

MINUTES OF THE HOUSE JUDICIARY COMMITTEE.

The meeting was called to order by Chairman Michael R. O'Neal at 3:30 p.m. on March 19, 2003 in Room 313-S of the Capitol.

All members were present except:

Representative Ward Loyd - Excused
Representative Tim Owens - Excused

Committee staff present:

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

Conferees appearing before the committee:

Mark Stafford, Kansas Bar Association
Christine Collins, Kansas Medical Society
Gary Reser, Kansas Veterinary Medical Association
Gary Robbins, Kansas Optometric Association

The hearing on **SB 28 - professional corporation law of Kansas**, was opened.

Mark Stafford, Kansas Bar Association, explained that the professional corporation law was enacted in 1965 so professionals could form corporations and could benefit from certain tax advantages. It also allowed professionals to enjoy the benefits of forming a corporation while preserving professional discretion. The proposed bill would delete the list of professions, allow foreign professional corporations to do business in Kansas, and have a choice between forming a limited liability company, limited partnership, general partnership or a professional corporation. (Attachment 1)

Christine Collins, Kansas Medical Society, appeared as an opponent to the bill but supported further study and input from groups that would be effected by it. She was concerned with New Section 16 which has various licensing agencies adopting rules and regulations to determine under what circumstances the professional services could become a corporation. (Attachment 2)

Gary Reser, Kansas Veterinary Medical Association, addressed the committee as an opponent. He believes that the changes in the proposed bill would result in lawsuits from well financed corporate interest that would require Kansas licensing agencies to defend the requirements of rules and regulations when determining who could form a corporation. (Attachment 3)

Gary Robbins, Kansas Optometric Association, requested that section 10 be amended to make it clear that even if a professional corporation converts to a general corporation, all of its shareholders must continue to be licensed professionals and that the licensing agency must not only be informed of, but also consent to the conversion. He strongly opposed new section 16 which allows each licensing agency to adopt its own rules & regulations. (Attachment 4)

The hearing on **SB 28** was closed.

CONTINUATION SHEET

MINUTES OF THE HOUSE JUDICIARY COMMITTEE at 3:30 p.m. on March 19, 2003 in Room 313-S of the Capitol.

SB 61 - Enacting the Uniform Athlete Agents Act

Representative Long made the motion to report SB 61 favorably for passage. Representative Ward seconded the motion.

Representative Davis made a substitute motion to strike the provisions in the bill regarding looser pay. Representative Swenson seconded the motion. The motion carried.

Representative Pauls made the motion to amend the open records section so that those records which would be used for investigative purposes would be closed. Representative Williams seconded the motion. The motion carried.

The committee recommended that staff print the Uniform Law Commissioners comments along with the bill when published.

Representative Klein made the motion to amend New Section 15 to exclude the right of action of an university or college against a former student-athlete when one has violated the act. Representative Ward seconded the motion. The motion carried.

Representative Klein made the motion to report SB 61 favorably for passage, as amended. Representative Patterson seconded the motion. The motion carried.

HCR 5016 - concurrent resolution urging study and recommendations regarding internet and other sales of wines not available in Kansas

Representative Williams made the motion to report HCR 5016 favorably for passage. Representative Crow seconded the motion. The motion carried.

The committee meeting adjourned at 5:30 p.m. The next meeting was scheduled for March 20, 2003, at 3:30 p.m. in room 313-S