

MINUTES OF THE HOUSE COMMITTEE ON JUDICIARY

The meeting was called to order by Chairperson Michael R. O'Neal at 3:30 p.m. on February 3, 2000 in Room 313-S of the Capitol.

All members were present except:

- Representative Phill Kline - Excused
- Representative Peggy Long - Excused
- Representative Tony Powell - Excused
- Representative Rick Rehorn - Excused
- Representative Candy Ruff - Excused
- Representative Clark Shultz - Excused
- Representative Dale Swenson - Excused

Committee staff present:

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

Conferees appearing before the committee:

- Randy Hearrell, Kansas Judicial Council
- Elwaine Pomeroy, Kansas Collectors Association & Kansas Credit Attorneys Association
- Judge Terry Bullock
- Kathy Olsen, Kansas Bankers Association
- Matt Goddard, Heartland Community Bankers Association
- Roy Worthington, Kansas Land & Title Association

Hearing on **HB 2697 - recodification of Chapter 61, civil procedure for limited action**, was opened.

Elwaine Pomeroy, Kansas Collectors Association & Kansas Credit Attorneys Association, explained that the Kansas Judicial Council started its rewrite of Chapter 61, Code of Civil Procedure for Limited Actions in 1997 and took 18 months to finish. Some of the changes are:

- C allowing judicial districts to adopt electronic filing of court documents;
- C group together the same article rather than scatter them throughout the chapter;
- C increase the tort claim & secured claims from \$10,000 to \$25,000;
- C once the order has been issued for garnishment the clerk will be removed from the loop, and
- C documents may be served by first class mail, fax, and electronic mail

Due to the amount of education that needs to be provided to the clerks and courts, he suggested changing the effective date from July 1, 2000 to January 1, 2001.

He explained that as currently written, the bill would do away with the changes made last Legislative Session regarding small claims. He suggested that this was an oversight and that the law governing small claims not be changed until the Kansas Supreme Court rules on its constitutionality. (Attachment 1)

Judge Terry Bullock presented a video that showed how electronic filing works in Shawnee County District Court. Four years ago the Court developed a pilot program to allow electronic filing with cases that were filed under Chapter 61. The result: it takes about two hours to process 3,000 – 4,000 debt collection cases, where as it use to take a whole day. (Attachment 2)

Kathy Taylor Olsen, Kansas Bankers Association, stated that it was unfair to make the garnishee send notices to the debtor when last year the Legislature decided that the clerks should send the notice. She believes that someone needs to have an accurate accounting of the payments. The garnishee is not a party to the dispute, usually they are an administrative service. (Attachment 3)

Matt Goddard, Heartland Community Bankers Association, commented that they had concerns about mailing out personal information to someone who is not a member of the Association. (Attachment 4)

CONTINUATION SHEET

Roy Worthington, Kansas Land & Title Association, appeared in opposition to the bill. Due to the tremendous number of Chapter 61 cases filed each year, it would require additional indexing which would increase the overhead costs to the title companies, which in turn, the cost would be passed onto the consumer. (Attachment 5)

Representative Carmody made the motion to approve the committee minutes form January 12, 18, 19, 20, 24, & 25. Representative Loyd seconded the motion. The motion carried.

Hearing on **HB 2697** remained opened.

The committee meeting adjourned at 5:30 p.m. The next meeting was scheduled for February 7, 2000.