

Approved: 03-26-2012

(Date)

MINUTES OF THE SENATE FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

The meeting was called to order by Chairperson Ruth Teichman at 9:30 AM on Thursday, February 16, 2012 in 152-S of the Capitol.

All members were present.

Committee staff present:

Melissa Calderwood, Kansas Legislative Research Department
Heather O'Hara, Kansas Legislative Research Department
Ken Wilke, Revisor of Statutes Office
Marilyn Arnone, Committee Assistant

Conferees appearing before the Committee:

Dan Murray, Associate, Frederico Consulting
Daniel Tripp, Health Care Compact Alliance
Earl Long
Paul Degenger, Concerned Citizen
David Wilson, Volunteer and Past President Kansas AARP

Others in attendance:

See attached list.

Chair Teichman called the meeting to order and asked for approval of the Committee minutes of January 24, 25, and 26, 2012.

Senator Masterson moved that the minutes of January 24, 25, and 26, 2012 be approved. Senator Steineger seconded and the motion carried.

The Chair opened the hearing on **SB 373–Interstate health care compact**. Melissa Calderwood gave an overview of the bill. This bill concerns public health care relating to the interstate health care compact. The member states shall take joint and separate action to secure consent of the

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CONTINUATION SHEET

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U. S. Congress to return the authority to regulate health care to the member states. The member states shall have the right to certain Federal monies, to establish the Interstate Advisory Health Care Commission, and under certain conditions may withdraw from the Compact by adopting a law to that effect. The fiscal effect of this bill has not been determined.

Dan Murray testified in favor of **SB 373**. He said that in considering an interstate health care compact, you are asked to support a change in governance of health care-related decisions. It is not setting specific health care policy. This compact petitions Congress to consent to an interstate opportunity to bring health care decisions closer to home. The passage of **SB 373** is a first step to empowering states and bringing the decision making closer to the people. (Attachment 1)

Daniel Tripp spoke in strong support of **SB 373**. A health care compact is between two or more states with no fiscal impact to Kansans that gives the responsibility and authority to regulate health care and control funds to the states and not the federal government. States are more effective regulators and can manage health care delivery cheaper and more efficiently than the federal government. There are four states currently in the Compact and 14 others are considering joining in 2012. The State is not permanently bound by the Compact; the state does not have to change federal health care delivery and can leave the compact by a simple vote of the legislature. (Attachment 2)

Earl Long testified in support of The Health Care Compact. He contends that AARP does not represent the best interest of senior citizens and is actually an insurance company that uses a loop hole in the tax law to circumvent paying taxes. He supports the Health Care compact which is a viable alternative to Obamacare allowing the regulation of health care to be a State function and not a Federal function. (Attachment 3)

Paul Degener said he is a concerned citizen who is opposed to **SB 373**. He does not feel there needs to be any further compacts and does not feel the officials of the compact can be trusted. He believes that solutions to stop a runaway federal government can be found in the Constitution. (Attachment 4)

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David Wilson spoke in opposition to **SB 373**. He believes **SB 373** is a frivolous measure that does nothing at best, and at worst, put seniors, Kansans with disabilities and children at risk. Under the Compact bill, Kansas citizens could lose many rights and protections. Furthermore, he does not believe Congress would ever consent to the right of states to enter the compact and suspend the operation of any conflicting federal law. (Attachment 5)

Following a question and answer period, Chair Teichman closed the hearing on **SB 373** saying there needed to be more discussion and thought given to this bill before it is acted upon.

The Chair opened the hearing on **SB 372–Kansas money transmitter act**. Melissa Calderwood began the overview of the bill by saying the bill was requested by the Office of the State Bank Commissioner. It amends definitions for the terms agent, permissible investments and person. The bill allows the Bank Commissioner to establish fee schedules for licensees to meet budget requirements, and allows for the update of disciplinary action by the Commissioner to protect the citizens of the State.

Ms. Calderwood stood for questions.

Time limited further testimony on **SB 372**. The Chair said the hearing would remain open and continue on the following Tuesday.

The Chair said there had been an understanding on **SB 250** to look at funding insurance for firefighters' families who had been killed in the line of duty at an 18 month COBRA policy and municipalities seemed more favorable to that suggestion. It appeared that the loss of firefighters was about 10 in 10 years which would not put a financial strain on the municipalities to fund the policies. **SB 250** would be worked after turnaround.

The Chair asked Senator Taddiken to introduce the Pages who accompanied him to the meeting. They were Jake Boerger, his sister Kate Boerger and their friend Abby Helms all from Leawood.

The Chair adjourned the meeting at 10:30 AM. The next meeting will be February 20, 2012.

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