

Journal of the House

TWENTY-FIRST DAY

HALL OF THE HOUSE OF REPRESENTATIVES,
TOPEKA, KS, Thursday, February 13, 2014, 11:00 a.m.

The House met pursuant to adjournment with Speaker Merrick in the chair.

The roll was called with 120 members present.

Reps. Becker, Menghini and Peterson were excused on verified illness.

Rep. Thimesch was excused on excused absence by the Speaker.

Prayer by the Rev. Kent L. Otott, Executive Director, North Central Kansas Teens for Christ, Concordia, and guest of Rep. Pauls:

God in Heaven,

Today, with the desire not to sound as if I am praying on the street corner, I lift up the men and women assembled here to conduct business on behalf of the people of the State of Kansas. Draw them close to you and guide them in the discussions and decisions that must be made today and throughout the rest of the session.

Lives across the State of Kansas are affected by the legislation that comes out of this room. As their day begins, prepare their hearts in the way that David prayed in the 51st Psalm:

"Create in me a clean heart, O God, And renew a steadfast spirit within me. Do not cast me away from Thy presence, And do not take Thy Holy Spirit from me. Restore to me the joy of Thy salvation, And sustain me with a willing spirit." ~ Psalms 51:10-12 (NASB)

During this time as this elected body takes care of Kansas, let them seek You out on a daily basis for guidance. For those who profess a faith in You, continue to uplift them with your "righteous right hand". For those who claim no belief in You, draw them to You through Your "only begotten Son".

Give them the wisdom needed to allow the economy to flourish. Give them the compassion needed to finance the programs that are necessary. Give them the insight to know what their constituents want and what the government can actually provide.

As this day of business begins, let them debate and reason in such a way that brings honor upon our republic. Give them the strength to stand by their convictions and the convictions of

those in their home districts.

On a personal level Father, I ask that you be with their families during the separation that is caused by their duties here in Topeka. Strengthen their relationships and meet their personal needs and private requests.

I ask for your blessing upon this body. I ask for your blessing upon the people they represent. I ask for your blessing upon the great State of Kansas.

All of these things I ask in the name of Your Risen Son, Jesus Christ! Amen!!

The Pledge of Allegiance was led by Rep. Edwards.

INTRODUCTION OF GUESTS

There being no objection, the following remarks of Rep. Proehl are spread upon the Journal:

The Governor signed a Proclamation that today, February 13, 2014, is Kansas Phi Theta Kappa All-State Academic Team Day. And today I am proud to introduce to you the Phi Theta Kappa All State Academic Team. Ten of those scholars are here on the Floor with me and the remainder are in the Gallery with us today.

Luis Salazar – Garden City Community College

Eric Mueller – Coffeyville Community College

Etulan Joseph – Independence Community College

Christel Sieg – Neosho County Community College – Ottawa

Abigail Kaiser – Labete Community College

Katelyn Kumberg – Pratt Community College

Ryan Proctor – Kansas City Kansas Community College

Kelsey Pracht – Butler Community College

Lourdes Figueroa – Dodge City Community College

Amy Reinhardt – Johnson County Community College

Phi Theta Kappa is an International Honor Society for two year colleges that symbolizes excellence in higher education and a commitment to students. Students with a GPA of 3.5 or higher are invited to join Phi Theta Kappa whose mission is two-fold:

- to recognize and encourage the academic achievement of two-year college students, and
- to provide opportunities for individual growth and development through participation in honors, leadership, service and fellowship programming.

Fifty two students have been named to the All Kansas Academic Team and they represent all Nineteen Kansas community colleges from across Kansas and were named to this team based upon their academic achievement, leadership and community service.

Because of their academic achievement, service and leadership they have been awarded scholarship and stipends to complete their education and I wanted to be sure you were aware of this impressive group of young scholars from the Kansas Community Colleges.

INTRODUCTION OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were introduced and read by title:

HB 2670, AN ACT concerning property tax; relating to homestead property tax refunds; disabled veterans; amending K.S.A. 2013 Supp. 79-4501, 79-4502 and 79-4508 and repealing the existing sections, by Committee on Veterans, Military and Homeland Security.

HB 2671, AN ACT concerning the pharmacy audit integrity act; amending K.S.A. 2013 Supp. 65-16,123, 65-16,124 and 65-16,126 and repealing the existing sections, by Committee on Health and Human Services.

HB 2672, AN ACT concerning taxation upon cigarettes and tobacco products; relating to rates; amending K.S.A. 79-3371 and 79-3378 and K.S.A. 2013 Supp. 79-3310, 79-3310c, 79-3311 and 79-3312 and repealing the existing sections, by Committee on Health and Human Services.

HB 2673, AN ACT concerning the healing arts; relating to the physician assistant licensure act; Kansas healing arts act; amending K.S.A. 65-2803, 65-2812, 65-2833, 65-2839a, 65-2840a, 65-2842, 65-2846, 65-2850, 65-2852, 65-2857, 65-2858, 65-2860, 65-2863a, 65-2864, 65-2865, 65-2866, 65-28a02, 65-28a06, 65-28a07, 65-28a08, 65-28a09 and 65-28a11 and K.S.A. 2013 Supp. 8-1001, 38-2310, 40-2123, 65-1626, 65-2802, 65-2809, 65-2836, 65-2837, 65-2838, 65-2838a, 65-2844, 65-2851a, 65-2867, 65-28a03, 65-28a05, 65-4101, 65-6112, 65-6124, 65-6129 and 72-8252 and repealing the existing sections; also repealing K.S.A. 2013 Supp. 65-28a10, by Committee on Health and Human Services.

HB 2674, AN ACT concerning traffic; relating to the uniform fine schedule; failure to yield to an emergency vehicle; creating the highway workers and police officers relief fund; amending K.S.A. 2013 Supp. 8-2118 and repealing the existing section, by Committee on Transportation.

HB 2675, AN ACT concerning the department of administration; relating to procurement negotiating committees; certified businesses; amending K.S.A. 2013 Supp. 75-3740 and 75-37,102 and repealing the existing sections, by Committee on Appropriations.

REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bills and resolution were referred to committees as indicated:

Agriculture and Natural Resources: **HB 2654**.

Commerce, Labor and Economic Development: **HB 2648, HB 2649, HB 2650, HB 2668**.

Corrections and Juvenile Justice: **HB 2658, HB 2662; HCR 5029**.

Education: **HB 2647**.

Energy and Environment: **HB 2659, HB 2661**.

General Government Budget: **HB 2653, HB 2669**.

Insurance: **SB 267, SB 268**.

Judiciary: **HB 2651, HB 2652, HB 2660, HB 2663, HB 2664, HB 2665**.

Pensions and Benefits: **HB 2666**.

Taxation: **HB 2642, HB 2643, HB 2667**.

Transportation: **HB 2644, HB 2645, HB 2646**.

Transportation and Public Safety Budget: **HB 2641**.

Veterans, Military and Homeland Security: **HB 2655, HB 2656, HB 2657.**

COMMUNICATIONS FROM STATE OFFICERS

From Bob Hanson, Director of Communications, and Lacey Kennett, Publications Writer, Kansas Insurance Department, pursuant to K.S.A. 40-108, 2013 Annual Report. The report can be found at

http://www.ksinsurance.org/gpa/annuals/2013_Annual_Report_web.pdf.

From Reginald L. Robinson, Chair, Kansas Advisory Group on Juvenile Justice and Delinquency Prevention, Annual Report to the Governor, 2013.

The complete reports are kept on file and open for inspection in the office of the Chief Clerk.

MESSAGE FROM THE SENATE

Announcing passage of **SB 54, SB 99, SB 254, SB 256, SB 258, SB 265, SB 266, SB 269, SB 272, SB 276.**

Also, announcing passage of **HB 2296**, as amended.

INTRODUCTION OF SENATE BILLS AND CONCURRENT RESOLUTIONS

The following Senate bills were thereupon introduced and read by title:

SB 54, SB 99, SB 254, SB 256, SB 258, SB 265, SB 266, SB 269, SB 272, SB 276.

INTRODUCTION OF ORIGINAL MOTIONS AND HOUSE RESOLUTIONS

On emergency motion of Rep. Lusk, **HR 6052**, by Reps. Lusk and Rooker, as follows, was introduced and adopted:

HOUSE RESOLUTION No. **HR 6052**—

A RESOLUTION commending the Kansas Parent Teacher Association's 100th

Anniversary and its century of advocacy and service on behalf of bettering the lives of all children in the realms of education, health and safety.

WHEREAS, The National Parent Teacher Association (PTA) was founded in 1897 as the National Congress of Mothers by Alice McLellan Birney and Phoebe Apperson Hearst to be a powerful voice for all children, a relevant resource for families and communities and a strong advocate for public education; and

WHEREAS, The Kansas PTA was established in 1914 by forward-thinking women and men who were deeply concerned about the welfare of children. Mrs. S. M. Williams, of Kansas City, was Chairwoman of the Committee on Arrangements and was elected the first president of the Kansas State Branch of the National Congress of Mothers and Parent Teacher Association. There were over 500 charter members; and

WHEREAS, The concerns of the Kansas PTA founders were: "Better babies; better mothers for babies; better home surroundings; better schools; better roads to get the children to schools; and closer relations between the parents and the school teachers"; and

WHEREAS, Through advocacy, as well as family and community education, the National PTA and the Kansas PTA established programs and called for legislation that improves our children's lives, such as the creation of kindergarten classes, the

implementation of child labor laws, the establishment of hot and healthy school lunch programs and securement of the juvenile justice system; and

WHEREAS, Today's PTA is a network of millions of families, students, teachers, administrators and business and community leaders devoted to the educational success of children and the promotion of family engagement in schools; and

WHEREAS, The Kansas PTA founders represented women of imagination and courage. They had a simple idea, which was to improve the lives and futures of all children. They understood the power of individual action, worked beyond the accepted barriers of their day and took action to change the world for all children; and

WHEREAS, The Kansas PTA is the largest volunteer child advocacy organization in the state of Kansas with tens of thousands of members strong, and is the conscience of the state for childrens and youth issues; and

WHEREAS, For the past 100 years and continuing today, the members of the Kansas PTA across the state have stayed fast to the ideals of their mission, which are threefold: To support and speak on behalf of children and youth in schools, in the community and before governmental bodies and other organizations that make decisions affecting children; to assist parents in developing the skills they need to raise and protect their children; and to encourage parent and public involvement in the public schools of this state: Now, therefore,

Be it resolved by the House of Representatives of the State of Kansas: That we commemorate the 100th Anniversary of the Kansas PTA and urge all citizens to show their support for the spirit of the PTA legacy to strive for the best interests of children; and

Be it further resolved: That the Chief Clerk of the House of Representatives shall send an enrolled copy of this resolution to Representatives Lusk and Rooker.

There being no objection, the following remarks of Rep. Lusk are spread upon the Journal:

I am very pleased and happy we are taking this moment to celebrate the Kansas PTA on its 100th Anniversary year.

PTA has been THE leader in championing children's rights for the last century. And the Kansas PTA continues that proud legacy today with members across the state who are passionately committed to quality education for all children.

Here are some examples of their commitment – through its Myth Busters series and other documents on its website – authored by volunteers – the Kansas PTA provides straightforward, evidence based information regarding public education.

The PTA Reflections Program offers students from K-12 the opportunity to express themselves creatively through the visual arts, photography, music, dance and literature. This year's theme was "Believe. Dream. Inspire." And resulted in many amazing entries.

Kansas PTA also sponsors a Citizenship contest for fifth through ninth graders to write an essay or poem to encourage them to think about their role in the community. This year's theme was "I can influence my peers positively by..."

The people that you see before you today are people whom I have known and worked with for years. They are generous with their time, and dedicated to providing the volunteer support our schools need. They represent this organization well.

I will recognize them by introducing them:

Tammy Bartels - Kansas PTA President
Debbie Lawson - Kansas PTA VP Advocacy
Dianna Fabac - Kansas PTA Secretary
Matthew Fabac
Brian Hogsett - Kansas PTA Legislative Chair
Mary Sinclair, PhD - Advocacy Team Member
Pam Hale – Shawnee Mission Area Council PTA President
Laura Kaiser – past Kansas PTA President
Debbie Taylor – past Kansas PTA President

It is right to celebrate the Kansas PTA on its 100th Anniversary because it is the largest volunteer child advocacy organization in the state of Kansas and because of its dedication to being a powerful voice for all children.

Rep. Lusk presented a framed House certificate to the members of the Kansas PTA.

MOTIONS AND RESOLUTIONS OFFERED ON A PREVIOUS DAY

On motion of Rep. Howell, **HCR 5028**, A concurrent resolution honoring James Chitty for his over 10,000 hours of community service at the Robert J. Dole V.A. Medical Center, was adopted.

There being no objection, the following remarks of Rep. Howell are spread upon the Journal:

Today, we honor a hero. Jim Chitty honorably served our country for four years in the Army during World War II. I want to take time to recognize Mr. Chitty for his service to our country.

Accompanying Mr. Chitty today is Diane Henderson, Executive Secretary to the Medical Center Director and Mr. Rick Kennedy, Volunteer Service Specialist.

Mr. Chitty, I believe I can speak for the entire house chamber today when I say thank you for your sacrifice and service to us and our country! You, along with countless other brave warriors did what you had to do for our freedom and security. I am proud of you today for all you did for us. The amazing thing however, is that you did not stop serving.

On Independence Day last year, I took the opportunity to visit the Robert J. Dole VA Medical Center with Senator Mike Petersen. The patients and longer term residents I spoke with that day went out of their way to inform me of their desire to show you appreciation. They said they thought the experience there was positive but they wanted me to know that you are one that encouraged them. You continue to make a positive difference wherever you serve. The staff and other folks there told us of your extraordinary commitment and faithfulness to serve as a volunteer, doing anything and everything anyone would ask you to do. You do it with a cheerful heart and a smile. You are an amazing example to us all.

You also showed faithfulness in your aviation career at Beechcraft with 36 years of service in Wichita. You are also a teacher who taught history and social studies for 14 yrs. in St. Louis and Wichita. Your history is packed with impressive accomplishments and faithful service.

However, regarding your volunteerism at the hospital, Mr. Chitty, you served as a Volunteer Escort beginning on November 15, 1987. You have given your time five days a week for the last 25 years. The total hours served, if compared to a 40-hour/week job, means you have essentially sacrificed more than five years of full-time work in service to others at the hospital. During this time, you have done things like help wheelchair patients get to their appointments and deliver specimens to the lab, but you have always been willing to perform any other chore that will help at the Medical Center. With 10,551 hours of volunteer service, we honor you for your continued sacrifice, faithfulness, and service.

Mr. Chitty, please accept this commemorative 10,000 hour volunteer service pin. We honor you for all you have done and commemorate you today with **HCR 5028** which recognizes your outstanding service.

FINAL ACTION ON BILLS AND CONCURRENT RESOLUTIONS

H Sub for SB 245, AN ACT making and concerning appropriations for fiscal years ending June 30, 2014, June 30, 2015, and June 30, 2016, for state agencies; authorizing certain transfers, capital improvement projects and fees, imposing certain restrictions and limitations, and directing or authorizing certain receipts, disbursements, procedures and acts incidental to the foregoing, was considered on final action.

On roll call, the vote was: Yeas 79; Nays 41; Present but not voting: 0; Absent or not voting: 4.

Yeas: Alford, Anthimides, Barker, Bradford, Bruchman, Brunk, Couture-Lovelady, Campbell, Carlson, Carpenter, Cassidy, Christmann, Claeys, Concannon, Corbet, Crum, E. Davis, DeGraaf, Doll, Dove, Edmonds, Edwards, Esau, Estes, Finch, Gandhi, Garber, Goico, Gonzalez, Grosserode, Hawkins, Hedke, Henderson, Highland, Hildabrand, Hoffman, Houser, Howell, Huebert, Hutton, Jennings, Johnson, Jones, Kahrs, Kelley, Kelly, Kiegerl, Kinzer, Kleeb, Lunn, Macheers, Mast, McPherson, Merrick, O'Brien, Osterman, Peck, Perry, Petty, Powell, Proehl, Read, Rhoades, Rothlisberg, Rubin, Ryckman Jr., Ryckman Sr., Schroeder, Schwab, Schwartz, Seiwert, Sloan, Suellentrop, Sutton, Thompson, Todd, Vickrey, Waymaster, Winn.

Nays: Alcalá, Ballard, Boldra, Bollier, Bridges, Burroughs, Carlin, Carmichael, Clayton, P. Davis, Dierks, Ewy, Finney, Frownfelter, Henry, Hibbard, Hill, Hineman, Houston, Kuether, Lane, Lusk, Lusker, Meier, Meigs, Moxley, Pauls, Phillips, Rooker, Ruiz, Sawyer, Sloop, Swanson, Tietze, Trimmer, Victors, Ward, Weigel, Whipple, Wilson, Wolfe Moore.

Present but not voting: None.

Absent or not voting: Becker, Menghini, Peterson, Thimesch.

The substitute bill passed, as amended.

EXPLANATIONS OF VOTE

MR. SPEAKER: My home district 13 contains the Toronto Honor Camp, a minimum security prison that has been maintained but left idle for the past five years. The prison was built in the mid-1960's and used continually until 2009. The facility provided jobs for the local area, and the work release program was utilized by Kansas Wildlife and Parks and surrounding cities and counties for maintenance work force. I will not support an expansion of the corrections budget until they utilize the facilities and equipment they already have. I vote NO on **H Sub for SB 245**.--LARRY HIBBARD

MR. SPEAKER: Given the SGF ending balances well in excess of statutory requirements and the reality this is only day 32 of the session, I cannot support a budget measure which may address corrections but leave significant unmet needs including the Higher Education shortfall and other items, which the Governor has articulated well in his supplemental budget request. I vote no on **H Sub for SB 245** and hope that in a matter of days we will have a more comprehensive budget measure to consider. --DON HILL, TOM MOXLEY, DON HINEMAN, MELLISSA ROOKER

MR. SPEAKER: I vote "NO" on **H Sub for SB 245**. While a bill is necessary to fund the Department of Corrections, this bill does not adequately fund the department. It underfunds staff and programs in both the adult and youth facilities. --JAN PAULS.

MR. SPEAKER: I vote no on **H Sub SB 245**. I strongly support the Winn Amendment, which reverses a highly irresponsible public safety decision by the Brownback Administration to put sex offenders in close proximity to child care centers. However, I cannot support the bill in its entirety because it severely understaffs Kansas corrections facilities. This impairs the safety of both inmates and staff, particularly at the Topeka Correctional Facility, where the number of additional guards was reduced to 14 from the 28 originally proposed, despite the fact that a federal inspection found that it has insufficient staffing. I'm also concerned about cuts to education funding for juvenile offenders. --KATHY WOLFE MOORE, VIRGIL WEIGEL, PATRICIA SLOOP, RODERICK HOUSTON, GAIL FINNEY, ANNIE TIETZE, TOM SAWYER, CAROLYN BRIDGES, TOM BURROUGHS, PAUL DAVIS, STAN FROWNFELTER, BARBARA BALLARD, JOHN WILSON, SYDNEY CARLIN, ADAM LUSKER, JOHN CARMICHAEL.

On motion of Rep. Vickrey, the House resolved into the Committee of the Whole, with Rep. Rhoades in the chair.

COMMITTEE OF THE WHOLE

On motion of Rep. Rhoades, Committee of the Whole report, as follows, was adopted:

Recommended that committee report to **HB 2422** be adopted; and the bill be passed as amended.

Committee report to **HB 2464** be adopted and the bill be passed as amended.

REPORTS OF STANDING COMMITTEES

Committee on **Commerce, Labor and Economic Development** recommends **HB 2246** be amended by substituting a new bill to be designated as "Substitute for HOUSE BILL NO. 2246," as follows:

"Substitute for HOUSE BILL NO. 2246

By Committee on Commerce, Labor and Economic Development
"AN ACT concerning peer review for certain technical professions."; And the substitute bill be passed.

(**Sub HB 2246** was thereupon introduced and read by title.)

Committee on **Elections** recommends **HB 2518** be amended on page 2, following line 32, by inserting:

"(e) If the ballot language statement is not available to insert with the advance ballots, no ballot language statement shall be prepared or made available at the polling place, office of the county election officer, on the official website of the county or the news media.

(f) The secretary of state may promulgate by rules and regulations the rights and responsibilities of election officials which shall be taught to all election officials to aid such officials in understanding their jobs."; and the bill be passed as amended.

Committee on **Federal and State Affairs** recommends **HB 2473** be amended by substituting a new bill to be designated as "Substitute for HOUSE BILL NO. 2473," as follows:

"Substitute for HOUSE BILL NO. 2473

By Committee on Federal and State Affairs

"AN ACT concerning weapons; relating to the regulation and possession of firearms and knives; amending K.S.A. 2013 Supp. 12-16,124, 12-16,134, 12-4516, 12-4516a, 21-6301, 21-6304, 22-2512, 32-1047, 75-7c04 and 75-7c20 and repealing the existing sections; also repealing K.S.A. 2013 Supp. 21-6307 and 75-7c12."; and the substitute bill be passed.

(**Sub HB 2473** was thereupon introduced and read by title.)

Committee on **Health and Human Services** recommends **HB 2524** be amended on page 3, in line 8, before "Each" by inserting "Each licensed practical nurse shall be appointed for a term of four years and until a successor is appointed and qualified.

(4) ";

Also on page 3, in line 10, by striking "(4)" and inserting "(5)"; and the bill be passed as amended.

Committee on **Insurance** recommends **HB 2537** be passed and, because the committee is of the opinion that the bill is of a noncontroversial nature, be placed on the consent calendar.

Committee on **Judiciary** recommends **HB 2398** be passed as amended on page 1, in line 24, by striking "2012" and inserting "2013";

On page 9, in line 36, before "in" by inserting "as a plaintiff in an action to determine that the plaintiff is a member of a limited liability company or";

On page 12, in line 40, by striking "2012" and inserting "2013";

On page 13, by striking all in line 11;

And by renumbering paragraphs accordingly;

On page 14, in line 42, by striking "2012" and inserting "2013";

On page 17, in line 27, by striking "2012" and inserting "2013";

On page 21, in line 12, by striking "2012" and inserting "2013"; in line 16, by striking "2012" and inserting "2013";

On page 25, in line 28, by striking "2013" and inserting "2014";

On page 34, in line 6, by striking "2013" and inserting "2014"; in line 7, by striking "2013" and inserting "2014"; in line 23, by striking "2013" and inserting "2014"; in line 24, by striking "2013" and inserting "2014";

On page 53, in line 5, by striking "2013" and inserting "2014"; in line 8, by striking "2012" and inserting "2013";

On page 58, by striking lines 6 and 7;

And by renumbering paragraphs accordingly;

On page 59, by striking all in lines 18 through 43;

By striking all on page 60 and 61;

On page 62, by striking all in lines 1 through 42 and inserting:

"Sec. 66. K.S.A. 2013 Supp. 84-9-406 is hereby amended to read as follows: 84-9-406. (a) **Discharge of account debtor; effect of notification.** Subject to subsections (b) through (i), an account debtor on an account, chattel paper, or a payment intangible may discharge the account debtor's obligation by paying the assignor until, but not after, the account debtor receives a notification, authenticated by the assignor or the assignee, that the amount due or to become due has been assigned and that payment is to be made to the assignee. After receipt of the notification, the account debtor may discharge the account debtor's obligation by paying the assignee and may not discharge the obligation by paying the assignor.

(b) **When notification ineffective.** Subject to subsection (h), notification is ineffective under subsection (a):

(1) If it does not reasonably identify the rights assigned;

(2) to the extent that an agreement between an account debtor and a seller of a payment intangible limits the account debtor's duty to pay a person other than the seller and the limitation is effective under law other than this article; or

(3) at the option of an account debtor, if the notification notifies the account debtor to make less than the full amount of any installment or other periodic payment to the assignee, even if:

(A) Only a portion of the account, chattel paper, or payment intangible has been assigned to that assignee;

(B) a portion has been assigned to another assignee; or

(C) the account debtor knows that the assignment to that assignee is limited.

(c) **Proof of assignment.** Subject to subsection (h), if requested by the account debtor, an assignee shall seasonably furnish reasonable proof that the assignment has been made. Unless the assignee complies, the account debtor may discharge its obligation by paying the assignor, even if the account debtor has received a notification under subsection (a).

(d) **Term restricting assignment generally ineffective.** Except as otherwise provided in subsection (e), subsection (g) of K.S.A. 17-76,134, K.S.A. 84-2a-303 and K.S.A. 2013 Supp. 84-9-407, and amendments thereto, and subject to subsection (h), a term in an agreement between an account debtor and an assignor or in a promissory note is ineffective to the extent that it:

(1) Prohibits, restricts, or requires the consent of the account debtor or person obligated on the promissory note to the assignment or transfer of, or the creation, attachment, perfection, or enforcement of a security interest in, the account, chattel paper, payment intangible, or promissory note; or

(2) provides that the assignment or transfer or the creation, attachment, perfection, or enforcement of the security interest may give rise to a default, breach, right of recoupment, claim, defense, termination, right of termination, or remedy under the account, chattel paper, payment intangible, or promissory note.

(e) **Inapplicability of subsection (d) to certain sales.** Subsection (d) does not apply to the sale of a payment intangible or promissory note, other than a sale pursuant to a disposition under K.S.A. 2013 Supp. 84-9-610, and amendments thereto, or an acceptance of collateral under K.S.A. 2013 Supp. 84-9-620, and amendments thereto.

(f) **Legal restrictions on assignment generally ineffective.** Except as otherwise

provided in subsection (g) of K.S.A. 17-76,134, K.S.A. 84-2a-303 and K.S.A. 2013 Supp. 84-9-407, and amendments thereto, and subject to subsections (h) and (i), a rule of law, statute, or regulation that prohibits, restricts, or requires the consent of a government, governmental body or official, or account debtor to the assignment or transfer of, or creation of a security interest in, an account or chattel paper is ineffective to the extent that the rule of law, statute, or regulation:

(1) Prohibits, restricts, or requires the consent of the government, governmental body or official, or account debtor to the assignment or transfer of, or the creation, attachment, perfection, or enforcement of a security interest in the account or chattel paper; or

(2) provides that the assignment or transfer or the creation, attachment, perfection, or enforcement of the security interest may give rise to a default, breach, right of recoupment, claim, defense, termination, right of termination, or remedy under the account or chattel paper.

(g) **Subsection (b)(3) not waivable.** Subject to subsection (h), an account debtor may not waive or vary its option under subsection (b)(3).

(h) **Rule for individual under other law.** This section is subject to law other than this article which establishes a different rule for an account debtor who is an individual and who incurred the obligation primarily for personal, family, or household purposes.

(i) **Inapplicability to health-care-insurance receivable.** This section does not apply to an assignment of a health-care-insurance receivable.

(j) **Section prevails over specified inconsistent law.** This section prevails over any inconsistent provisions of any laws, rules, and regulations.

Sec. 67. K.S.A. 2013 Supp. 84-9-408 is hereby amended to read as follows: 84-9-408. (a) **Term restricting assignment generally ineffective.** Except as otherwise provided in subsection (b) and subsection (g) of K.S.A. 17-76,134, and amendments thereto, a term in a promissory note or in an agreement between an account debtor and a debtor which relates to a health-care-insurance receivable or a general intangible, including a contract, permit, license, or franchise, and which term prohibits, restricts, or requires the consent of the person obligated on the promissory note or the account debtor to, the assignment or transfer of, or creation, attachment, or perfection of a security interest in, the promissory note, health-care-insurance receivable, or general intangible, is ineffective to the extent that the term:

(1) Would impair the creation, attachment, or perfection of a security interest; or

(2) provides that the assignment or transfer or the creation, attachment, or perfection of the security interest may give rise to a default, breach, right of recoupment, claim, defense, termination, right of termination, or remedy under the promissory note, health-care-insurance receivable, or general intangible.

(b) **Applicability of subsection (a) to sales of certain rights to payment.** Subsection (a) applies to a security interest in a payment intangible or promissory note only if the security interest arises out of a sale of the payment intangible or promissory note, other than a sale pursuant to a disposition under K.S.A. 2013 Supp. 84-9-610, and amendments thereto, or an acceptance of collateral under K.S.A. 2013 Supp. 84-9-620, and amendments thereto.

(c) **Legal restrictions on assignment generally ineffective.** Except as otherwise provided in and subsection (g) of K.S.A. 17-76,134, and amendments thereto, a rule of law, statute, or regulation that prohibits, restricts, or requires the consent of a

government, governmental body or official, person obligated on a promissory note, or account debtor to the assignment or transfer of, or creation of a security interest in, a promissory note, health-care-insurance receivable, or general intangible, including a contract, permit, license, or franchise between an account debtor and a debtor, is ineffective to the extent that the rule of law, statute, or regulation:

(1) Would impair the creation, attachment, or perfection of a security interest; or
 (2) provides that the assignment or transfer or the creation, attachment, or perfection of the security interest may give rise to a default, breach, right of recoupment, claim, defense, termination, right of termination, or remedy under the promissory note, health-care-insurance receivable, or general intangible.

(d) **Limitation on ineffectiveness under subsections (a) and (c).** To the extent that a term in a promissory note or in an agreement between an account debtor and a debtor which relates to a health-care-insurance receivable or general intangible or a rule of law, statute, or regulation described in subsection (c) would be effective under law other than this article but is ineffective under subsection (a) or (c), the creation, attachment, or perfection of a security interest in the promissory note, health-care-insurance receivable, or general intangible:

(1) Is not enforceable against the person obligated on the promissory note or the account debtor;

(2) does not impose a duty or obligation on the person obligated on the promissory note or the account debtor;

(3) does not require the person obligated on the promissory note or the account debtor to recognize the security interest, pay or render performance to the secured party, or accept payment or performance from the secured party;

(4) does not entitle the secured party to use or assign the debtor's rights under the promissory note, health-care-insurance receivable, or general intangible, including any related information or materials furnished to the debtor in the transaction giving rise to the promissory note, health-care-insurance receivable, or general intangible;

(5) does not entitle the secured party to use, assign, possess, or have access to any trade secrets or confidential information of the person obligated on the promissory note or the account debtor; and

(6) does not entitle the secured party to enforce the security interest in the promissory note, health-care-insurance receivable, or general intangible.

(e) **Section prevails over specified inconsistent law.** This section prevails over any inconsistent provisions of any laws, rules, and regulations of this state.":

On page 63, in line 8, by striking "; K.S.A. 2011"; by striking all in lines 9 and 10; in line 11, by striking all before "and"; also in line 11, by striking "2012" and inserting "2013"; in line 12, by striking "and" and inserting a comma; also in line 12, after "17-76,143" by inserting ", 84-9-406 and 84-9-408";

On page 1, in the title, in line 11, by striking all after "17-76,140"; by striking all in lines 12 and 13; in line 14, by striking all before "and"; also in line 12, by striking "2012" and inserting "2013"; in line 15, by striking the first "and" and inserting a comma; also in line 15, after "17-76,143" by inserting ", 84-9-406 and 84-9-408"; and the bill be passed as amended.

Committee on **Vision 2020** recommends **HB 2510** be passed and, because the committee is of the opinion that the bill is of a noncontroversial nature, be placed on the consent calendar.

Committee on **Vision 2020** recommends **HB 2436**, be amended as recommended by House Committee on Vision 2020 as reported in Journal of the House on January 31, 2014, and the bill be further amended by substituting a new bill to be designated as "Substitute for HOUSE BILL NO. 2436," as follows:

"Substitute for HOUSE BILL NO. 2436

By Committee on Vision 2020

"AN ACT concerning the boards of cosmetology and barbering; relating to dual-licensed facilities; amending K.S.A. 65-1907 and 74-1806 and repealing the existing sections."; and the substitute bill be passed.

(**Sub HB 2436** was thereupon introduced and read by title.)

MOTIONS TO CONCUR AND NONCONCUR

On motion of Rep. Schwab, the House nonconcurred in Senate amendments to **HB 2296** and asked for a conference.

Speaker Merrick thereupon appointed Reps. Schwab, Huebert and Sawyer as conferees on the part of the House.

Upon unanimous consent, the House referred back to the regular business, Introduction of Bills and Concurrent Resolutions.

INTRODUCTION OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were introduced and read by title:

HB 2676, AN ACT concerning the commercial real estate broker lien act; conditions of lien; leases; subleases; additional compensation; amending K.S.A. 58-30a03, 58-30a07, 58-30a09 and 58-30a10 and repealing the existing sections, by Committee on Judiciary.

HB 2677, AN ACT concerning electronic communications; relating to the provision of electronic communications services and remote computing services, by Committee on Judiciary.

HB 2678, AN ACT concerning insurance; relating to property damage claims; attorney fees; amending K.S.A. 40-908 and repealing the existing section, by Committee on Insurance.

HB 2679, AN ACT concerning property taxation; relating to exemptions, residences of disabled veterans; amending K.S.A. 2013 Supp. 79-201b and repealing the existing section, by Committee on Veterans, Military and Homeland Security.

HB 2680, AN ACT concerning driver's license examiners; amending K.S.A. 74-2015 and repealing the existing section, by Committee on Appropriations.

HB 2681, AN ACT concerning veterans; abolishing the Kansas commission on veterans affairs; creating the Kansas executive director of veterans affairs within the office of governor; transferring certain powers, duties and functions; amending K.S.A. 73-209, 73-210, 73-1211, 73-1222, 73-1223, 73-1224, 73-1225, 73-1226, 73-1227, 73-1229, 73-1230, 73-1231, 73-1232, 76-1904, 76-1904a, 76-1908, 76-1927, 76-1928, 76-1929, 76-1931, 76-1932, 76-1935, 76-1935a, 76-1936, 76-1941, 76-1951, 76-1952, 76-1954, 76-1955, 76-1956, 76-1957 and 76-1958; K.S.A. 2012 Supp. 74-2012, as amended by section 3 of chapter 74 of the 2013 Session Laws of Kansas and K.S.A. 2013 Supp. 39-923, 65-1732, 65-2418, 73-1209, 73-1210a, 73-1217, 73-1218, 73-1233, 73-1234, 73-1235, 73-1236, 73-1238, 73-1239, 73-1241, 73-1242, 73-1243, 75-3370,

75-4362, 76-6b05, 76-1906, 76-1939, 76-1953 and 79-3221k and repealing the existing sections; also repealing K.S.A. 73-1207, 73-1208b, 73-1208c and 73-1220 and K.S.A. 2013 Supp. 73-1208a and 73-1219, by Committee on Veterans, Military and Homeland Security.

HB 2682, AN ACT concerning agriculture; relating to the Kansas pet animal act; amending K.S.A. 47-1702, 47-1703, 47-1704, 47-1712, 47-1718, 47-1719, 47-1720, 47-1733 and 47-1734 and K.S.A. 2013 Supp. 47-1701, 47-1706, 47-1709, 47-1710, 47-1711, 47-1721, 47-1723, 47-1725, 47-1726 and 47-1731 and repealing the existing sections; also repealing K.S.A. 47-1717, 47-1732 and 47-1736, by Committee on Agriculture and Natural Resources.

HB 2683, AN ACT relating to unmanned aerial vehicles; enacting the unmanned aerial vehicle regulation act, by Committee on Veterans, Military and Homeland Security.

HB 2684, AN ACT concerning reinstatement fees; relating to the judicial branch nonjudicial salary adjustment fund; amending K.S.A. 2012 Supp. 8-241, as amended by section 1 of 2013 House Bill No. 2303 and 20-1a15, as amended by section 2 of 2013 House Bill No. 2303 and repealing the existing sections, by Committee on Judiciary.

HB 2685, AN ACT concerning advanced practice registered nurses; amending K.S.A. 40-4602, 59-2976, 65-1660, 65-2892, 65-4134 and 65-5502 and K.S.A. 2013 Supp. 39-923, 39-1401, 39-1430, 39-1504, 65-468, 65-1113, 65-1130, 65-1626, 65-1682, 65-2837a, 65-2921, 65-4101, 65-4116, 65-4202, 65-5402, 65-5418, 65-6112, 65-6119, 65-6120, 65-6121, 65-6123, 65-6124, 65-6144, 65-7003, 65-7302, 72-5213 and 75-7429 and repealing the existing sections, by Committee on Health and Human Services.

HB 2686, AN ACT concerning schools; establishing the Kansas legislature award for teaching excellence program, by Committee on Education.

REPORT ON ENGROSSED BILLS

HB 2429, HB 2453, HB 2488 reported correctly engrossed February 12, 2014.

On motion of Rep. Vickrey, the House adjourned until 11:00 a.m., Friday, February 14, 2014.

CHARLENE SWANSON, *Journal Clerk*.

SUSAN W. KANNARR, *Chief Clerk*.

