

MINUTES OF THE HOUSE BUSINESS, COMMERCE AND LABOR COMMITTEE.

The meeting was called to order by Chairperson Al Lane at 9:10 a.m. on February 22, 2002 in Room 521-S of the Capitol.

All members were present except: Todd Novascone - excused  
Rick Rehorn - excused  
Dale Swenson - excused

Committee staff present: Jerry Donaldson, Legislative Research  
Bob Nugent, Revisor of Statutes  
Renae Jeffries, Revisor of Statutes  
Bev Adams, Secretary

Conferees appearing before the committee: Bryan Smith, - Kansas Trial Lawyers  
Martha Neu Smith - Ks Manufactured Housing Assn.

Others attending: See attached list

**Continued Hearing on: HB 2835 - Home Owner Warranty act.**

Jerry Donaldson, Legislativie Research, furnished the committee with a copy of the Interim Report on Residential Building Contractors - dated January 1997. (Attachment 1)

Handed out better copy of Internet article from Nancy Seats on *Nations's Home Builders Grow Worried about Mold*. (Attachment 2)

Written testimony from Ginger Hayes, Kansas Homeowner, supporting **HB 2835** was passed out to the committee. (Attachment 3)

Bryan Smith, Kansas Trial Lawyers (KTLA), appeared before the committee to oppose the bill. They do not believe the bill accomplishes what it sets out to accomplish. The KTLA endorses any legislation that protects the rights of Kansans. The concept of providing a mandatory warranty on all new homes and on improvements performed to existing homes is one that the KTLA would support. However, enacting legislation that creates such a warranty but thereby provides immunity to a contractor for certain types of defects and potentially limits the rights of Kansans to pursue other remedies for damages caused by defective construction of a house cannot be support by the KTLA.. (Attachment 4) He concluded his testimony by answering questions from the committee.

Martha Neu Smith, Executive Director, Kansas Manufactured Housing Association, brought to the committee an amendment to the bill. The Manufactured Housing Industry is currently required by Kansas law to provide a one-year warranty on all new homes and are also covered by some federal laws. Since the industry is already required by law to warranty their homes, they respectfully request the following amendment to be included in the definition of "dwelling" "but such term shall not include manufactured housing as defined in K. S. A. 58-4202, and amendments thereto, subject to the federal manufactured home construction and safety standards established pursuant to 42 U. S. C. §5403." (Attachment 5) She answered several questions about manufactured housing from the committee.

Written testimony was passed out from Whitney Damron, Kansas Bar Association, opposing one provision contained in the bill. (Attachment 6)

No others were present to testify for or against **HB 2835** and Chairman Lane closed the hearing.

Chairman Lane adjourned the meeting. The next scheduled meeting is February 26, 2002.