MINUTES OF THE SENATE COMMITTEE ON JUDI	CIARY	
Held in Room 519 S, at the Statehouse at 11:00 a.m. **px**n., on	January 30	_, 19 <u>78</u>
All members were present except: Senator Gaar		
The next meeting of the Committee will be held at 11:00 a.m./PLXX, on	January 31	_, 19 <u>⁷⁸</u>
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The conferees appearing before the Committee were:

L. M. Cornish - Kansas Assoc. of Property and Casualty Insurance Co., Inc. Homer Cowan - The Western Insurance Companies
Don Hoffman - Attorney General's Office

Staff present:

Art Griggs - Revisor of Statutes Paul Purcell - Legislative Research Department Jerry Stephens - Legislative Research Department

<u>Semate Bill No. 811</u> - Insurance, product liability reporting requirements.

L. M. Cornish, representing the Property and Casualty Insurance Companies, described the changes this bill would make in the current law. He stated there are 450 casualty companies in Kansas. Most of them do not write product liability insurance. They do get into some type of product liability and there is a need for reporting statistics in this area. He explained each of the changes made in the bill. He stated that he hoped that if the committee responded favorably to the proposed changes, that the bill would be passed out early so that it could get through the legislature as quickly as possible.

Homer Cowan testified in support of the bill, and gave background information concerning it. He explained the difficulties that insurance companies have in retrieving the necessary information. In answer to a question, he stated that probably it would take four or five years of accumulating the necessary statistics before the information reported would have some meaning.

<u>Senate Bill No. 778</u> - Attorney general, appointment of special assistant attorney general. Senator Hess, one of the authors, explained that the interim Ways and Means Committee reached a consensus on where most of the difficulties were in the construction of state buildings, and

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that was at the K.U. Medical Center. He indicated that the legislative committee studying the matter had full cooperation from the attorney general's office. He stated that this bill is not designed as a slap at the attorney general's office. He stated that members who served on the interim committee felt that a special person was needed to work on this particular job because of its special nature. The appointment would be made by the attorney general. He stated that if the bill passes, it would require appropriations. He related that there are differing opinions with regard to the applicability of the statute of limitations.

Senator Gaines reviewed some of the problems/the K.U. Medical Center. He stated he feels someonelwilldneed to devote all their attention to work on this case for quite sometime.

Don Hoffman, Assistant Attorney General, testified and brought the committee up to date regarding a number of cases that are being processed as a result of problems in the construction of state buildings. He stated that the legislative investigation has been most helpful. He stated that he does not believe the statute of limitations applies to the state. He spoke of product liability cases, of state employees and agencies directly connected with the project, and reviewed different cases and problems they have encountered. He stated that they prefer to file the cases in Shawnee County rather than the county where the construction occurred. He stated there is no question but what will be litigation centering on the K.U. Medical He stated that his department has requested two additional positions, and that they are planning to use these two positions to handle this litigation. He stated that the bill would not go into effect until July 1, and that would be too late to hire outside counsel. He stated he feels these matters should be left to be dealt with by staff personnel rather than hiring outside persons. He stated that he is not confident that there will be huge recoveries in the various cases. Committee discussion with him followed dealing with such matters as the availability of his office staff to deal with problems, the amounts budgeted for the new positions, the problems in pinpointing accountability leading to delays in his office being informed of problems, the fact that his office has not appointed any special prosecutors, and that he does not feel that a special prosecutor would have any more independence than any other prosecutor has.

The meeting adjourned.

These minutes were read and approved by the committee on 2-10-78.

GUESTS

SENATE JUDICIARY COMMITTEE

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