

MINUTES OF THE HOUSE JUDICIARY COMMITTEE

The meeting was called to order by Vice-Chairman Jeff Jack at 3:30 P.M. on February 1, 2005 in Room 313-S of the Capitol.

All members were present except:

Dean Newton- excused
Michael Peterson- excused
Mike O'Neal- excused

Committee staff present:

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

Conferees appearing before the committee:

Scott Schneider, City of Wichita
Sandy Jacquot, League of Kansas Municipalities
Kathy Porter, Office of Judicial Administration
Jay Hinkel, Attorney for city of Wichita
Ron Hein, RJ Reynolds
Kathy Damron, Phillip Morris
Dan Hejtmanek, Kansas Trial Lawyers Association

The hearing on **HB 2113 - municipal court collecting fines and court costs**, was opened.

Scott Schneider, City of Wichita, appeared before the committee as the sponsor of the proposed bill. He explained that it allows municipal courts to collect unpaid fines as District Courts do by requiring delinquent defendants to pay the cost of the collection fee, as well as the fine, and converts those debts into civil judgements. He estimated that Municipal Courts in Wichita have \$26 million in uncollected fines in the past two years. (Attachment 1)

Mr. Schneider provided the committee with an amendment that would clarify that the bill would apply to municipal courts and they would follow the same steps as district courts when collection delinquent fines. (Attachment 2)

Sandy Jacquot, League of Kansas Municipalities, supported the City of Wichita's efforts because it would enable other municipal courts to use this tool. The amount of delinquent moneys are huge and could possibly effect the tax base. (Attachment 3)

Kathy Porter, Office of Judicial Administration, was concerned that current language in Section 1(h), which provides that "any collection for debt or restitution may be enforced pursuant to the code of civil procedure for limited actions" doesn't do what the City of Wichita wants. She proposed an amendment which would allow municipal courts to adopt proceedings in accord with the Code of Civil Procedure for Limited Actions so those proceedings would take place in municipal courts rather than district courts. (Attachment 4)

Ms. Porter explained that district court collections are handled two ways:

- participating in the state garnishment program and garnish paychecks and tax refunds
- entering into debt collection contracts, in which the collection agency is allowed to collect fees on top of what is owed to the court.

The Attorney General's Office has collected over \$1 million in the last year through collection agencies.

Jay Hinkel, Attorney for City of Wichita, reiterated that the language in the bill mirrors the statute which applies to the district courts and that the only intention of the bill is to collect fees & fines in delinquent cases.

Written testimony in support of the bill was provided by the Unified Government of Wyandotte County. (Attachment 5)

The hearing on **HB 2113** was closed.

CONTINUATION SHEET

MINUTES OF THE House Judiciary Committee at 3:30 P.M. on February 1, 2005 in Room 313-S of the Capitol.

The hearing on **HB 2152 - master settlement agreement for tobacco; appeal bond limitations apply to affiliates of signatory**, was opened.

Ron Hein, RJ Reynolds, appeared as the sponsor of the proposed bill. He explained that in 2003 the Legislature approved an appeal bond cap involving appeals with tobacco manufactures who were signatories to the Master Settlement Agreement (MSA). The bond cap was set at \$25 million. The proposed bill would add “affiliates” of signatories to the MSA, because the affiliates may be sued at sometime. There was some concern with the term “affiliates” in line 17, and Mr. Hein had no objection to a more clearer definition. (Attachment 6)

Kathy Damron, Phillip Morris, appeared as a proponent to the bill. She stated that thirty-one states have adopted the bond cap applying to companies that have signed the MSA. Phillip Morris considers this as a technical change and it's intended to apply only to judgements under tobacco claims. (Attachment 7)

Derick Crawford, Phillip Morris, stated that the bill only tries to clarify the definition & security for MSA payments.

Dan Hejtmanek, Kansas Trial Lawyers Association, appeared as an opponent of the bill by explaining that no other entity has such caps on appeal bonds other than tobacco companies. If the committee feels that they need to report the bill favorably he requested an amendment to clarify that the affiliates of signatories to the MSA be limited to tobacco product manufactures and apply to cases filed on or after July 1, 2005. (Attachment 8)

The hearing on **HB 2152** was closed.

Representative Davis requested three bill introductions

- limiting liability on home improvement
- amendments to the consumer protection act relating to the definition for “workman like performance”
- Uniform Interstate Enforcement Domestic Protection Orders Act

Representative Crow made the motion to have the requests introduced as committee bills. Representative Garcia seconded the motion. The motion carried.

The committee meeting adjourned at 4:30 p.m. The next meeting was scheduled for Wednesday, February 2, 2005 in room 313-S.