

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by Senator August "Gus" Bogina at
Chairperson

11:00 a.m./p.m. on April 7, 1986 in room 123-S of the Capitol.

All members were present except:

Committee staff present:

Research Department: Robin Hunn, Scott Rothe, Gloria Timmer
Revisor's Office: Norman Furse
Committee Office: Judy Bromich, Doris Fager

Conferees appearing before the committee:

Jim Bibb, University of Kansas
Jean Sagan, Attorney, Board of Regents

SB 642 - Acquisition of insurance for participation in study abroad programs; Board of Regents' institutions

Mr. Bibb explained the history of the Study Abroad program, which originally operated as a gift of the Endowment Association. Following an audit about a year ago, the Program was moved from the Endowment Association. The program is now funded by fees paid by the students involved.

According to Mr. Bibb, the new Health Care Commission can acquire insurance only for state employees, which does not include students. Therefore, SB 642 is being requested. It provides for exemption from bidding requirements, and allows for negotiation for insurance in accordance with the various arrangements existing within countries visited by students. Mr. Bibb explained that most countries have only one insurance carrier, and it is impossible to bid for insurance.

Ms. Sagan indicated that the Board of Regents is supporting SB 642, and requested that it be considered favorably.

Motion was made by Senator Feleciano and seconded by Senator Gaines to report SB 642 favorably for passage. The motion carried by roll call vote.

SB 655 - Accident and health insurance for certain students, Board of Regents' institutions

Ms. Sagan explained that most of the Regents' institutions have free-standing athletic corporations, and major institutions cover insurance needs for both men and women. However, the small schools do not have that coverage. Ms. Sagan reminded the committee that, for many years, there has been a proviso for Fort Hays State University in the appropriations bill for this purpose. The Board of Regents is requesting that this be included in statute rather than using proviso language from year to year. Because it is preferred that it not be limited to Fort Hays, the language of the bill includes all state universities.

Motion was made by Senator Feleciano and seconded by Senator Gaines to report SB 655 favorably for passage. The motion carried by roll call vote.

HB 2545 - Amending the Kansas retailers' sales tax act

The Chairman explained that HB 2545 had been referred to this committee, and that the bill is an option that should be kept open as a vehicle to increase the sales tax.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,

room 123-S Statehouse, at 11:00 a.m./p.m. on April 7, 1986

HB 2545 - Continued

A conceptual motion was made by Senator Talkington and seconded by Senator Doyen to amend HB 2545 to make the effective date May 1, 1986, and its publication in the Kansas Register. The motion carried by voice vote.

Motion was made by Senator Talkington and seconded by Senator Doyen to report HB 2545 as amended favorably for passage. The motion carried by roll call vote.

SB 646 - Board of Regents; retirement annuities for faculty members and certain other persons

The Chairman noted that SB 646 had been heard at an earlier date, and no action had been taken. He reviewed the contents of the bill, which concerns TIAA eligibility for new faculty members in Regents' institutions. There was a short discussion among committee members, with questions asked concerning the amount of competition among states regarding the issue of TIAA coverage.

A conceptual motion was made by Senator Johnston and seconded by Senator Kerr to amend SB 646 to provide that a new faculty member at a Regents' institution must have been a participant in the TIAA retirement annuity plan for one year in order to be immediately covered by the Kansas employer; and that the new employee must wait one year for coverage if they have not been previously covered by such plan. The motion carried by roll call vote.

The Chairman asked staff to prepare / ^{the} proposed amendment to be reviewed at a future meeting.

SB 742 - Surety Bonds and insurance; authorizing negotiation of certain insurance contracts

The Chairman indicated that SB 742 had been heard at an earlier date, and asked if the committee wished to take action on the measure. There was a short discussion.

Motion was made by Senator Feleciano and seconded by Senator Gannon to amend SB 742 conceptually to provide for inclusion of health science students at all Regent's universities; that the universities pay half the cost of the student's malpractice insurance; and that the bill become effective upon publication in the Kansas Register. The motion carried by voice vote.

Motion was made by Senator Feleciano and seconded by Senator Doyen to report SB 742 as amended favorably for passage. The motion carried by roll call vote.

SB 728 - Credit Hour Aid for Washburn University Law School

There was an extended discussion concerning this measure. It was revealed that the University of Kansas had agreed to reduce the enrollment in law school in return for increased funding (similar to the funding for Washburn) and the Governor vetoed the line item. There was speculation that the University of Kansas had not reduced enrollment because there was no additional funding.

Senator Gaines indicated he felt there had been an understanding by both law schools that enrollment should be reduced, and questioned the Governor's action last year. He said the Dean of the Washburn Law School will stand by his commitment, and the Legislature needs to do the same. He added that the University of Kansas Law School should be considered, also.

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SB 728 - Continued

Senator Johnston said he was sure there was an understanding in this committee last year that the additional funding for the law school was a transitional agreement. He stressed that if the statement had been made that the state should provide additional funding because the enrollment in the law school will be reduced, the funding would not have been approved on an indefinite basis. He stressed that, at some point, the additional support should be withdrawn. Senator Bogina said he also felt it was only a one year agreement, but that agreement was changed after it left this committee.

A conceptual motion was made by Senator Werts and seconded by Senator Kerr to amend SB 738 to continue the additional payment for the Washburn Law School until July 1, 1988; and that after that time the credit hour aid will revert to the same dollar figure as that for other graduate school programs. The motion carried by voice vote.

Motion was made by Senator Werts and seconded by Senator Winter to report SB 728 as amended favorably for passage. The motion carried by roll call vote.

SB 734 - Health Care Provider Insurance Availability Act; postgraduate training programs

Senator Bogina asked Mr. Furse to discuss this measure. Mr. Furse stated that this bill relates to health care insurance, and several amendments have been suggested. Some policy issues involved include the inclusion of teaching hospitals other than the University of Kansas Medical Center. There were also other policy questions in a balloon of the bill which had been brought to the committee.

Motion was made by Senator Gaines and seconded by Senator Johnston to direct Mr. Furse to prepare a new balloon of the bill for the committee's consideration. The motion carried by voice vote.

APPROVAL OF MINUTES

Motion was made by Senator Gaines and seconded by Senator Werts to approve committee minutes for March 25, 26, 27, 28, 31 and April 1. The motion carried by voice vote.

The meeting was adjourned by the Chairman.