

Approved 4-24-84
Date

MINUTES OF THE House COMMITTEE ON Ways and Means

The meeting was called to order by Bill Buntten at
Chairperson

12:00 ~~xxx~~/p.m. on Wednesday, March 28, 1984 in room 514-S of the Capitol.

All members were present except:

Committee staff present: Lyn Goering, Legislative Research
Sherry Brown, Legislative Research
Gloria Timmer, Legislative Research
Jim Wilson, Office of the Revisor
Dave Hanzlick, Administrative Assistant
Nadine Young, Committee Secretary

Conferees appearing before the committee:

Representative Sprague
John Peterson, Kansas Association of Professional
Psychologists
Ron Todd, Insurance Department
Richard Davis, Department of Corrections
Mary Ann Gabel, Executive Secretary-Behavioral Science
Regulatory Board
Arden Ensley, Office of the Revisor
Bill Kauffman, Chief Counsel-Board of Regents
Others present (Attachment 1)

Chairman called the meeting to order at 12:05 P.M.

HB 2943 -- an act concerning life insurance; providing for the nonforfeiture value of life insurance policies to be subject to certain claims; amending K.S.A. 40-414 and repealing the existing section.

Representative Sprague explained the bill. Representative Chronister moved that HB 2943 be recommended favorably for passage. Seconded by Representative Farrar. Representative Sprague said there is a proposed amendment to the bill, but has not yet been drafted. Representative Chronister then withdrew her motion and Chairman Buntten elected not to take final action until committee receives copy of proposed amendment. (See Attachment 2 for Representative Sprague's testimony)

HB 3064 -- an act concerning insurance; relating to certificates of insurance issued, renewed or delivered within or outside this state; amending K.S.A. 40-2,103 and repealing the existing section.

John Peterson appeared on behalf of the Kansas Association of Professional Psychologists and asked the committee to support the bill (Attachment 3).

Ron Todd, representing Kansas Insurance Department also spoke briefly in support of HB 3064 and was available to answer questions.

Representative Chronister moved that HB 3064 be recommended favorably for passage. Seconded by Representative Hoy. Motion carried.

SB 753 -- an act concerning imprest funds; creating an imprest fund for Winfield prerelease center and Topeka prerelease center under the department of corrections; amending K.S.A. 1983 Supp. 75-3058 and repealing the existing section.

Richard Davis, Department of Corrections explained the bill. The imprest fund would provide a tool of mechanism to address the same issue as we have in other corrections facilities, it allows us to pay the released inmate in cash for all monies due him.

Representative Rolfs moved that SB 753 be recommended favorably for passage. Seconded by Representative Farrar. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514-S, Statehouse, at 12:00 ~~xxx~~/p.m. on Wednesday, March 28, 1984

SB 819 -- an act concerning the licensing of social workers; relating to fees; amending K.S.A. 1983 Supp. 75-5359 and repealing the existing section.

Mary Ann Gabel, Executive Secretary of the Behavioral Sciences Regulatory Board appeared in support of SB 819 and explained the provisions of the bill to the committee (Attachment 4).

Representative Luzzati moved that SB 819 be recommended favorably for passage. Seconded by Representative Chronister. Motion carried.

SB 814 -- an act relating to the legislature; concerning organizational, orientation and educational meetings of members and members-elect; concerning the organization and order of business of the houses of the legislature on the day of convening of certain regular sessions; amending K.S.A. 46-142, 46-143, 46-144, 46-145, 46-146a and 46-157 and repealing the existing sections.

Arden Ensley explained the bill. Representative Shriver moved that SB 814 be recommended favorably for passage. Seconded by Representative Dyck. Motion carried.

SB 725 -- an act relating to financial services for state agencies; authorizing procedures for the procurement of financial services for state agencies; financial services negotiating committees.

Representative Heinemann moved that SB 725 be recommended favorably for passage. Seconded by Representative Shriver. Representative Rolfs said he still has some concern about the bill and offered a substitute motion to amend the bill - Line 34, after the word "equipment" insert "or equipment shelters" and on Line 35, strike "related" and insert "relating to equipment and equipment shelter". Representative Louis seconded the substitute motion.

Representative Farrar said he has no problem with the bill and sees no advantage in eliminating this wording now. Representative Heinemann said he sees no reason why we should limit this bill if the possibility exists of saving money - it needs to stay as it is.

Representative Rolfs closed on his motion and a vote was taken. Division was called for and the motion failed.

Representative Hoy made a substitute motion to insert the language "fully funded" and "put in escrow for investment to allow to draw interest". Seconded by Representative Rolfs. The motion failed.

Back on the original motion that SB 725 be recommended favorably for passage. The motion carried. Representatives Miller, Louis, Hoy, Rolfs and Helgerson all requested to be recorded as voting NO on SB 725.

HB 3103 -- an act concerning special education for exceptional children; relating to the determination of the amount of state aid for the provisions thereof; amending K.S.A. 72-967, 72-978 and 72-979, and repealing the existing sections.

Representative Shirver recommended that HB 3103 be recommended favorably for passage and Representative Meacham seconded. However, Representative Chronister made a substitute motion that a resolution be introduced requesting a study and that the results of that study be reported to the Legislature before next session. Seconded by Representative Louis. After brief discussion, Representative Chronister withdrew her motion.

Representative Solbach moved to table HB 3103. Seconded by Representative Louis. Motion carried.

SB 832 -- an act authorizing the state board of regents to purchase certain real property and construct parking facilities for the use of Wichita State University.

Bill Kauffman, General Counsel for Board of Regents explained the bill.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514-S, Statehouse, at 12:00 ~~am~~/p.m. on Wednesday, March 28, 1984

Representative Meacham moved that SB 832 be recommended favorably for passage. Seconded by Representative Dyck. Motion carried.

SB 838 -- an act relating to contracting for collection services for the state board of regents and state educational institutions.

Bill Kauffman, General Counsel for Board of Regents explained the bill. Representative Rolfs moved that SB 838 be reported favorably for passage and placed on the consent calendar. Seconded by Representative Meacham. Motion carried.

SB 841 -- an act concerning the state board of regents; relating to regulation and control of traffic and parking at certain educational institutions; amending K.S.A. 74-3209, 74-3210, 74-3211 and 74-3213 and repealing the existing sections.

Bill Kauffman, General Counsel for Board of Regents, explained the bill. Representative Hamm moved that SB 841 be reported favorably for passage and be placed on the consent calendar. Seconded by Representative Hoy. Motion carried.

SB 842 -- an act concerning the state board of regents; relating to travel and other expenses for recruitment of personnel for the state board of regents and for state educational institutions under the control and supervision of the state board of regents; amending K.S.A. 76-727 and repealing the existing section.

Representative Duncan moved to amend the bill -- Line 42, to include language that would include the spouse. Seconded by Representative Heinemann. Motion carried.

Representative Miller moved to amend the bill by removing the language that makes reference to the Executive Officer of the Board of Regents. Seconded by Representative Meacham. The motion failed.

Representative Duncan moved that SB 842 be reported favorably for passage, as amended. Seconded by Representative Dyck. Motion carried.

HB 3112 -- an act concerning highways; designating the Robert B. Docking Memorial Highway; amending K.S.A. 68-1010 and repealing the existing section.

Representative Shriver moved that HB 3112 be reported favorably for passage. Seconded by Representative Meacham. Motion carried.

HB 2643 -- an act providing for the placement of a statue of Ceres atop the state capitol.

Representative Heinemann presented a proposed amendment on Substitute for HB 2643 (Attachment 5) - he then moved that it be removed from the "tabled" position. Seconded by Representative Duncan. Motion carried.

Representative Heinemann moved that HB 2643 Substitute be reported favorably for passage. Seconded by Representative Duncan. Motion carried.

Chairman asked for a motion on the Minutes for March 16, 19, 20, 21, 22, & 23. Representative Miller reported an error on the March 21 Minutes, Page 2. There was a duplication in typing of the Kansas Adult Authority subcommittee report section. This should be deleted at the top of page 2. Also paragraph 3 of March 21 Minutes on page 2 -- should read "Representative Miller made a motion to add language that was inadvertently omitted "concerning" HB 2899, instead of the word "from". Representative Miller moved that the Minutes be approved, as amended. Seconded by Representative Dyck. Motion carried.

Chairman announced the next meeting would be Thursday, March 29 upon first recess of the House, and also Friday, March 30 at 8:00 a.m.

Meeting adjourned at 2:00 p.m.

GUESTS -- 1984

3-28-84

<u>Name</u>	<u>Address</u>	<u>Representing</u>
1. <u>Fred [unclear]</u>	<u>Top [unclear]</u>	<u>INS. Dept.</u>
2. <u>Dieth Dossio</u>	<u>"</u>	<u>DOC</u>
3. <u>Gary Robbin-</u>		<u>Res. [unclear]</u>
4. <u>John Peterson</u>	<u>"</u>	<u>Ks Assoc of Prof Psychologists</u>
5. <u>Nancy [unclear]</u>	<u>"</u>	<u>Behavioral [unclear]</u>
6. <u>Bob Wallace</u>	<u>Mid [unclear]</u>	<u>Michigan [unclear]</u>
7. <u>Don [unclear]</u>		<u>Legislature</u>
8. <u>Don [unclear]</u>	<u>[unclear]</u>	<u>[unclear]</u>
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Sprague

United States Bankruptcy Court

District of Kansas

495 U. S. Courthouse

444 SE Quincy Street

Topeka, Kansas 66683

February 28, 1984

Telephone

752-2786 JCS

(913) 295-2786 Comm.

James A. Pusateri
Bankruptcy Judge

Honorable Dale M. Sprague
House of Representatives
Room 182 West
State Capitol
Topeka, Kansas 66612

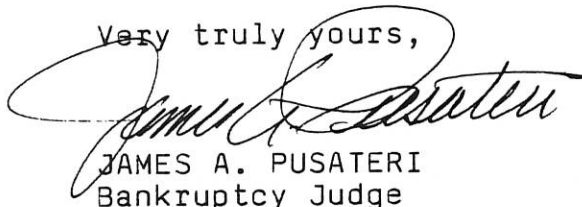
Dear Representative Sprague:

I am unable to accept your invitation to appear for questioning concerning hearings on amendment to K.S.A. §40-414. Unfortunately, I will be on the bench on the 29th and it appears unlikely that my schedule on that date will leave me free for such an appearance.

As you are aware, the present language of K.S.A. §40-414 allows for exemption of policies of insurance and the cash surrender value thereof without specific limit. Recently, in four cases of which I am aware, debtors in bankruptcy court on the eve of filing have invested sums of money ranging from a few thousand to approximately \$50,000 in purchase of new policies of insurance. Such investments generate cash surrender value nearly equal to the sum invested. These four cases were brought to my attention by creditors filing objections to the exemptions claimed. One of the objections was resolved by agreement of the parties. The other three objections remain to be heard and decided by me.

I thus act as merely a reporter of fact as to the use of §40-414 as it currently exists and express no opinion as to whether or not such use is proper, or whether the statute should be changed. The former can be expressed by me only after hearing all the evidence and consideration of legal arguments by counsel; the latter is appropriate for you to consider, as you are now doing.

Very truly yours,


JAMES A. PUSATERI
Bankruptcy Judge

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TESTIMONY BEFORE THE HOUSE WAYS AND MEANS COMMITTEE
KANSAS ASSOCIATION OF PROFESSIONAL PSYCHOLOGISTS
March 28, 1984
HB 3064

Mr. Chairman, members of the Committee, my name is John Peterson and I am appearing this afternoon on behalf of the Kansas Association of Professional Psychologists. This Association is made up of certified psychologists in the State of Kansas who are engaged in private practice. We appreciate the Committee's consideration of House Bill 3064 and the opportunity to present testimony today in support of that bill.

Since 1974 Kansas citizens have enjoyed freedom of choice protections contained in K.S.A. 40-2,100, 40-2,101, 40-2,104. Those freedom of choice, or vendorship statutes, do not mandate any scope of coverage. What they do say is that if a particular scope of coverage is included within a policy and if the covered services can lawfully be performed by any practitioner licensed under the Board of Healing Arts, or by an optometrist, dentist or certified psychologist, then those services may be reimbursed if they are provided by one of those practitioners as well as if by a medical doctor. These provisions allow the Kansas consumer the freedom to choose their health care provider to perform covered services. If a policy does not provide for eye care, these provisions do not mandate it. But if the policy does provide for eye care, then the insured can choose to go to an optometrist as well as an ophthalmologist. The same is true for the other providers covered under those statutes.

HB 3064 is designed to deal with a problem sometimes referred to as "extraterritoriality". Currently Kansas Insurance law does not apply and therefore these vendorship provisions do not apply to a group insurance policy when the master policy is issued and delivered outside of the State of Kansas. The situation is

therefore created where large numbers of Kansas residents and employees are denied the protections and the privileges of our Kansas insurance laws simply because their company has a home office or another facility out of state and the master group policy is delivered there from an out of state insurance company.

Not only does this discriminate against Kansas employees, it discriminates against Kansas insurance companies which inherently must issue their policies from Kansas and therefore come under the provisions of Kansas statutes. HB 3064 simply states that these provisions apply to Kansas employees and to Kansas residents regardless of where the policy is issued. The bill also provides that K.S.A. 40-2,102, Insurance Coverage for Newly Born Children, would apply for Kansas residents in a similar fashion. Last year the House passed HB 2255 by Representative Heinemann which dealt with the extraterritoriality problem in regards to coverage to new born infants.

Other than this provision, this bill does not deal with mandating coverage--only with giving all Kansans the equal protection of our laws to determine what providers they wish to have provide services which are covered under the policy.

This bill is also supported by the Kansas Dental Association, the Kansas Optometric Association and the Kansas Chiropractic Association. We would urge your favorable action on HB 3064.

Thank you.

FFP032640-ldk

JERRY W. COLE, *Chairperson*
 MARY ANN GABEL, *Executive Secretary*



214 W. 6th, Room 201
 Topeka, Kansas 66603
 913/296-3240 KANS-A-N 561-3240

BOARD MEMBERS:

Public Members

JERRY W. COLE
 BARBARA L. KOVAROVIC
 KAY METTNER

Psychology

NANCY J. GARFIELD, Ph.D.
 WILLIAM H. SMITH, Ph.D.

Social Work

PATRICIA L. EWALT, Ph.D.
 MARY ROGGE, LBSW

BEHAVIORAL SCIENCES REGULATORY BOARD

S.B. 819 TESTIMONY BEFORE THE HOUSE WAYS AND MEANS COMMITTEE

March 28, 1984

Mr. Chairman and Committee Members:

I am Mary Ann Gabel, Executive Secretary of the Behavioral Sciences Regulatory Board, appearing before you today in support of S.B. 819.

S.B. 819 was introduced at the board's request to provide for an increase in examination fees for social work applicants. The board has been purchasing social work applications from Professional Examination Service (P.E.S.) at a cost of \$35.00 per examinee. The board staff has had sole responsibility of exam administration which included assigning identification numbers, securing volunteer proctors, exam sites, ordering test materials, delivering and picking up exam materials to three different sites across the state, mailing notices to examinees, and returning test materials to P.E.S. The board incurred mileage expense for volunteer proctors and staff. Examinations have been held three times during the year--April, July and October.

The board voted at its February 1984 meeting to increase the examination offerings from three to four per year. This decision was made in direct response to a request from SRS. Given the board's limited resources and staff along with the availability of volunteer proctors, the decision was made at that time to purchase the examination administration from P.E.S.

The board has now made arrangements with P.E.S. to purchase the administration of the examination which includes the above stated responsibilities at a cost of \$40 per examinee.

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The examination fee charged to applicants is currently at the statutory limitation of \$50. The breakdown of the fee is as follows:

\$50	Examination Fee
<u>-10</u>	20% State General Fund
\$40	P.E.S.

The board fee fund will be required to subsidize the handling fees which include postage, processing, etc.

The board administers the examination to approximately 400-450 social work applicants per year. The increase in purchasing administration is reflected as follows:

400 Examinations	@	\$40	=	\$16,000
400 Examinations	@	\$35	=	<u>\$14,000</u>
Increased Cost				\$ 2,000

The board is also considering changing to another examination which has been developed by the American Association of State Social Work Boards. The board anticipates increased reciprocity advantages through the use of this examination. The cost of purchasing this examination is currently \$50. If this exam were currently used, the board fee fund would subsidize the cost of every exam in the amount of \$10 plus handling costs.

In order to cover the cost of the exam, state general fund, and handling costs, based on the current \$40 cost, the board will need to increase the cost of the examination to social work applicants to \$55 which would be \$5 above the statutory limitation. The \$5 increase would provide revenue for handling costs which include postage, processing, etc.

I will be happy to provide any additional information you may need or desire. On behalf of the board, I urge your support of S.B. 819. Thank you.

Substitute for HOUSE BILL NO. 2643

By Committee on Ways and Means

AN ACT concerning the placement of a statue atop the state capitol; providing for the selection, acquisition and placement of such statue; and providing for the payment of the cost thereof.

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

Section 1. (a) The director of architectural services shall cause a work of sculpture selected in the manner hereinafter prescribed atop the state capitol. The process for selecting such work of sculpture shall be coordinated by the Kansas arts commission and for this purpose shall invite interested artists to submit sketches. Such sketches shall first be reviewed by an advisory panel consisting of the governor, president of the senate, minority leader of the senate, speaker of the house of representatives, minority leader of the house of representatives, president of the Kansas arts commission, executive director of the Kansas state historical society, director of architectural services and four art professionals selected and appointed by the Kansas arts commission. Members of the advisory panel shall review the sketches submitted and make recommendations thereon to a state capitol dome sculpture selection committee consisting of five art professionals selected and appointed by the Kansas arts commission and the director of architectural services.

(b) In selecting such work of sculpture or making recommendations thereon, the advisory panel and selection committee shall consider as the principal criteria therefor: (1) The appropriateness of the artwork to the architectural setting of the state capitol; (2) the artistic quality of the artwork; and (3) the association of artist with the state of Kansas,

through having been born or raised in Kansas, having resided or worked in Kansas or through currently residing in Kansas.

(c) The Kansas arts commission is hereby authorized to receive any grants, gifts, contributions or bequests made for the purpose of financing the cost of acquiring and placing atop the state capitol the work of sculpture selected pursuant to this act. There is hereby established in the state treasury the state capitol dome sculpture fund. All expenditures from the fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the president of the Kansas arts commission.

Sec. 2. This act shall take effect and be in force from and after its publication in the Kansas register.

Your committee on House Ways and Means

Recommends that SB 814

"AN ACT relating to the legislature; concerning organizational, orientation and educational meetings of members and members-elect; concerning the organization and order of business of the houses of the legislature on the day of convening of certain regular sessions; amending K.S.A. 46-142, 46-143, 46-144, 46-145, 46-146a and 46-157 and repealing the existing sections.

be passed.

Wm. U. Austin Chairman.

REPORTS OF STANDING COMMITTEES

Your committee on House Ways and Means

Recommends that SB 753

"AN ACT concerning imprest funds; creating an imprest fund for Winfield prerelease center and Topeka prerelease center under the department of corrections; amending K.S.A. 1983 Supp. 75-3058 and repealing the existing section.

be passed.

Wm. V. Senter Chairman.

Your committee on House Ways and Means

Recommends that SB 725

"AN ACT relating to financial services for state agencies; authorizing procedures for the procurement of financial services for state agencies; financial services negotiating committees.

be passed.

Wm. J. Austin Chairman.

Your committee on House Ways and Means

Recommends that HB 3112

"AN ACT concerning highways; designating the Robert B. Docking Memorial Highway; amending K.S.A. 68-1010 and repealing the existing section.

be passed.

 Wm. J. Asst Chairman.

Your committee on House Ways and Means

Recommends that HB 3064

"AN ACT concerning insurance; relating to certificates of insurance issued, renewed or delivered within or outside this state; amending K.S.A. 40-2103 and repealing the existing section.

be passed.

 Don W. Austin Chairman.

Your committee on House Ways and Means

Recommends that SB 832

"AN ACT authorizing the state board of regents to purchase certain real property and construct parking facilities for the use of Wichita State University.

be passed.

Don. O. Austin Chairman.

Your committee on House Ways and Means

Recommends that SB 819

"AN ACT concerning the licensing of social workers; relating to fees; amending K.S.A. 1983 Supp. 75-5359 and repealing the existing section.

be passed.

Tom U. Senter Chairman.