

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:05 A.M. on May 20, 2005, at the rail on the 3rd floor outside the Senate Chamber of the Capitol.

All members were present except:

Senator Steve Morris- excused

Committee staff present:

Norman Furse, Revisor of Statutes
Jill Wolters, Senior Assistant, Revisor of Statutes
Gordon Self, Senior Assistant, Revisor of Statutes
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Matt Spurgin, Kansas Legislative Research Department
Robert Waller, Kansas Legislative Research Department
Chris Courtwright, Kansas Legislative Research Department
Judy Bromich, Administrative Analyst
Mary Shaw, Committee Secretary

Conferees appearing before the committee: none

Others attending:

various

Chairman Umbarger called the committee's attention to discussion of:

Senate Substitute for HB 2518--Death benefits for beneficiaries of certain Kansas national guard members; appropriations therefor (Attachment 1)

Gordon Self, Revisor of Statutes Office, explained the possible tax implications of federal and state taxes regarding the death benefit proposed in the bill. The Committee discussed the proposed substitute bill. Senator Barone moved, with a second by Senator Emler, to insert language in Senate Substitute for HB 2518 similar to KPERS to insure that the death benefit is not taxed at the state level. Motion carried on a voice vote.

Senator Wysong moved, with a second by Senator Teichman, to recommend Senate Substitute for HB 2518 favorable for passage as amended. Motion carried on a roll call vote. (Attachment 2)

Senator Barone asked the committee to review a draft bill concerning the Kansas National Guard, providing for reimbursement of premium costs of certain death benefits for members in federal service; prescribing certain duties and functions for the Adjutant General; making and concerning appropriations for the fiscal year ending June 30, 2006, for the Adjutant General. No action was taken.

Copies of the following sets of minutes were distributed to the committee members:

March 11, March 30, April 27 and April 28

If there are any changes or additions, the Committee is to call the Kansas Legislative Research Department prior to May 31, 2005. If there are no requests for changes by that date, the minutes listed above will stand approved as of May 31, 2005.

Note: The minutes of April 21-22, 2005 (Omnibus session) and May 20, 2005 were distributed for review and approval on June 22, 2005, the first day of the 2005 Special Legislative Session and approval day was set for June 30, 2005.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on May 20, 2005, in Room 123-S of the Capitol.

The meeting adjourned at 10:20 a.m. This was the last meeting for Senate Ways and Means for the 2005 Legislative Session.

SENATE SUBSTITUTE FOR HOUSE BILL NO. 2518

As Amended by Senate Committee on Ways and Means

Brief

Senate Substitute for HB 2518 would provide an aggregate death benefit of \$250,000 to the beneficiary, beneficiaries, or the estate of a member of the Kansas National Guard (KNG) who dies while on federal active duty in a combat area, except as a result of suicide. This bill also authorizes death benefits for the three national Guard members who have already died in a combat zone. Approval of future death benefit payments would be authorized by the State Finance Council, with expenditure remitted from the state emergency fund. The bill would authorize the Adjutant General to develop guidelines and to adopt rules and regulations for the payment of the death benefit. The death benefit is retroactively applied to deaths between November 1, 2004 and prior to July 1, 2007. The effective date is upon publication in the *Kansas Register*.

Background

The original HB 2518 would authorize the Adjutant General to pay the employer of a National Guard member for the cost of private health insurance. Additional language was added by the House Committee of the Whole to also allow for the termination of a cellular phone contract without a cancellation fee or suspend the service plan for any individual called to serve in uniformed military duty who is assigned to a location that make the cellular phone inoperable.

The Committee on Ways and Means amended Section 47 of 2005 Senate Substitute for HB 2482 by removing the contents of HB 2518 and inserting new language that increases the death benefit from \$125,000 to \$250,000.

SENATE SUBSTITUTE FOR HOUSE BILL NO. 2518

As Amended by Senate Committee on Ways and Means
(Revised)

Brief

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Background

The original HB 2518 would authorize the Adjutant General to pay the employer of a National Guard member for the cost of private health insurance. Additional language was added by the House Committee of the Whole to also allow for the termination of a cellular phone contract without a cancellation fee or suspend the service plan for any individual called to serve in uniformed military duty who is assigned to a location that make the cellular phone inoperable.

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