

MINUTES OF THE HOUSE COMMITTEE ON COMMERCIAL & FINANCIAL INSTITUTIONS

The meeting was called to order by Representative Harold P. Dyck at
Chairperson

3:30 ~~am~~/p.m. on Tuesday, February 7, 19⁸⁴ in room 527-S of the Capitol.

All members were present except: Rep. Susan Roenbaugh, excused Rep. Ed Rogers
Rep. Ken King, excused
Rep. Herman Dillon, excused

Committee staff present: Bill Wolff, Research Department
Myrta Anderson, Research Department
Bruce Kinzie, Revisor of Statutes Office
Mitchell Lousch, Intern
Virginia Conard, Committee Secretary

Conferees appearing before the committee:

Rebecca Kupper, Kansas Hospital Association

Chairman Harold Dyck called the meeting to order and introduced Conferee Rebecca Kupper, who testified in favor of SB471, (See Attachment I) as amended by the Senate Committee.

As there were no other conferees, Chairman Dyck directed the attention of the committee members to HB2657.

Rep. David Miller, with Rep. David Louis seconding, moved that HB2657, with conceptual amendments, be reported favorably out of committee. Motion carried

Staff member Bill Wolff reviewed briefly HB2758.

Rep. David Louis recommended that HB2758 be favorably passed out of committee. Rep. Dorothy Nichols seconded the motion. Motion carried.

Regarding HB2759, Rep. Ivan Sand recommended it favorably for passage. Rep. Homer Jarchow seconded the motion. Motion carried.

Chairman Dyck reported that hearings would be held again next week on HB2733, HB2734, and HB2735.

Chairman Dyck announced that they did not yet have a subcommittee report on HB2639 as the chairman, Rep. Kenneth King, was in the hospital. He stated that Subcommittee Chairman David Miller would be holding hearings soon on HB2126.

Rep. Dorothy Nichols moved that the February 2, 1984, minutes be approved. Rep. David Miller seconded the motion. Motion carried.

Meeting adjourned at 3:57.

The next meeting is February 9, 1984.

Attachment I

TESTIMONY OF THE
KANSAS HOSPITAL ASSOCIATION
SENATE BILL 471

House Committee on Commercial and Financial Institutions
February 7, 1984

The Kansas Hospital Association appreciates the opportunity to testify in support of Senate Bill 471, as amended by the Senate Committee.

Senate Bill 471 was a result of the interim committee study on the UCCC. We appeared before that committee asking that hospitals that make informal payment arrangements with patients be exempt from the provisions of the Uniform Consumer Credit Code. Rather than specifically exempt hospitals, the interim committee decided to adopt a new definition of creditor, found on page 5, lines 159-168 of the bill.

KHA legal counsel reviewed Senate Bill 471 and suggested two amendments which the Senate Committee on Commercial and Financial Institutions adopted. The first amendment is in Section 1, page 3, lines 93-94, which adds the words "by written agreement." We believe this clarifies the intent of the interim committee to apply the UCCC to formal consumer credit sales evidenced by a written agreement to pay in installments or where a finance charge is made.

The second amendment is on page 9 and adds Section 40 which defines a "written agreement" as "an agreement such as a promissory note, contract or lease that is evidence of the indebtedness. A letter that merely confirms an oral agreement does not constitute a written agreement for purposes of this subsection." Again, this would clarify that the Code was not intended to apply to informal payment arrangements made between a hospital and a patient.

Therefore, we ask this committee to recommend that Senate Bill 471, as amended by the Senate Committee, be passed.

Atch. I
2/7/84