

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANSThe meeting was called to order by Senator Paul Hess at
Chairperson11:00 a.m./p.m./on March 28, 1983, 19__ in room 123-S of the Capitol.All members were present except:
Senator Steineger

Committee staff present:

Research Department: Marlin Rein, Sherry Brown, Mary Galligan
Revisor's Office: Norman Furse
Committee Office: Mark Skinner, Doris Fager

Conferees appearing before the committee:

Dr. Robert Harder, Secretary, Social and Rehabilitation Services
Paul Klotz, Mental Health Association
John Peterson, Kansas Association of Professional Psychologists
Betty Stowers, Volunteer
Harley Duncan, Budget Division, Department of Administration
Ernie Mosher, Kansas League of Municipalities
Jim Turner, Kansas Savings and Loan League
Jim Maag, Kansas Bankers Association
John Bennett, Member, Board of Tax AppealsHCR 5015 - Community Mental Health Centers and Reimbursement for
Psychologist's services

Dr. Harder distributed a ballon of HCR 5015 containing proposed amendments. (See Attachment A) Senator Hess asked if the balloon version satisfies the department, the psychologists and the mental health associations. Dr. Harder said he felt it does, but there is still the matter of funding. He said money would need to be appropriated above the Governor's budget, and in the instance of psychologists it would be approximately \$400,000. The original language stated that the hours provided by Mental Health Centers would be decided by the department; consequently, that also would have been lower cost than the proposed amendment. In answer to a question from the committee, Dr. Harder said that if HCR 5015 does not pass, Mental Health Centers would be negotiated and psychologists would be excluded.

Dr. Harder continued by stating that any time there is a cutback of services in the community there is a risk of more people in state hospitals. When asked about the Governor's position on the proposed amendments, Dr. Harder said he had not visited with him about them. Mr. Duncan added that the Governor's budget includes health centers but not psychologists. Dr. Harder concluded by stating that it is his position to defend the Governor's original recommendation.

Mr. Peterson noted that the effect of the original regulation would have been that on May 1 every patient being treated by a private psychologist would have had the door closed. SRS would have continued to pay for the same therapy in other settings where the reimbursement rate would be higher. He said this was one of the reasons the House Committee reinserted private certified psychologists into the program. He suggested that prior authorization for psychological testing would save some money. He said the private psychologists are willing to make as many cuts as possible because of fiscal restraints.

When asked if he would want psychologists included, even though the committee would not authorize appropriations above the Governor's recommendations, Mr. Peterson answered in the affirmative. He noted that the savings of money not in the budget is based on the assumption that the individuals now being treated by psychologists would not be getting treatment in another setting, and he does not believe that is a correct assumption.

HCR 5015 - Continued

Mr. Klotz presented written testimony (Attachment B). Following his statement, he added that mental health centers have had approximately 12% reduction in funding, and are at the point where programs may have to be reassessed and that might mean sending patients back to state hospitals.

When asked by Senator Hess why his organization requested a resolution to change rules and regulations, Mr. Klotz said they could not work out a compromise with the Department of Social and Rehabilitation Services, so they looked to the Legislature as a recourse. He said he had visited with the Governor on this proposal. When asked where the state was going to get the money, Mr. Klotz countered that if the money is not spent on the local level, it will eventually be spent when people return to the state hospitals.

Senator Werts observed that the proposed amendments are far from the original resolution which was introduced at Mr. Klotz's request. The Joint Committee on Rules and Regulations concurred with dropping the number of units. He said he could not reflect the joint committee's attitude on the amendments.

Ms. Stowers presented her written testimony (Attachment C) and committee members were given opportunity to question her.

No action was taken on HCR 5015.

HB 2543 - Use of population figures in allocation of moneys from county and city revenue sharing fund

Mr. Duncan explained the reason for introduction of HB 2543. Present law provides that population figures for apportionment are those certified to the Secretary of State on July 1. Because U.S. census figures are not always available by that time, it is not easy to be sure payments are made under proper population figures. Therefore, the request is being made to make the certification date July 1 of the preceding year.

Mr. Mosher stated he is not in opposition, but would appreciate a small amendment. (See Attachment D) Senator Doyen asked Mr. Duncan about the cash flow problem if Mr. Mosher's amendment were adopted. He answered that it is difficult to determine, but the Budget Division feels the date can be changed in December without serious consequences.

Motion was made by Senator Doyen and seconded by Senator Bogina to amend House Bill No. 2161 into HB 2543, but to change the transfer date from December 1 to December 10. Following a brief discussion, the motion carried by voice vote.

Motion was made by Senator Harder and seconded by Senator Bogina to report HB 2543 as amended favorably for passage. The motion carried by roll call vote.

SB 411 - Kansas Civil Service Act

Senator Hein said he felt the problem of abuse had been brought to the Department of Administration's attention. He is aware that there have been some abuses, but it may not be widespread. Senator Talkington suggested that the proposal be held until the 1984 session of the Legislature. It was the consensus of the committee to follow this suggestion.

SB 412 - Fire marshal fees

Motion was made by Senator Werts and seconded by Senator McCray to report SB 412 favorably for passage. Following a brief discussion, the motion carried by roll call vote.

HB 2533 - Board of Agriculture fees

Motion was made by Senator Werts and seconded by Senator Warren to report HB 2533 favorably for passage. The motion carried by roll call vote.

HB 2535 - Legal Services for Board of Nursing

Senator Hein noted that there are problems, because the Attorney General is not excited about providing services for the Board of Nursing. The subcommittee studying the budget for the Board recommended \$15,000 of fee money to hire outside attorneys. He then recommended holding the bill in committee. It was the committee's concensus to follow his recommendation.

SB 216 - Officers and employees of state treasurer

The Chairman explained that a motion to report favorably for passage had failed at an earlier committee meeting, but that no motion had been made to report adversely.

Motion was made by Senator Doyen and seconded by Senator Harder to report SB 216 adversely. The motion carried by roll call vote.

HB 2244 - KPERS--Judges retirement

The Chairman referred this measure to a subcommittee composed of Senators Doyen, Talkington and Gaines, and asked them to make a recommendation to the full committee.

SB 421 - Community corrections act; charges for juveniles and felons

SB 422 - KPERS: reemployment

SB 423 - KPERS: Kansas high school activities association made participating employer

Motion was made by Senator Talkington and seconded by Senator Doyen to report SB 421, SB 422 and SB 423 favorably for passage. The motion carried by roll call vote.

Introduction of Bill

Senator Hein explained that a subcommittee from the Senate Judiciary Committee had requested that a bill concerning the products liability act be introduced by the Ways and Means Committee and that it be referred to the Judiciary Committee for hearings. Motion was made by Senator Hein and seconded by Senator Harder to introduce the bill as requested. The motion carried by voice vote.

HB 2140 - Appropriations FY 1984, General Government Agencies

HB 2135 - Appropriations FY 1983, General Government Agencies

HB 2140, Section 3 - Attorney General

Senator Harder presented the subcommittee report on Section 3. Senator Hein suggested that, in light of action on the Nursing Board, his subcommittee would like to suggest that there be cuts in the Attorney General's budget due to the Nursing Board using outside attorneys. It was his thinking that the budget for contractual services in the Attorney General's office might be cut by \$5,000 or \$10,000. Mr. Woerman said the cases contracted out by the A.G. could not be assumed by office personnel, because this is done only in case of conflict; for example, a civil rights case where the A.G. could not defend the agency head and one of his employees. No action was taken on Senator Hein's suggestion.

HB 2140 - Continued

Section 7 - Governor's Office

Senator Harder presented the subcommittee report on this section. There was a lengthy discussion concerning the \$75,000 for contingencies. Motion was made by Senator Harder and seconded by Senator Gaines to approve a total of only \$25,000, and to request details of expenditures for the current fiscal year for this item. The motion carried by voice vote.

HB 2439 - Sale of security for deposit

Mr. Turner presented a proposed amendment to HB 2439. He explained the amendment and answered questions from committee members. (See Attachment E).

Motion was made by Senator Talkington and seconded by Senator Hein to amend HB 2439 as proposed in Attachment E. The motion carried by voice vote.

Mr. Maag expressed agreement with the above amendment.

No action was taken on HB 2439.

HB 2536 - Board of Tax Appeals' salaries

Mr. Bennett appeared to comment on the bill and to answer questions from committee members. He noted that the concern of the Board is not that they have been treated unfairly in the past. The change in statute suggested in HB 2536 would freeze the salaries so that only an amendment to the statute would change them. He suggested that this would be the only agency in the state that would have salaries frozen in this manner.

Senator Talkington recalled that this Board had dropped behind others in salary in the past, and that is the reason their salaries had been tied to those of administrative judges. Senator Gaines added that he does not think the freeze is fair.

In answer to questions from Senator Hein, Mr. Bennett said that members of the Board of Tax Appeals are required to live in their congressional districts. They are in Topeka for a good share of every week, or commute if they are close enough, and are not given per diem.

Motion was made by Senator Talkington and seconded by Senator Gaines to report HB 2536 adversely. The motion carried by roll call vote.

HB 2140, Section 10 - Insurance Department

The subcommittee report on this section was presented by Senator Harder. There was discussion concerning the subcommittee's recommendations. It was the consensus of the members that the subcommittee report should stand, and if a vehicle is not found to include provisions of the bills killed in the House, an adjustment could be made in the Omnibus Bill.

HB 2140, Section 12 - Lieutenant Governor

There was a brief discussion concerning the subcommittee report regarding the salary of the Lieutenant Governor.

HB 2135, Section 2 - Secretary of State

There were no questions from committee members following the subcommittee report on this section.

HB 2140 - Continued

Section 14 - Secretary of State

Senator Harder presented the subcommittee report on this section, and committee members were given opportunity to question him.

Section 16 - State Treasurer

There were no questions following the subcommittee report on this section.

Motion was made by Senator Harder and seconded by Senator Hein to adopt the above subcommittee reports as amended. The motion carried by voice vote.

HB 2064 - Appropriations FY 1984, Educational Agencies

HB 2135 - Appropriations FY 1983, Educational Agencies

HB 2135, Section 7 - Department of Revenue, SD Income Tax Fund

Senator Bogina presented the subcommittee report on this section, and committee members were given opportunity to question him.

HB 2064, Section 3 - Department of Revenue, SD Income Tax Fund

Following the presentation of the subcommittee report, there was a discussion concerning possible changes in income tax receipts estimates.

HB 2439 - Sale of Security for Deposit

Motion was made by Senator Werts and seconded by Senator Hein to report HB 2439 favorably as amended. The motion carried by roll call vote.

HB 2135, Section _____ - School for the Visually Handicapped

There were no questions following the subcommittee's report on this section.

HB 2064, Section 4 - School for the Visually Handicapped

There was discussion concerning Senate subcommittee recommendations No. 1 and No. 2.

HB 2135, Section _____ - Kansas State School for the Deaf

Following the subcommittee report by Senator Bogina, there were no questions from committee members.

HB 2064, Section 5 - Kansas State School for the Deaf

Following Senator Bogina's presentation of the subcommittee report on this section, committee members were given opportunity to question him.

HB 2064, Section 7 - Advisory Council on Vocational Education

There were no questions following the subcommittee report on this section.

Motion was made by Senator Bogina and seconded by Senator Harder to adopt the subcommittee reports on HB 2064 and related sections in HB 2135. The motion carried by voice vote.

HB 2439 - Sale of security for deposit

Representative David Miller appeared before the committee to request an amendment to HB 2439.

Motion was made by Senator Werts and seconded by Senator Bogina to reconsider the committee action on HB 2439. The motion carried by voice vote.

Motion was made by Senator Werts and seconded by Senator Bogina to amend HB 2439 by adding deleted material on page 3 of Attachment E, and to change number (5) to number (6). The motion carried by voice vote.

Motion was made by Senator Werts and seconded by Senator Bogina to report HB 2439 as further amended favorably for passage. The motion carried by roll call vote.

The meeting was adjourned by the Chairman.

House Concurrent Resolution No. 5015

By Joint Committee on Administrative Rules and Regulations

1-31

0016 A CONCURRENT RESOLUTION concerning community
0017 mental health centers and reimbursement for psychologists
0018 services; modifying Kansas administrative regulation 30-5-86
0019 and ~~rejecting~~ Kansas administrative regulation 30-5-104, as
0020 adopted by the secretary of social and rehabilitation services
0021 and filed with the revisor of statutes on December 14, 1982.

delete

0022 *Be it resolved by the House of Representatives of the State of*
0023 *Kansas, the Senate concurring therein:* That Kansas administra-
0024 tive regulation 30-5-86, as adopted by the secretary of social and
0025 rehabilitation services and filed with the revisor of statutes on
0026 December 14, 1982, is hereby modified to read as follows:

0027 30-5-86. *Scope of services by community mental health cen-*
0028 *ters.* (a) Community mental health center services shall be avail-
0029 able to program recipients in:

0030 (1) Outpatient treatment programs provided at the clinic, sat-
0031 ellite facility, or on-site locations approved by the division of
0032 medical programs, provided the on-site services are of a kind that
0033 would be covered if furnished at the clinic site;

0034 (2) approved inpatient treatment programs;

0035 (3) day treatment and partial hospitalization units approved
0036 by the division of medical programs pursuant to K.A.R. 30-5-110;
0037 and

0038 (4) outpatient alcohol and drug abuse programs licensed and
0039 certified by alcohol and drug abuse services and approved by the
0040 division of medical programs.

0041 (b) Outpatient psychotherapy shall not exceed a total number
0042 of units ~~within ranges~~ specified by the secretary *except that the*
0043 *total number specified by the secretary shall be not less than 240*
0044 *200 units* during a calendar quarter based on the following

ATT A 11:00
3-28-83 a.m.

0045 formula: one hour individual therapy equals 20 units and one
 0046 hour group therapy equals four units. Psychological testing and
 0047 evaluation shall not exceed six hours in any two consecutive
 0048 calendar years and shall require prior authorization. Admission
 0049 evaluation shall not exceed four hours per calendar year. Inpa-
 0050 tient psychotherapy shall be available pursuant to K.A.R. 30-5-81.
 0051 Case conferences may be considered as individual therapy if the
 0052 definition in K.A.R. 30-5-58 is met. Group therapy shall not be
 0053 reimbursable when rendered on the same day as partial hospital-
 0054 ization or day treatment.

0055 (c) Services shall be provided by a psychiatrist, psychologist,
 0056 masters degree psychologist, masters degree social worker, mas-
 0057 ters degree psychiatric nurse, or individuals certified by the
 0058 community mental health association professional standards
 0059 committee.

0060 *Be it further resolved:* That Kansas administrative regulation
 0061 30-5-86, as adopted by the secretary of social and rehabilitation
 0062 services and filed with the revisor of statutes on December 14,
 0063 1982, shall become effective as modified by this concurrent
 0064 resolution on May 1, 1983.

0065 *Be it further resolved:* That Kansas administrative regulation
 0066 30-5-104, as adopted by the secretary of social and rehabilitation
 0067 services and filed with the revisor of statutes on December 14,
 0068 1982, is hereby rejected.

0069 *Be it further resolved:* That this resolution shall become effec-
 0070 tive on May 1, 1983.

modified to read as follows:

30-5-104. Scope of psychologists services. (a) The program covers limited psychological services provided to program recipients by psychologists who are certified by the behavioral sciences regulatory board.

(b) Psychological services office visits shall be limited to psychotherapy for recipients enrolled not exceed an average of two hours of individual therapy or two hours of group therapy or any combination of these per month unless the recipient is a participant in the EPSDT program and: to psychological testing and evaluation.

(1) Psychological services do not exceed three hours per month; or

(2) are being rendered pursuant to a plan approved by the agency. ~~(e)~~ Prior authorization shall be is required for a treatment the plan for EPSDT recipients. The plan and it shall not exceed a two year period and shall be subject to a reimbursement limit established by the secretary. Quarterly progress reports shall be submitted to the division of medical programs upon request.

(c) Inpatient hospital visits shall be limited to those ordered by the recipient's physician and shall not exceed those allowable days for which the hospital is paid or would be paid except for spenddown requirements.

(d) Adult care home visits shall be limited to psychological testing and evaluation and shall be ordered by the recipient's physician as a part of the plan of care.

~~(d)~~ (e) Psychological testing and evaluation shall be limited to not exceed six hours per recipient in any two consecutive calendar years, shall be ordered by the recipient's physician as part of the plan of care, and requires prior authorization shall be required.

Be it further resolved: That Kansas administrative regulation 30-5-104, as adopted by the secretary of social and rehabilitation services and filed with the revisor of statutes on December 14, 1982, shall become effective as modified by this concurrent resolution on May 1, 1983.

delete



Association of Community Mental Health Centers of Kansas

820 Quincy, Suite 416/ Topeka, Kansas 66612/913 234-4773

Paul M. Klotz, Executive Director

REMARKS TO:

SENATE WAYS & MEANS COMMITTEE

CHAIRMAN, PAUL HESS

BY: Paul M. Klotz, Executive Director

DATE: March 28, 1983

RE: H.C.R. 5015

This Association is very aware of the state's revenue shortfalls and stands ready to do its fair share to cut back its programs and services to help get the state past this or any other fiscal problem.

In fact, mental health centers have already given up approximately 12 percent of their state general fund dollars to meet the state's fiscal needs. These reductions are as follows:

1) Loss of Project Funding	\$ 508,000
2) Loss of 4 Percent of State Aid	226,000
3) Loss as a Result of Freeze on Title XIX (F.Y. 1983)	320,000
<hr/>	
TOTAL	\$1,054,000

In addition, the Governor has proposed a "no-growth" budget for Fiscal Year 1984 regarding mental health centers. Finally, centers, over the past 8 years, have lost approximately \$5 million dollars in federal grants.

Now, the Secretary of SRS has proposed to cut the community based mental health Title XIX program by 60 percent. He proposes to reduce the total number of hours available to a mental health patient from 15 hours (300 units) to 6 hours (120 units) in a 3 month (90 day) period.

The Secretary estimates that he will save a little over \$1.2 million by these and other Title XIX cuts to centers. He needs to save a total of \$5 million from the total medicaid program of \$228 million. He proposes that

Clinton D. Willsie
President

Larry W. Nikkel
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Vice President

E. W. "Dub" Rakestraw
Past President

Lannie W. Zweimiller
Treasurer

Denny Clark
Secretary

Harriet Griffith
Bd. Mem. at Large AHB

3-28-83
11:00

mental health centers and private mental health providers should provide over 21 percent of this savings. Yet, these providers represent less than 2 percent of the total Title XIX expenditures. To compound this drastic cut, it comes at a time when SRS is asking mental health centers to help shore-up the state's mental health program. That is, SRS is asking us to provide services to the Intermediate Care Facilities for Mentally Ill (ICF/MIs) that SRS only recently developed to care for the chronically ill. These patients were formally in nursing homes. ICF/MIs are nothing more than converted nursing homes. They will require mental health services in order to function. Without a successful ICF/MI program, this state stands to lose all of its Title XIX Federal participation. Not just mental health center dollars, but all medicaid dollars will be lost.

But, apart from these more global problems; what is the single or immediate problem of a Title XIX mental health cut of such a magnitude as that being proposed by the Secretary?

In human terms, such a cut in the medical program for mental health services could be very damaging for the acute or chronic patient and could be life threatening to a suicidal or highly depressed individual.

In state budgetary terms, mental health centers are seeing over 22,000 medicaid patients, many of whom are in acute or chronic stages of illness. These people are now using the full 15 hours of treatment (300 units per quarter) available to them at an average cost to the medicaid program of \$200 per month. Without such steady and consistent treatment, many such patients will transfer themselves or be transferred to state institutions where costs will run a minimum of \$3,900 per month.

In closing, the Association of Community Mental Health Centers thought they had reached a compromise agreement with the Secretary (see attached letter) on these Title XIX cuts. However, it now appears that centers have to appeal to the Legislature for redress.

Therefore, centers seek a "floor" of 240 units (12 hours per 90 day

Remarks To Senate Ways & Means Committee
March 28, 1983
Page 3

period) for general outpatient care. This still represents a 20 percent reduction in the Title XIX program. A reduction that is more fair and equitable to the people we represent.

Thank you for the opportunity to comment.

- TRENDS IN MEDICAID FUNDING -
for
KANSAS MENTAL HEALTH CENTERS
Association of CMHCs of Kansas
February, 1983

Community based mental health services are a relatively new approach to providing care and treatment. Although these community efforts only began in the early 1960s, center patient loads have had a rapid increase. The number of patients has doubled about every eight (8) years. Deinstitutionalization has been and is one of the major reasons for this rapid increase in patient load at the community level. This deinstitutionalization could have meant large reductions in state budgets. From 1970 through 1980, the average resident population of Kansas' four state psychiatric hospitals declined by over forty-one percent (41%). Also, the average length of stay in the hospitals decreased by eighty-three percent (83%). Yet funding for the four state hospitals increased by nearly one-hundred percent (100%) since 1970. The current state general funds going to state hospitals in F.Y. 1983 was \$30,272,142. The current state general funds going to mental health centers in F.Y. 1983 was about \$6.6 million.

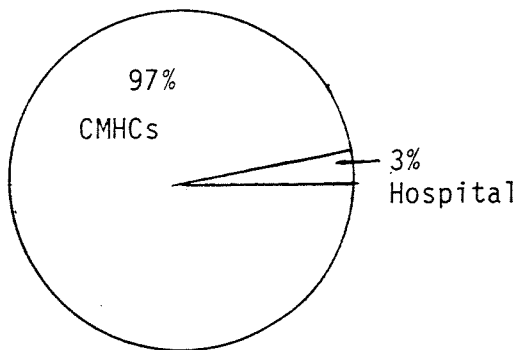
Mental health centers, in F.Y. 1983, were seeing over ninety-six percent (96%) of the public patients with slightly over three percent (3%) of the patients being seen in the state institutions. State funding for CMHCs has increased fairly rapidly since 1974 with the passage of the State Aid Program, more commonly called the "649 program" (the "649" coming from the original Senate Bill number). However, as noted above, the increase in CMHC patient load has also been very rapid plus the quality, intensity and concentration of CMHC services have dramatically increased.

TOTAL CLIENTS SERVED ANNUALLY*
Kansas Mental Health Centers
Fiscal Year 1972 - Fiscal Year 1980

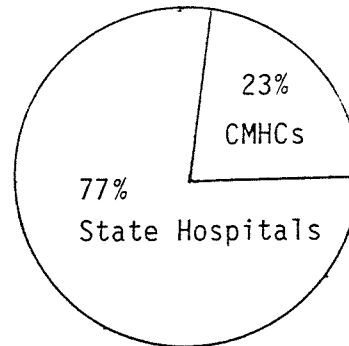
Year	<u>No. Clients</u>	<u>% Increase</u>
1972	31,203	Base Line
1973	38,642	23.84%
1974	43,720	13.14%
1975	52,837	20.85%
1976	55,082	4.25%
1977	56,672	2.89%
1978	61,538	8.59%
1979	62,631	1.78%
1980	64,160	2.44%
Total Percent Change From 1972 through 1980		105.62%

*Does not include C & E clients, emergency contacts, or individual members in family therapy.

-PERCENT OF CLIENTS-
Seen In
CMHCs vs. Hospitals



-STATE GENERAL FUNDS-
Spent On
CMHCs vs. Hospitals - F.Y. 1983



TITLE XIX

- o CMHCs are currently seeing over 22,000 Medicaid patients per year.
- o Mental health centers have always been on a prospective rate basis. Only recently have other providers begun to use this cost saving method of setting rates.
- o Since December, 1980, CMHCs have had their Title XIX rates frozen. By our estimate, this means that over \$1 million (nearly \$500,000,00 in state dollars) in cost will be absorbed by CMHCs by July 1, 1983. CMHCs must serve all patients regardless of ability to pay. This is not true of most other Title XIX providers.
- o The Secretary has proposed to cut CMHC Title XIX units of services from 300 units to 120 units for general outpatient services in a given quarter. This constitutes a 60 percent reduction. The center's Association has countered with a Joint Committee on Rules and Regulations Resolution to place a floor of 240 units. 240 units would allow a medicaid patient, at least once a week therapy for a given quarter. A cut of 60 units, plus a cut in our psych testing and evaluation program would constitute a twenty percent (20%) reduction in our Title XIX program which would be more in keeping with what other providers are being asked in the way of cutbacks. The Secretary is also proposing to cut our partial hospital program by forty-eight percent (48%) next fiscal year.
- o Mental health centers currently provide all types of service to clients at a rate roughly half that of state and general hospitals; this includes 24 hour/residential services.
- o Increasingly, centers in Kansas are expanding and improving the number and type of services offered to Medicaid and all categories of clients. Centers collectively have over 250 residential beds available to the mentally ill. In addition, 14 CMHCs have fully operating inpatient units. These inpatient units provided over 58,000 days of service last year.



INFORMATION SHEET COMMUNITY BASED MENTAL HEALTH SERVICES

Association of Community Mental Health Centers of Kansas, Inc.

820 Quincy / Suite 416

Topeka, Kansas 66612

(913) 234-4773

WHAT IS COMMUNITY MENTAL HEALTH?

- Under K.S.A. 19-4001 et. seq., 32 licensed community mental health centers (CMHCs) are currently operational in the state. These centers have a combined staff of over 1,300 providing mental health services in every county of the state and are an integral part of the total mental health system of Kansas. Nine of the Kansas centers are comprehensive agencies. Comprehensive centers currently provide the full range of mental health care services. Federal support has been drastically reduced or eliminated, thus posing a very real threat to the continued delivery of some of the services provided by these centers. Medicaid funding for mental health care has been frozen over the past two years.
- The primary goal of CMHCs is to provide quality care, treatment and rehabilitation to the mentally disabled in the least restrictive environment. Many arguments can be advanced for treatment at the community level, chief of which is to keep individuals functioning in their own homes and communities, and at a considerable reduced cost to them and the taxpayer.

WHO NEEDS IT?

- Between 350,000 (15%) to 468,000 (20%) of the Kansas population are suffering from varying degrees of mental disabilities that require treatment.
- Demand for community based mental health care has been growing at an average rate of approximately 12% per year. During times of economic distress, the need for mental health services typically rise dramatically.
- A large number of the CMHC clientele are chronic patients who require ongoing care and treatment.

WHO USES IT?

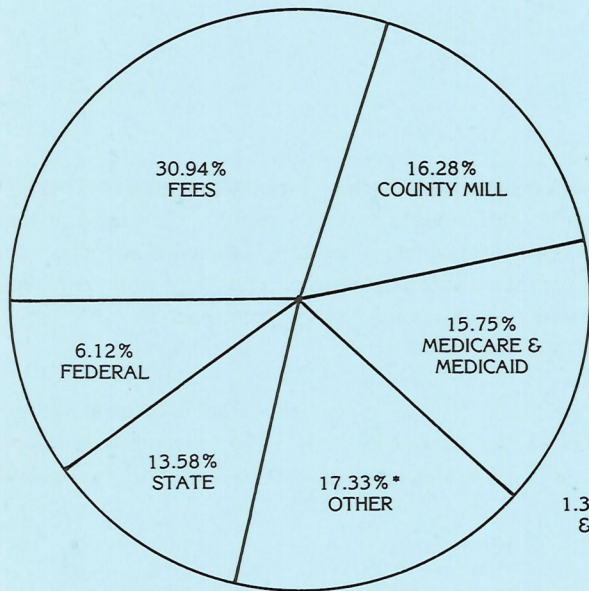
- In 1982, Kansas CMHCs provided care to approximately 81,000 Kansas citizens. The number of patients has doubled over the past eight to ten years largely as a result of deinstitutionalization. During the period of 1969-1979, the state hospital average daily census declined by more than half. Many of these former hospital patients now rely on CMHCs for mental health services.
- If present trends continue, by 1985, CMHCs will be providing care for over 90,000 Kansas citizens.
- Of the total patients in the public sector having diagnoses of psychotic conditions (severely disabled), over 57% are being served by CMHCs. Ninety percent of the chronically mentally ill seeking public treatment are being served by CMHCs.
- In Kansas, 96.4% of all citizens seeking public mental health care are seen at community mental health centers.
- The major national and state change in mental health care over the last 15 to 20 years has been the shift from state institutional care to community based care.

WHO PAYS FOR IT?

- No person, by law, can be denied community mental health care because of the inability to pay; consequently, public support is required.
- In 1981, county mill levies provided CMHCs with approximately \$6 million. County funding is the single largest direct source of public support. Counties currently provide well over \$6 million in support to centers. This works out to over \$2.58 per capita on a statewide basis.
- In FY 1983, direct state support for CMHCs is \$5.6 million. Nationwide, the average state contribution to CMHCs as a percentage of total budget is over 30%. In Kansas, about 14¢ of every CMHC dollar is provided by the state.

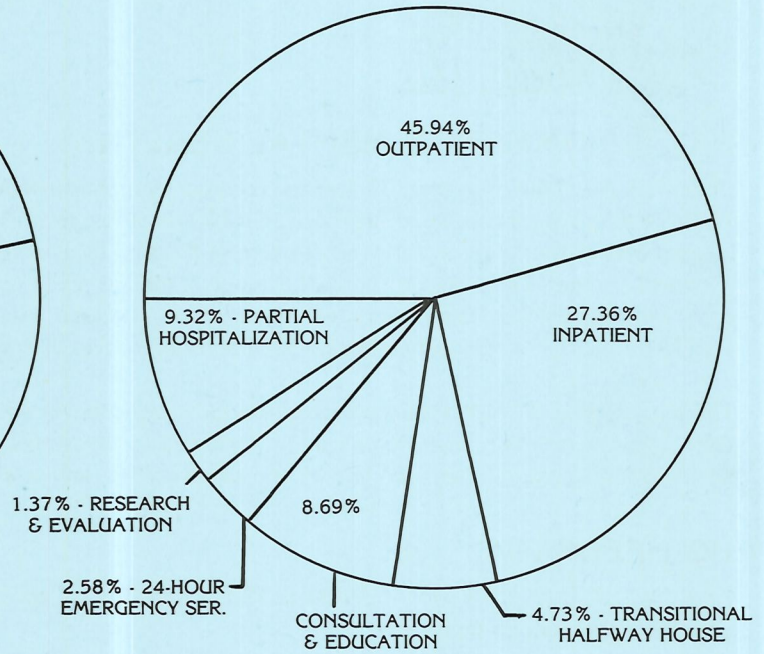
The majority of CMHC costs were paid from community sources, with the largest share coming from the patient or his/her insurance provider.

CMHC REVENUE



1982 BUDGET ESTIMATE

CMHC EXPENDITURES



1982 BUDGET ESTIMATE



mental health association in kansas

1205 harrison • topeka, kansas • 66612
913/357-5119 800/432-2422

Affiliate of the National Mental Health Association

DATE: March 28, 1983
TO: Members, Senate Ways & Means Committee
FROM: Betty Stowers, Volunteer, Mental Health Association
RE: HCR 5015

EXECUTIVE COMMITTEE

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Wichita

First, I should like to express my appreciation for the opportunity to appear before you today. I am a member of the Mental Health Association in Kansas and, as a volunteer, serve as chair of the Public Relations Committee.

I am very much aware of the difficult choices which you must make in your efforts to provide a good comprehensive mental health delivery system that is, at the same time, cost effective. The Mental Health Association in Kansas has long served as advocates for those mentally ill Kansans who are least able to speak in their own behalf. It is with this intent that we support the adoption of H.C.R. 5015.

I ask your indulgence to permit me to make some personal remarks. I am not a mental health professional, but I have learned much about mental illness. I would not be a Kansan today were it not for the fact that at one time in my life I required treatment for mental illness. Fortunately, I was able to come here to take advantage of the excellent facilities of The Menninger Foundation. Following a period of hospitalization, I became an outpatient, found an apartment and a job, and continued in psychotherapy. For some months I went for an hour twice weekly, later reduced to one hour a week. By the time I concluded treatment, I had made a decision to make Topeka my home.

It is my firm belief that I probably would not have been able to successfully terminate this difficult period of my life had only 1½ hours of treatment a month been available to me. In all likelihood, I would have required further hospitalization. I tell you this only

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because I know from experience how very much a recovering patient needs the support and benefit of psychotherapy as he or she attempts to return to society and a productive life. Without the floor of 240 units a quarter -- as proposed in this resolution -- I fear many, especially the chronically mentally ill, will be forced back into a hospital environment. This will be at great cost to themselves in terms of living, and also a greater cost to the delivery system to care for them.

These are factors which I ask you to consider as you come to your decision re H.C.R. 5015.

Thank you very much.

BMS:cr

HOUSE BILL No. 2543

By Committee on Ways and Means

3-7

0016 AN ACT relating to the county and city revenue sharing fund;
0017 concerning the use of population figures in the allocation of
0018 moneys therefrom; amending K.S.A. 1982 Supp. 79-2965 and
0019 repealing the existing section.

0020 Be it enacted by the Legislature of the State of Kansas:

0021 Section. 1. K.S.A. 1982 Supp. 79-2965 is hereby amended to
0022 read as follows: 79-2965. (a) The state treasurer shall make a
0023 determination of the total amount of each county's entitlement
0024 from the county and city revenue sharing fund for each year prior
0025 to the first distribution from said the fund in that year.

0026 (b) In making said the determination, the state treasurer shall
0027 allocate the total amount to be transferred to the county and city
0028 revenue sharing fund for distribution in that year, exclusive of
0029 six hundred thousand dollars (\$600,000) \$600,000 which amount
0030 shall be designated hereinafter as the deficiency equalization
0031 amount, in the following manner: (1) Sixty-five percent (65%) of
0032 said such amount shall be allocated on the basis of the popula-
0033 tion figures of the counties as reported in the last preceding
0034 annual enumeration of the state board of agriculture certified to
0035 the secretary of state pursuant to K.S.A. 11-201 and amend-
0036 ments thereto on July 1 of the preceding year, and (2) the
0037 remaining thirty-five percent (35%) 35% shall be allocated on the
0038 basis of the equalized assessed tangible valuations on the tax
0039 rolls of the counties on November 1 of the preceding year as
0040 certified by the director of property valuation.

0041 (c) In any year when a county's portion determined under the
0042 foregoing formula in subsection (b) added to the amount that
0043 county receives from the local ad valorem tax reduction fund for
0044 such year is less than the total of each distribution made to said

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0045 that county in the state's fiscal year 1977 from the local ad
0046 valorem tax reduction fund, the alcoholic liquor control enforce-
0047 ment fund and revenue collected from the sale of cigarette tax
0048 indicia, the difference between said such amounts shall be
0049 allocated to that county from the deficiency equalization amount.

0050 (d) Any portion of the deficiency equalization amount not
0051 allocated as provided in the foregoing provision subsection (c)
0052 shall be allocated among all of the counties according to the
0053 formula using population and equalized assessed tangible valu-
0054 ation as hereinbefore prescribed in subsection (b).

0055 (e) The total amount allocated to a county under the provi-
0056 sions of this section for any year shall be deemed to be that
0057 county's entitlement from the county and city revenue sharing
0058 fund for that year.

0059 Sec. 2. K.S.A. 1982 Supp. 79-2965 is hereby repealed.

0060 Sec. 3. This act shall take effect and be in force from
0061 after its publication in the statute book.

Amendment to HB 2543

Proposed by League of
Kansas Municipalities

HOUSE BILL No. 2161

By Committee on Ways and Means

4-31

0015 AN ACT relating to the county and city revenue sharing fund;
0016 concerning the allocation and distribution of moneys there-
0017 from; amending K.S.A. 1982 Supp. 79-2964, as amended by
0018 1983 Senate Bill No. 27, and repealing the existing section.

0019 Be it enacted by the Legislature of the State of Kansas.

0020 Section 1. K.S.A. 1982 Supp. 79-2964, as amended by 1983
0021 Senate Bill No. 27, is hereby amended to read as follows: 79-2964.

0022 There is hereby created the county and city revenue sharing fund.
0023 All moneys transferred or credited to such fund under the provi-
0024 sions of this act or any other law shall be allocated and distrib-
0025 uted in the manner provided herein. The director of accounts and
0026 reports in each year on July 15 and December 15, shall make
0027 transfers in equal amounts which in the aggregate equal 3 1/2% of
0028 the total retail sales and compensating taxes credited to the state
0029 general fund pursuant to articles 36 and 37 of chapter 79 of the
0030 Kansas Statutes Annotated and acts amendatory thereof and sup-
0031 plemental thereto during the preceding calendar year from the
0032 state general fund to the county and city revenue sharing fund.

0033 Sec. 2. K.S.A. 1982 Supp. 79-2964, as amended by 1983 Sen-
0034 ate Bill No. 27, is hereby repealed.

0035 Sec. 3. This act shall take effect and be in force from and after
0036 its publication in the statute book.

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11:00 a.m.

MR. CHAIRMAN:

I move to amend HOUSE BILL NO. 2439, on page 1, by inserting before line 20 the following sections to read as follows:

"Section 1. K.S.A. 9-1401 is hereby amended to read as follows: 9-1401. (a) The governing body of any municipal corporation or quasi-municipal corporation shall designate by official action recorded upon its minutes the state and national banks and trust companies, state and federally chartered savings and loan associations and federally chartered savings banks which shall serve as depositories of its funds ~~and the state and federally chartered savings and loan associations which shall serve as depositories, pursuant to K.S.A. 12-1675 to 12-1678a, inclusive, and amendments to such sections, of its invested funds~~ and the officer and official having the custody of such funds shall not deposit such funds other than at such designated banks and trust companies and savings and loan associations and federally chartered savings banks. The state and national banks and trust companies, state and federally chartered savings and loan associations and federally chartered savings banks which have home offices located in the county or counties in which all or part of such municipal corporation or quasi-municipal corporation ~~and the state and federally chartered savings and loan associations which have home offices located in such municipal corporation or quasi-municipal corporation~~ is located shall be designated as such official depositories if the municipal or quasi-municipal corporation can obtain satisfactory security therefor.

(b) Every officer or person depositing public funds shall deposit all such public funds coming into such officer or person's possession in their name and official title as such

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officer. If the governing body of the municipal corporation or quasi-municipal corporation fails to designate an official depository or depositories, the officer thereof having custody of its funds shall deposit such funds with one or more state or national banks or trust companies, state or federally chartered savings and loan associations or federally chartered savings banks which have home offices located in the county or counties in which all or part of such municipal corporation or quasi-municipal corporation is located ~~and, for funds deposited pursuant to K.S.A. 12-1675 to 12-1678a, inclusive, and amendments to such sections, one or more state or federally chartered savings and loan associations which have home offices located in such municipal corporation or quasi-municipal corporation~~ if satisfactory security can be obtained therefor and if not then elsewhere, but upon so doing shall serve notice in writing on the governing body showing the names and locations of such banks and trust companies and savings and loan associations and federally chartered savings banks where such funds are deposited, and upon so doing the officer having custody of such funds shall not be liable for the loss of any portion thereof except for official misconduct or for the misappropriation of such funds by such officer.

(c) As used in this section and K.S.A. 9-1402, 9-1403 and 9-1405, and amendments thereto, to such sections, "municipal corporation or quasi-municipal corporation" includes each investing governmental unit under K.S.A. 12-1675 and amendments thereto.

Sec. 2. K.S.A. 9-1402 is hereby amended to read as follows: 9-1402. (a) Before any deposit of public moneys or funds shall be made by any municipal corporation or quasi-municipal corporation of the state of Kansas with any state or national bank or trust company or state or federally chartered savings and loan association or federally chartered savings bank, such municipal or quasi-municipal corporation shall obtain security for such deposit in one of the following manners prescribed by

this section.

(b) Such bank or trust company or savings and loan association or federally chartered savings bank may give to the municipal corporation or quasi-municipal corporation a personal bond in double the amount which may be on deposit at any given time.

(c) Such bank or trust company or savings and loan association or federally chartered savings bank may give a corporate surety bond of some surety corporation authorized to do business in this state, which bond shall be in an amount equal to the public moneys or funds on deposit at any given time and such bond shall be conditioned that such deposit shall be paid promptly on the order of the municipal corporation or quasi-municipal corporation making such deposits.

(d) Any state or national bank or trust company or state or federally chartered savings and loan association or federally chartered savings bank may deposit, maintain, pledge and assign for the benefit of the governing body of the municipal corporation or quasi-municipal corporation in the manner provided in this act, securities the market value of which is equal to no less than 70% of the total deposits at any given time, and such securities shall consist of:

(1) Direct obligations of, or obligations that are insured as to principal and interest by, the United States of America or any agency thereof and obligations and securities of United States sponsored corporations which under federal law may be accepted as security for public funds;

(2) bonds of any municipal corporation or quasi-municipal corporation of the state of Kansas which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America;

(3) bonds of the state of Kansas;

(4) general obligation bonds of any municipal corporation or quasi-municipal corporation of the state of Kansas;

(5) revenue bonds of any municipal corporation or quasi-municipal corporation of the state of Kansas if approved by the state bank commissioner in the case of banks and by the savings and loan commissioner in the case of savings and loan associations or federally chartered savings banks;

(6) negotiable promissory notes which are not in default together with first lien real estate mortgages on real estate located within the state of Kansas securing payment of such notes;

(7) temporary notes of any municipal corporation or quasi-municipal corporation of the state of Kansas which are general obligations of the municipal or quasi-municipal corporation issuing the same;

(8) warrants of any municipal corporation or quasi-municipal corporation of the state of Kansas the issuance of which is authorized by the state board of tax appeals and which are payable from the proceeds of a mandatory tax levy;

(9) bonds of either a Kansas not-for-profit corporation or of a local housing authority that are rated at least Aa by Moody's Investors Service or AA by Standard & Poor's Corp.;

(10) bonds issued pursuant to K.S.A. 12-1740 et seq. and amendments thereto, that are rated at least MIG-1 or Aa by Moody's Investors Service or AA by Standard & Poor's Corp.; or

(11) notes of a Kansas not-for-profit corporation that are issued to provide only the interim funds for a mortgage loan that is insured by the federal housing administration.

(e) No state or national bank or trust company or state or federally chartered savings and loan association or federally chartered savings bank may deposit and maintain for the benefit of the governing body of a municipal or quasi-municipal corporation of the state of Kansas, any securities which consist of:

(1) Bonds secured by revenues of a utility which has been

in operation for less than three years; or

(2) bonds issued under K.S.A. 12-1740 et seq., and amendments thereto, unless such bonds have been refunded in advance of their maturity as provided in subsection (d) or such bonds are rated at least Aa by Moody's Investors Service or AA by Standard & Poor's Corp.

(f) Any state or national bank ~~or~~, trust company ~~or~~, state or federally chartered savings and loan association or federally chartered savings bank which has agreed to pay a rate of interest upon moneys deposited pursuant to K.S.A. 12-1675, and any amendments thereto, greater than the average yield before taxes received on ninety-one day United States treasury bills as determined by the federal reserve banks as fiscal agents of the United States at its most recent public offering of such bills prior to the inception of such deposit contract, and depositing, pledging and assigning securities to secure payment of such deposit, shall deposit and maintain for the benefit of the governing body of the municipal corporation or quasi-municipal corporation, in the manner as provided in this act, securities of a type described in this section market value of which is equal to no less than 100% of such deposit.

(g) Any expense incurred in connection with granting approval of revenue bonds shall be paid by the applicant for approval.

(h) All negotiable promissory notes secured by first lien mortgages on real estate pledged and assigned as security shall be valued pursuant to rules and regulations which have been adopted by both the state bank commissioner and the savings and loan commissioner after having first being submitted to and approved by both the state banking board under K.S.A. 9-1713 and amendments thereto and the savings and loan board. Such rules and regulations shall be published in only one place in the Kansas administrative regulations as directed by the state rules and regulations board. All such notes shall be approved by the governing body of such municipal corporation or quasi-municipal

corporation before the same shall be accepted as security. Negotiable promissory notes secured by first lien mortgages on real estate shall be taken at their value for not more than 75% of the security required under the provisions of this act.

Sec. 3. K.S.A. 9-1403 is hereby amended to read as follows: 9-1403
9-1403. (a) During the periods of peak deposits occurring at tax paying time and tax distributing time and continuing for a period of not to exceed 60 continuous days at any given time and not to exceed 120 days in any calendar year the amount of security for the deposit of public moneys as required under K.S.A. 9-1402 and amendments thereto shall be reduced by 1/2 in amount thereof.

(b) The provisions of this section shall apply only to the deposits of all municipal corporations and quasi-municipal corporations, but the custodian of the funds of each of such municipal corporations or quasi-municipal corporations together with an officer of the depository state or national bank ~~or~~ trust company ~~or~~ state or federally chartered savings and loan association or federally chartered savings bank shall designate in writing the beginning of each such sixty-day period, and a copy thereof, fully executed, shall be kept on file in the office of the governing body of such municipal corporation or quasi-municipal corporation and in the files of such bank ~~or~~ trust company ~~or~~ such savings and loan association or federally chartered savings bank.";

Also on page 1, in line 20, by striking "Section 1." and inserting "Sec. 4."; in line 21, by striking "or" and inserting a comma; in line 22, by striking "or" and inserting a comma; also in line 22, by inserting after "association" the following: "or federally chartered savings bank"; in line 33, by striking all after "bank" and inserting ", trust company,"; in line 34, by inserting after "association" the following: "or federally chartered savings bank"; in line 37, by striking all after "bank" and inserting ", trust company,"; in line 38, by inserting after "association" the following: "or federally chartered savings bank";

On page 2, in line 46, by striking "or trust company or" and inserting ", trust company,"; in line 47, by inserting after "association" the following: "or federally chartered savings bank"; in line 48, by striking "or trust company or" and inserting ", trust company,"; in line 49, by inserting after "association" the following: "or federally chartered savings bank"; in line 51, by striking "or trust company or" and inserting ", trust company,"; also in line 51, by inserting after "association" the following: "or federally chartered savings bank"; by inserting before line 57 the following sections to read as follows:

"Sec. 5. K.S.A. 9-1406 is hereby amended to read as follows: 9-1406. No public officer nor the sureties upon such officer's bond shall be liable for any loss sustained by the failure or default of any designated depository or depositories after a deposit or deposits have been made in an officially designated bank ~~or, trust company, savings and loan association or federally chartered savings bank~~ as provided in this act. This exemption from liability shall apply even though other statutes shall require the furnishing of a bond or other securities by the designated depositories of public moneys.

Sec. 6. K.S.A. 12-1675 is hereby amended to read as follows: 12-1675. (a) The governing body of any county, city, township, school district, area vocational-technical school, community college, firemen's relief association, community mental health center, community facility for the mentally retarded or any other governmental entity, unit or subdivision in the state of Kansas having authority to receive, hold and expend public moneys or funds may invest any moneys which are not immediately required for the purposes for which the moneys were collected or received, and the investment of which is not subject to or regulated by any other statute.

(b) Such moneys shall be invested only in:

(1) Temporary notes issued by such investing governmental unit;

12-1675

(2) time deposit, open accounts or certificates of deposit: (A) In commercial banks or trust companies which have home offices located in such investing governmental unit; or (B) if the home office of no commercial bank or trust company is located in such investing governmental unit, then in commercial banks or trust companies which have home offices located in the county or counties in which all or part of such investing governmental unit is located; or (C) if such appropriate eligible commercial banks or trust companies cannot or will not make such deposits available to the investing governmental unit at interest rates equal to or greater than: (i) The average yield before taxes received on ninety-one day United States treasury bills as determined by the federal reserve banks, as fiscal agents of the United States, at its most recent public offering of such bills prior to the inception of such deposit contract; or (ii) the maximum rates such banks or trust companies may pay on such deposits under applicable law or regulation, whichever is lower, then in commercial banks or trust companies which have home offices located within the county or in the counties of the state of Kansas adjacent to the county or counties in which all or part of such investing governmental unit is located;

(3) in time certificates of deposit: (A) With savings and loan associations or federally chartered savings banks which have home offices located in such investing governmental unit; or (B) if the home office of no savings and loan association or federally chartered savings bank is located in such governmental unit, then with savings and loan associations or federally chartered savings banks which have home offices located in the county or counties in which all or part of such investing governmental unit is located; or (C) if such appropriate eligible savings and loan associations or federally chartered savings banks cannot or will not make such deposits available to the investing governmental unit at interest rates equal to or greater than: (i) The average yield before taxes received on ninety-one day United States treasury bills as determined by the federal

reserve banks, as fiscal agents of the United States, at its most recent public offering of such bills prior to the inception of such deposit contract; or (ii) the maximum rates such savings and loan associations or federally chartered savings banks may pay on such deposits under applicable law or regulation, whichever is lower, then with savings and loan associations or federally chartered savings banks which have home offices located within the county or in the counties of the state of Kansas adjacent to the county or counties in which all or part of such investing governmental unit is located;

(4) repurchase agreements with: (A) Commercial banks ~~or~~ trust companies ~~or~~ savings and loan associations or federally chartered savings banks which have home offices located in such investing governmental unit, for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof; i or (B)(i) if the home office of no commercial bank ~~or~~ trust company ~~or~~ savings and loan association or federally chartered savings bank is located in such investing governmental unit; i or (ii) if no commercial bank ~~or~~ trust company ~~or~~ savings and loan association or federally chartered savings bank has a home office located in such investing governmental unit is willing to enter into such an agreement with the investing governmental unit at an interest rate equal to or higher than a rate equal to two percentage points below the average yield before taxes received on ninety-one day United States treasury bills as determined by the federal reserve banks, as fiscal agents of the United States, at its most recent offering of such bills prior to the inception of such contract, then such repurchase agreements may be entered into with commercial banks ~~or~~ trust companies ~~or~~ savings and loan associations or federally chartered savings banks which have home offices located in the county or counties in which all or part of such investing governmental unit is located; i or (C) if no bank ~~or~~ trust company ~~or~~ savings and loan association or federally chartered savings bank which has its home office

located in such county or counties is willing to enter into such an agreement with the investing governmental unit at an interest rate equal to or higher than a rate equal to two percentage points below the average yield before taxes received on ninety-one day United States treasury bills as determined by the federal reserve banks, as fiscal agents of the United States, at its most recent offering of such bills prior to the inception of such contract then such repurchase agreements may be entered into with commercial banks or trust companies or savings and loan associations or federally chartered savings banks which have home offices located in the state of Kansas; or

(5) United States treasury bills or notes with maturities as the governing body shall determine, but not exceeding six months.

(c) The investment authorized in clause (5) of subsection (b) shall be utilized only if the appropriate eligible commercial banks or trust companies, which have home offices located in the investing governmental unit or in the county or counties in which all or a part of such investing governmental unit is located if no such bank or trust company has a home office which is located within such governmental unit, or the appropriate eligible savings and loan associations or federally chartered savings banks, which have home offices located in the investing governmental unit or in the county or counties in which all or a part of such investing governmental unit is located if no such savings and loan association or federally chartered savings bank has a home office which is located within such governmental unit, cannot or will not make the investments authorized in clause (2) or clause (3) of subsection (b) available to the investing governmental unit at interest rates equal to or greater than: (A) The average yield before taxes received on ninety-one day United States treasury bills as determined by the federal reserve banks as fiscal agents of the United States at its most recent public offering of such bills prior to the inception of such deposit contract; or (B) the maximum rates such commercial banks or

trust companies or savings and loan associations or federally chartered savings bank may pay on the investments authorized in clause (2) or clause (3) of subsection (b) under applicable law or regulation, whichever is lower.

Sec. 7. K.S.A. 12-1676 is hereby amended to read as follows: 12-1676. Except as otherwise provided in K.S.A. 12-1678a, and any amendments thereto, the provisions of this act authorizing the investment of moneys shall not apply to moneys collected or received by a county for apportionment, credit or distribution to the state or any political subdivision thereof. Interest paid by commercial banks or trust companies on time deposit, open accounts and certificates of deposit of investing governmental units and by savings and loan associations or federally chartered savings banks on time certificates of deposit of investing governmental units shall be at rates agreed upon by the governmental units and the banks, trust companies or savings and loan associations or federally chartered savings banks.

17-5002

Sec. 8. K.S.A. 1982 Supp. 17-5002 is hereby amended to read as follows: 17-5002. (a) Administrators, executors who have filed bonds pursuant to K.S.A. 59-1101, and amendments thereto, conservators, trustees, insurance companies and other financial institutions, charitable, educational, eleemosynary corporations and organizations are authorized in addition to investments now authorized by law, to invest funds which they are authorized by law to invest, in shares or savings deposits of federally insured savings and loan associations or federally chartered savings banks and such investment shall be deemed and held to be legal investments for such funds.

(b) The governing body of any municipal corporation or quasi-municipal corporation, county, township, school district, area vocational-technical school, community college, firemen's relief association, community mental health center, community facility for the mentally retarded or any other governmental entity, unit or division in the state of Kansas having authority to receive, hold and expend public moneys or funds may invest the

same in state or federally chartered savings and loan associations ~~or federally chartered savings banks~~ subject to and as provided by K.S.A. 9-1401, 9-1402, 9-1405, 9-1407, 12-1675 and 12-1676 and amendments to such sections.

Sec. 9. K.S.A. 9-1401, 9-1402, 9-1403, 9-1405, 9-1406, 12-1675 and 12-1676 and K.S.A. 1982 Supp. 17-5002 are hereby repealed.";

Also on page 2, by striking all of line 57; in line 58, by striking "3" and inserting "10";

On page 1, in the title, in line 17, by striking "amending K.S.A. 9-1405" and inserting the following: "relating to deposits and investments by governmental subdivisions; amending K.S.A. 9-1401, 9-1402, 9-1403, 9-1405, 9-1406, 12-1675 and 12-1676 and K.S.A. 1982 Supp. 17-5002"; in line 18, by striking "section" and inserting "sections"

_____ District.