bar Association
John Jossierand, Office of Secretary of State
John Crofoot, Kansas Grain and Feed Dealers AssociationSenator Gaines moved that the minutes of January 25, 1983, be approved, Senator Werts seconded the motion, and the motion carried.

The chairman announced the hearing on Senate Bill 28 has been postponed at the request of the sponsor, Senator Billy McCray. He inquired if anyone was present who had not received notice of the postponement and wished to testify on the bill. No one testified.

Bud Grant presented a proposal that would increase the service charge from \$3.00 to \$10.00 for writing a worthless check (See Attachment #1). He stated this proposal was requested by J. C. Penney Company. Committee discussion with him followed. No motion was made.Bud Grant presented a proposal dealing with the problem of shoplifting. He explained that the state of Illinois in 1982 enacted a statute that amended the civil liability statute. Mr. Grant feels the Illinois law might get the people's attention because he doesn't think current law does. Following committee discussion, Senator Werts moved that the bill be introduced; Senator Feleciano seconded the motion, and the motion carried.John Brookens presented a proposal relative to the Revised Uniform Limited Partnership Act (See Attachment #2). He explained the proposal to the committee. He stated the Secretary of State's office joins the bar association in supporting this proposal. During committee discussion, Mr. Jossierand stated the proposal does clear up a number of administrative problems. Following committee discussion, Senator Winter moved that the bill be introduced; Senator Hess seconded the motion, and the motion carried.Senate Bill 7 - Filing of security interests in farm products.The chairman reminded the committee that time ran out on Monday during discussion of the bill. Following discussion, Senator Gaines moved conceptually to endorse the concept of central filing of farm products; Senator Gaar seconded the motion. Considerable committee discussion followed. The motion carried. Senator Winter moved to amend the bill to require filing in both the county of residence and Secretary of State's office; Senator Steineger seconded the motion. Considerable discussion followed. Upon request of a committee member, the chairman recognized John Jossierand. He commented the program he previously described was designed to replace county revenues; it was not designed as an alternative. Considerable discussion was had with Mr. Jossierand on the means and time it takes to supply the information that is needed. Mr. Jossierand stated that philosophically the

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON JUDICIARY,
room 514-S, Statehouse, at 10:00 a.m./~~p.m.~~ on January 26, 1983

SB 7 continued

office has a problem with giving information over the phone on demand. He discussed providing information on microfiche. The chairman recognized John Crofoot, who stated with two places to check, it would take more time to receive the information. There is concern with setting up an instant phone response business for profit.

Time had arrived for the committee to adjourn; the chairman announced the motion that is pending will be held until the bill is taken up again.

The meeting adjourned.

GUESTS

SENATE JUDICIARY COMMITTEE

NAME

ADDRESS

ORGANIZATION

Harry Hines

Steinger

David Cross

Missouri, Mo.

FARMERS Ins. Group

John Hunt

Marion

KGFD

Gene Clark

Topeka

KCDAA

Carol Beard

Topeka

Sec of State

Jon Bossert

Topeka

Sec of State

Mary Ellen Conlee

Widata

City of Widata

BOB CORANT

Topeka

KRAE

Marion Chubotz

Topeka

KWIL

M. Hoover

"

Capitol Journal

Jim May

"

KBA

Julia Hamber

Topeka

KU Student

Jim W. Buckner

1200 Harrison

Han Bar an

Je H. Sharp

Lawrence

Sen. Mullich

Ed Johnson

Topeka

Kan. Assoc of Producers Inc.

Rob Hayes

Topeka

KACI

K.S.A. 21-3707 (2)

In any prosecution against the maker or drawer of a check, order or draft payment, of which has been refused by the drawee on account of insufficient funds, the making, drawing, issuing or delivering of such check shall be prima facie evidence of intent to defraud and of knowledge of insufficient funds in, or on deposit with, the drawee unless the maker or drawer pays the holder thereof the amount due thereon and a service charge not exceeding ~~\$3~~ \$10 for each check, within seven days after notice has been given to the maker or drawer that such check, draft or order has not been paid by the drawee. As used in this section, "notice" includes oral or written notice to the person entitled thereto. Written notice shall be presumed to have been given when deposited as restricted matter in the United States mail, addressed to the person to be given notice at such person's address as it appears on such check, draft or order.



1-26-83

2

KANSAS BAR ASSOCIATION

January 25, 1983

OFFICERS

PRESIDENT:

John J. Gardner
Box 550
Olathe 66061 (913) 782-2350

PRESIDENT-ELECT:

Sam Lowe
Box 408
Colby 67701 (913) 462-3383

VICE-PRESIDENT:

Selby Soward
Box 549
Goodland 67735 (913) 899-3696

SECRETARY-TREASURER:

Edward J. Hund, Jr.
200 W. Douglas #830
Wichita 67202 (316) 267-5293

EXECUTIVE COUNCIL:

DISTRICT 1:

John J. Jurcyk, Jr.
Box 1398, Fourth Floor
707 Minnesota Ave.
Kansas City 66101 (913) 371-3838

DISTRICT 2:

Jack R. Euler
Box 326
Troy 66087 (913) 985-2322

DISTRICT 3:

Leigh Hudson
Box 297
Pittsburg 66762 (316) 231-0790

DISTRICT 4:

Doyie Eugene White, Jr.
Box 308
El Dorado 67042 (316) 321-1710

DISTRICT 5:

Edward L. Bailey
1100 First Nat'l Bank Tower
Topeka 66603 (913) 235-9511

DISTRICT 6:

Robert W. Wise
Box 1143
McPherson 67460 (316) 241-0554

DISTRICT 7:

A. J. "Jack" Focht
200 W. Douglas #830
Wichita 67202 (316) 267-5293

DISTRICT 8:

Hon. Barry Bennington
Box 608
St. John 67576 (316) 549-3296

DISTRICT 9:

Lelyn J. Braun
1505 E. Fulton Terrace
Garden City 67846 (316) 275-4146

DISTRICT 10:

Edward Larson
Box 128
Hays 67601 (913) 628-8226

PAST PRESIDENT:

Charles E. Henshall
Box 667
Chanute 66720 (316) 431-2600

YOUNG LAWYERS PRESIDENT:

Nathan Harbur
Box 550
Olathe 66061 (913) 782-2350

ASSOCIATION ABA DELEGATES:

John E. Shamberg
860 New Brotherhood Bldg
Kansas City 66101 (913) 281-1900

Glee S. Smith, Jr.

Box 360
Larned 67550 (316) 285-3157

STATE ABA DELEGATE:

William C. Farmer
200 West Douglas #830
Wichita 67202 (316) 267-5293

KDJA REPRESENTATIVE:

Hon. Wayne H. Phillips
Wyandotte Co. Courthouse
Kansas City 66101 (913) 573-2929

Statement of Kansas Bar Association relative to Revised Uniform Limited Partnership Act.

John W. Brookens, Legislative Council

This is a proposal of the Kansas Bar Association. We feel there is a significant interest in updating our laws on Limited Partnerships.

In 1916, the National Conference of Commissioners on Uniform State Laws drafted, approved and recommended for enactment in all of the States a Uniform Limited Partnership Act. This act was adopted in Kansas.

As time passed, as business practices changed, it became apparent that a modernized version of the code would be better. In 1976, the National Conference drafted, approved and recommended for enactment in all of the states, a revised Uniform Limited Partnership Act. It was intended to modernize the prior law while retaining the special character of limited partnerships as compared with corporations. A limited partnership has a wide degree of flexibility in defining the relations among the partners that is not possible in a corporation. The relationship of the partners is by agreement of the parties under circumstances that corporate management would deem not only unworkable, but unthinkable.

The Revised Uniform Limited Partnership Act was offered in the 1982 legislative session, and was the subject of an interim study as Proposal 13. Senators Burke and Feleciano were members of the interim committee. That committee was faced with certain objections to that draft of the Act by the office of the Secretary of State. The committee also felt there was no particular compelling need for the revised Act.

Since receiving the Interim Committee Report, we have met with the office of Secretary of State, with accountants and lawyers knowledgeable in this specialized field. We have reached a

Atch. 2

consensus on a workable draft of the bill. Objections of the office of Secretary of State have been met, and they now approve of this proposal.

Our corporation code is modeled after that of the State of Maryland. We have used the Maryland revised Uniform Limited Partnership Act as a model for our present proposed Act, and the office of Secretary of State has conformed this to our Kansas administrative procedures.

I am authorized to say that counsel for the Secretary of State now joins us in this present proposal.

A limited partnership is a very useful legal vehicle to promote investment in Kansas. It is useful in oil field explorations, land development, and can be used in management of family farms. It creates the legal possibility of many persons joining together by agreement to share profits and losses as a partner while still retaining the benefits of limited liability as would a corporate stockholder.

We believe Kansas should join the 15 or so States that have enacted some form of this Revised Uniform Limited Partnership Act. We would prefer these be formed in Kansas and be controlled by Kansas law. Kansas is now operating under a 66 year old code regulating business activities which were largely unknown and unforeseen at the time the 1916 model act was drafted. We think it is time to bring Kansas up-to-date.

We therefore respectfully request the Senate Judiciary Committee introduce this proposal as a Committee bill, ask that it be referred back to the Committee for hearings thereon.