

MINUTES OF MEETING  
STATE AFFAIRS COMMITTEE  
February 28, 1961

The meeting was called to order by the Chairman who introduced Mr. Welsh to discuss his measures--H.B. 303 and 304, dealing with a clinic building, built under the Hospital Act. He states that 303 proposes to transfer the proceeds of the sale of the building back into the general fund of the county. Mr. Marshall questioned if 303 did what was desired, and it was moved, seconded and passed that in Section I, line 6, the words "or sold" be inserted after the word "leased". It was moved, seconded and passed, that the bill be recommended for passage as amended. Mr. Welsh then stated that 304 deals with a building where townships are consolidated and the merged township desires to dispose of a building. Mr. Peppercorn inquired if this is a general bill and was advised that only to the extent that any township "owning a township hall converted from a school building" might be in the position of a merged township situation. It was moved, seconded and passed that this measure be recommended for passage.

Mr. Peppercorn discussed H.B. 275 which allows county offices to close on Saturday, if the County Commissioners so decree. This is permissive legislation, letting the County Commissioners decide and must be unanimously approved by all members. It was moved by Mr. Ford, seconded by Mr. Fribley, and unanimously passed, that this measure be reported favorably.

Mr. Gardner discussed H.B. 356 which deals with improvement of roads in certain counties, and providing for payment by special assessments. It was moved by Mr. Ford, seconded by Mr. Fribley and unanimously passed that this measure be recommended for passage.

Mr. VanCleave explained HCR 22, and stated that this resolution amends Section 25, Article II of the Constitution of Kansas, dealing with sessions of Legislature and budget sessions. After some discussion it was moved by Mr. Johnson and seconded by Mr. Ford that same be recommended for adoption. Motion carried by a majority vote.

The restaurant bill, H.B. 401 (replacing 89 and 195) dealing with licensing and inspections, was discussed. Upon motion by Mr. Fribley, seconded by Mr. Ford, it was unanimously passed that the bill be favorably reported. It was moved by Mr. Fribley, seconded by Mr. Ford and passed by majority vote, that H.B. 89 and 195 be killed.

With regard to H.B. 176, Mr. Taylor stated that the cosmetology people had worked out a compromise with the governor's office and had proposed amendments to both sides. After considerable discussion concerning the impact of the amendments, it was moved by Mr. Ford, seconded by Mr. Wallace and unanimously passed, that the amendments be adopted. After considerable discussion, pro and con, Mr. Bisbee stated that he felt if the cosmetologists and the governor were happy, there was little need to argue among the committee.

Opponents to H.B. 223, in the a person of Mr. John Deam of the Kansas Bankers Association and Mr. Wilson of the Savings and Loan League, appeared to discuss the proposal. Mr. Deam stated that his organization represented almost 100% membership of the Kansas banks. He stated that he wasn't appearing in total opposition but that there were a number of objectionable areas. He feels that a board comprised of a membership "at large" wouldn't be economical, and further, that examiners are specialized and could not be qualified to examine both banks and savings and loan institutions; that transportation-in-common would not be practical because sometimes it would take longer to examine one institution than another, in a given location. Mr. Wilson stated that this is one instance where banking and savings and loan people are in complete agreement; he reiterated Mr. Deam's feelings that a dual examiner would probably not be feasible; that it would be bad to sacrifice accuracy for economy. After considerable discussion and questioning by the Committee, it was established that the salary range for examiners was from \$341 to \$557 monthly; that the qualifications for examiners for both institutions are exactly the same under civil service requirements; that special training is given by the organization utilizing the particular examiner.

Miss Jacquart, Chairman of the sub-committee appointed by the Committee Chairman, stated that this measure was the recommendation of the Governor; that there is some question just where the bill came from but that Mr. Bibb stated that it is not a recommendation of the Budget Division. Mr. Bibb pointed out to the Committee how both methods would work and how the measure proposes to handle them. Mr. Bibb explained how a "special revenue fund" differs from the general fund plan. Miss Jacquart stated that it was apparent that the committee is not ready to vote, and stated that the governor agrees that the matter could well have study by the Legislative Council. It was therefore moved by Miss Jacquart, seconded by Mr. Peppercorn and unanimously passed, that H.B. 223 be killed. Thereupon it was moved by Miss Jacquart, seconded by Mr. Fibley and unanimously passed that the attached resolution be recommended for adoption.

Mr. Mikesic discussed H.B. 343, dealing with historical records and amending the original statute to delete regulating the size of counties insofar as collection of historical articles is concerned. It was moved by Mr. Kissick, seconded by Mr. Peppercorn and unanimously passed that this bill be recommended to the House for passage.

House Bill No. 176, as amended, was brought before the Committee for vote. After considerable discussion it was moved by Miss Jacquart, seconded by Mr. Baringer that the measure be favorably reported. Vote by ballot was 9 yes and 6 no. Motion carried by a majority vote.

Meeting was adjourned.

HOUSE CONCURRENT RESOLUTION NO. \_\_\_\_\_

By Committee on State Affairs

A CONCURRENT RESOLUTION directing the Kansas legislative council to make a study relative to the regulation of financial institutions of the state and of the advisability and feasibility of reorganizing the state agencies regulating such financial institutions and establishing new agencies to regulate transactions where no control is exercised; and requesting a report and recommendations thereon to the 1963 session of the legislature.

WHEREAS, It has been recommended that the legislature give attention to the enactment of legislation which would provide for the reorganization of state agencies regulating financial institutions; and

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WHEREAS, Time is not available for this legislature to study and review all of the laws regulating financial institutions and to formulate recommendations for statutes covering areas of financial transactions where there is no regulation or control, or less than adequate control. Hearings should be held and numerous determinations made before a comprehensive report and recommendations can be made or a bill written that would adequately provide for the most efficient regulation of state financial institutions: Now, therefore,

Be it resolved by the House of Representatives of the State of Kansas, the Senate concurring therein: That the Kansas legislative council is hereby authorized and directed to make a study relative to the regulation of the financial institutions of the state. A report, including recommendations as to the advisability and feasibility of reorganizing state agencies regulating financial institutions and of establishing new agencies to regulate financial transactions where less than adequate control exists shall be submitted to the 1963 regular session of the legislature.

Be it further resolved: That the secretary of state is directed to transmit a copy of this resolution to the chairman and to the secretary of the Kansas legislative council.