

MINUTES OF THE SENATE JUDICIARY COMMITTEE.

The meeting was called to order by Chairperson Emert at 10:12 a.m. on February 16, 2000 in Room 123-S of the Capitol.

All members were present except: Senator Petty (excused)
Senator Harrington (excused)

Committee staff present:

Gordon Self, Revisor
Mike Heim, Research
Jerry Donaldson, Research
Mary Blair, Secretary

Conferees appearing before the committee:

Don McNeely, Kansas Automobile Dealers Association (KADA)
Pat Barnes, Attorney, KADA
Ron Gaches, Alliance of Automobile Manufactureres (AAM)
John Federico, General Motors (GM)

Others attending: see attached list

The minutes of the February 15th meeting were approved on a motion by Senator Vratil, seconded by Senator Oleen. Carried.

The Chair assigned **SB 629** to a subcommittee chaired by Senator Vratil. He withdrew a bill which he introduced this year concerning the Uniform Mediation Act, explaining that the bill needed refining.

SB 489—concerning dealers and manufacturers licensing act

Conferee McNally testified on behalf of KADA in support of **SB 489**. He presented a brief historical overview of current laws protecting Kansas retail car and truck dealers from unfair practices by automobile manufacturers. He discussed troubling events which have occurred in other states necessitating the enactment of similar and further protective legislation to prohibit motor vehicle manufacturers from building factory-owned dealerships in Kansas. He stated that there is a potential for these dealerships to become centrally controlled monopolies. He further discussed economic as well as technological issues relating to the motor vehicle industry and summarized the bill's provisions. (attachment 1)

Conferee Barnes presented a detailed review of each section of the balloon amendment to **SB 489**. (attachment 2) Discussion followed.

Conferee Gaches stated that the AAM does not oppose the broad intent of **SB 489** but is opposed to it's passage in it's current form. He reviewed six amendments proposed by the AAM and stated that with the adoption of these amendments AAM would support the bill. (attachment 3)

Conferee Federico stated that GM is pleased with the willingness of KADA to negotiate the provisions in **SB 489** and stated GM joins with AAM and their suggested changes with the exception of restrictive language in Section (d) on page 2 of the bill beginning on line 5. He stated he hopes negotiations regarding this language can continue until there is agreement on specific language. He also discussed a "carve-out" to a provision in the bill for the manufacturer of Saturn vehicles stating that GM has reached a compromise with KADA regarding this. (attachment 4) Discussion followed.

The conferees agreed with the Chair's request that they continue to work together toward satisfactory language on this bill and to notify him early Monday morning if they have come to an agreement so that he can make an informed decision on how to proceed with this bill.

The meeting adjourned at 10:58. The next scheduled meeting is February 21, 2000.

