

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by Senator Paul Hess at \_\_\_\_\_  
Chairperson

5:30 /a.m./p.m. on April 5, 1983, 19\_\_ in room 123-S of the Capitol.

All members were present except:  
Senator Hein

## Committee staff present:

Research Department: Marlin Rein, Sherry Brown, Mary Galligan, Chris Stanfield,  
David Monical, Louis Chabira, Bill Gilmore, Lyn Goering, Ed Ahrens,  
Carolyn Rampey

Revisor's Office: Mary Torrence

Committee Office: Mark Skinner, Doris Fager

Conferees appearing before the committee:

HB 2563 - Appropriations FY 1984, University of Kansas Medical Center  
HB 2135 - Appropriations FY 1983, University of Kansas Medical Center

Following Senator Hess' explanation of the subcommittee report on Section 8 of HB 2135, there were no questions from committee members.

Senator Hess presented the subcommittee report on KUMC. He noted that revenue shortfalls are not as bad as they were last year; and KUMC has lowered expenditures and personnel. When asked by Senator Steineger if the 76% occupancy rate included rooms in the old section of the hospital, Senator Hess said it includes those that are useable. He explained that some areas in the old hospital have been remodeled and are no longer classified as hospital beds.

There was discussion concerning the \$935,000 in Educational Building Funds noted on page 2 of the subcommittee report. Motion was made by Senator Bogina and seconded by Senator Harder to appropriate the \$935,000 from the State General Fund instead of the Educational Building Funds. Following the motion, Senator Bogina was asked about the amount of money in E.B.F. He said there would be nothing after the appropriation recommended in the subcommittee report.

There was discussion concerning alternative sources of funds for purchase and installation of hospital equipment. Senator Gaines suggested that the State Institutional Building Fund has a balance of \$2.5 million at the end of this fiscal year; and since KUMC is a state institution, it might be possible to obtain funding from that fund.

A substitute motion was made by Senator Gaines and seconded by Senator Bogina to transfer .10 mill levy for one year only from the S.I.B.F. to the E.B.F. (It was noted by staff that the levy is constitutional but the amount of the levy is statutory). The motion carried by voice vote.

Motion was made by Senator Gaines and seconded by Senator Bogina to introduce a bill to carry out the intent of the committee's action in the above paragraph, and to request that the bill be referred to Committee of the Whole. The motion carried by roll call vote.

In connection with the subcommittee recommendations for medical scholarships, it was decided to consider SB 282.

SB 282 - Medical Scholarships

A conceptual motion was made by Senator Gaines and seconded by Senator Warren to include provisions on payback of scholarships for Type I students who serve in Kansas but not a medically-underserved area, to modify the provisions of the repayment. The motion carried by voice vote.

HB 2563 - Continued

SB 282 - Continued

Motion was made by Senator Gaines and seconded by Senator Hein to establish a separate fund for deposit of default payments from prior recipients. The motion carried by voice vote.

A conceptual motion was made by Senator Gaines and seconded by Senator Hein to provide for a three-year phase down of the medical scholarship program--100, 75 and 50. The motion carried by voice vote.

Motion was made by Senator Gaines and seconded by Senator Hein to report SB 282 favorably as amended. The motion carried by roll call vote.

There was a brief discussion concerning House Subcommittee Recommendation No. 7, in which \$400,352 was reduced due to revising the increase for other operating expenditures from 7.0 to 5.5 percent. No motions were made concerning this item in HB 2563.

Motion was made by Senator Talkington and seconded by Senator Gaines to adopt the subcommittee reports for HB 2563. The motion carried by voice vote.

Motion was made by Senator Talkington and seconded by Senator Harder to direct staff to make needed technical adjustments in HB 2563. The motion carried by voice vote.

Motion was made by Senator Harder and seconded by Senator Warren to report HB 2563 as amended favorably for passage. The motion carried by roll call vote.

HB 2156 - Multi-year Capital Improvement Appropriations

Motion was made by Senator Bogina and seconded by Senator Harder to add \$135,000 from the Educational Building Fund for FY 1984 for Haworth Hall addition construction and reduction of like amount in FY 1985 (Sec. 2). The motion carried by voice vote.

Motion was made by Senator Bogina and seconded by Senator Harder to amend Section 5 by adding \$150,000 from the Educational Building Fund for construction of technology center at KTI in FY 1984 and corresponding reduction for FY 1985. The motion carried by voice vote.

Motion was made by Senator Bogina and seconded by Senator Harder to concur with House Committee of the Whole Action regarding financing for the Capitol Complex Heating Plant. The motion carried by voice vote.

Motion was made by Senator Bogina and seconded by Senator Harder to delete financing of the project at Osawatomie State Hospital (\$1,583,400) since planning funds for an administration building are included in SB 135. (See Section 11) The motion carried by voice vote.

Motion was made by Senator Bogina and seconded by Senator Harder to add \$915,000 to the major repairs and special maintenance account of the State Board of Regents. The motion carried by voice vote.

Motion was made by Senator Bogina and seconded by Senator Harder to report HB 2156 as amended favorably for passage. The motion carried by roll call vote.

Sub. for SB 429 - Sales of liquor to clubs; minimum markup, taxes, delivery

It was reported by the subcommittee which had been studying this bill that all beer will be subject to a 10% drink tax under the substitute bill, and this is in lieu of sales tax. There was an extended discussion about this proposal as well as other portions of the substitute bill, and Senators Gaines, Hess and Bogina answered questions from committee members.

Motion was made by Senator Bogina and seconded by Senator Warren to strike section 2 of Sub. for SB 429 and renumber the remaining sections. The motion carried by voice vote.

Motion was made by Senator Bogina and seconded by Senator Gaines to amend the bill to provide that regular sales tax apply to all club gross receipts. It was noted that sales tax presently is paid on food and cereal malt beverage, but not on strong beer, wine and distilled spirits.

The motion was not voted on at the Chairman's request, and the meeting was adjourned.