Approved: <u>2/17/11</u> Date

MINUTES OF THE HOUSE JUDICIARY COMMITTEE

The meeting was called to order by Chairman Lance Kinzer at 3:30 p.m. on January 25, 2011, in Room 346-S of the Capitol.

All members were present except:

Representative Colloton Representative Suellentrop

Committee staff present:

Jill Wolters, Office of the Revisor of Statutes
Matt Sterling, Office of the Revisor of Statutes
Tamera Lawrence, Office of the Revisor of Statutes
Lauren Douglass, Kansas Legislative Research Department
Robert Allison-Gallimore, Kansas Legislative Research Department
Sue VonFeldt, Committee Assistant

Conferees appearing before the Committee:

Judge Steve Leben, Kansas Judicial Council Honorable Edward Larson, Kansas Judicial Council Senator Jeff King

Others Attending:

See attached list.

Senator Jeff King addressed the committee, inviting them to attend the oral arguments in front of the Supreme Court that will be held in the "Old Supreme Court Room" on Thursday, January 27th, as part of the celebration of the State of Kansas' 150th birthday.

There were no bill introductions.

The Hearing on **HB 2027 – Rules and regulations filing act**, was opened.

Judge Steve Leben, Kansas Court of Appeals Judge and a member of the Judicial Council's Administrative Procedure Advisory Committee, spoke on behalf of the Kansas Judicial Council, as a proponent of the bill, which was drafted by the Council's Administrative Procedure Advisory Committee. He explained the purpose of the bill is to resolve confusion surrounding so-called "exempt" rules and regulations, to clarify the definition of rule and regulation, and to clarify the procedure used to adopt rules and regulations. He also stated the bill contains a provision designed to encourage agencies to advise the public of their current opinions and approaches by issuing non-binding guidance documents. (Attachment 1)

After questions and answers, and further discussion, Chairman Kinzer requested the staff contact the Kansas Corporation Commission (KCC), for their input and response with respect to "if their opinions are readily available" in accordance with the requirements of this bill, prior to the committee working this bill. Representative Pauls, the ranking Democrat on the Joint Committee on Rules and Regulations, added that Martha Coffman, Chief Advisory Counsel for the KCC, is also a member of the Administrative Procedure Advisory Committee.

There were no opponents.

The Hearing on **HB 2027** was closed.

The Hearing on HB 2028 - Uniform trust code; insurable interest of trustee, was opened.

Honorable Edward Larson, on behalf of the Kansas Judicial Council, appeared before the committee as a proponent of the bill. He provided the committee with some background information, advising the Judicial Council Probate Law Advisory Committee (PLAC) has had an interest in a particular case since 2005 when a Virginia Federal District Court applied Maryland law and held that a trust did not have an insurable interest in the life of the insured who was the settlor and the creator of a trust.

CONTINUATION SHEET

Minutes of the House Judiciary Committee at 3:30 p.m. on January 25, 2011, in Room 346-S of the Capitol.

At the annual meeting of the National Conference of Commissioners on Uniform State Laws, in July 2010, the Insurable Interest Amendment to the Uniform Trust Code was approved. The PLAC reviewed the proposed amendment and introduced this bill, which defines when a trustee of a trust has an insurable interest in the life of an individual insured under a life insurance policy that is owned by the trustee of the trust. (Attachment 2)

He also stated the amendment should have added a Section C to include the amendment be added to the Kansas Uniform Trust Code at K.S.A. 58-113.

Judge Larson also took a moment before the committee, and specifically to member Representative Annie Keuther, to give honorable mention of Professor John Keuther (deceased), stating he was a Professor at Washburn University, was considered the resident expert regarding Trusts and Probates, and would have been the person to be testifying on this bill if not for his early, unexpected death.

<u>Chairman Kinzer requested the Revisor Staff</u> prepare an amendment adding section C to add it to the Kansas Uniform Trust Code, for the committee to review when they work the bill.

There were no opponents.

The Hearing on **HB 2028** was closed.

The Hearing on <u>HB 2030 – Continuation of certain exceptions to disclosure under the open records</u> <u>act</u>, was opened.

Jill Wolters, Staff Revisor, presented an overview of the bill, as provided by Jason Thompson, Assistant Revisor. The detailed documentation provided a list of the 28 existing statutory exceptions to the Kansas Open Records Act that are scheduled for expiration in 2011, along with a summary of each section. (Attachment 3)

Ed Splichal, Acting Commissioner, for the Office of the State Bank Commissioner (OSBC), provided written testimony in support of this bill. (Attachment 4)

There were no opponents.

After some discussion, Chairman Kinzer requested the Staff Revisor prepare balloons for the following items, which were discussed by the interim committee:

1)Statute 12-5611, Amend to identify which type of actions are protected.

2)Statutes 44-1132, 75-457, and 75-723, Amend for some penalty provisions for breach of confidentiality.

The Hearing on **HB 2030** was closed.

The next meeting is scheduled for January 27, 2011. Chairman Kinzer reminded everyone the meeting will be held in the Docking Building, Room 784, instead of the usual Room 346-S in the Capitol.

The meeting was adjourned at 4:30p.m.