

Date

MINUTES OF THE HOUSE TRANSPORTATION AND PUBLIC SAFETY BUDGET COMMITTEE

The meeting was called to order by Chairman Lee Tafanelli at 3:30 p.m. on March 4, 2010, in Room 142-S of the Capitol.

All members were present.

Committee staff present:

Jim Wilson, Office of the Revisor of Statutes
Aaron Klaassen, Kansas Legislative Research Department
Jonathan Tang, Kansas Legislative Research Department
Gina Bowes, Committee Assistant

Conferees appearing before the Committee:

Dan McLaughlin, State Fire Marshal, Office of the Kansas State Fire Marshal

Others attending:

See attached list.

- Attachment 1 Overview of **HB 2387**
- Attachment 2 Testimony of Dan McLaughlin, State Fire Marshal, Office of the State Fire Marshal
- Attachment 3 Written Testimony of Steve Sutton, Interim Executive Director, Kansas Board of Emergency Medical Services

Hearing on HB 2387 - Emergency medical services board operating fund and fire service training program fund pay the 20% reimbursement to the state general fund for administrative costs

Aaron Klaassen, Kansas Legislative Research staff, explained **HB 2387** (Attachment 1). He stated currently the assessment of the administrative services has been solely charged to the State Fire Marshal's Office and that the Governor's recommendation is the assessment be charged to the three agencies it supports; which is the State Fire Marshal, the Kansas Board of Emergency Medical Services (KBEMS) and the Kansas Fire & Rescue Training Institute at the University of Kansas. Currently, this is in the megabill to make it a one year change. This particular legislation would make the change permanent so that it would become part of the statutes. This would assess the fee evenly across the agencies as to the portion they receive of the fire insurance levy. Therefore, \$128,000 would be charged to the State Fire Marshal, \$40,000 would be charged to KBEMS and \$32,000 to the Kansas Fire & Rescue Training Institute.

Aaron Klaassen stood for questions.

Dan McLaughlin, State Fire Marshal, presented testimony in support of **HB 2387** (Attachment 2). This legislation changes the order in which the \$200,000 is deducted from levies on fire insurance premiums for administrative services received by agencies.

Dan McLaughlin stood for questions.

Chairman Tafanelli asked if this legislation would benefit the State Fire Marshal's office in terms of cash flow. Mr. McLaughlin stated this would not solve the cash flow dilemma with his office but would add an additional \$72,000 to their budget annually.

Steve Sutton, Interim Executive Director, Kansas Board of Emergency Medical Services (KBEMS), presented written testimony in a neutral position on **HB 2387** (Attachment 3). KBEMS is neutral on this bill because it does reflect a reduction in funding of the Agency but is an equitable distribution of the administrative fees.

Chairman Tafanelli asked if there were any other proponents or opponents for the bill. Seeing none, Chairman Tafanelli recognized Revisor Jim Wilson. Revisor Wilson advised there were a few technical amendments needed in this bill. This bill refers to K.S.A. 2008 supplement in lines 11, 15 and 5, and would need an

CONTINUATION SHEET

Minutes of the House Transportation and Public Safety Budget Committee at 3:30 p.m. on March 3, 2010, in Room 142-S of the Capitol.

amendment if Committee were to recommend it favorably for passage. He explained the K.S.A. 2008 supplements are no longer in existence; therefore, the references to K.S.A. 2008 supplement need to be changed to K.S.A. 2009 supplement.

Chairman Tafanelli asked for further questions or comments from Committee members.

In reference to a question Representative Swanson had regarding KBEMS administrative fees, Revisor Wilson explained that under current law, the other three agencies, including KBEMS, were not required to pay any administrative fees to the State General Fund.

The hearing on HB 2387 was closed.

The next meeting for possible action on **HB 2387** is scheduled for next week.

The meeting was adjourned at 3:40 p.m.

TRANSPORTATION & PUBLIC SAFETY BUDGET COMMITTEE
GUEST LIST
MARCH 4, 2010

NAME	REPRESENTING
<i>Dan McLaughlin</i>	<i>KSFMD</i>

HOUSE BILL No. 2387

By Committee on Appropriations

3-17

9 AN ACT concerning fire insurance premiums; relating to the emergency
10 medical services board operating fund and the fire service training
11 program fund; amending K.S.A. 2008 Supp. 75-1514 and repealing the
12 existing section.
13

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

15 Section 1. K.S.A. 2008 Supp. 75-1514 is hereby amended to read as
16 follows: 75-1514. (a) The commissioner of insurance shall remit all mon-
17 eys received by the commissioner under ~~subsection (a) of K.S.A. 75-1508,~~
18 and amendments thereto, to the state treasurer in accordance with the
19 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
20 each such remittance, the state treasurer shall deposit the entire amount
21 in the state treasury ~~to the credit of the fire marshal fee fund for the fiscal~~
22 ~~years ending June 30, 2003, and June 30, 2004, and the state treasurer~~
23 ~~shall credit 20%. Twenty percent of each such deposit shall be credited~~
24 ~~to the state general fund and shall credit the remainder of each such~~
25 ~~deposit the balance shall be credited as follows:~~

26 (1) 64% to the fire marshal fee fund for the fiscal year ending June
27 30, 2005, and ensuing fiscal years;

28 (2) 20% to the emergency medical services board operating fund; and

29 (3) 16% to the fire service training program fund.

30 (b) There is hereby created the fire marshal fee fund in the state
31 treasury. All expenditures from the fire marshal fee fund shall be made
32 in accordance with appropriations acts upon warrants of the director of
33 accounts and reports pursuant to vouchers approved by the state
34 fire marshal or a person or persons designated by the state fire marshal.

35 ~~(c) The commissioner of insurance shall remit all moneys received by~~
36 ~~the commissioner under subsection (b) of K.S.A. 75-1508, and amend-~~
37 ~~ments thereto, to the state treasurer in accordance with the provisions of~~
38 ~~K.S.A. 75-4215, and amendments thereto. Upon receipt of each such~~
39 ~~remittance, the state treasurer shall deposit the entire amount in the state~~
40 ~~treasury to the credit of the emergency medical services board operating~~
41 ~~fund.~~

42 ~~(d) The commissioner of insurance shall remit all moneys received~~
43 ~~by the commissioner under subsection (c) of K.S.A. 75-1508, and amend-~~

1 ~~ments thereto, to the state treasurer in accordance with the provisions of~~
2 ~~K.S.A. 75-4215, and amendments thereto. Upon receipt of each such~~
3 ~~remittance, the state treasurer shall deposit the entire amount in the state~~
4 ~~treasury to the credit of the fire service training program fund.~~

5 Sec. 2. K.S.A. 2008 Supp. 75-1514 is hereby repealed.

6 Sec. 3. This act shall take effect and be in force from and after its
7 publication in the statute book.



STATE OF KANSAS
OFFICE OF THE FIRE MARSHAL

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Testimony before the House Transportation and Public Safety Budget Committee
Regarding House Bill 2387

By Dan McLaughlin, Kansas State Fire Marshal

March 4, 2010

We stand in support of House Bill 2387 to change the order in which the \$200,000 is deducted from levies on fire insurance premiums for administrative services received by agencies. Over the last six years the full \$200,000 has come from our portion of the levies, and not deducted off the total before dividing between the three agencies. The cost to our agency has been approximately \$420,000, which is just short of our \$500,000 loan approval from the State General Fund that we have come to depend on between revenue periods.

TRANSPORTATION & PUBLIC SAFETY
BUDGET
DATE 3-4-2010
ATTACHMENT 2



KANSAS

DENNIS ALLIN, M.D., CHAIR
STEVEN SUTTON, INTERIM EXEC. DIRECTOR

MARK PARKINSON, GOVERNOR

BOARD OF EMERGENCY MEDICAL SERVICES

Testimony

Date: March 2, 2010
To: Transportation and Public Safety Committee
From: Steven Sutton, Interim Executive Director
RE: 2010 House Bill 2387

Resides: Transportation and Public Safety Committee	Agency Status: Neutral
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Chairman Tafenelli and members of the Transportation and Public Safety Committee, thank you for the opportunity to provide testimony on the House Bill 2387, my name is Steven Sutton and I am the Interim Executive Director for the Kansas Board of Emergency Medical Services (KBEMS).

House Bill 2387 redistributes the administrative fee equally among the recipients of the monies associated with this source of funding. The reallocation reduces the Board of Emergency Medical Services revenue by approximately \$40,000 annually. Any reduction in funding, especially in a small agency, results in a negative impact on the Agency mission.

Conclusion

KBEMS is neutral on this bill because it does not reflect a reduction in funding of the Agency but is an equitable distribution of the administrative fees. Thank you for allowing me to provide testimony on House Bill 2387.