Approved 3-12-90
Date

MINUTES OF THE SENATE COMMITTEE ON GOVERNMENTAL ORGANIZATION.

The meeting was called to order by Senator Lana Oleen at
Chairperson

1:35 a.m./p.m. on February 26, 1990 in room 531-N of the Capitol.

All members were present except:

Committee staff present:

Julian Efird - Research
Fred Carman - Revisor

Conferees appearing before the committee:

Senator LeRoy Hayden
Tom Pollan - Emergency Medical Services, Wichita, Ks.
Roger Carson - Asst.Chief, Emporia, Ks. Fire Department
Robert Orth, Board of Emergency Medical Serv.
Jerry Cunningham, Board Emergency Med. Serv.
R.E. "TucK" Duncan, MEDEVAC
John Atchley, American Home Life
Bud Cornish, Exec. Dir, Kansas Life Asso.
James Hall, Security Benefit
Gordon Harms, EMS, Southwest Region

A motion was made by Senator Bogina to approve minutes of the February 13 meeting; seconded by Senator Francisco. Motion carried.

Hearing on: SB 549- Concerning establishment & development of emergency medical services.

Chairman Oleen introduced Senator Hayden, sponsor of SB 549, to brief the committee on the background and purpose of the legislation.

Senator Hayden stated the purpose of the proposed legislation is to collect ¼ of 1% of all life insurance premiums to be placed in a fund for use by the Emergency Medical Services. Senator Hayden suggested there be an amendment allowing accumulation of contributions to $5 million, with no more collected until the fund is expended to $2 million. At that time, contributions would again be collected up to the $5 million "cap". Aware of present tax limitations being imposed on the local level, it is hoped any tightening of funds will not curb the services provided in this program, particularly in the rural area. Senator Hayden feels the retaliatory aspects suggested by representatives of the insurance industry, are not as pronounced as indicated and the industry will not lose money because of set rates. This bill will be the vehicle to give EMS people better training, better equipment and improve a much needed service for all. (Attachment 1)

Tom Pollan stated the concept of developing new funds for EMS is supported but feels that the ¼% is too restrictive. Total funding is needed for the Board of EMS, for "Grants in Aid" to regions and for an EMS attendants Relief Association. This association is needed as a result of burnout of personnel and the lack of personnel benefits to retain experienced people and maximize service to the communities. Mr. Pollan feels this bill would work for the insurance industry as well as to insure effective EMS systems available to all citizens. (Attachment 2)

Roger Carson gave testimony favoring the funding of allocations to allow the EMS Board to become a Committee with no obligations to other budget processes. Mr. Carson feels it is important to gove quality in service to all of Kansas and training of field personnel. He stated there is a definite need for equipment for all aspects of EMS and particularly for training. More emphasis can be placed on public information/education for all age groups. The area

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

of transportation to trauma centers from the rural settings needs to be addressed in the near future. (Attachment 3)

Robert Orth stated the Board of EMS supports SB 549 which impacts both EMS and the state general fund. By generating $1.8 million, this bill would address some of the needs not met due to lack of funds. In addition, there would be $800,000 available to the general fund for use in other areas. Proper pre-hospital care and enhancement of the quality of life needs funding to achieve emergency medical service excellence, and SB 549 is this mechanism. (Attachment 4)

Jerry Cunningham requested endorsement of SB 549 to provide vital funding of EMS without an increase in taxation. This funding will allow the four regions the revenue to maintain and expand their equipment pool and not rely on other local departments for revenue in emergency situations. (Attachment 5)

"Tuck"Duncan testified that Medevac endorses the concept of SB 549 to develop additional, stable funding sources. This bill represents a creative solution to the difficult situation of tremendous turn-over in personnel. All EMS systems can be improved with a greater impact on the rural areas with implementation of this legislation. (Attachment 6)

Chairman Oleen called upon Larry Couchman for testimony but in the interest of time, he deferred to other conferees.

Gordon Harmes stated his region is very much in favor of this bill and some source of revenue is needed before the EMS system deteriorates. Reliable funding is needed for equipment maintenance, to retain the good service it provides and continued growth. The problem of burnout of personnel was also stressed and needs to be addressed with more funding.

Chairman Oleen ask the committee to give their attention to written testimony opposing SB 549 which was received from the following: American Council of Life insurance(Attachment 7); Steve Lowell (Attachment 8); Terry Burton, (Attachment 9); John Graham (Attachment 10); Steven Cain (Attachment 11); Stephen Elliott (Attachment 12); Dwight Reece (Attachment 13); Thomas Enstrom (Attachment 14).

John Atchley speaking as an opponent to SB 549 stated this bill represents the type of expense a small mutual insurance company cannot control nor have they been able to plan for it. This proposed added expense to the company will have a noticeable impact on surplus and growth, as well as not be covered by premiums now in force. Mr. Atchley feels this is a tax earmarked specifically towards life insurance companies and sets a dangerous precedent. The insurance industry expects to be faced with retaliatory taxes in other states as well as incurring additional expenses with administrative and set-up operations. Mr. Atchley stated he does not feel one industry should be targeted to pay for the development of the EMS system. This is not the way to do it. (Attachment 15)

Bud Cornish testified as having no objection to the concept of EMS but does have a serious objection to the concept of one industry being earmarked to pay for the support of the EMS system. Support should come from all Kansans to receive this service. He feels this earmarking is poor public policy as policyholders will be the payors of this proposed tax. Mr. Cornish stated the proposed tax comes off the top of gross and must be paid before expenses of a company are paid. The enactment of this gross premium tax will cause a tax retaliation by other states against Kansas domestic life insurance companies. Another negative factor is the probable increase in newly issued policies as most life insurance contracts have fixed premiums so cannot be adjusted to absorb some of this new expense. (Attachment 16)

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON GOVERNMENTAL ORGANIZATION,

room 531-N, Statehouse, at 1:35 ~~a.m.~~/p.m. on February 26, 1990

James Hall Stated he feels SB 549 sets up an adversarial situation between the life insurance industry and EMS with this plan. There is no opposition to the EMS as the insurance industry supports them and uses them just as much, but he does oppose singling out one segment of society to pay for that program which benefits the entire society. There is no logical connection between ambulance service and life insurance to arbitrarily impose this tax on the industry. An unfavorable recommendation was requested. (Attachment 17)

Discussion on: SB 427 - Concerning the Department of Commerce; housing related programs

Chairman Oleen asked committee members to give attention to the ballooned copy of SB 427, based upon earlier discussion. (Attachment 18)

A motion was made by Senator Gaines to rescind the previous amendment to line 14, page 2, and adopt the new amendments to SB 427; seconded by Senator Strick. Motion carried.

A motion was made by Senator Strick to recommend favorably SB 427 as amended; seconded by Senator Bogina. Motion carried.

Meeting adjourned. The next meeting will be February 27, 1990.

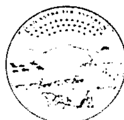
GUEST LIST

COMMITTEE: SENATE GOVERNMENTAL ORGANIZATION DATE 2/26/90

NAME	COMPANY /ORGANIZATION	ADDRESS
Jim Hall	Security Benefit	Topeka
C.R. Blankenship	Victory Life	Topeka
L M Cornish	Rotary Life Assn	"
Noelle St. Clair	KS NAHRO - HCCI	Topeka
Don Gragg	KDOC	Topeka
Jerry Cunningham	~~Board of~~ Region 1 EMS	Phillipsburg, Ks
Robert Orth	Ks Bd of EMS	[illegible], KS
Bob McDonald	Board of EMS	Topeka
Steve McDowell	KDHE	Topeka, Ks.
Gordon L Harms	Region II & KEMTA	Jetmore, Ks.
Roger Carson	Region 4 EMS	Emporia Ks
Thomas Pollan	Region 3 EMS + Sedgwick Co EMS	Wichita, Kansas
[illegible]	MEDEVAC	Topeka, Ks
Joel Davis	Kansas Livestock Assn.	Topeka
Joe Rickabaugh	Ks Livestock Assoc	Topeka
Ann Patterson	Ks Dept of Commerce	Topeka
Fran Squyres	KDOC	Topeka

STATE OF KANSAS

SENATOR LEROY A. HAYDEN
SENATOR, 39TH DISTRICT
GREELEY, HAMILTON, KEARNY,
FINNEY, STANTON, GRANT,
MORTON, STEVENS AND PART
OF HASKELL COUNTIES
BOX 458
SATANTA, KANSAS 67870



TOPEKA

SENATE CHAMBER

COMMITTEE ASSIGNMENTS
MEMBER: ENERGY AND NATURAL RESOURCES
LEGISLATIVE AND CONGRESSIONAL APPORTIONMENT
PUBLIC HEALTH AND WELFARE
JOINT COMMITTEE ON SPECIAL CLAIMS AGAINST THE STATE
TRANSPORTATION AND UTILITIES
WAYS AND MEANS

TO: Governmental Organization Committee

RE: SB549

DATE: February 26, 1990

Madam Chairperson and Committee Members:

I want to thank you for allowing me to appear before this committee in order to testify in behalf of SB549.

Actually, this bill is a rather straight forward bill for a straight forward purpose.

It collects $\frac{1}{4}$ of 1% of all the life insurance paid premiums in Kansas. This amount would be committed to the Commissioner of Insurance to be put into a fund to be used by the Emergency Medical Services. The use of the funds would be designated by the EMS Board Members, subject to approval by the Ways and Means Committee.

I do have one suggested amendment which I did not have prepared since I wanted to first discuss it with another party. It would incorporate some of the exact same things that we put into the water fund bill last year. The contributions would accumulate, up to a $5 million "cap". Then, no more would be collected until the fund reached a "floor" of $2 million. At that time, contributions would again be collected until the "cap" of $5 million was again reached.

There will be those testifying that are much more knowledgeable about the EMS than I happen to be. I started out years ago as an untrained volunteer driver in a little red Ford station wagon in the town of Satanta, Kansas. We were fortunate to have lights put on top of the vehicle. I don't think anyone paid any attention to them, but that's beside the point--they were there. By today's standards it was a very primitive service. It did serve the purpose of taking bodies from a wreck scene, or whatever. We were just "meat haulers". That's all we were. I would shudder to even think of going back to something like that.

S.G.O.
ATTACH 1
2/26/90

With the present tax limitations that are being imposed on local units of government, not only by this "august" body, but also the taxpayers, by virtue of the problems due to reappraisal and classification, we are going to see an ever tightening of funds for these types of services. I would hope that EMS funds would be one of the last things that would be cut.

With the passing of this bill and approval of the Governor, I think you would find that we would not be subject to much impediment of such vital services, particularly in the rural areas. I know that money is a crucial point. It is a crucial point in all of our governmental activities and the services that we provide for our state.

I know that you will hear the word "retaliatory". I must tell the committee that when we discussed this two or three years ago, there were only thirteen states that had the retaliatory clause in their statutes, and as I recall, at that time there were only three of those states that were implementing it at all. I may stand to be corrected on that statement, but that is what I recall being told.

Judging from what we have heard previously, regarding the retaliatory aspects and the conditions that the insurance companies are in, you will probably see a lot of crocodile tears--more than I used to see when I fished with my brother-in-law in a Louisiana river. However, I will tell you that most Wall Street analysts are saying that Insurance Companies are a very good bet for the future.

There is no doubt that highly trained EMS technicians with the aid of proper equipment have added to the elongation of life that we now have. We need to insure that we will continue to have this benefit as well as other advantages. One that comes to mind is a communications system in the Wolf Creek area. We must continue to improve EMS rather than downgrade it due to lack of funds.

Some will testify against this bill. They will say they can't afford it. Their rates are already set, they are going to lose money. Well, I have not seen any lowering of my insurance rates, since I signed my original contract, due to the fact that my life expectancy has gone up.

I believe that, given time, this plan will work to the benefit of the citizens of this state as well as for the Insurance Companies. This is a bill whose time has come, even if you consider retaliatory. Judging from the testimony two years ago, I don't think it is that much of a factor.

It is time to give our people better EMS training. This bill will be the vehicle for that. It is time to give EMS better equipment. This bill will be the vehicle for that. This bill will help fund and improve a service none of us would want to be without.

SEDGWICK COUNTY, KANSAS
EMERGENCY MEDICAL SERVICES
OFFICE OF THE DIRECTOR
538 N. MAIN
WICHITA, KANSAS 67203-3754
(316) 268-7994

REGION III EMS
815 N. Walnut
Hutchinson, Kansas 67501

To: Chairperson Lana Oleen and Members of the Senate Governmental Organization Committee

From: Tom Pollan, Region III EMS Executive Council Member and Director of the Sedgwick County Emergency Medical Service

Date: February 26, 1990

Re: Senate Bill No. 549 - Creating EMS Development Funding

Members of the Senate Governmental Organization Committee:

First, I would like to express my sincere appreciation on behalf of Region III EMS for allowing me the opportunity to review and offer comments on Senate Bill 549. Region III EMS supports the concept, introduced by Senator Leroy Hayden, of developing new funding resources for the EMS system. However, Region III EMS is concerned that funding of "Grants-in-aid" as outlined by SB 549 and the .25% tax are too restrictive to meet the urgent needs of EMS state-wide. We believe that SB 549 will just meet the needs of initial education, only one component of the total EMS system. Region III EMS submits that following components

S.G.O.
Attach 2
2/26/90

should be funded to address the need to recruit, train, test, and retain EMS personnel: 1) Total funding of the Board of Emergency Medical Service (BEMS); 2) Grants-in-aid funding of EMS Regions; and I will add 3) Funding for the establishment and operation of an "EMS Attendants Relief Association."

Region III EMS suggests that total funding of the Board of Emergency Medical Service would ensure that the Board will have enough funds to provide the regulation of EMS across the state. When BEMS (then the Bureau of EMS) was originally established in the mid 70's its primary purpose was to ensure that every Kansan would receive adequate pre-hospital care. Care that could only be provided by well trained and equipped EMS systems. Several states have implemented similar legislation to assist their state agency for EMS in ensuring system compliance in quality patient care. However, historically the Bureau and now the Board of EMS have never been adequately funded to ensure that quality pre-hospital care prevails state-wide. Currently, BEMS's operating appropriation for 1991 is being reduced by $40,000. This following the drastic fee increases on certification for personnel and licensing for services. An increase that will generate over $130,000 additional revenue for the state.

Additionally, we recommend and support the continuation of "Grants-in-aid" funding as addressed in SB 549. Since 1976 the four (4) EMS Regions have contracted to provide support for training programs within their respective region. Attached are the original "Articles of Incorporation" and the 1990 "Region III EMS Objectives." Both of these documents support the very essence of SB 549 by "... encouraging life-saving technology and supporting (EMS) systems..." Recently, the BEMS has indicated that regional funding will be reduced by $10,000 in 1991 to

offset the reduction in appropriation under Governor Hayden's mandatory budget cuts. However, SB 549 does fall in-line with Governor Hayden's philosophy of alternative financing to reduce the burden on property taxes.

Finally, I urge the establishment of an "EMS Attendants Relief Association" for the personnel that put their lives on the line daily to prevent and reduce morbidity and mortally of our citizens. This funding could be similar to the "Firefighters Relief Association" established under K.S.A. 40-1701 (Attached). There has been considerable discussion about the communicable diseases that are ravishing our country. EMS personnel are dealing with it daily and in many cases they expose themselves to potential death if contaminated. But, there are other more subtle diseases that are just as fatal to the EMS community. One that is of extreme concern is the "Burnout Syndrome" that creates turnover of our experienced personnel. I have attached several articles that will exemplify this concern. Infusing funds into the local services that provide pre-hospital care and personnel benefits will assist in retaining our most valuable resource, our personnel.

In summary, Region III EMS is very supportive of the potential improvements created by SB 549. SB 549 with some modification as we have listed is critically needed. Critical for the improvement and maintenance of our vital link between onset of injury or illness and the medical facilities. To keep this link viable we must address the recruitment, training, testing, and retention of our personnel.

In conclusion, SB 549 is a revival of a bill introduced in 1982. Unfortunately, the 1982 bill met heavy opposition from the insurance industry. I don't know exactly why the insurance industry opposed the bill, but I assume that they

were concerned about the additional costs and the elasticity of their market. However, SB 549 is in reality working for the insurance industry. I am not an insurance expert, but I believe that the insurance industry generally relates to the formula I=PRT (Interest = Principle X Rate X Time). EMS relates to a similar formula; Increased survivability = Patients X Rapid access to the EMS system X Trained personnel. The primary objective of EMS is to reduce morbidity and mortality. By having effective EMS systems available to each citizen we will both meet our primary objectives. Both the insurance industry and EMS desire an increase in the health and well-being of our citizens. SB 549 will assist us in our mutual endeavor.

Again, thank you for your time and consideration on this matter. Should have any questions, please contact either the Region's office or myself(1-316-383-7994).

FORM 180 5

THE STATE OF KANSAS

OFFICE OF SECRETARY OF STATE

ELWILL M. SHANAHAN • SECRETARY OF STATE

To all to whom these presents shall come, Greeting:

I, ELWILL M. SHANAHAN, Secretary of State of the State of Kansas, do hereby certify that the following and hereto attached is a true copy of

ARTICLES OF INCORPORATION

OF

KANSAS EMERGENCY MEDICAL SERVICES REGION III

ADVISORY COUNCIL, INC.

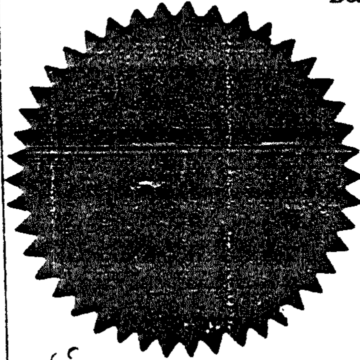
FILED: MARCH 3, 1976

the original of which is now on file and a matter of record in this office.

IN TESTIMONY WHEREOF:

I hereto set my hand and cause to be affixed my official seal.

Done at the City of Topeka, this Third day of March A.D. 19 76.



ELWILL M. SHANAHAN

SECRETARY OF STATE

By

ASSISTANT SECRETARY OF STATE

SHERMAN A. PARKS

Form No. 255 CU

2-5

ARTICLES OF INCORPORATION

OF

KANSAS EMERGENCY MEDICAL SERVICES REGION III
ADVISORY COUNCIL, INC.

I. NAME

The name of this corporation is the Kansas Emergency Medical Services Region III Advisory Council, Incorporated.

II. LOCATION OF REGISTERED OFFICE
AND RESIDENT AGENT

The principal office for the transaction of business of this corporation and its registered office is located in Sedgwick County, Wichita, Kansas, at Suite 830, 200 West Douglas; the Resident Agent is Edward [illegible]. Hund at said address.

III. PART I

This corporation is a nonprofit corporation organized pursuant to the provisions of Part I, Division 2 of Title I of the Corporation Code of the State of Kansas. This corporation is formed for charitable purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code of the United States of America.

IV. PURPOSE

A. The primary purpose for which this corporation is organized is to develop a regional emergency medical services system pursuant to the 15-point program set out in

FILM 180 PAGE 6

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IV. PURPOSE

A. The primary purpose for which this corporation is organized is to develop a regional emergency medical services system pursuant to the 15-point program set out in

U. S. Public Law 93-154, which is set out in full as an attachment to the By-Laws. The Corporation shall have the power to do all necessary and legitimate acts in furtherance of this purpose.

B. Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the exempt purposes.

VI. PROPERTY

The property acquired by the corporation and/or the proceeds realized from the sale of such property are irrevocably dedicated to religious, charitable, scientific or hospital purposes within the meaning of the provisions of Part I, Division 2 of Title I of the Corporation Code of the State of [illegible]. No part of the net income or earnings of this corporation shall inure to the benefit of any member or individual. Upon the dissolution or winding up of the corporation, its assets remaining after payment of, or provision for payment of all debts and liabilities of this corporation, shall be distributed to a nonprofit fund, foundation, or corporation, which fund, foundation or corporation is organized and operated exclusively for charitable

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purposes and which has established its tax exempt status under Section 501 (c) (3) of the Internal Revenue Code of the United States of America.

VI. INCORPORATORS

The names and mailing addresses of the incorporators are as follows:

Names	Addresses
Joseph K. Robertson, M. D.	905 N. Emporia, Wichita, Kansas

VII. EXISTENCE

This corporation shall have perpetual existence unless and until properly dissolved.

VIII. BY-LAWS

The By-Laws of the Corporation shall be adopted by a majority of a quorum of the members according to the definition of quorum as contained in the said By-Laws.

IX. CAPITAL STOCK

This Corporation shall not have authority to issue capital stock.

2-9

X. CONDITIONS OF MEMBERSHIP

The conditions of membership shall be fixed by the By-Laws.

XI. ADOPTION

These Articles of Incorporation are hereby adopted this 13th day of February, 1976, by the undersigned incorporators.

/s/ Joseph K. Robertson, M.D.
Joseph K. Robertson, M. D.

STATE OF KANSAS)
SEDGWICK COUNTY) ss:

The foregoing instrument was acknowledged before me this 13th day of February, 1976.

/s/ Carleeta Price
Notary Public

My Commission Expires:
October 15, 1976

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ATTACHMENT

Purposes of Kansas Emergency Medical Services Region III Advisory Council, Inc. following U. S. Public Law 93-154

1. Include an adequate number of health professions, allied health professions, and other health personnel with appropriate training and experience.

2. Provide for its personnel appropriate training (including clinical training) and continuing education programs which (I) are coordinated with other programs in the system's service area which provide similar training and education, and (II) emphasize recruitment and necessary training of veterans of the Armed Forces with military training and experience in health care fields and of appropriate public safety personnel in such area.

3. Join the personnel, facilities, and equipment of the system by a central communications system so that requests for emergency health care services will be handled by a communications facility which (I) utilizes emergency medical telephonic screening, (II) utilizes or, within such period as the Secretary prescribes will utilize, the universal emergency telephone number 911, and (III) will have direct communication connections and interconnections with the personnel, facilities, and equipment of the system and with other appropriate emergency medical services systems.

4. Include an adequate number of necessary ground, air, and water vehicles and other transportation facilities to meet the individual characteristics of the system's service area -

(I) which vehicles and facilities meet appropriate standards relating to location, design, performance, and equipment, and

(II) the operators and other personnel for which vehicles and facilities meet appropriate training and experience requirements.

5. Include an adequate number of easily accessible emergency medical services facilities which are collectively capable of providing services on a continuous basis, which have appropriate nonduplicative and categorized capabilities, which meet appropriate standards relating to capacity, location, personnel, and equipment, and which are coordinated with other health care facilities of the system.

FILM 180 FAL 11

ATTACHMENT (Cont'd)

6. Provide access (including appropriate transportation) to specialized critical medical care units in the system's service area, or, if there are no such units or an inadequate number of them in such area, provide access to such units in neighboring areas if access to such units is feasible in terms of time and distance.

7. Provide for the effective utilization of the appropriate personnel, facilities, and equipment of each public safety agency providing emergency services in the system's service area.

8. Be organized in a manner that provides persons who reside in the system's service area and who have no professional training or financial interest in the provision of health care with an adequate opportunity to participate in the making of policy for the system.

9. Provide, without prior inquiry as to ability to pay, necessary emergency medical services to all patients requiring such services.

10. Provide for transfer of patients to facilities and programs which offer such followup care and rehabilitation as is necessary to effect the maximum recovery of the patient.

11. Provide for a standardized patient recordkeeping system meeting appropriate standards established by the Secretary, which records shall cover the treatment of the patient from initial entry into the system through his discharge from it, and shall be consistent with ensuing patient records used in followup care and rehabilitation of the patient.

12. Provide programs of public education and information in the system's service area (taking into account the needs of visitors to, as well as residents of, that area to know or be able to learn immediately the means of obtaining emergency medical services) which programs stress the general dissemination of information regarding appropriate methods of medical self-help and first-aid and regarding the availability of first-aid training programs in the area.

13. Provide for (I) periodic, comprehensive, and independent review and evaluation of the extent and quality of the emergency health care services provided in the system's service area, and (II) submission to the Secretary of the reports of each such review and evaluation.

ATTACHMENT (Cont'd)

14. Have a plan to assure that the system will be capable of providing emergency medical services in the system's service area during mass casualties, natural disasters, or national emergencies.

15. Provide for the establishment of appropriate arrangements with emergency medical services systems or similar entities serving neighboring areas for the provision of emergency medical services on a reciprocal basis where access to such services would be more appropriate and effective in terms of the services available, time, and distance.

REGION III EMS OBJECTIVES
FOR 1990 FISCAL YEAR

The following objectives support the mission, purpose and goals as stated in the Bylaws of the Kansas Emergency Medical Services Region III Advisory Council, Inc. Each objective will be further refined by the committees of the Council to include measurable projections.

OBJECTIVE 1

Provide medical directors within the Region with support materials and at least one workshop which deals with their responsibilities.

OBJECTIVE 2

Provide a list of resources in the Region which offer clinical education and continuing education for members of the Region.

OBJECTIVE 3

Cosponsor continuing education throughout the Region by initiating some programs and by request for other programs.

OBJECTIVE 4

Develop a map indicating common EMS transportation routes with hospital locations, hospital capabilities, and radio communication information to include a procedure for contacting various facilities.

OBJECTIVE 5

Provide assistance in the maintenance of the communication system in the Region.

OBJECTIVE 6

Offer a workshop dealing with the process an ambulance service undergoes in the purchase of an ambulance.

OBJECTIVE 7

Offer a workshop presenting information on the routine maintenance of ambulances.

OBJECTIVE 8

Promote the installation of a 911 system in every county in the Region through literature and a video tape.

OBJECTIVE 9

Compile data indicating the location of ambulance services and response times and levels throughout the Region in order to identify communities needing improved ambulance service response.

OBJECTIVE 10

Offer an Emergency Medical Dispatcher training programs.

OBJECTIVE 11

Attempt to facilitate mutual aid agreements among ambulance services within the Region with written procedures for the initiation of aid.

OBJECTIVE 12

Increase the level and number of those involved with Region III.

OBJECTIVE 13

Make several video tapes and radio public service announcements available for ambulance service use in their areas.

OBJECTIVE 14

Encourage the development of appropriate mass casualty preparedness through area meetings, support materials, advisement, and a workshop.

OBJECTIVE 15

Publish resource lists for initial training needs.

OBJECTIVE 16

Perform a targeted needs assessment of the Region to be used in planning Region activities.

OBJECTIVE 17

Offer every ambulance service in the Region and opportunity to obtain Kansas disaster tags.

OBJECTIVE 18

Attempt to cosponsor or directly provide a training event in each of the 32 counties comprising Region III.

REGION III EMS

815 N. WALNUT
HUTCHINSON, KS 67501
(316)665-8354

TRAINING EQUIPMENT POOL

Available to: EMS Initial Classes
EMS Recertification Classes
Other Health Care Organizations

CPR STATION

Adult Recording Manikins
Child Manikins
Adult Torso Manikins
Infant Manikins

AIRWAY STATION

Intubation Manikins
Bag-Valve-Masks
Oropharyngeal Airways
O2 Regulators and Cylinders

FRACTURE STATION

KED's
Hare Traction Splints
Kansas Short Spine Boards
Cervical Collars

TRAUMA STATION

B/P Cuff and Stethoscopes
Jobst Anti-Shock Trousers
David Clark Anti-Shock Trousers

ADVANCED LIFE SUPPORT

Arrhythmia Annie IV
IV Training Sets
Laryngoscope and Blades
Infant Intubation Manikin

OTHER EQUIPMENT

OB Manikin
Vacuum Splints
Folding Long Spine Boards
Pediatric Masts
Fracture Pac Extremity Splints
Air Splints
Disaster/Moulage Kit
Pediatric Traction Splint

AUDIO VISUALS

FILMS: Ambulance Run
Emergency Childbirth
Extinguish That Fire
Life or Death
The Trauma Patient

SLIDES: AAOS 4th Edition Slides
ETI Units 1-20 Basic EMT Skills
ETI Extended Skills for the EMT
Using Anti-Shock Trouser Part 1 and 2
Esophageal Intubation (Obturator & Gastric Tube Airways)
Mass Casualty Unit 1 EMS Response & Organization
Unit 2 Problems in Triage & Patient Care
Unit 3 Triage Practice Cards
The Pediatric Patient
Basic Intravenious Infusion
ETI Pediatric Emergencies Unit 1-6

VIDEO TAPE: Radiation Emergencies
State Run Form

2-16

History: L. 1927, ch. 231, 40-1702; L. 1941, ch. 257, § 1; L. 1957, ch. 287, § 2; L. 1979, ch. 145, § 1; L. 1984, ch. 165, § 3; July 1.

Source or prior law:
L. 1895, ch. 363, § 1; R.S. 1923, 40-501.

Research and Practice Aids:
Taxation⚖331.
C.J.S. Taxation §§ 398, 400, 441.

CASE ANNOTATIONS

Annotation to R.S. 1923, 40-501:

1. City carries firemen's accident insurance; no defense, action for negligence. Kansas City v. McDonald, 60 K. 481, 485, 57 P. 123.

Annotation to L. 1941, ch. 257, § 1:

2. Acts taxing and licensing foreign insurance companies held valid; interstate commerce. *In re* Insurance Tax Cases, 160 K. 300, 301, 302, 305, 309, 316, 161 P.2d 726. Affirmed: Prudential Insurance Co. of America v. Hobbs, 328 U.S. 822, 66 S.Ct. 1360, 90 L.Ed. 1258; Aetna Insurance Co. v. Hobbs, 328 U.S. 822, 66 S.Ct. 1360, 90 L.Ed. 1258; American Indemnity Co. v. Hobbs, 328 U.S. 822, 66 S.Ct. 1361, 90 L.Ed. 1258; Pacific Mut. Life Insurance Co. v. Hobbs, 328 U.S. 822, 66 S.Ct. 1361, 90 L.Ed. 1258.

40-1703. Assessment of tax of premiums, payment. On or before April 1 of each year, every insurance company shall deliver and pay to the commissioner of insurance a tax at the rate of 2% of the total amount of all premiums on fire and lightning insurance written covering risks located within this state during the preceding calendar year.

History: L. 1927, ch. 231, 40-1703; L. 1941, ch. 257, § 2; L. 1957, ch. 287, § 3; L. 1979, ch. 145, § 2; L. 1984, ch. 165, § 4; July 1.

Source or prior law:
L. 1895, ch. 363, § 2; R.S. 1923, 40-502.

Research and Practice Aids:
Taxation⚖387.
C.J.S. Taxation § 425.

CASE ANNOTATIONS

Annotation to L. 1941, ch. 257, § 2:

1. Acts taxing and licensing foreign insurance companies held valid; interstate commerce. *In re* Insurance Tax Cases, 160 K. 300, 301, 302, 305, 309, 316, 161 P.2d 726. Affirmed: Prudential Insurance Co. of America v. Hobbs, 328 U.S. 822, 66 S.Ct. 1360, 90 L.Ed. 1258; Aetna Insurance Co. v. Hobbs, 328 U.S. 822, 66 S.Ct. 1360, 90 L.Ed. 1258; American Indemnity Co. v. Hobbs, 328 U.S. 822, 66 S.Ct. 1361, 90 L.Ed. 1258; Pacific Mut. Life Insurance Co. v. Hobbs, 328 U.S. 822, 66 S.Ct. 1361, 90 L.Ed. 1258.

40-1704. Books of account; fraud. Every insurance company shall keep accurate books of account of all fire and lightning insurance written by them covering risks located within this state. In the case of any fraud or dishonesty in the returns made by an insurance company, as provided in K.S.A. 40-1702 and amendments thereto, the commissioner of insurance shall investigate the returns and collect the amount which the commissioner finds to be due.

History: L. 1927, ch. 231, 40-1704; L. 1941, ch. 257, § 3; L. 1957, ch. 287, § 4; L. 1979, ch. 145, § 3; L. 1984, ch. 165, § 5; July 1.

Source or prior law:
L. 1895, ch. 363, § 3; R.S. 1923, 40-503.

40-1705. Administrative penalties for failure to keep accounts or pay moneys due. (a) Every insurance company which fails to keep such books of account as required by K.S.A. 40-1704 and amendments thereto, or which fails to report or pay over any of the money due on premiums received at the times and in the manner required by the firefighters relief act, or which, upon examination, is found to have made a false return of business done, shall pay an administrative penalty of $300 for each offense which shall be assessed and collected by the commissioner of insurance.

(b) All such administrative penalties shall be remitted to the state treasurer. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount thereof in the state treasury to the credit of the state firefighters relief fund.

History: L. 1927, ch. 231, 40-1705; L. 1941, ch. 257, § 4; L. 1957, ch. 287, § 5; L. 1984, ch. 165, § 6; July 1.

Source or prior law:
L. 1895, ch. 363, § 4; R.S. 1923, 40-504.

40-1706. Financial reports of firefighters relief associations, filing, proceedings for improper expenditures; authorized disposition of tax proceeds; determination and payment of amounts to state and local associations; procedures upon dissolution of local associations; handling and investment of moneys by local association, restrictions. (a) On or before April 1 of each year, every firefighters relief association which holds funds received under the firefighters relief act shall submit to the commissioner of insurance a verified account showing in full the receipts and disbursements and general condition of such funds for the year ending on the preceding December 31. If such account or other infor-

mation shows such funds are not being expended for the purposes authorized by the firefighters relief act, the commissioner of insurance shall notify the county attorney of the county in which any such firefighters relief association is located and the county attorney shall institute proceedings to recover for the use of the firefighters relief association all moneys expended for purposes not in accordance with the provisions of the firefighters relief act. The commissioner of insurance shall hold any funds of such firefighters relief association until the commissioner is notified by the county attorney that such condition has been corrected.

(b) (1) All moneys received by the commissioner of insurance from the tax imposed by K.S.A. 40-1703 and amendments thereto shall be remitted to the state treasurer. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount thereof in the state treasury and shall be credited to the state firefighters relief fund which is hereby created in the state treasury.

(2) The state firefighters relief fund shall be administered by the commissioner of insurance. An amount equal to not more than the amount authorized for expenditure during the current fiscal year by appropriations enacted by the legislature may be set aside in the state firefighters relief fund and expended by the commissioner of insurance for the administrative expenses of the department of insurance under the firefighters relief act, subject to the provisions of appropriations acts.

(3) On July 1, 1984, the director of accounts and reports shall transfer all moneys in the firemen's relief fund to the state firefighters relief fund which is hereby established in the state treasury. On July 1, 1984, all liabilities of the firemen's relief fund are hereby imposed on the state firefighters relief fund and the firemen's relief fund is hereby abolished.

(4) The moneys collected under K.S.A. 40-1703 and amendments thereto for tax year 1983 shall be paid in accordance with the provisions of this section prior to its amendment by this act, except that, prior to making such payments, the amount authorized to be set aside for administrative expenses as provided by paragraph (2) of this subsection shall be set aside therefor and an amount determined in accordance with paragraph (2) of subsection (c) shall be paid to the Kansas state firefighters association, inc., to be used for the purposes specified by paragraph (2) of subsection (c).

(c) Prior to August 1, 1985, and each August 1 thereafter, except as provided in subsections (b) and (d), of the total amount of moneys credited to the state firefighters relief fund as of July 1 of the same year:

(1) An amount equal to 3% of such total amount shall be paid by the commissioner of insurance to the treasurer of the Kansas state firefighters association, inc., for fire prevention and fire extinguishment education and study;

(2) an amount equal to 5% of such total amount shall be paid by the commissioner of insurance to the Kansas state firefighters association, inc., which shall be set aside as a death benefit fund to provide such benefits as determined by the association in accordance with the constitution and bylaws thereof, except the amount paid under this paragraph (2) shall not be more than the lesser of $100,000 or the result obtained by subtracting the balance in the death benefit fund of the association on July 1 from $100,000;

(3) the amount of $500 shall be paid by the commissioner of insurance to each firefighters relief association; and

(4) the remaining amount of the moneys credited to the state firefighters relief fund, after the amounts are paid under paragraphs (1), (2) and (3) of this subsection (c), shall be paid by the commissioner of insurance to firefighters relief associations so that the amount received by each firefighters relief association bears the same proportion to the total amount to be paid as the amount such firefighters relief association received from the amounts collected from the tax imposed by K.S.A. 40-1703 and amendments thereto for calendar year 1983, bears to the total amount paid to all firefighters relief associations from the taxes collected for calendar year 1983, except that (A) whenever a firefighters relief association is to receive a payment under this paragraph (4) but did not receive a payment from the taxes collected for calendar year 1983, the commissioner of insurance shall determine for the nonreceiving association, from such information as is made available to the commissioner by the nonreceiving association, the

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amount the nonreceiving association would most probably have received if it had actually received such a payment from the taxes collected for calendar year 1983, with appropriate adjustments based on payments to firefighters relief associations of fire departments providing fire protection services within geographic areas having similar populations and assessed tangible property valuation as the geographic area provided fire protection services by the fire department of each such nonreceiving association, and, upon making such determination, the commissioner of insurance shall include the amount so determined within the computations prescribed by this paragraph (4) for payments hereunder, and (B) one or more firefighters relief associations may apply to the commissioner of insurance for a redetermination of the proportionate amounts payable to all firefighters relief associations under this paragraph (4) and, upon receipt of such application, the commissioner of insurance shall hold a hearing and may redetermine such proportionate amounts based upon such information as is presented to or otherwise made available by the applicants to the commissioner and may make a finding of changed circumstances and, upon making such finding, the commissioner of insurance may include such redetermination within the computations prescribed by this paragraph (4) for payments hereunder, except that such applications may not be made by such firefighters relief associations more often than once every three years.

(d) Except as otherwise provided in this section, whenever any firefighters relief association fails to qualify for funds, as provided in the firefighters relief act, for a period of two consecutive years, the funds on deposit with such association shall be returned by the county attorney to the commissioner of insurance. The commissioner of insurance shall remit all such funds to the state treasurer. Upon receipt of any such remittance, the state treasurer shall deposit the entire amount thereof in the state treasury to the credit of the state firefighters relief fund. The commissioner of insurance shall pay such amount of funds to the Kansas state firefighters association, inc., for fire prevention and fire extinguishment education and study.

(e) When a firefighters relief association fails to qualify for payments under the firefighters relief act as a result of the territory which it serves being consolidated, merged or annexed with another governmental unit having a qualified firefighters relief association, the funds and obligations of such disqualified association shall be transferred to the surviving firefighters relief association and the disqualified association shall dissolve forthwith under the existing laws of this state.

(f) When any firefighter, the spouse of such firefighter or those dependent upon any member of a disqualified association is receiving reasonable benefits from such association at the time of disqualification, the benefits shall be continued in accordance with the resolution of such disqualified association and shall be paid by the surviving association if the disqualification resulted from consolidation, merger or annexation and shall be paid by the county attorney if disqualification resulted from reasons other than consolidation, merger or annexation. Nothing in the firefighters relief act shall be construed as a bar to the lawful receipt of such benefits.

(g) The treasurer of a firefighters relief association shall give bond for the safekeeping of funds received under the firefighters relief act and for faithful performance in such sum with such sureties as may be approved by the governing body of such city, township, county or fire district. All the moneys so received shall be set apart and used by the firefighters relief association of such cities, townships, counties or fire districts solely and entirely for the objects and purposes of the firefighters relief act and shall be paid to and distributed by the firefighters relief associations of such cities, townships, counties or fire districts under such provisions as shall be made by the governing body thereof. In all cases involving expenditures or payments in an amount of $500 or more prior certification shall be obtained from the attorney of the governing body that such expenditure or payment complies with the requirements of the firefighters relief act.

(h) (1) The officers of a firefighters relief association may invest any amount, not to exceed 90% of all such moneys, in investments authorized by K.S.A. 12-1675 and amendments thereto in the manner prescribed therein or in purchasing bonds of

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the city, township, county or fire district in which such firefighters relief association is located. When such investments are not obtainable, United States government bonds may be purchased or any municipal bonds of this state, except that such funds shall not be invested in any such municipal bonds where the bonded indebtedness of the municipality is more than 15% of its total assessed valuation, as shown by the last assessment preceding such investment.

(2) Such investment must be approved by the governing body of such city, township, county or fire district. It shall be the duty of the attorney of such governing body of such city, township, county or fire district to examine all such bonds as to their validity and report thereon in writing to the governing body and the firefighters relief association of such city, township, county or fire district, and no bonds shall be purchased by the firefighters relief association of such city, township, county or fire district until they have been approved and found valid by the attorney.

History: L. 1927, ch. 231, 40-1706; L. 1935, ch. 200, § 1; L. 1941, ch. 257, § 5; L. 1957, ch. 287, § 6; L. 1967, ch. 269, § 1; L. 1977, ch. 54, § 32; L. 1979, ch. 145, § 4; L. 1984, ch. 165, § 7; July 1.

Source or prior law:

L. 1895, ch. 363, § 6; L. 1905, ch. 272, § 1; L. 1909, ch. 151, § 1; L. 1911, ch. 204, § 1; L. 1921, ch. 205, § 1; R.S. 1923, 40-506.

Research and Practice Aids:

Municipal Corporations⇐200(1).

C.J.S. Municipal Corporations §§ 614, 615.

CASE ANNOTATIONS

1. Firemen's relief association is a public body corporate: its decisions are administrative in nature. Lauber v. Firemen's Relief Association, 202 K. 564, 576, 451 P.2d 488.

40-1707. Authorized uses of moneys received by firefighters relief associations. (a) Except as otherwise provided in the firefighters relief act, all moneys received by a firefighters relief association under the provisions of the firefighters relief act shall be held in trust and used as a fund:

(1) For the relief of any member of the fire department of such city, township, county or fire district when injured or physically disabled in or by reason of the discharge of such member's duties as a firefighter;

(2) for the payment of a death benefit when any member of such fire department is killed in the discharge of such member's duties as a firefighter, or who dies from the effect of injuries so received or from disease contracted by reason of such member's duties as a firefighter, to the beneficiary or beneficiaries as designated by the member or, in the event that no beneficiary has been designated to receive such death benefit, to the following persons in the following priority:

(A) If there is a spouse and there are no natural or adopted children of the deceased member, the death benefit shall be for the spouse;

(B) if there are one or more natural or adopted children and spouse of the deceased member, ½ of the death benefit shall be for the spouse and the remaining ½ of the death benefit shall be for the children, in equal shares thereof;

(C) if there are one or more natural or adopted children and there is no spouse of the deceased member, the death benefit shall be for the children, in equal shares thereof;

(D) if there is a father or mother, or both, and there are no natural or adopted children and no spouse of the deceased member, the death benefit shall be for the father or mother, or to both in equal shares thereof if there are both;

(E) if there are one or more siblings and there is no father or mother or spouse and there are no natural or adopted children of the deceased member, the death benefit shall be for the siblings, in equal shares thereof; and

(F) if there are no siblings, no father or mother, no natural or adopted children and no spouse of the deceased member, the death benefit shall be for the estate of the deceased member;

(3) for the payment of the necessary funeral expenses of any member of such fire department when killed in the discharge of such duties as a firefighter, or in the case of death resulting from injuries so received or disease contracted by reason of such member's duties as a firefighter;

(4) for the further purpose of paying a pension to members of full-paid fire departments who are unfit for service after having served for a period of not less than

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20 years on the department, such pension not to exceed ½ of the monthly salary at the date of retirement; or

(5) for the purchase of insurance which would provide for any or all of the foregoing purposes for which such fund is authorized to be expended.

(b) In any city of the second class which maintains a fire department consisting of both salaried and volunteer firefighters, such moneys may be expended for the purchase of, or payment of premiums on, policies of life, accident, or accident and health insurance upon members of the fire department of such city, which policies may be owned either by the firefighters relief association of such city or by the individual members thereof but, before any premium is paid on such policies of insurance, the provisions thereof shall be approved by such firefighters relief association as suitable to carry out the objects for which such association was established.

(c) (1) In any fire department consisting of volunteer firefighters, such moneys may be used to establish annuities for such firefighters who have served for not less than 20 years on such department and who have attended and fought not less than 75% of the fires attended by such fire department during such period of time, but such annuity shall not exceed the amount paid to fully paid members of fire departments of comparable size to such volunteer department. In any full-paid or any volunteer fire department such moneys may be expended for the purchase of group term, group permanent or individual permanent life insurance contracts for members of such department. Any benefits or coverage accruing to individual members of the department under such policies shall be and shall remain the property of the firefighters relief association except as follows:

(A) A member that has completed 10 years of service with the department and has been covered under such policy for a continuous period of not less than five years, a member who suffers a total and permanent disability or death, or a member who retires under the retirement plan in effect for the fire department, shall, upon termination of employment, be entitled to any benefits or coverage available to an individual member under the provisions of the contract; and

(B) A member that has not fulfilled one of the requirements set forth in paragraph (A) of this subsection (c)(1) shall, upon termination of employment, be entitled to the same proportion of benefits or coverage available to an individual member as such member's individual premium contributions bear to the total premiums paid on the policy at the time of termination. Any additional coverage or benefits may be obtained by reimbursing the firefighters relief association an equitable and reasonable amount in accordance with procedures set forth in the bylaws of the association.

(2) Prior to the purchase of any annuity contract for and on behalf of any volunteer firefighter, the provisions thereof shall be approved and the adequacy of the funds available for such purpose shall be established by such firefighters relief association.

(d) The moneys paid by the commissioner of insurance to the Kansas state firefighters association, inc., as provided in subsection (c) of K.S.A. 40-1706 and amendments thereto, shall be used by the Kansas state firefighters association, inc., in accordance with that statute and as may be regulated by such association in this state at the annual meetings of the Kansas state firefighters association, inc., which shall be held annually at places to be selected by such association within this state. The Kansas state firefighters association, inc., shall make an annual accounting to the commissioner of insurance of all moneys paid to such association as provided in K.S.A. 40-1706 and amendments thereto.

(e) In the city of El Dorado, in Butler county, which city has by election established a firemen's pension fund under the provisions of K.S.A. 14-10a01 to 14-10a15, inclusive, and amendments thereto, the firefighters relief association of such city may, when the money and securities belonging to such association exceed $35,000, grant from time to time sums not exceeding ½ the earnings of the fund and not exceeding ½ the yearly amount received from the commissioner of insurance under this act to the city to be credited to the firemen's pension fund of such city.

(f) Any such firefighters relief association is hereby authorized to loan part or all of such funds to the city, township, county or fire district in which such association is located, to be used by such city, township,

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county or fire district in the improvement of its fire department and equipment thereof, and such city, township, county or fire district is hereby authorized to borrow the same and issue to the treasurer of such firefighters relief association its warrant therefor bearing interest payable semiannually, at a rate not to exceed 6% per annum.

(g) The commissioner of insurance is hereby authorized to adopt such rules and regulations as are necessary to effect the purposes of the firefighters relief act.

History: L. 1927, ch. 231, 40-1707; L. 1929, ch. 201, § 1; L. 1941, ch. 257, § 6; L. 1943, ch. 187, § 1; L. 1953, ch. 235, § 1; L. 1957, ch. 287, § 7; L. 1974, ch. 188, § 1; L. 1978, ch. 180, § 1; L. 1981, ch. 193, § 1; L. 1984, ch. 165, § 8; July 1.

Source or prior law:

L. 1895, ch. 363, § 7; L. 1905, ch. 272, § 2; L. 1909, ch. 151, § 2; L. 1911, ch. 204, § 2; R.S. 1923, 40-507.

Research and Practice Aids:

Municipal Corporations⇐200(1).
C.J.S. Municipal Corporations §§ 614, 615.

Law Review and Bar Journal References:

"Rethinking Kansas Administrative Procedure," Marilyn V. Ainsworth and Sidney A. Shapiro, 28 K.L.R. 419, 442 (1980).

CASE ANNOTATIONS

1. Act does not provide for payment of pension to retired fireman's widow. Bulger v. West, 155 K. 426, 430, 431, 125 P.2d 404.
2. Mandamus did not lie to enforce questionable right under an ordinance substantially identical to statute. Lauber v. Firemen's Relief Assn. of Salina, 195 K. 126, 127, 128, 402 P.2d 817.
3. Firemen's relief association determines within reasonable limits the amount of financial assistance paid as relief. Lauber v. Firemen's Relief Association, 202 K. 564, 578, 451 P.2d 488.
4. Cited in holding Fireman's Rule adopted in Kansas; not based on "remises law" nor as licensees, but public policy. Calvert v. Garvey Elevators, Inc., 236 K. 570, 575, 577, 694 P.2d 433 (1985).

40-1708. Citation of act. The provisions of K.S.A. 40-1701 to 40-1707, inclusive, and amendments to those statutes shall be known and may be cited as the firefighters relief act.

History: L. 1984, ch. 165, § 1; July 1.

Article 18.—MUTUAL NONPROFIT HOSPITAL SERVICE CORPORATIONS

Cross References to Related Sections:

Merger or consolidation of certain mutual companies other than life, see 40-1216 to 40-1225.

40-1801. Title of act. This act shall be known as the mutual nonprofit hospital service corporation act.

History: L. 1941, ch. 259, § 1; June 30.

CASE ANNOTATIONS

1. Cited in considering and applying statutory duties and authority of commissioner of insurance under act. Blue Cross & Blue Shield v. Bell, 227 K. 426, 427, 607 P.2d 498.
2. Cited in upholding provision in Blue Cross insurance service contracts rendering benefits personal and nonassignable. Augusta Medical Complex, Inc. v. Blue Cross of Kansas, Inc., 230 K. 361, 364, 634 P.2d 1123 (1981).

40-1802. Organization; purposes; board of directors; oaths; quorum. Mutual nonprofit corporations may be organized for the purpose of entering into contracts with participating hospitals to provide hospital service for their subscribers and to provide indemnity or other benefits in accordance with clause (7) of subsection (b) of K.S.A. 40-1805, to subscribers receiving hospital service in hospitals with which such mutual nonprofit corporations have no contracts. Such corporations heretofore or hereafter organized may provide service or indemnity for other health services or facilities but not to exceed reasonable and customary charges that a subscriber may incur for these services.

The affairs of any such nonprofit hospital service corporations organized under this act shall be managed by a board of directors of not less than fifteen (15) members composed of administrators or trustees of participating hospitals and licensed physicians who participate in providing professional and institutional service to subscribers and members of the public who at the time of their election are subscribers exclusive of hospital trustees or administrators and physicians. The members of the public, exclusive of hospital trustees or administrators and physicians, shall at all times comprise a majority of the membership of the board of directors. The directors shall take the oath of office as in other corporations and duplicates of such subscribed oaths shall be forwarded at the time of election to the commissioner of insurance for filing. The bylaws shall specify the number of directors necessary to constitute a quorum, which shall not be less than ten (10) members.

History: L. 1941, ch. 259, § 2; L. 1951, ch. 298, § 1; L. 1955, ch. 244, § 1; L. 1968, ch. 205, § 1; L. 1980, ch. 137, § 1; July 1.

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Done In, Fed Up, Burned Out

Too Much Attrition in EMS

In our travels around the country, the editors at ***jems*** have noticed one topic that seems to be of universal concern among the men and women of emergency medical services. "Burnout" is a phrase we sometimes get tired of hearing, but it represents a real concern for many services. Much of what has been published and spoken of on the subject has been speculative if only because the relative young age of this profession is naturally prohibitive of the kind of statistics that career models are made of.

Recognizing that it is sometimes difficult to obtain the proper perspective on a problem when immersed in it, and conscious of not wanting to simply add another opinion, ***jems*** decided to approach an authority with experience outside of prehospital medicine who had a good chance of being able to see the forests for the trees. Nancy Graham is well known in Los Angeles as an astute, humorous, warm and helpful counselor and respected instructor to paramedics. A licensed marriage, family and child counselor, for the past six years she has taken her talents to L.A.'s St. Francis Hospital where she has helped patients and staff alike overcome the psychological effects of trauma. One of the original psychotraumatologists (a mental health professional who specializes in the psychological aspects of trauma), she has worked closely with paramedics and emergency nurses as an instructor and counselor. She currently instructs at three paramedic training institutions in California and has become a popular speaker at conferences across the country.

In the following article, Author Graham presents an overview of the problem of burnout and the resultant attrition. Next month she looks at ways the individual and the system can reduce the trend of the "short career."

On a steamy evening last July several hundred celebrants gathered at the Beverly-Wilshire Hotel in Los Angeles to commemorate the 10th anniversary of the paramedic program in Los Angeles County. Addressing the assembly were perhaps thirty speakers who have been strongly identified with the development and operation of L.A.'s EMS program. Awards were presented and accolades given for a variety of meritorious services to the system over these past ten years.

As one of the invited speakers I felt pleased and honored by this manifest approval of my investment in the program. Still, I hardly felt qualified as a grand-old-person-of-EMS since I have been in the business only since 1974. As I listened to *real* old-timers of the system reminisce about the "early days" I had to continually remind myself that they weren't talking about the turn of the century, or even just the post-World War II forties, but about 1970—only ten years ago. Finally I began to accept myself as one of the pioneers, and listened with interest to what the other old-timers had to say.

by Nancy K. Graham

I had been asked to address the topic of EMS as a career, specifically discussing the effect that psychological stress might have on job performance and longevity. Two still-youthful paramedics—one active, one retired from field service—were to give their viewpoints on the likelihood of a paramedic spending a working lifetime in EMS.

This is an important and provocative issue. What I realized then and now is that in a field only ten years old, such a question has as yet no definitive answer—yet for a number of pressing reasons, invites serious attention.

Lacking the necessary historical data, we can only speculate upon how long an individual career in EMS might be expected to last. We have some tentative evidence. On the one hand there are the pioneers who have been with EMS since the early seventies. Then there are the veteran ambulance drivers and attendants, the nurses and physicians who worked in emergency rooms before these attained the respectable status of departments. Then there are the Vietnam-trained medics who came into prehospital care after the war. Some of these people go back 15 or 20 twenty years in the delivery of emergency services, and some are still working in EMS today.

On the other hand, there is a significant and growing number of professionals in emergency medicine who, after two to five years, have already opted out of the system—done in, fed up, burned out,

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and calling it quits. In 1977 the then president of the Southern California Fire Rescue and Paramedic Association asked me to give a talk for paramedics at the Seventh Annual Scientific Assembly of EMS professionals. At the time I had been working three years as a counselor in a busy ED, and had just begun training L.A. City and County paramedics in crisis intervention. I was very high on my work and eager to spread the word, hoping to encourage other systems to include crisis intervention skills in their prehospital care curriculum. But it wasn't this topic I was asked to discuss. It was burnout. In a system only seven years old the rate of turnover among paramedics was already posing a serious problem in maintaining the standard of care in L.A.'s prehospital care system. It seemed that the program was recruiting and educating about 200 new paramedics a year, but still couldn't keep up with the demand because of the number of paramedics returning to the firefighting ranks or leaving the system altogether.

It took very little further investigation to discover that nursing was having some of these same kinds of difficulties with the staffing of the emergency departments. Nurses would eagerly hire into emergency medicine, take their ACLS and MICN training, then in a year or two start cutting back on their hours, requesting transfers to other units, or resigning. Many reasons were cited, but distressingly often the underlying message was "burnout."

I began to notice then that at conferences, C.E. seminars, and base-station meetings where I was lecturing one question would always arise in one form or another: "What do we do about our *own* crises?" or "How do *you* keep from getting burned out by all this?" Even trainees at the outset of their EMS careers were concerned about this potential occupational hazard. And they were right to be concerned. After almost every meeting or class I was approached discreetly by someone worried about his or her own situation. Some had been observing in themselves signs of a certain loss of energy and enthusiasm, inroads of negativism, a general malaise—and were fearful that they could no longer be effective on the job. Others were openly depressed or overwhelmed with anxiety, wondering if they

"...despite the enormous interest, high morale, and dedication of those entering the field, there are significant numbers of well-trained, experienced EMS professionals 'calling it a career' in two, three or five years' time."

were on the edge of a breakdown, unable to get a handle on what was happening to them either on the job or at home.

Certainly in all fields of endeavor there are factors which influence the length of time individuals remain on the job. Such matters as chance for advancement, salary range, benefits and working conditions can be expected to have impact upon employees' decision to remain or to seek brighter prospects.

Additionally, there are variables which pertain specifically to emergency medical services. There are, to be sure, significant physical requirements to the work. Most jobs in EMS are not sedentary, but call for workers with a considerable amount of physical stamina and dexterity. Also flexibility and the ability to tolerate the unevenness of the work-flow and the often continuous changes in schedule are necessary. Since emergency services by definition are offered 24 hours a day and on weekends and holidays, and staffing is often done on a rotation basis, the individual worker must make many accommodations to the system. Besides being fit physically, emergency workers must be bright, quick, responsible and emotionally stable. They should have a high degree of motivation as well, since the ability to persevere through a lengthy course of study and to function under stressful conditions is a must.

We must assume that despite the rather stringent requirements of the system young people find a career in EMS highly appealing, at least initially, since it is becoming an extremely sought-after and competitive field in which to gain entrance. A brief review of the rapid influx of personnel into emergency medicine illustrates this point.

According to a cover story in Medical World News[1] in December, 1970, there was only one resident in emergency medicine in the United States! Eight years later there were more than 40 medical schools offering residencies in emergency medicine. When ACEP and EDNA held their first national meeting the total number of professionals in attendance was 32. In 1977 there were 3,400 at the conference. By 1978 membership in ACEP had grown to 9,000.

Similarly, in the area of prehospital care, there has been remarkable growth and higher standards of professionalism. In 1970 few ambulance attendants were trained in anything beyond basic first-aid procedures, and in some states they were required to have only a valid chauffeur's license. By contrast, in 1978 there were 262,000 technicians trained at the EMT-A level and another 12,000 with advanced paramedic training.

This enormous growth in the ranks of EMS personnel seems to suggest an enormous interest in this specialty of health care, and it implies a willingness on the part of those entering emergency medicine to commit a considerable amount of time to their training. It hardly seems likely that a physician would spend two years in a residency unless he or she felt a strong sense of dedication to emergency medicine as a career. It may be even less likely, given the rather meager financial rewards, that young people without prior health-care training would spend the money, time and energy to go through EMT training unless they felt they were making a long-term investment in their profession. Yet as soon as new programs are developed, there is a rush of applicants competing for entry into the field. At this time there is already a backlog of residency-trained emergency physicians waiting to take their speciality board examinations.

Still, along with this wave of enthusiasm and commitment to EMS there is an undertow of doubt that must be reckoned with: The paradox of emergency medicine is that despite the enormous interest, high morale, and dedication of those entering the field, there are significant numbers of well-trained, experienced EMS professionals "calling it a career" in two, three or five years' time.

Does this imply an ominous trend, or does it simply represent a "normal" attrition rate for this field?

When I became interested in these career questions I began asking paramedics and nurses why they got into emergency health care. As a counselor and member of the ED team I had no trouble—I didn't have to probe much for the reasons people were leaving. Many paramedics told me they were promoted out of the system. "There's just no future in being a paramedic" they told me. "I can move up to engineer or captain if I get out of the prehospital area." Lack of a "career ladder" was the most often cited reason for leaving EMS, but there were others too. "Not enough time with my family." "It ruins your life; I'm always tired. I have no time to myself." There were complaints about overtime, and especially the forced overtime required when there is a critical shortage of personnel. Those who worked a lot of overtime or moonlighted at another job to keep up with expenses eventually quit too. They said they couldn't take the pace and began to feel they were "losing it" either physically or emotionally.

Scheduling is one of the many areas of EMS that presents a lure that ends up a let-down. A job where you only work 10 days a month and often have four days off in a row sounds like a dream. Especially if you figure that when you're on duty—for 24 hours shifts—you can sleep when there are no calls. But in busy urban areas there are always calls—as many as 15 or 20 a day. The result is that on the alternate day off a paramedic will most likely be too exhausted to do anything but sleep and hang around the house. This reality often conflicts with ideas he may have had about child care, extra work, or planned socializing. The fact is that a 10-day, 240-hour a month schedule calls for 60 to 80 hours a month more at work than most office or factory jobs require.

Emergency department nurses, too, tire of the pace and the scheduling. Unlike work on many in-patient

"In a system only seven years old the rate of turnover among paramedics was already posing a serious problem in maintaining the standard of care.."

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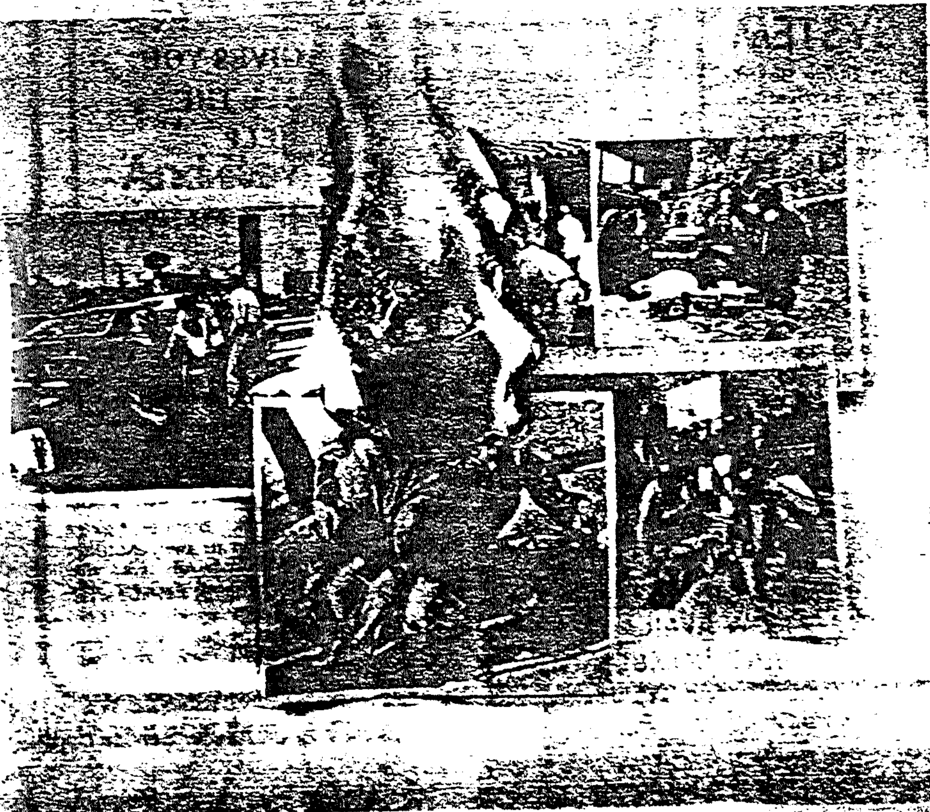
units, the busy ED affords little let-up physically or mentally. Nurses are almost constantly on their feet and patients are most often awake, anxious, and demanding. Breaks and meals must often be postponed and overtime is the rule because, well, there's always an emergency. Even though most of these nurses like the work and want to continue, after a couple of years many have had it and transfer to administration, education, or to other units. Some stay in the ED, but cut back to part time. Others return to school, and many just simply drop out of nursing. In many cases they say, "I just want my life to be my own again," "I'm sick of this place," or "I want to know that on my day off no one's going to call and beg me to come in to work!" They are no longer willing to sacrifice personal concerns for the benefit of the ED.

Is this a normal rate of attrition, or is this evidence of a sinister pathology in the system? And can we attribute these seemingly premature defections to burnout? Well, that's part of it.

As defined by Dr. Christina Maslach, the Berkeley psychologist most identified with the study of the syndrome,[2] burnout is "A combination of physical exhaustion, emotional exhaustion, and negative and cynical attitudes." Burnout, she points out, is a common phenomenon in the helping professions. Much of her research and clinical work has focused on mental health and social service workers whose responsibility for large caseloads of emotionally dependent and financially needy clients can prove overwhelming to the helping professional. Her research has shown that the burnout syndrome often seems to afflict those workers who are initially the most highly motivated and involved in their work. But over a period of time their dedication gives way to exhaustion and cynicism.



There are many similarities between the experiences of Maslach's subjects and those of EMS professionals. An important step in understanding the loss of energy and commitment that leads to burnout is to examine not only the external conditions of EMS work, but also the expectations and motivations of those entering the field.

Emergency medicine is a new and exciting field—it's where the action is. It offers variety, a chance to learn many areas of medical and nursing skills. For EMTs and paramedics there is abundant opportunity to be out in the field, away from what may be seen as the confining routine of day to day hospital work. For nurses, working in the ED offers an environment where they will work closely with doctors, yet have more responsibility for autonomous decision-making. Emergency medicine is, in addition, a magnet for rescuers. The idea of acutely ill, critically injured patients in dire need of help strongly appeals to energetic, idealistic, giving people, people who have a strong need to be needed. It has been observed in many professional contexts that certain personality types are strongly attracted to the helping professions.[3] These are people who, most often as a result of their own early life experiences, have a strong sense of empathy for suffering people, those in need of rescue. The helper, by giving aid to the sufferer, not only helps the patient, but helps himself as well. Rescue work, then, is in many ways its own reward. Even if the patient is unconscious, preoccupied, or otherwise unaware of the intervention of the helper, the rescuer still gains control of his own anxiety (about others' suffering) and additionally experiences a strength of self-esteem from the satisfaction of an important job well done.

Another personality type often associated with rescue work is the person who seeks excitement. He is usually fast-moving, action-seeking, competitive, and rather easily bored. He thrives on challenges and finds a loose and somewhat chaotic environment enjoyable and stimulating. These people are counter-phobic and tend to work well in fields which to most people seem risky, frightening, or even disgusting. They usually like physical work and are often attracted to occupations that require stamina and risk-taking, such as those of stunt man, test pilot, and race car driver. When they join the helping professions it is usually as fire fighters, paramedics, or search and rescue workers.

Emergency medicine seems to appeal to young people, and especially those who like a busy, varied and unpredictable workday. Brief treatment and brief relationships are the rule in prehospital and ED work. For some people the "eight million stories in the Naked City" are what make EMS interesting. Others would miss the relationships that develop in treating patients over a longer period of time.

In many emergency settings most nurses, EMTs and doctors are under 35 years old. Most are active and sports-minded, and tend to spend leisure time outdoors in such pursuits as skiing, camping and sailing. Thus the physical challenge of ED work would not be too much were it not for the added emotional demands of emergency medicine.

continued on next page

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The psychological stress of EMS is an area which is not well-defined or well-understood by prehospital and ED personnel. It is largely ignored, laughed off with the ubiquitious answer, "Oh, I don't let it bother me." The end result of denying psychological stress is emotional exhaustion and a host of minor or serious psychosomatic ills. Most workers can identify with me when I describe the state in which I often arrive home after work. My body feels like a car whose driver has one foot on the accelerator and the other on the brake. The result is a feeling of being both completely exhausted and incredibly hyped up!

On duty one's emotions are constantly being assaulted by the necessity for dealing with exhausted, diseased and battered patients in need of immediate care. In addition to their presenting lesions, the patients' pain, fear and depression present us with more symptoms requiring our attention and treatment. While well-trained to manage the physical components of the patients' emergencies, most ED personnel have no comparable expertise with which to treat the emotional and social components of the patients' problems. The result is that when faced with patients' confusion, anger, hysteria or tears, the ED nurse, physician or EMT is likely to feel helpless, inadequate and ultimately resentful. This anger, in turn, leads some conscientious workers to feel guilty and blame themselves. Others project their anger outward, blaming their co-workers, supervisors, and—not too unreasonably—the system. One of the most pernicious effects of this projected anger is a tendency for the blame finally to be placed upon the patients' families or the patients themselves.

When EMS people admit to emotional exhaustion, they usually deny that it comes from the tragedy and horror they witness. Instead they blame the hassles. Hassles with supervisors over scheduling, with fire department hierarchy over base-station control, with ambulance company dispatchers for not letting the ED know about a run, with the admitting office for not having a bed for the psych patient, with the nursing office for nagging about the dress code, with attending docs for not returning calls to the ED, with the police for refusing to put a hold on a probable battered child, with nursing homes for dumping senile patients on Friday nights—and so on.

Lacking any systematic training, education or even any very good advice on how to handle the emotional overload of their work, EMS people are on their own with the heartbreak and the hassles. Lacking a protocol, they wing it. And they develop styles of defense which are more or less consistent with their personalities.

The conscientious rescuer identifies wholeheartedly with the patients, putting their needs first at all times. This means working lots of overtime, mssing meals and breaks, taking on full responsibility for the patients' emotional needs, and always feeling overwhelmed and depressed at the end of a workday. This is the type of person who can't help getting too close to patients. As one nurse told me, "I just think of all these little old ladies as *my* mother."

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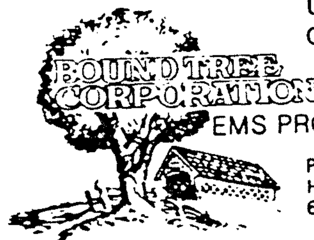

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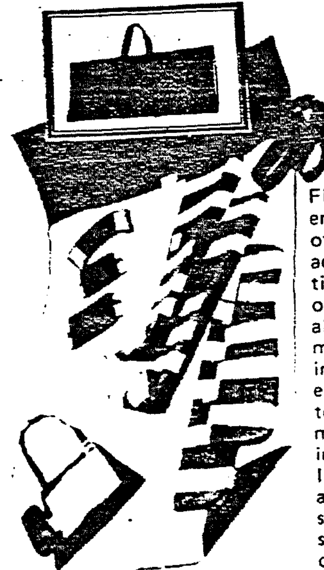

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Other EMS people, afraid of "going down the tubes with the patient," prefer to keep a "professional" distance. They refer to patients by their diagnoses or room numbers rather than by name. They show no emotional response to the patients' suffering. Paramedics using this defense will often say, "We don't have time to talk to the patients." They seem to be looking for ways to dis-identify with the patient. ("I don't see what she has to be so depressed about" is a typical comment.)

Becoming angry at the patient is an all too-common way of coping with the stresses of emergency medicine. Some workers develop a contempt for most patients as a way of denying and trivializing their tragedies. The angry professional—perhaps a doctor—feels helpless or indifferent toward the patient's condition and therefore looks for a justification to blame the patient. "Well, no prenatal care; what did she expect?" or, "Why didn't they bring him in when he first spiked that temp?" are the kinds of angry comments one hears from burned-out physicians. These negative and cynical attitudes cut both ways, injuring both the patient and the would-be helper.

These angry responses often lead to a sterotyping of patients by race, economic status and cultural background. When negative value judgments come into play these attitudes can become so pervasive they are passed down from the experienced workers to the trainees, and the stereotypes become institutionalized.[5]

When EMS professionals finally conclude that all patients are unworthy and the system is corrupt—that all of the hassles are what's giving them the headaches, sleepless nights, backaches and so on—well, that's when they want out.

Does everyone in EMS eventually burn out? Time will tell, but I don't think so. Some people seem able to maintain their energy and enthusiasm for the work despite the many undeniable hazards. What keeps them going? What helps them to enjoy the work and give quality care to patients? They have learned how to identify, acknowledge and manage the stresses of EMS work. Also, they have learned how to obtain support from co-workers and to take care of their physical and emotional needs so that they are "not running on empty." □

Editor's note: Next month, in the conclusion to this article, Nancy Graham discusses specific remedies to attrition, including both individual and organizational approaches to relieving the symptoms and causes of "burnout."

Footnotes

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3. Rosenbaum, J.: What will you be when you grow up? *Is Your Volkswagen a Sex Symbol?* Hawthorn Books, New York, 1972, p. 146-166
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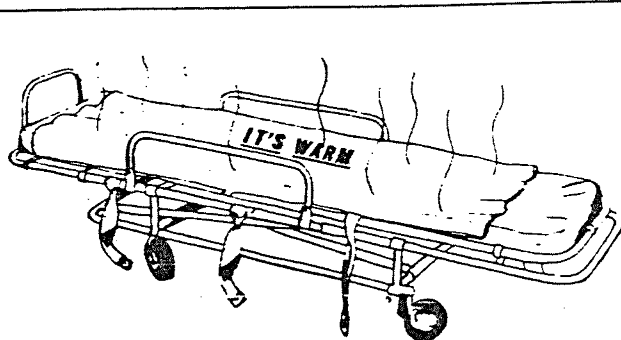

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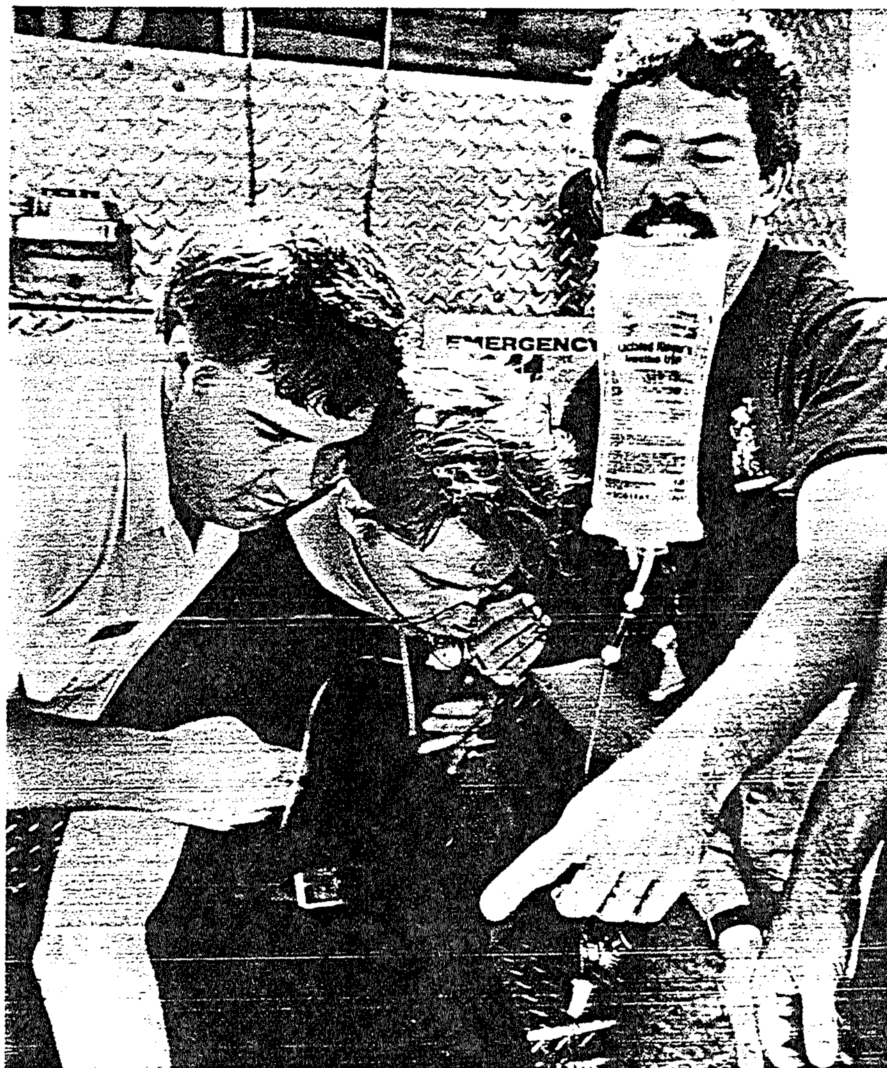
People who choose EMS as a profession often have :on..ion personality traits which are susceptible :o burnout.

Less Stress

Numerous articles have been published in the last few years on the subject of stress management. Some have been written specifically for people in emergency services, but most have dealt with the subject in a generic fashion.

Two factors important in understanding stress are the things which cause stress (stressors), and those characteristics within the individual which affect how stress is perceived and coped with. Hans Selye, the physician who developed the concept of stress, defines it as "the non-specific (that is, common) result of any demand upon the body, be the effect mental or somatic." A stressor, then, is generally defined as any event which places any kind of demand on an individual.

An important distinction must be made between good stress (eustress) and bad stress (distress). A certain level of stress is necessary for people to function productively. As long as the stressor can be handled without the development of physiological or psychological symptoms, it is eustress. Some examples of eustress are hunger, thirst, the need for rest, and being employed in a job that you can do well and are satisfied with. These are demands which are necessarily met for your own physical, psychological and social well-being.



COURTESY OF KEVIN CRAWFORD

Stress is attributable to a dangerous job.

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Distress, on the other hand, results when too many demands or unreasonable demands are made upon a person. Those who are chronically overloaded with work, or beset with numerous personal problems will find themselves in a state of distress. The specific cause of the distress is not important to the body or mind in terms of symptoms. Chronic distress produces certain symptoms such as fatigue, anxiety, depression and even certain diseases.

In 1981, J. Mitchell and H.L.P. Resnik, in their book *Emergency Response to Crisis*, divided these symptoms into four categories:

PHASE I
(warning)

1. Fatigue
2. Boredom
3. Anxiety—something *will* go wrong
4. Depression—something *has* gone wrong

PHASE II
(mild symptoms)

1. Headaches
2. Rashes
3. Colds—flu
4. Gastrointestinal upset
5. Irritability

PHASE III
(moderate symptoms)

1. Decrease in sex drive, marriage problems, divorce
2. Appetite increase or decrease
3. Accident proneness
4. Drinking and/or smoking behaviors increase or start
5. Increased levels or periods of depression
6. Diabetes, cancer, heart disease, stroke

PHASE IV
(severe symptoms)

1. Homicidal behavior
2. Suicidal behavior
3. Emotional and physical devastation

As you can see from the nature of these symptoms, overloading yourself with stress is tantamount to slow suicide in the long term. Learning lifestyle changes to cope with stress can effect dramatic changes in the outcome.

Research by G.S. Everly and R. Rosenfield, who co-authored *The Nature and Treatment of the Stress Response*, has shown that personality is important in how people perceive stress and how well they cope with it. People who choose EMS as a profession generally have some common personality traits—idealistic, devoted, full of energy, goal-oriented, charismatic, dynamic and authoritative. Research has found that many of these traits, in the context of EMS, tend to substantially increase stress overload.

There are at least seven important stressors that impact people in emergency services. The amount of stress produced by any one of these factors will vary depending upon the personality and perception of the individual. Risk to the life is always an important factor in EMS. The level of risk varies with particular roles, but is an ever present stressor. EMTs, paramedics, first responders, firefighters and police officers often go into hostile situations. These same people usually operate emergency-response vehicles, in which the severity of accidents is inherently greater. Other people, such as hospital personnel, do not face these same risks, but they do face hostile patients.

There are several practical steps that can be taken to reduce the amount of stress evoked by these situations. It is very important to have a rigorous vehicle inspection at the beginning of each shift—checking tires, fuel level, lights, oxygen supply, mirrors and windshield wipers. Equipment deficiencies can cause distress in emergency situations. Take the three seconds to fasten your seat belt; this is literally time that could save your life.

Courses are also offered in emergency-vehicle driving. If you have been working in EMS for a few years, the extra confidence and skills this course provides may be a factor in reducing stress.

The next two common stressors—the dying patient and the patient's family or friends—are sometimes experienced together, although each in itself is a separate and distinct stressor. The patient's family, friends or even bystanders can be a source of abusive behavior. People who have lost a loved one in a traumatic situation often initially experience intense anger and denial. The EMS professionals at the scene may become the target of blame and anger because of loss of rationality. The EMS provider, already uncomfortable with death and dying, is further subjected to blame, anger or other verbal abuse. Losing your temper or

Cont. Page 40

The Violence Factor

■ Most EMS providers encounter situations in the field or hospital setting in which the patient, family member or bystander experiences a behavioral emergency. Behavior can range from verbal agitation to physical violence or attack. The manner in which the EMT responds can cause the behavior to escalate or diffuse. Knowing how to intervene appropriately can directly affect the care given to the patient.

The tone, volume and cadence or rate of speech, known as paraverbals, and body language, referred to as kinesics, are important in these situations. Eighty-five percent of the message conveyed to another person is through these factors, not what you actually say. If your tone is angry, scared or loud, the other person may think you are not in control of your own behavior. It is very important, therefore, that your speech indicates that you are, indeed, in control.

There are four stages in the development of a behavioral crisis—agitation, defensiveness, loss of control and reduction of tension. It is important to become familiar with these stages so that you can identify at what stage the person is functioning, and intervene appropriately to prevent physical violence.

The first stage is *agitation*, and it is characterized by fidgeting, pacing, shifting positions frequently, and becoming more verbal. Although not usually a problem for the EMT, taking a few moments to address this behavior appropriately can prevent escalation to physical violence. Be supportive and let the person know that you understand, from their point of view, how they are feeling. When you see an agitated person, say, "I noticed that you look concerned." This will give them an opportunity to express what concerns them, which will often in itself reduce

heir anxiety. Do not make statements such as, "You shouldn't feel that way," because they do and they will become defensive. Use statements that begin with, "Have you ever considered ..." or "One other option may be ...." This will help expand their thinking so they can see other options, which may reduce their immediate distress.

The next stage of development is *defensiveness*. In this state, the person loses rational control. They will *not* listen to you. Examples of this behavior are, "You can't do this to me," "Don't touch me, I don't care how bad this cut is," or "I'll take care of it myself." The key is that they do not comprehend what you are saying, and will often launch into a verbal barrage with finger pointing, fist shaking or defensive body postures. To respond appropriately, you must be directive. Wait until they are finished speaking and then state, in exact terms, what you expect from them. Say, "I want you to sit down in that chair, take three deep breaths and relax. If you do this, I will try to help you work this out. If you don't, I will call the police. Do you understand?" Three things have been illustrated here which apply to all situations. First, the statements are very specific and clear. Second, you have asked them and made sure that they understand you. Third, you have set consequences for compliance or non-compliance that are specific and enforceable.

The third stage of crisis behavior development is *loss of total control*. At this point, the person becomes an "acting-out person (AOP)." Remaining in control of yourself is extremely critical at this time. The objectives are to first protect yourself, second to restrain the individual without hurting him or her, and third to prevent injury to others in the area if possible. Physical attacks are usually in the form of a strike or a grab. Punching, eye gouging, kicking, body slamming or head butting, are examples of strikings. Effective defenses for these attacks and methods of restraint are quite sophisticated, but easily learned.

The methods for defending against the strike are to put something between the weapon and the target, and to move the target out of the direction of the weapon. The principles of defense against the grab are to use distraction to help you in escaping, and using body mechanics, such as knowing the weaknesses of the hand. These must be demonstrated and practiced to be fully understood and effective.

When you enter a situation in the field or hospital setting, in which violent behavior is even a remote possibility, plan an escape route by making note of where the doors, exits or windows are. Also make note of those things that could be used as weapons, and their proximity to the patient or person.

The final stage in this continuum is *tension reduction*. The patient or person reacts physically and emotionally to their loss of control. They begin to regain rational control of themselves, and may physically withdraw from the situation, or sit down and cover their face. At this point, they are usually concerned about the consequences of their behavior, and may feel shame, embarrassment or guilt, and may be apologetic or even humorous about their behavior. You should talk with them about whatever feelings they are having at that time, and stress the positive aspects of their current behavior. An example of this is, "I know you may be feeling ...(whatever you sense they are feeling) now, and I am really glad that you have regained control of yourself again."

The hostile individual may go from agitation directly to acting out, or from defensiveness to tension reduction. Regardless of the order in which they go through the stages, being familiar with the behaviors and indicated responses will enable you to respond in the way that is most helpful to the individual.

The patients' verbal behavior may indicate how close they are to actual violence. Questions such as, "Where do you get the authority to do this?" or "What makes you qualified?" means the person is losing rational control. Don't defend yourself, instead restate your directives clearly. When a patient refuses necessary treatment, rephrase your directive as, "Would you like me to treat your head wound now, or after you go into shock?" or "Would you like to take your medication now, or in an hour?" This gives the patient a choice, and they are not as likely to go into a refusal stage because they think they have no options.

A verbal barrage is another indication of a potentially hostile patient. Many of the statements they make will not seem logical or make sense to you because they are not thinking rationally at this time. When they pause or stop, intervene with a statement like, "This is not getting either of us anywhere. If you want me to help you, calm down so we can talk about your problem. If you can't do that I'm going to leave. Do you understand?"

Intimidation is yet another indication of a potentially hostile situation. Patients may say they are going to get you, hurt your family, or damage your home or car. Usually they have no intention of actually carrying out the threat, but take them seriously because you cannot be sure that they won't.

After the individual "runs out of gas" from all the energy they have expended venting and intimidating, tension reduction may then be experienced. This is a good point at which to suggest professional counseling, or to offer assistance in reaching these services.

As the stresses and pressures in our society increase, so, too, does acting-out behavior. This is especially true of high-stress incidents, such as accidents or disaster situations in which emotional control is more difficult to maintain. Training in handling violent individuals considerably reduces the risk of physical injury to you and the patient.

—*D.K. France*

blaming yourself will only intensify the problem.

To reduce stress, remain calm and realize that the abuser is in an irrational state. If you must deal with the abusive person verbally, recognize his or her feelings. An example of this is, "I realize this is a terrible thing that has happened, but if you will just (move away from here/go in the other room and sit down/go over there and take some deep breaths) you will feel better." This is an example of being *directive*, and will give the abuser something to do while providing a positive expectation that he or she will become more rational. Using this technique will move the abuser away from the scene and allow psychological distancing so control can be regained. If you would like more information on dealing with people in this condition, a local funeral director is a good resource.

The patient who is dying has special needs other than medical care. If the patient is conscious, predictable things will happen. Elizabeth Kubler-Ross has identified a series of stages that people who expect to die will go through. Having a familiarity with these will help to decrease your distress in this situation.

The first stage is *denial*; this is the no-not-me stage. Although the dying patients realize the extent of their injuries and condition, they may not be able to rationally accept that death is probable. Self-denial is not harmful in the short term. The best response is reassurance that everything possible is being done to save them. Because you can't guarantee it, don't tell them that they won't die or that they will be all right.

The next stage is *anger*. They will say something like, "Why me?" As the person closest to them at that time, this anger will probably be directed at you. Keep in mind that the real object of the anger is everyone who will continue to live. Realize that anger is normal and need not be taken personally. This can be a very stressful time for you if misinterpreted and may increase the severity of your own feelings.

The rescuer easily develops feelings of anger in this situation. Having been trained to save people, a natural tendency to consider death as "the enemy" may develop. Death can be very frustrating when everything *humanly* possible has been done, and the patient still dies. The most effective way to reduce this stress is to have confidence that you did your best, but due to factors over which you had no control, the patient was not able to be saved. Accept this fact without dwelling on it, and consider all those patients you treated who did survive.

A phase of *bargaining* will develop at some time. Patients will probably try to make deals with God, such as changes in their behavior or correcting past misdeeds if they could "just live." This bargaining may be verbal or internal. Recognize it for what it is and try not to become involved. Any opinions you may offer on their proposed bargain may be a source of guilt for you later.

Depression will occur when they realize that they will probably die and cannot deny or bargain their way out of it. People are normally uncomfortable with those in this stage and, by not understanding it as normal behavior, often become depressed. The patient's depression and sadness should be respected, but not participated in.

The final stage is *acceptance*. According to *Behavioral Emergencies: A Field Guide for EMTs and Paramedics*, by E.L. Bassuk et al., the patient has accepted death and has done what is necessary to be "ready" to die. Patients who are terminally ill may often be seen in these last two stages if successive transports to the hospital are necessary. People do not go through these stages necessarily in order and there is no set time frame. In a 10- or 15-minute transport time, they may experience any combination of all, some or only one of the stages.

When the patient dies, there will always be some post-incident stress for the rescuer. This is normal and should diminish in a short time. If there are excess feelings of frustration and anger, vigorous physical exercise within 24 hours of the incident will help. If intrusive thoughts, hallucinations or sleep disturbances occur some time after the incident, a counselor, psychologist or psychiatrist should be consulted, advise experts Mitchell and Resnik.

The final aspect of death-situation stress occurs when the patient is in the home and not revivable because of gross injury, or has been terminally ill and has desired not to be resuscitated. Rescuers are very uncomfortable just standing around with the grieving loved ones, because they do not know what to do or say. There are some appropriate things that EMS personnel can do in this case. Ask if you can call a friend, a minister, or funeral director for them. Being able to respond to their needs, even in a small way, will help ease the stress of the situation.

Guilt resulting from doubts about performance can be a major stressor. This usually occurs after a patient has died or has suffered a paralyzing injury. Most people in EMS have experienced varying degrees of performance guilt at one time or another. The basis for it is believing that if you had done something differently, the outcome would have changed dramatically. If you are conscientious and adequately trained, this is seldom true. Most errors you make will be minor and have little effect on the outcome. In reviewing the case, use only facts and sound procedural guidelines. If doubt still remains, review the case with a colleague. Additional training concerned with the procedure in question may help to reduce future stress.

Facts indicating a serious error in procedure are a major stressor, and a temporary layoff may be a wise decision. The first step in reducing this stress is to accept that it has happened and cannot be changed. Each person will deal with this stressor differently based on their personality, but guilt will probably be involved and must be coped with. Some options may be to:

- get additional training in that particular procedure
- look at your life for signs of accumulated stress (most serious mistakes are made by people who are experiencing a cumulative stress response problem)
- accept your own humanity and realize that, in any given situation, anyone can make a mistake
- get professional help through spiritual or psychological resources
- find a new occupation

These are only a few possible courses of action. It is very important to realize that you do have options. Select at least three from those possible, and then talk to a person who will be unbiased about your options and whose judgment you trust. Do not ask them to make any decisions for you; just give feedback on the logic of your thoughts.

2-32

rational perspective is very important when considering major decisions.

The fifth major stressor is being "on call." There are two aspects to this stress; the necessity of framing everything you do while on call to be able to leave immediately, and the stress of going from a relaxed state to a hyper-alert state quickly. Whether full time or volunteer, prior to doing anything while on call, you must ask yourself three questions: Can I abandon it at any point without severe consequences? Do I want to start it if I may not be able to finish it? Will I be able to control my feelings about being interrupted and not take them out on the patient or my partner? The necessity of considering everything one does in terms of these three conditions adds considerable stress to otherwise normal tasks.

Sudden changes in state put the body under tremendous physical stress. One minute we may be relaxed playing cards, and the next we are forced into a hyper-alert state, large amounts of epinephrine and norepinephrine are dumped into the blood stream, and the muscles are often called upon to perform to full capacity quickly without proper warm-up conditioning.

To address on-call stress, there are several courses of action. Careful planning will reduce part of the stress. Plan activities as much as possible in advance, and use the three guidelines above when planning things to do while on call. If you answer "no" to any one of these questions, then you should not do that task while on call because the inner conflict generated will greatly increase your stress level.

There are two ways in which the physical aspects of stress can be minimized. The first is to be in good physical condition. The healthier your body in general, the better it will be able to tolerate excessive stress both mental and physical. The second is to provide adequate post-stress recovery. After a rescue incident, the chemicals your body has used to produce hyper-alertness are still doing their job even though you are now trying to relax. There are also large amounts of waste products from increased metabolism and muscle activity present which have an effect on how you feel. The best remedy for this is some vigorous activity of a non-competitive nature within 24 hours of the incident.

This activity will use up the excess natural stimulants in your system, and help the body return to a normal state. Non-competitive activities should be emphasized. Activities such as jogging, walking or anything where "winning" isn't the goal are OK. Competition will only increase your level of stress, and the presence of natural stimulants in your body.

Diet is an often overlooked factor in dealing with the physical aspects of stress tolerance. What you eat can actually make you more or less able to tolerate stress, according to D. Girdano and G. Everly, in their book, *Controlling Stress & Tension: A Holistic Approach*. As a general rule, a nutritionally balanced diet is recommended. Eat plenty of foods high in vitamins A, B complex and C, or take supplements.

Work hard, play hard and spend time with your family.

High levels of stress deplete these particular vitamins, which are also necessary for stress tolerance. Try to avoid foods high in sugar and fat. These place extra strain on the digestive and metabolic systems, and can be a stressor in themselves.

Another source of stress for EMTs and other health care professionals is lack of recognition. There have been many cases where careful field assessment is done and medical history information gathered, and the ER personnel do not pay any attention to it. They simply repeat everything that has already been done. Once in the hospital, the physicians are seen as the primary care-givers and all the credit goes to them even though the role of the pre-hospital care-giver may have been critical. The general public seldom recognizes the importance of pre-hospital care because it is overshadowed by the hospital's role.

There are no easy remedies for this stressor, but some suggestions may provide ways to address this issue. A meeting between ER personnel and a representative from your service may open the doors to better communication and a more effective working relationship. Join or form a local EMT association, with the purpose of presenting a professional image and educating the public as to your role in emergency care. Finally, be openly respectful about what you do. Think of yourself as a trained professional, and discuss your work informatively with others when it's appropriate.

The final stressor to be considered is limited range of training. Regardless of the level of training, it's frequently inadequate to the task. Field situations constantly present new demands for knowledge. Many times, EMTs must improvise to meet the demands of the particular rescue situation. It is also frustrating to have knowledge of procedures that you may be *able* to do, but are not *authorized* to do. Assuming that it cannot harm the patients, but may save time, do you do it and risk lawsuit or dismissal? There have been numerous court cases centering on this.

Since the limits of EMT and paramedic training may not be significantly expanded in the future, there is little that can be done to reduce or eliminate this stress in a direct way. One effective strategy is to accept the limitations of your training and concentrate on things that you can do rather than those you can't. Continued diverse training is also helpful. Training sessions by people who have experience in rescue work will always yield novel solutions to potentially unusual situations. With this kind of background knowledge, you will be prepared as much as possible for the unexpected.

EMTs and paramedics, like those in any other highly stressful occupations, need to lead balanced lives. Work hard, play hard and spend time with your family. When choosing recreation, try to get as far from emergency rescue work as possible. People who do not experience job-related burnout are those who can have fun doing things that are outside the realm of their job. By staying physically fit, eating properly and learning to reduce, avoid and deal with stressors in life, you will get more from your profession, and your profession will get more from you. E

David France is a free-lance writer based in Chetek, Wis., where he was an EMT for seven years.

2-33

SENATE BILL #549

Presented by: Roger C. Carson, Assistant Fire Chief;
Emporia, Kansas
Board Member of Region IV EMS

February 26, 1990

I am in favor of funding allocations which will allow the Board of EMS to become a Committee, un-obligated to any other Bureau's Budget Process.

A. Quality of EMS to Kansas State Citizens

B. Quality Training of First Responders, EMT, and Paramedics

C. Additional Employees and Equipment which can guarantee quality training and re-certification of EMS providers in the State of Kansas

D. Public Information/Education for the safety of all age groups.

1. Seat belts
2. Child restraints
3. Drinking/driving
4. Smoking/drugs

E. Trauma Care, treatment, and transportation in local settings.

S.G.O.
ATTACH 3
2/26/90

State of Kansas
BOARD OF EMERGENCY MEDICAL SERVICES

109 S.W. 6TH STREET, TOPEKA, KS 66603-3805
(913) 296-7296 *Administration*
(913) 296-7403 *Education & Training*
(913) 296-7299 *Examination & Certification*
(913) 296-7408 *Planning & Regulation*

Bob McDaneld
Administrator

Mike Hayden
Governor

Date: February 26, 1990

To: Senate Committee on Governmental Organization

From: Robert Orth,
Board of Emergency Medical Services Chairman

Subject: SB 549

Thank you, Senator Oleen, for this opportunity to address the Senate Governmental Organization Committee. My name is Robert Orth and I am the Chairman of the Kansas Board of Emergency Medical Services.

The board certainly supports the passage of SB 549 in concept. I say concept, as Senator Hayden has told us that he plans to make a few changes to his bill.

Economically, this bill impacts both Kansas emergency medical services and the state general fund. Generating approximately $1.8 million, SB 549 would address some of the needs that have suffered because of lack of funds. This bill would also make available over $800,000 to the state general fund, the amount of our current budget, for use in other areas.

Philosophically, proper pre-hospital care does and will enhance and preserve the quality of life. More education, more quality assurance and more cohesiveness will insure that Kansas emergency medical services remains at the fore-front of emergency medical service excellence. It indeed takes funds to effectively oversee and promote excellence. SB 549 provides a mechanism for that funding.

RO/clb

S.G.O.
ATTACH 4
2/26/90

EMERGENCY MEDICAL SERVICES
REGION 1
P.O. Box 309
Phillipsburg, Kansas 67661
(913) 543-2332

Madam Chairman and members of this committee:

Thank you for the opportunity to appear before you today to testify on Senate Bill 549

My name is Jerry Cunningham, from Phillipsburg, Kansas, and I am the Coordinator for Region 1 Emergency Medical Services which is encompasses 18 counties in Northwest Kansas.

I am here today to request your endorsement and support of Senate Bill 549.
With the advent of S.B. 549, vital funding for Emergency Medical Services at the State and Regional level would become available without an increase in taxation.

At the Regional level, S.B. 549 would provide an avenue for funding Regional sponsored activities and programs that are not normally available in rural Kansas. It will provide a revenue source that would allow the 4 Regions of the State to continue to maintain, update, and expand their equipment pools which are always in a state of constant shortage of equipment for the training of new EMT's.

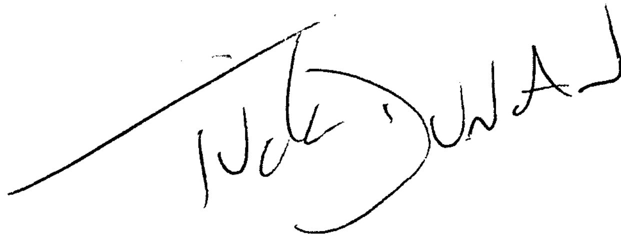
At the local county levels, S.B. 549 would provide a relief valve for county commissioners who are forced to issue no fund warrants to provide an ambulance when the only unit that was available suddenly became disabled permanently. S.B. 549 funds could be used in a emergency crisis, at the local level, without exhausting revenues of other departments.

In closing, I request that you give S.B. 549 a strong endorsement, and that you support this bill as positive step towards maintaining quality pre-hospital care in Kansas.

S.G.O.
ATTACH 5
2/26/90

TESTIMONY OF
R.E. "Tuck" DUNCAN
for
MEDEVAC
re: S.B. 549

Medevac is the private ambulance provider in Shawnee County, Kansas. We endorse the concept of S.B. 549. It is important for all emergency medical services (EMS) in Kansas that additional, stable funding sources be developed. The interim study of EMS several years ago identified that there are many needs throughout the state, such as a coordinated state-wide communications system, that require funding. There is tremendous turn-over in this industry and enhanced training is likewise required to continue the supply of EMTs, EMT-Is, EMT-Ds and EMICTs. This bill represents a creative solution to a difficult problem. This bill will have greater impact in rural areas, rather than the urban area we serve, but by improving all EMS systems in the state, all citizens are benefited. Thank you.



S.G.O.
ATTACH 5
2-26-90

FEB 23 1990

American Council of Life Insurance

Julie A. Spiezio
Counsel

February 22, 1990
BY FEDERAL EXPRESS

Honorable Lana Oleen
Chairperson, Governmental Organization Committee
Kansas Senate, Room 143-N
State Capitol
10th & Harrison Streets
Topeka, KS 66612

RE: Senate Bill 549

Dear Senator Oleen:

This letter is written on behalf of the member companies of the American Council of Life Insurance (ACLI), which includes 423 life insurance companies doing business in the State of Kansas, accounting for 89.7% of the current life insurance business in force in your state. Our members are very concerned about the provisions of S.B. 549, a bill currently under consideration by the Governmental Organization Committee of the Kansas Senate. This bill would increase premium taxes for life insurance companies by .25% in order to fund emergency medical services in the state. While the life insurance industry recognizes fully the social value of emergency medical care, we urge that the cost of that care not be imposed upon only one segment of society, that is, the life insurers and their policyholders.

In 1988, the insurance industry paid premium taxes to the State of Kansas in the amount of $63.3 million. Life insurance taxes and fees alone equaled $29.8 million that year. These figures are significant for several reasons: First, the amount of premium tax continues to steadily grow in the state due to the increase of premium income from year to year. For example, life insurance premium taxes in Kansas increased by more than $7 million between 1987 and 1988, and taxable premium income rose by $122 million from 1986 to 1988. The second and perhaps most compelling factor is the already significant contribution which the insurance industry makes to the revenues of the State of Kansas. The state received $196 million in corporate net income tax in 1988. Please note that this figure includes net income taxes paid by domestic insurance companies. The additional $63.3 million in premium tax payments represents one-third of the corporate net income tax for <u>all</u> businesses, with life insurers alone providing over 45% of the premium tax revenue. I am enclosing an additional "summary sheet" regarding these premium tax issues for your review.

1001 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20004-2599
202/624-2194
FACSIMILE 202/624-2319

S.G.O.
ATTACH 7
2/26/90

SUMMARY OF REASONS WHY THE KANSAS PREMIUM TAX SHOULD NOT BE INCREASED

1. NO INCREASE IN THE PREMIUM TAX RATE IS NECESSARY.

   The 1988 insurance premium taxes received by Kansas were an estimated 1.5 times the 1984 receipts.

   Life insurance companies have a constantly increasing tax base. The tax base includes all renewal premiums as well as premiums received from new business. From 1984 through 1988, tax receipts increased an average of over 14.5% per year without any increase in the tax rate.

2. AN INCREASE IN THE PREMIUM TAX RATE WOULD BE SOCIALLY AND ECONOMICALLY UNDESIRABLE.

   A tax on life insurance must fall on the policyholders, either through reduced dividends or an increase in premium rates.

   Kansas citizens received over $980 million in benefit payments in 1988.

   Life insurance materially aids in the economic development of the State.

3. ANY INCREASE IN THE PREMIUM TAX RATE WOULD HURT THE KANSAS ECONOMY BECAUSE KANSAS COMPANIES WOULD BE AT A COMPETITIVE DISADVANTAGE DUE TO THE RETALIATORY TAXES OTHER STATES WOULD LEVY UPON THOSE DOMESTICS. THE GROWTH OF EXISTING COMPANIES WOULD BE IMPEDED, AND THE FORMATION OF NEW COMPANIES OR THE RELOCATION OF EXISTING COMPANIES TO KANSAS WOULD BE DISCOURAGED.

KSLETATT/LAWSTATE/SPIEZIO

Given the significant proportion of tax revenues already contributed by the life insurance industry, it seems wholly inappropriate to require yet additional taxation for purposes of funding a special (albeit valuable) interest. It seems additionally unfair to place this additional tax burden on the shoulders of only one segment of Kansas Citizens (life insurance policyholders) when, in fact, all Kansas residents would reap the benefits of the program to be funded. The allegation that life insurers benefit from the greater longevity which is created by quality emergency medical services could, of course, be applied to any number of revenue issues. For example, one could argue that persons engaged in farming should assume the burden of tax revenues for the cost of any public education dealing with agriculture. We submit that this line of reasoning, whether it is applied to insurers or farmers, is fraught with risk.

For these reasons, we respectfully urge that you, as a member of the Governmental Organization Committee, vote to report S.B. 549 unfavorably to the Senate. We thank you for your kind consideration of these remarks, and we would be pleased to answer any questions you may have.

Respectfully submitted,

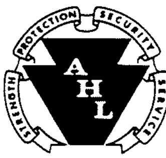
Julie A. Spiezio

JAS/kw

cc: All members of the Kansas Senate Governmental Organization Committee

KSLET/LAWSTATE/SPIEZIO

FEB 21 1990



THE AMERICAN HOME LIFE INSURANCE CO.
BOX 1497 400 KANSAS AVENUE TOPEKA, KANSAS 66601 913/235-6276

February 20, 1990

Honorable Senator Lana Oleen, Chairperson
Statehouse
Topeka, KS 66612

Re: Senate Bill 549

Dear Senator Oleen:

I am writing to oppose Senate Bill 549.

This bill would result in an additional one-quarter of one per cent gross premium tax levied against Kansas domestic life insurance companies. As I understand the bill, this additional tax would be used to finance emergency medical services in rural communities. While we certainly support adequate emergency medical care, we do not think it's fair that this cost be born solely by Kansas life insurance companies. I do not feel there will be a sufficient relationship between the additional improvement in emergency medical services and the level of claims sustained by Kansas companies to justify the tax.

In addition, there are serious retaliatory tax consequences to the domestic life insurance industry if this bill should pass. This is an additional hidden cost which would become reality if Senate Bill 549 should be become law. Specifically, I am informed by the Kansas Life Association that Senate Bill 549 would raise approximately $175,000 per year in additional Kansas premium taxes but would cost Kansas companies an additional $150,000 in retaliatory taxes payable to the various other states.

I thank you for your attention and hope that you will give Senate Bill 549 your careful consideration. I hope that you will be able to oppose the passage of Senate Bill 549. With all best wishes.

Sincerely,

Steven S. Lobell
Executive Vice President

SSL:ps

S.G.O.
Attach 8
2-26-90

FEB 23 1990

Kansas Group Life Insurance Company

1133 Topeka Blvd., Topeka, Kansas 66629-0001 (913) 273-9804

February 22, 1990

Senator Lana Oleen, Chairperson
Governmental Organization Committee
Statehouse
Topeka, Kansas 66612

RE: SB 549

Dear Senator Oleen,

Your Committee is currently considering this bill to establish an Emergency Medical Services Board, define its duties, and provide for funding.

As the Chief Operating Officer of a domestic life insurer, I urge you to not pass this legislation. While the establishment of another bureaucracy to oversee emergency medical care may have merit, the method of funding is quite objectionable. The correlation between who would benefit from this bill and those who would pay for it because they have a life insurance policy is nebulous at best and certainly selective at its worst.

Rather than considering new programs and less obvious or selective ways to finance them, I would prefer to see your efforts at this time directed toward controlling current programs and their related tax burdens.

Please do not pass SB 549.

Sincerely,

Terry D. Burton

Terry D. Burton
Executive Vice President

TDB:ls

A Subsidiary of Blue Cross and Blue Shield of Kansas

S.G.O.
Attach 9
2-26-90

FEB 23 1990

Farm Bureau Insurance

FARM BUREAU MUTUAL INSURANCE COMPANY • KANSAS FARM LIFE INSURANCE COMPANY • KFB INSURANCE COMPANY • FB SERVICES INSURANCE AGENCY

2627 KFB Plaza, Manhattan, Kansas 66502-8155 / (913) 587-6000

February 22, 1990

Senator Lana Oleen, Chairperson
Governmental Organization Committee
Statehouse
Topeka, KS 66612

Dear Lana:

We understand a hearing has been scheduled for Monday, February 26, 1990 on SB 549. We urge you to oppose this bill.

SB 549 would impose additional premium tax on Kansas companies of approximately $175,000 per year. Since the price of our products assumes only the current level of premium tax, any additional tax would be a detriment to our companies. In addition, we strongly object to the "earmarking" of funds from Kansas life insurance companies to be spent for emergency medical services over which they have no control. You should also know that many Kansas-based life insurance companies would suffer additional retaliatory taxes in other states in which they do business and, in turn, the Kansas general fund would lose an estimated $300,000 annually in retaliatory taxes otherwise receivable from foreign insurance companies.

I know Jerry Banaka from our organization has already discussed SB 549 with you. We thank you for your consideration, and again urge you to oppose SB 549.

Sincerely,

John

John R. Graham
Executive Vice President

JRG/dp

S.G.O.
ATTACH 10
2-26-90

FEB 22 1990

February 20, 1990

The Honorable Lana Oleen
Chairman, Governmental Organization Committee
The Senate of Kansas
State House
Topeka, KS 66612

RE: SB 549 (Premium Tax)

Dear Senator Oleen:

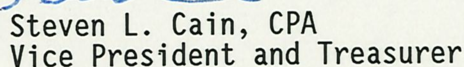
As you are aware, Senate Bill 549 provides an additional one-quarter of 1% gross premium tax on Kansas life business. In addition to the premium tax on Kansas life business, the majority of the remaining 49 states and the District of Columbia impose retaliatory premium taxes that would apply to this additional one-quarter of 1%.

The Kansas Life Association has estimated that this increase in premium tax will add an additional tax to Kansas companies such as ours of approximately $175,000 per year. In addition, it is estimated that an approximately $150,000 will be assessed to Kansas companies as retaliatory taxes to other states.

It is also calculated that this new law will cost the Kansas General Fund approximately $300,000 annually in retaliatory taxes otherwise receivable from foreign insurance companies. As such, there is little doubt that this is a negative funding proposition as far as Kansas companies are concerned.

As a consumer and an employee of a Kansas life insurance company, I am strongly opposed to this new law and request your support in defeating this bill.

Respectfully,



Steven L. Cain, CPA
Vice President and Treasurer

SLC:ke

9000 W. 67th Street • P.O. Box 470 • Shawnee Mission, Kansas 66201 • (913) 677-8800 • Fax (913) 677-2918

S.G.O.
ATTACH 10
2-26-90

FEB 22 1990

February 20, 1990

The Honorable Lana Oleen
Chairman, Governmental Organization Committee
The Senate of Kansas
State House
Topeka, KS 66612

RE: SB 549 (Premium Tax)

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As a consumer and an employee of a Kansas life insurance company, I am strongly opposed to this new law and request your support in defeating this bill.

Respectfully,

Stephen A. Elliott

Stephen A. Elliott, JD, CLU, FLMI
Vice President and Secretary

SAE:ke

9000 W. 67th Street • P.O. Box 470 • Shawnee Mission, Kansas 66201 • (913) 677-8800 • Fax (913) 677-2918

S.G.O.
ATTACH 12
2-26-90

FEB 23 1990

February 20, 1990

The Honorable Lana Oleen
Chairman, Governmental Organization Committee
The Senate of Kansas
State House
Topeka, KS 66612

RE: SB 549 (Premium Tax)

Dear Senator Oleen:

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As a consumer and an employee of a Kansas life insurance company, I am strongly opposed to this new law and request your support in defeating this bill.

Respectfully,

Dwight E. Reece

Dwight E. Reece, CPA, FLMI
Second Vice President and
Assistant Treasurer

DER:ke

9000 W. 67th Street • P.O. Box 470 • Shawnee Mission, Kansas 66201 • (913) 677-8800 • Fax (913) 677-2918

S.G.O.
ATTACH 13
2-26-90

FEB 26 1990

February 20, 1990

The Honorable Lana Oleen
Chairman, Governmental Organization Committee
The Senate of Kansas
State House
Topeka, KS 66612

RE: SB 549 (Premium Tax)

Dear Senator Oleen:

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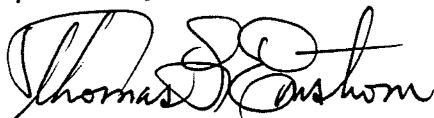
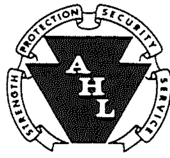


Thomas L. Enstrom, JD, CLU
Chairman of the Board and
Chief Executive Officer

TLE:ke

9000 W. 67th Street • P.O. Box 470 • Shawnee Mission, Kansas 66201 • (913) 677-8800 • Fax (913) 677-2918

S.G.O.
ATTACH 14
2-26-90



THE AMERICAN HOME LIFE INSURANCE CO.

BOX 1497 400 KANSAS AVENUE TOPEKA, KANSAS 66601 913/235-6276

February 26, 1990
TESTIMONY SUMMARY
John R. Atchley
Senate Bill No. 549 - Governmental Organization Committee

My name is John R. Atchley. I'm president of The American Home Life Insurance Company, a small mutual company with its home office located in Topeka, Kansas. Thank you for giving me the opportunity to share with you today some of my concerns regarding Senate Bill No. 549.

My comments today will be primarily directed to the effect Senate Bill 549 will have on American Home Life and its policyholders. I've explained to you that we are a small mutual company and it's no secret in our industry that times have been difficult for small life insurance companies. There have been numerous articles written about the plight of small companies and in almost every article one of the major things that management can do to keep a small company viable is control expenses. We at American Home Life are making a concentrated effort to control our expenses and at the present time we are a good, small life insurance company serving the people of Kansas and surrounding states.

However, Senate Bill 549 represents the type of expense that we cannot control. It is also the type of expense that we've not planned for. Life insurance contracts are long term contracts. Premiums and benefits are payable over many years. When pricing a life insurance contract we do the best we can in anticipating future events. When future expenses are added to our company, which we cannot foresee, something has to happen because the premiums no longer cover the projected expenses.

In the near term the company simply has to absorb the expenses and in American Home Life's case this will definitely have a noticeable impact on our ability to maintain our surplus and our growth. In the long term expenses such as that created by Senate Bill 549 will more than likely be paid by our policyholders through increased premiums or reduced dividends. It does not seem to me it is fair to ask our company and then our policyholders to pay an additional tax, a tax that is earmarked specifically towards life insurance companies. It also seems to me that this earmarking of the tax could set a very dangerous precedent.

In addition to the specific tax amount our company will, as I'm sure other companies will, incur additional expenses in computing the tax and administrative expenses directly related to payment of the tax. We will also be faced with retaliatory taxes in other states. If you consider the set-up expenses, the administrative expenses, the retaliatory tax and the .25 tax paid to Kansas, the total amount involved will represent a significant increase in expenses for our company.

S.G.O
ATTACH 15
2-26-90

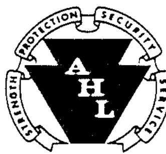
THE AMERICAN HOME LIFE INSURANCE CO.

BOX 1497 400 KANSAS AVENUE TOPEKA, KANSAS 66601 913/235-6276

Our primary concern is keeping American Home Life a viable life insurance company in the state of Kansas. We, so far at least, have had an excellent record in doing so. It seems though that we are continually faced with combating expenses which we cannot control. This includes expenses at the state level and at the federal level. I know specifically of two small life insurance companies which have left the state of Kansas through merger and I'm certain this caused not only loss of employment in Kansas but also loss of revenue to the state of Kansas.

In closing, I would like for you to know that I feel a development of emergency medical services and systems are certainly an important goal. However I do not think one specific industry should be targeted to pay for this development. At first glance it might appear that life insurance companies would benefit from the development of such services. However I personally do not believe that the benefit to life insurance companies would offset the total cost to the companies and certainly the benefits would not accrue to companies in an equal amount.

Thank you for listening to my comments today.



THE AMERICAN HOME LIFE INSURANCE CO.

BOX 1497 400 KANSAS AVENUE TOPEKA, KANSAS 66601 913/235-6276

February 13, 1990

Senator Lana Oleen
State Capitol, Room 143-N
Topeka, Kansas 66612

Dear Senator Oleen:

Thank you very much for your letter of February 7, 1990, regarding Senate Bill 549. I will appreciate it if I'm notified if a hearing on this bill is scheduled.

I hope you will permit me to just add a comment or two to the prior letter I sent to you. I want you to know why I'm so concerned about this type of legislation. I've explained to you that I am the president of a small life insurance company and these are not easy times for many small companies. We must do all we can to control our expenses in order to stay in business. For example, we've lost two small life Kansas companies in just the last two years and I believe we also lost a third one. I also note now that Victory Life Insurance Company will be moving a lot of its staff to a new location in Tennessee. I'm working as hard as I can to keep American Home Life a strong, locally based company and the type of legislation represented by Bill 549 is an example of the things that make my job so difficult.

It's not just the amount of the tax that has to be considered. It's the implementation and administrative work that has to be done should a bill like 549 be passed. I can almost guarantee you that the expenses to my company to set up the necessary procedures and computer systems to handle the requirements of 549 would exceed the amount of taxes we would collect for the state. We simply can't afford to continually be faced with this type of expense which has absolutely nothing at all to do with our life insurance business.

I've already spent several hours reading the bill and writing letters regarding the bill. I can assure you I could have spent this time in a much more productive manner on running our company life insurance operations.

Thanks again for your letter and for allowing me to express my views.

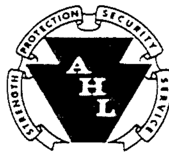
Sincerely,

John R. Atchley, FLMI, CLU, ChFC
President and Chief Executive Officer

COPY

JRA:bl

ATTACH 15-3
2-26-90



THE AMERICAN HOME LIFE INSURANCE CO.

BOX 1497 400 KANSAS AVENUE TOPEKA, KANSAS 66601 913/235-6276

February 1, 1990

Senator Lana Oleen
Chairperson
Governmental Organization Committee
Statehouse
Topeka, Kansas 66612

Dear Senator Oleen:

I'm writing to you in regard to Senate Bill No. 549, the bill that would establish a tax on life insurance premiums to pay for an emergency medical services development fund.

I hope you will give me just a minute or two and try to understand the position this type of legislation places life insurance companies, particularly small life insurance companies. I am the president of a small life insurance company so I can only speak from my particular situation and I can tell you that this type of legislation hurts a company such as American Home Life.

We do our best to develop a fairly priced and meaningful life insurance product for our customers. It is not easy to price a life insurance product because there are so many variables. However we can use our past experience and our training to arrive at a fairly priced policy. The thing we can't do is anticipate the increased cost due to legislation similar to that proposed under Senate Bill No. 549.

We are selling policies which were priced years ago. How in the world could we anticipate the increased cost due to legislation which seems to continually come up in almost every new year. Just last year legislation regarding audits for life insurance companies will increase our annual cost somewhere in the neighborhood of $30 to $50 thousand dollars. Not too long ago a federal judge in Kansas City required us to pay a special tax on all policies in the Kansas City area. We are simply being placed in an impossible position because none of these costs could be anticipated.

I'm also opposed to this type of legislation because I believe it is a hidden tax on the people of Kansas. In fact, because of retaliatory taxes we will more than likely have to pay, the full extent of the hidden tax is difficult to compute. In the long run all types of taxes are borne by the consumer. Sometimes it takes many years for these taxes to be passed along to the consumer but ultimately they are.

ATTACH 15-1
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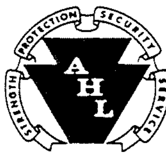

THE AMERICAN HOME LIFE INSURANCE CO.

BOX 1497 400 KANSAS AVENUE TOPEKA, KANSAS 66601 913/235-6276

In closing, I will simply say that I have always been a firm believer in that people who receive the services should pay for them and pay for them directly. I'm not opposed to the concept of creating an emergency medical services development fund, I am opposed to the way the money for it is to be collected. If people are going to receive services they should have an opportunity to decide whether or not they want them and to decide whether or not they want to pay for them. This bill does not give the people of Kansas the opportunity to make that decision.

Thank you very much for considering my comments and should you have any questions about my position I would be more than happy to answer them for you.

Sincerely,

John R. Atchley, FLMI, CLU, ChFC
President and Chief Executive Officer

JRA:bl

Kansas Life Association

OFFICERS:

President
John Graham
Manhattan

Vice President
Howard R. Fricke
Topeka

Secretary-Treasurer
John R. Atchley
Topeka

LEGISLATIVE COMMITTEE:

Steve Lobell - Chairman
Topeka

Chuck Blankenship
Topeka

Walt Whalen
Shawnee Mission

Jerry Banaka
Manhattan

Jim Hall
Topeka

~~L.M. Cornish~~
General Counsel
900 Merchants Natl. Bank Bldg.
Topeka, Kansas 66612

February 22, 1990

Senator Lana Oleen
Chairman
Senate Governmental Organization Committee
Statehouse
Topeka, Kansas 66612

RE: <u>S 549 - Gross Premium Tax</u>

Dear Senator Oleen:

The Kansas Life Insurance Association opposes S 549 which would impose a premium tax of 1/4 of 1% of gross premiums received from Kansas life insurance policyholders.

The Association is composed of 12 Kansas domestic life insurance companies and a letterhead setting out these companies is attached hereto. The Association does not object to "the establishment and development of emergency medical services and systems within the state." It does, however, object to a concept which would single out the life insurance industry as the financial support of this program.

If there is serious need for this statewide service for all Kansans, then its support should be from all Kansans, not just Kansas life insurance policyholders.

CURRENT TAXATION OF THE KANSAS LIFE INSURANCE INDUSTRY

The insurance industry is already heavily taxed in Kansas. In fiscal 1989, domestic and foreign insurance companies paid approximately $67,500,000 in taxes to the Kansas General Fund. Domestic insurance companies pay Kansas gross premium tax, Kansas

Alliance Life Insurance Co. Wichita
The American Home Life Insurance Co. Topeka
The Centennial Life Insurance Co. Mission
Employers Reassurance Corp. Overland Park
The Great American Life Ins. Co. Hutchinson
Great-West Life & Annuity Ins. Co. Wichita
Kansas Farm Life Insurance Co. Manhattan
Kansas Group Life Insurance Co. Topeka
The Pyramid Life Insurance Co. Shawnee Mission
Security Benefit Life Insurance Co. Topeka
The Victory Life Insurance Co. Topeka
American Investors Life Insurance Co.-Topeka

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privilege tax, fire marshal tax, firemen relief tax, real estate tax, federal income tax and retaliatory tax to other states. The fiscal note on this tax bill is an additional $1.8 million gross premium tax which will have an annual increase of approximately 7%. Of this additional tax, approximately $175,000 will be paid by Kansas domestic life insurance companies.

Life insurance companies have a constantly increasing tax base. This tax base includes all renewal premiums as well as premiums received from new business.

A SINGLE INDUSTRY SHOULD NOT BE SINGLED OUT AS THE FINANCIAL SUPPORT OF THIS PROGRAM

The establishment and development of emergency medical services is a service which benefits the public generally. The insurance industry should not be singled out to support this general public need. It is inequitable to require Kansas life insurance policyholders/consumers to pay a tax to support a general public service. Insurance policyholders should not be penalized because they have prudently purchased insurance to protect themselves and their families. This is a hidden tax - hidden within the insurance premium paid by every policyholder. The expense of these services should be borne by general revenue.

"EARMARKING"

The practice of dedicating specific sources of tax revenue for special purposes ("earmarking") has long been a serious budgetary and tax problem as it is the equivalent of a partial surrender by the Legislature of the state's purse strings. This is particularly true where the specific source is a constantly increasing amount. Under S 549 the amount of the levy up to one-quarter of 1% of life insurance premiums is to be determined by the Emergency Medical Services Board.

In matters where "earmarking" is approved, there is always a definite close relationship between the tax source and the tax recipient. There is no such relationship between life insurance policyholders and the ambulance and first aid activities of the EMS Board. K.S.A. 65-6102 designates the areas from which EMS Board members are to be appointed. It is noticeable that the Legislature has not considered life insurance companies or policyholders as having a close relationship with EMS.

We believe this attempt to "earmark" life insurance premiums is poor public policy as Kansas life insurance policyholders will be the payors of this tax. Kansas life insurance companies and their policyholders believe the obligation to finance a statewide first aid and ambulance project should be borne not just by those who have provided life insurance for their families, but by all taxpayers. The legislature has previously determined that EMS is to be financed by the General Fund. We note no documentation which would change this position.

A GROSS TAX IS AN INEQUITABLE TAX

The premium tax to be levied under S 549 is a gross tax and comes "off the top." It is to be paid before company expenses are paid. It is paid whether a company's operation is profitable or unprofitable, and whether it was or was not a loss year.

Each 1% of Gross Premium Tax is equivalent to 17.1% net income tax. Thus the 0.25% premium tax increase proposed by SB 549 would be equivalent to an additional net income tax of over 4.27%.

RETALIATORY TAX IMPACT

The enactment of S 549 will cause a serious adverse retaliatory tax impact in two ways. First, it will cause

domestic life insurance companies to pay additional taxes to other states. This amount is estimated to be $150,000 per year, which is Kansas money being paid to other states. Second, it will reduce the retaliatory taxes currently paid to the Kansas General Fund by foreign life insurance companies doing business in Kansas. The retaliatory tax currently paid to the General Fund by foreign insurance companies in FY 1989 was $2,000,000. It is estimated that S 549 will cause Kansas to lose approximately $300,000 of this revenue.

The enactment of this gross premium tax will automatically cause a tax retaliation by other states against Kansas domestic life insurance companies doing business in those other states. The retaliation tax is peculiar to the insurance industry and not generally understood. All states, except three, have enacted retaliatory laws. Essentially, these retaliatory laws provide that if Kansas taxes companies from other states doing business in Kansas more than those states tax Kansas companies doing business in those other states, then Kansas companies will be charged the higher tax by those other states as a retaliation. For example, if a Missouri company writing business in Kansas is taxed a total of $50,000 by Kansas, and a Kansas company writing the same amount of business in Missouri is taxed only $40,000 by Missouri, the Kansas company doing business in Missouri will be assessed an additional $10,000 in retaliatory tax by the State of Missouri. This type of tax is multiplied by the number of states in which the Kansas company does business. Needless to say, this tax inhibits the growth and development of Kansas insurance companies.

It is of further interest, we believe, that one Kansas company, which has policyholders in all 50 states, will be required under S 549 to pay in excess of $37,000 per year as additional retaliatory tax to other states and would pay Kansas an additional tax of $22,000 per year.

Many Kansas domestic companies are multi-state and would pay additional retaliatory taxes to other states.

SPIRALING INSURANCE PREMIUM RATES

The Kansas life insurance industry and its policyholders/consumers are concerned with increasing premium rates. The insurance industry is doing everything possible to keep coverages both available and affordable to the Kansas policyholder/consumer. However, this additional tax would be yet another overhead factor.

CURRENT FIXED RATE CONTRACTS

Kansas companies have issued life insurance contracts to many policyholders. Most of these are with a fixed premium and cannot be reopened to allow a "pass-through" of this additional tax. Rates for newly issued policies may be increased to accommodate this additional charge.

SUMMARY

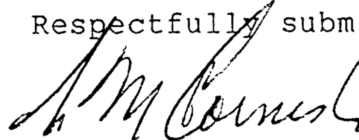
This proposed tax will raise approximately $1.8 million with a potential increase each year. It is estimated that $300,000 will be lost annually from foreign retaliatory taxes paid to the General Fund. There will also be some reduction in privilege (income) tax paid to the General Fund by the domestic companies. This is caused by the increase in tax and the additional retaliatory taxes paid by the domestic companies to other states, which are expense items.

While not exact, we estimate that domestic companies will pay other states the sum of approximately $150,000 in additional retaliatory taxes.

In other words, the cost to Kansas to collect the $1.8 million for the Emergency Medical Services will be approximately $300,000 to the State General Fund and approximately $150,000 to be paid by Kansas companies to other states. This is certainly HIGH COST tax collection.

To base this tax on total life insurance premiums received does not appear equitable as the bill does not take into consideration premium refunds, dividends returned to policyholders or premiums received from reinsurance.

Respectfully submitted,



L. M. CORNISH
General Counsel
Kansas Life Insurance Association

LMC:sh
cc: Committee Members

The Security Benefit
Group of Companies

Security Benefit Life Insurance Company
Security Benefit Group, Inc.
Security Distributors, Inc.
Security Management Company

700 Harrison St.
Topeka, Kansas 66636-0001
(913) 295-3000

Date: February 26, 1990

To: Senate Governmental Organizations Committee

From: Security Benefit Life Insurance Company
James D. Hall, Assistant Counsel

Subj: Senate Bill 549 - Premium Tax Increase for Emergency Medical Service

The Security Benefit Life Insurance Company opposes Senate Bill 549. We urge the Committee to not recommend the bill's passage. Senate Bill 549 will result in Security Benefit and other Kansas life companies having to pay retaliatory taxes to other states in addition to taxes paid to Kansas. The bill also arbitrarily places the burden of funding on only one segment of Kansas citizens; the life insurance industry and its policyholders.

RETALIATORY TAX

In 1989 Security Benefit Life will pay $88,000 in premium taxes to the State of Kansas. Senate Bill 549 would raise that figure to $110,000, an increase of $22,000.

Security Benefit also does business in other states and therefore pays premium taxes in those states as well. In 1989 Security Benefit will pay approximately $1.5 million in premium taxes to other states. However, because the Kansas premium tax rate is higher than in some other states, those other states penalize Kansas companies doing business there with an additional retaliatory tax.

For example, state A has a premium tax rate of 1%. Kansas has a tax rate of 2%. Therefore, life companies from state A must pay more to do business in Kansas than Kansas companies must pay to do business in state A. The solution from State A's point of view, is to tack a 1% retaliatory tax onto Kansas companies doing business in state A. These retaliatory tax provisions are automatic, thus whenever Kansas raises its premium tax rate, Kansas companies have their rates raised in other states.

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As stated earlier, in 1989, Security Benefit paid $1.5 million in premium taxes nationwide. In addition, we paid $33,000 in retaliatory taxes. Senate Bill 549 would increase our national retaliatory taxes by $44,000 making a total of $77,000. This additional $44,000 does not benefit Kansas in any way. This is money going to the treasuries of other states to help pay for their local programs.

Kansas life companies will pay $132,000 in retaliatory taxes in 1989. Senate Bill 549 would raise that amount to $319,000. Again, this is money leaving Kansas to benefit other state.

THE FUNDING BURDEN

Senate Bill 549 arbitrarily places the burden of funding on only one segment of Kansas citizens; the life insurance industry and its policyholders. There is no logical connection between ambulance service and life insurance. The legislature saw no such connection when they created the Emergency Medical Services Board under K.S.A. 65-6102. If passed, Senate Bill 549 would not only increase taxes on the life insurance companies, it would raise premium rates to new policyholders and decrease dividends to existing policyholders. We see no reason to place the funding burden on one segment of society when the program is for the whole society.

The programs created by Senate Bill 549 are not only for the benefit of the life insurance companies and their policyholders, they are to benefit all Kansans. Should not all Kansans share the support of these programs?

We should emphasize that we do not oppose ambulance services or training programs for emergency medical services. What we oppose is Senate Bill 549's requirement that only a segment of society support a program to benefit the society in general.

CONCLUSION

We ask that Senate Bill 549 receive an unfavorable recommendation from the committee. The bill would raise taxes on Kansas companies outside the state's borders, raise the cost of life insurance to new policyholders, decrease dividends to existing policyholders, and arbitrarily place its funding burden on only one segment of Kansans when the bill is to benefit all Kansans.

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Session of 1990

SENATE BILL No. 427

By Special Committee on Federal and State Affairs/ Governmental Organization

Re Proposal No. 27

12-21

AN ACT concerning housing and housing related programs; designating the department of commerce as the official state agency for purposes of compliance with federal housing and housing related acts and programs; transferring certain powers, duties and functions from the secretary and department of social and rehabilitation services to the secretary and department of commerce; repealing K.S.A. 75-5340.

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

Section 1. (a) (1) All of the powers, duties and functions of the secretary of social and rehabilitation services and the department of social and rehabilitation services which relate to housing and housing assistance and which were exercised pursuant to contracts and agreements with the federal department of housing and urban development immediately prior to the effective date of this act are hereby transferred to and conferred upon the secretary of commerce and the department of commerce.

(2) All of the powers, duties and functions of the secretary of social and rehabilitation services and the department of social and rehabilitation services which relate to the application, receipt, administration, and utilization of grants, vouchers and other financial assistance that the federal ~~government~~ [department of housing and urban development] makes available under federal housing ~~and housing related acts and~~ programs, and that other public or private entities make available for housing and housing related purposes, are hereby transferred to and conferred upon the secretary of commerce and the department of commerce.

(b) The secretary of commerce and the department of commerce shall be the successors in every way to the powers, duties and functions which are specified in this section and which were vested in the secretary of social and rehabilitation services and the department of social and rehabilitation services prior to the effective

1 date of this act.
2 (c) Whenever the secretary of social and rehabilitation services
3 or the department of social and rehabilitation services, or words of
4 like effect, is referred to or designated by statute, contract or other
5 document with regard to the powers, duties and functions which are
6 specified in this section, such reference or designation shall be
7 deemed to apply to the secretary of commerce and the department
8 of commerce.
9 (d) Officers and employees who immediately prior to the effective
10 date of this act were engaged in the exercise and performance of
11 the powers, duties and functions specified in this section and who,
12 in the opinion of the secretary of commerce, are necessary to perform
13 the powers, duties and functions transferred under this section shall
14 become officers and employees of the department of commerce. Any
15 such officer or employee shall retain all retirement benefits and all
16 rights of civil service which had accrued to or vested in such officer
17 or employee prior to the effective date of this act. The service of
18 each such officer and employee so transferred shall be deemed to
19 have been continuous. All transfers and any abolition of personnel
20 positions in the classified service under the Kansas civil service act
21 shall be in accordance with civil service laws and any rules and
22 regulations adopted thereunder.
23 Sec. 2. Whenever the designation of a state agency is required
24 by any federal act or program under which federal financial assistance
25 is made available for housing or housing related purposes, the de-
26 partment of commerce shall serve as the officially designated state
27 agency of Kansas and such department shall be responsible for ex-
28 ercising the powers and performing the functions and duties required
29 of state agencies under such federal acts and programs.

New Sec. 3. There is hereby established within the existing division of community development the office of housing the head of which shall be the assistant director for housing. Under the supervision of the director of community development, the assistant director for housing shall administer the office of housing.

New Sec. 4. There is hereby established the housing concerns advisory committee the members of which shall be appointed by the secretary of commerce from the following: One member from the office of housing coordinator of the United States department of commerce; one member from the commission on civil rights or its staff; one member from the commission on disability concerns or its staff; one member from the national association of housing; two members from public housing authorities (one urban and one rural); one member from the Kansas association of counties; one member from the Kansas league of municipalities; one member representing public utilities; two members representing private developers (one urban and one rural); two members from nonprofit organizations; one member representing mental health concerns; one member representing aging citizens who are over 65 years of age; and other members the secretary deems necessary in the performance of the goals of the office of housing.

New Sec.5. The office of housing shall prepare and submit to the 1991 session of the legislature a preliminary plan for housing for Kansas which meets the criteria of the federal department of housing and urban development.

New Sec.6. The housing concerns advisory committee shall have and perform the following functions:

(a) Assist in the development of the preliminary plan for housing for Kansas prepared in accordance with section 5;

(b) address the special populations in need of housing availability and affordability; and

(c) work with existing agencies, organizations and social programs to develop affordable and accessible housing.

New Sec. 7. Section 4 is repealed on March 31, 1992.

30 8 ~~Sec. [3]~~ K.S.A. 75-5340 is hereby repealed.
31 9 Sec. [4] This act shall take effect and be in force from and after
32 its publication in the [statute book] Kansas register