

Approved

3/21

Date

MINUTES OF THE SENATE COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE

The meeting was called to order by SENATOR RICHARD L. BOND at
Chairperson

9:00 a.m./~~p.m.~~ on MONDAY, MARCH 19, 1990 in room 529-S of the Capitol.

~~All~~ members ~~were~~ present ~~except~~

Senators Karr, Kerr, Moran, Parrish, Reilly, Salisbury, Strick.

Committee staff present:

Bill Edds, Revisors Office
Bill Wolff, Research Department
Louise Bobo, Committee Secretary

Conferees appearing before the committee:

None

In the temporary absence of Chairman Bond, the meeting was called to order at 9:15 a.m. by Vice-Chairman Salisbury.

HB 2874 - State Fair Board - authority to purchase insurance.

Vice-Chairman Salisbury requested Staff to explain this bill to the committee. Staff explained that this proposal would allow the State Fair Board to purchase safe burglary and messenger robbery coverage for \$200,000 during the Fair months of August and September and for \$50,000 the rest of the year. Staff explained that the Fair Board already carried this type of insurance but that the District Attorney recommended this bill so that there would be no question about the legality of the Board purchasing this insurance. Normally, there is a statutory prohibition against state agencies' purchasing insurance. Staff also requested permission to amend the bill to "clean-up" the language and merge certain portions of this bill with other bills which have already passed the Legislature.

Senator Strick made a motion to pass the bill out of committee favorably as amended. Senator Kerr seconded the motion. The motion carried.

HB 2875 - State fair providing a dedicated self-insurance reserve for K DFA financed capital improvements.

Staff explained that this proposal would allow the State Fair Board to dedicate \$250,000 within the State Emergency Fund as a special self-insurance reserve fund to cover recent renovations to the grandstand. This coverage was required as a condition of the bond issue to finance the grandstand through the Kansas Development Finance Authority as authorized in 1988. Staff further explained that the Fair Board has to assure the Finance Council that the money will be used to maintain the grandstand during the ten year tenure of the bond issue.

Senator Kerr made a motion to pass HB 2875 out of committee favorably. Senator karr seconded the motion. The motion carried.

The minutes of Wednesday, March 14, and Thursday, March 15, were passed on a motion by Senator Reilly with Senator Strick seconding the motion. The motion passed.

The meeting was adjourned by Chairman Bond at 9:35 a.m.

