Approved: 05-02-08

Date

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Nick Jordan at 1:00 P.M.. On March 31, 2008 in Room 431 N of the Capitol.

All members were present except: Jay Emler- excused Laura Kelly- excused

Committee staff present: Jennifer Thierer, Kansas Legislative Research Department Jason Long, Revisor of Statutes Jackie Lunn, Committee Assistant

Others attending: See attached list.

To read testimony submitted by conferees go to <u>http://skyways.lib.ks.us/government/KansasSenateCommerceCommittee.</u>

HB 2315--Secretary of state; registration of home inspectors.

<u>SB 693</u>–Creating the Kansas intermodal transportation revolving fund; financing of intermodal transportation projects

Chairperson Jordan announced to the Committee they would be working a couple of bills today starting with SB 693. He called on Jason Long, Revisor's Office, to explain the balloon that had been passed out in a previous meeting on <u>SB 693</u>. Mr. Long reviewed the balloon (<u>Attachment 1</u>) which can be found in its entirety on the link shown above.

A discussion followed regarding the balloon. The impact on the Gardner School District was discussed with Senator Reitz having concerns. The Chair asked if there was anyone in the room representing the schools to discuss their issues. It was noted that there was no one representing the schools present but Bill Crandall, President, Allen Group, was recognized and he stated the Gardner School District had not contacted them in writing or person to voice any concerns. Mr. Crandell1 told the Committee he did not feel the intermodal would have a negative impact on the Gardner School District; in fact, he stated the school district will benefit. It was noted that the Gardner School District had not been in any of our meetings regarding the intermodal. The impact on the school district was discussed further and the Committee decided that if they were not concerned enough to be in the meetings they would not discuss it further. Why Johnson County is not backing the bonds for this project was also discussed. Stuart Little representing the Johnson County Commissioners was recognized and he stated the County Commissioners felt it would consume 18% of the County's bonding

authority that the County has at their disposal. He stated they are supportive of this legislation.

Senator Schodorf made a motion to approve the balloon amendment. Senator Reitz seconded.

A lengthy discussion followed with Senator Barone having concerns with the word "projected" on Page 1, line 31 of the balloon amendment and would like to see the word removed or replaced with another word.

Senator Teichman made a substitute motion on Page 1, line 31, to remove the word "projected" and replace \$175,000,000 with "\$150,000,000". Senator Barons seconded. Motion carried.

<u>Senator Reitz made a motion to accept the balloon as amended.</u> <u>Senator Schodorf seconded.</u> <u>Motion carried.</u>

Senator Teichman made a motion to move the bill out favorably as amended. Senator Reitz seconded. Motion carried.

Chairperson Jordan turned the Chair over to Senator Brownlee. Chairperson Brownlee turned the Committee's attention to <u>HB 2315</u> and the proposed amendments by Luke Bell. Chairperson Brownlee called

CONTINUATION SHEET

MINUTES OF THE Senate Commerce Committee at 1:00 P.M.. On March 31, 2008 in Room 431 N of the Capitol.

Mr. Bell representing the Realtors to explain the balloon (<u>Attachment 2</u>) which can be found in its entirety on the link listed above.

A lengthy discussion followed regarding the balloon. It was noted by Mr. Bell that the original bill has been trimmed down so that it would fit with the Secretary of State losing some of the original intent of the bill. It was noted that the Secretary of State's Office did not have the power to invoke but does have the power to revoke. There was some discussion that the bill has lost all its power with this amendment. The need for a membership in a national organization was discussed and it was noted it was removed from the original bill and needed to be put back in. There are some concerns of the Committee that putting the Board with the Secretary of State makes it less of a bill.

The Committee attention was moved to the proposed Senate Substitute for House <u>Bill 2315</u> presented by Mr. Bell (<u>Attachment 2</u>). Chairperson Brownlee asked Mr. Bell to review the Substitute Bill. The Committee discussed the section requiring inspectors to belong to a national organization which was in the original bill but did not appear in the substitute bill and it was decided to add that back in.

Senator Schodorf made a motion to add on page 3 of the substitute bill sub paragraph (g)to read "submit proof of membership in good standing in one or more nationally recognized society, association or organization that provides for membership of individuals engaged in home inspections as recognized by the Secretary of State". Senator Jordan seconded. Motion carried.

Senator Wagle made a motion to add under section 9 (4) "performing or offering to perform for an additional fee any repairs, remodeling or other type of remedial work to the dwelling for which the home inspector has prepared a home inspection in the last 12 months; inspecting for a fee any property in which the home inspector has a personal interest unless the interest is disclosed in writing to the client before the home inspection is performed; offering or delivering any commission, referral fee or kickback for the referral of any business to the home inspector; and accepting an engagement to perform a home inspection or to prepare a home inspection report in which the employment itself or the fee payable for the inspection is contingent upon the conclusions in the home inspection report, pre-established or prescribed findings on the closing of the underlying real estate transaction". Senator Reitz seconded. Motion carried.

Senator Jordan made to move the bill out as a substitute bill as amended. Senator Schodorf seconded. Motion carried.

Senator Jordan made a motion to approve the minutes for February 7th, 8th, 12th, 13th, 14th, 15th, 19th, 20th, 21th, 22th, and 25th. Senator Barone seconded. Motion carried.

Chairperson Brownlee adjourned the meeting at 2:00 p.m. with no other meetings scheduled for this session.