MINUTES OF THE SENATE COMMITTEE ON JUDICIARY
Held in Room 519 S, at the Statehouse at 11:00 a.m./pxxx., on February 1, 1978
All members were present except: Senators Berman and Mulich
The next meeting of the Committee will be held at 11:00 a.m./pxxx, on February 2, 1978
HANNING THE

The conferees appearing before the Committee were:

Senator Bert Chaney

Bud Grant - Kansas Association of Commerce and Industry

Jim Claussen - Mental Health Association in Shawnee County, Inc.

Chairman

Bob Hartsook - Kansas Trial Lawyers Association

Senator John W. Crofoot

Jerry Palmer - Kansas Trial Lawyers Association

Ralph G. Wrobley - Attorney from Kansas City

Payne Ratner, Jr. - Kansas Medical Society

Staff present:

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

 $\underline{\text{Senate Bill 645}}$ - Disclosure of information on employment applications.

Senator Chaney, one of the authors of the bill, testified in support of it. He explained that the senate had passed a similar bill last year, but that after having amended the 1977 bill, the house committee killed the bill in committee. He explained that this bill is identical to the way that the house committee amended the 1977 bill.

Bud Grant testified concerning the bill. He KACI does not have a position on the bill, but suggested that the bill might be amended to have an exemption for anyone who carries a firearm in their work.

Jim Claussen stated that the Mental Health Association of Shawnee County does not have a position on the bill.

<u>Senate Bill 672</u> - Allowing certain fees and costs to be taxed as court costs in certain civil actions. Bob Hartsook introduced Jerry Palmer, who spoke in opposition to the bill.

Senator Crofoot, one of the authors of the bill, spoke in support

Judiciary

SB 672 continued -

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of the bill. He stated he was trying to do justice to some of the business people of Kansas. He distributed a copy of an editorial, copy of which is attached hereto.

Darb Ratner stated the Kansas Medical Society supports the bill.

Ralph Wrobley appeared before the committee to request the committee to introduce a committee bill-that would keep confidential certain corporate information filed with the Office of the Secretary of State. Discussion between Mr. Wrobley and the committee followed.

The chairman stated that the Judicial Council had requested introduction of a bill dealing with appeals from the Water Resources Board, so that the appeals would not be mandated to the Supreme Court, thus permitting appeals to be heard by the Court of Appeals. Senator Hess moved to introduce such a bill; Senator Gaines seconded the motion, and the motion carried.

The chairman advised the committee that he had learned that the Kansas Statute that gives authority to unincorporated labor organizations to sue and be sued does not specifically give them the authority to purchase and sell real estate. Following committee discussion, Senator Burke moved to introduce a bill on the subject; Senator Hess seconded the motion, and the motion carried.

The chairman inquired of the committee if they wanted to introduce a committee bill as requested by Mr. Wrobley. The consensus of the committee was that the matter should be considered further by the committee, and a decision should be made in a day or two.

Senate Bill 645 - Disclosure of information on employment applications.

Following committee discussion, Senator Allegrucci moved to report the bill favorably; Senator Hess seconded the motion, and the motion carried.

Senate Bill 50 - Liability of cities and countywide law enforcement agencies for mob action.

Senator Everett, the author of the bill, moved to report the bill adversely; Senator Simpson seconded the motion, and the motion carried.

Senate Bill 86 - Appointment of nonjudicial personnel in certain judicial districts.

Following committee discussion, Senator Simpson moved to report the bill adversely; Senator Gaines seconded the motion, and the motion carried.

continued

Senate Minutes of the

Committee on .

Judiciary

February 1

Senate Bill 223 - Establishing a department of justice. Following committee discussion, Senator Simpson moved to report the bill adversely; Senator Everett seconded the motion, and the motion carried.

Theacommittee discussed Senate Bill 672, SenateeBill 282, and Senate Bill 456, but took no action on them.

Senate Bill 497 - Civil procedure, admission of facts and genuineness of documents.

Following committee discussion, Senator Simpson moved to report the bill favorably; Senator Steineger seconded the motion, and the motion carried.

<u>Senate Bill 504</u> - Probate code, incapacity of person found not guilty because of insanity to/certain property. Following committee discussion, Senator Simpson moved to report the bill unfavorably; Senator Steineger seconded the motion, and the motion carried.

The meeting adjourned.

These minutes were read and approved by the committee on 2-14-78

GUESTS

SENATE JUDICIARY COMMITTEE

NAME ADDRESS ORGANIZATION talk D. Wrobles 2100 Ten Main Cente Susan Hughes Mike Hrynewich Topeke Ks. Savings y Loon League Office of the Secretary of States Topul 1268 Western Mental Hearth assu. m (lausen 80 MElwan Wichila Jerry Palmer KTLA Topelca KTLA Robert Hartsook Topelia CACI BUD GRANT RACI Joek Swarty John asmit Dorb Ration K1112 WAShburn KEITH Hillis TO pe KA SOC. WK. Dept. Oscar Truke Randy Towns Topela Bill Henry Governor's Office

The Topeka Daily Capital

Viewpoints

Monday, January 30, 1978

In God Me Crust

'Too many nuisance suits'

"Too much valuable time and money is being wasted in the American court system on nuisance suits," the Abilene Reflector-Chronicle declared.

"Many of these cases are instigated by unethical attorneys. Some lawyers have little chance of winning final judgments, but stir up some action in the hope that they might get a piece of an out-of-court settlement.

"In bygone days, such people were called ambulance chasers, for obvious reasons. Today their behavior is referred to by the more formal British term of barristry. In any event," the Reflector-Chronicle stated, "the activity boils down to legal hustling.

"This is the age of overzealousness to file lawsuits. A good many of them are more to cause trouble than to right any genuine wrong.

"While any citizen should have the right to take legal action in a bona fide instance of damage, there needs to be better protection for defendants who are wrongfully accused," the Reflector-Chronicle said.

'Entertaining hassles'

And the Chanute " ibv ' marked,

"Now...their philosophy seems to be that if you can sweep the problem under the rug with an innocuous statement, it will disappear. Unfortunately for the Russian leaders...this won't happen. For the Kremlin has opened the door wide to international criticism. And this can be expected to continue no matter what statement the Belgrade conference releases."

Califano may have something

It's just possible that Joe Califano may have hold of something with his anti-smoking campaign, the Hutchinson News reported to its readers recently. Commenting on the secretary of the Department of Health, Education and Welfare, the News said, "...it is possible this new attack may accomplish something. That prediction stems from the reaction of the Tobacco Institute, which is furious. If those people get this mad, Califano may have something going.

"'Secretary Califano's stop smoking campaign appears the personal product of a Prohibitionist mentality,' the Institute's vice president said. 'No etails appointive office in the

February 1, 1978

Points in support of the introduction of a bill to safeguard confidential corporate information submitted to the state in annual reports and applications for authority to do business

- 1. Significant competitive information may be disclosed.
- 2. Citizens may be misled in relying for credit purposes on the information disclosed. Even assuming that corporations submit accurate financial information, without footnotes and information as to income or loss, a citizen could reach erroneous conclusions.
- 3. Kansas income tax returns are by statute confidential. The proposed legislation follows the Kansas statute pertaining to such returns. K.S.A. 79-3234.
- 4. The Secretary of State's office receives regular inquiries concerning the need to safeguard confidential information.
- 5. The Kansas Attorney General has recently recognized the valid need to safeguard private financial information. Attorney General Opinion No. 78-23,

Respectfully submitted,

Ralph G. Wrobley

Article 76. - CONFIDENTIALITY OF CORPORATE FILINGS

- 17-76 Confidentiality of corporate filings. (a) Except in accordance with proper judicial order, or as otherwise provided by law, it shall be unlawful for the secretary of state, any deputy, agent, clerk or other officer or employee, to divulge, or to make known in any way, any information pertaining to a corporation's assets, liabilities or shareholder's equity set forth or disclosed in the application of a foreign corporation to do business in this state, or in the annual reports of domestic corporations organized for profit, nonprofit corporations and foreign corporations.
- (b) Nothing herein shall be construed to prohibit the publication of statistics, so classified as to prevent the identification of particular applications or reports and the items thereof, or the inspection of applications or reports by the attorney general or other legal representatives of the state.
- (c) Any violation of subsection (a) of this section shall be punished by a fine not exceeding one thousand dollars; and if the offender be an officer or employee of the state, he shall be dismissed from office.