

MINUTES OF THE SENATE JUDICIARY COMMITTEE.

The meeting was called to order by Chairperson Emert at 10:14 a.m. on March 14, 2000 in Room 123-S of the Capitol.

All members were present.

Committee staff present:

Gordon Self, Revisor
Mike Heim, Research
Jerry Donaldson, Research
Mary Blair, Secretary

Conferees appearing before the committee:

Derek Schmidt, Legislative Liaison and Special Counsel, Office of the Governor
Rex Beasley, Assistant Attorney General, Consumer Protection/Antitrust Division
Leslie Kaufman, Kansas Farm Bureau
Allie Devine, Kansas Livestock Association
Terry Leatherman, Kansas Chamber of Commerce and Industry

Others attending: see attached list

The minutes of the March 13th meeting were approved on a motion by Senator Bond, seconded by Senator Petty. Carried.

HB 2855—concerning the restraint of trade

Conferee Schmidt testified as a proponent of **HB 2855**. He detailed the Governor's proposals in the bill which would revise, update and strengthen the antitrust provisions that are currently part of Kansas law. (attachment 1 and 2) Discussion followed.

Conferee Beasley testified in support of **HB 2855**. He presented a brief history of anti-trust laws in Kansas and discussed the amendments to current law, detailing the amendment which gives more authority to the attorney general to properly investigate anti-competitive conduct. Discussion followed. (attachment 3)

Conferee Kaufman testified in support of **HB 2855** discussing several provisions which she stated "will allow the state to have additional, appropriate oversight through our antitrust laws while still maintaining a productive, open business market in Kansas." She also discussed a provision which allows the attorney general to allocate 20% of moneys recovered from successful litigation to an "antitrust special revenue fund" the proceeds of which would fund enforcement of the act. (attachment 4)

Conferee Devine testified in support of **HB 2855** with the exception of the provision on page 7, lines 4-7. She discussed her concern with the language in this section which she stated "is overly broad and exposes business to what could be political investigations versus factual investigations" and "lessened the thresholds for investigation or prosecution to levels that allow the attorney general to initiate an investigation or prosecution without a clear showing that the laws have been violated." (attachment 5)

Conferee Leatherman testified as neutral on **HB 2855** and offered comments regarding the Kansas House amendment to the bill concerning attorney general powers to initiate investigations regarding business competition and monopolies. He urged Committee to "carefully review the potentially broad investigatory powers that might be unleashed by this amendment and consider removing it from the bill." (attachment 6)

Written testimony in support of **HB 2855** was offered by Jim Clark, Office of the Kansas Securities Commissioner. (attachment 7)

The meeting adjourned at 11 a.m. The next scheduled meeting is March 15, 2000.