

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairperson Ty Masterson at 10:30 am on Tuesday, March 08, 2016, 548-S of the Capitol.

All members were present

Committee staff present:

Jill Wolters, Office of Revisor of Statutes
Scott Abbott, Office of Revisor of Statutes
Jill Wolters, Office of Revisor of Statutes
Scott Abbott, Office of Revisor of Statutes
David Wiese, Office of Revisor of Statutes
J.G. Scott, Legislative Research Department
Shirley Morrow, Legislative Research Department
Dezeree Hodish, Legislative Research Department
Dylan Dear, Legislative Research Department
Bobbi Mariani, Legislative Research Department
Amy Deckard, Legislative Research Department
Mark Skoglund, Legislative Research Department
Debbie Luper, Chief of Staff
Dee Heideman, Committee Assistant

Conferees appearing before the Committee:

Cindi Luxem, President & CEO, Kansas Health Care Association
Rachel Monger, Director of Government Affairs, LeadingAge Kansas
Mitzi McFatrich, Executive Director, Kansas Advocates for Better Care
Kelli Ludlum, Assistant Secretary, Department for Aging and Disability Services
Shawn Sullivan, Director, Division of Budget
Travis Stryker, Professional Engineer, Kansas Professional Society of Engineers
Tanya Dorf Brunner, Executive Director, Oral Health Kansas
Erick Vaughn, Executive Director, Kansas Head Start Association
Shannon Cotsoradis, President and CEO, Kansas Action for Children

Others in attendance:

No list available

Point of Personal Privilege

Senator Arpke introduced his pages from Solomon, Kansas: Alec Azim, Brandon Nelson, Denise Ragnoni, Ethan Thompson, Charley Robinson.

Bill introductions

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.

CONTINUATION SHEET

MINUTES of the Committee on Ways and Means at 10:30 am on Tuesday, March 08, 2016 in Room 548-S of the Capitol.

Senator Fitzgerald moved to introduce an act concerning insurance; relating to motor vehicle liability insurance; notification of cancellation of policy. The motion was seconded by Senator Arpke and the motion was adopted by a voice vote.

Senator Fitzgerald moved to introduce proposed legislation concerning medical marijuana. The motion was seconded by Senator Arpke and the motion was adopted on a voice vote.

Hearing on: SB457 — Nursing home quality care assessment rate and sunset.

Amy Deckard, Assistant Director for Information Management, Legislative Research Department, explained and outlined the three main points of the bill. She said it would:

- require the implementation of the statutory 3 year rolling average to determine nursing facilities' reimbursement rates;
- increase the maximum annual amount of the quality care assessment from the current \$1,950 to \$4,908 per licensed bed;
- update reference to the Kansas Homes and Services for the Aging to the entity's new name, LeadingAge Kansas ([Attachment 1](#)).

Proponents:

Cindy Luxem, President and CEO, Kansas Health Care Association, supported this bill because it is the solution for funding quality nursing home care in Kansas ([Attachment 2](#)).

Rachel Monger, Director of Government Affairs, LeadingAge Kansas, supports passage of this bill because she said if the quality care assessment is allowed to sunset, the nursing home Medicaid program will lose \$51 million and providers would realize an average rate cut of 7% ([Attachment 3](#)).

Opponents:

There were no opponents to appear before the committee.

Neutral:

Mitzi McFatrigh, Executive Director, Kansas Advocates for Better Care, spoke to this bill as a neutral party and said her concern is to advocate for policies that assure and protect older adults and other consumer rights ([Attachment 4](#)).

Senator Francisco asked Ms. McFatrigh if she was offering an amendment to raise the hours of care from 2 hours to 4 1/2 hours per day for the provider tax. She said she would be happy to provide the amendment to the committee which would raise the State current minimum from 2 hours of care which was set in 1980 and has not been raised since.

Kelli Ludlum, Assistant Secretary, Department for Aging and Disability Services (KDADS), said they have not taken a position on the provider assessment increase; however, they strongly support the sunset extension ([Attachment 5](#)).

Senator Kelly asked what sanctions are used for those facilities that are constantly in violation. Melissa

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.

CONTINUATION SHEET

MINUTES of the Committee on Ways and Means at 10:30 am on Tuesday, March 08, 2016 in Room 548-S of the Capitol.

Warfield, Director Fiscal Program Violations, KDADS, said that if there is a facility that in violation is receiving staffing incentives, they are suspended until the next survey. She said this does provide some accountability.

Written Proponents:

April Holman, Executive Director, Kansas Adult Care Executives ([Attachment 6](#)).

Written Neutral:

Ernest Kutzley, Advocacy Directory, AARP Kansas ([Attachment 7](#)).

The Chairperson closed the hearing on **SB457**.

Hearing on: SB463 — Abolishing the expanded lottery act revenues fund, the Kansas endowment for youth fund, the children's initiative fund, the state economic development initiatives fund; all revenues into such funds go into the state general fund; other transfers to the state general fund; duties of Kansas children's cabinet.

Chairperson Masterson opened the hearing on **SB463**.

Jill Wolters, First Assistant Revisor, Office of the Revisor, briefed the committee on **SB463**, and explained that the bill abolishes several funds, and with the bill's passage, the revenues would then go into the State General Fund ([Attachment 8](#)).

Proponents:

Shawn Sullivan, Director, Division of Budget, spoke in support of **SB463**. He said there are several reasons why he supports this bill:

- heightened transparency, and accountability;
- reduction of silos of funds between SGF and special revenue funds;
- straight forward SGF transfers;
- ending the KDOT shell game of 3 fund transfers from State highway funds to SGF;
- Standards and Poors and Moody's bond rating.

Mr. Sullivan did not provide written testimony.

Senator Masterson stressed to the committee that this bill does not change the amount of any appropriation, it is merely an accounting process change for the purposes of transparency and simplification and does not affect federal matching funds.

Senator Francisco ask why there is a requirement in the bill for the Children's Cabinet not to exceed \$50 million. Mr. Sullivan said that is what is typically appropriated to the Children's Cabinet each year.

Opponents:

Erik Vaughn, Executive Director, Kansas Head Start Association, was in opposition of the bill and said

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.

CONTINUATION SHEET

MINUTES of the Committee on Ways and Means at 10:30 am on Tuesday, March 08, 2016 in Room 548-S of the Capitol.

it would eliminate the Kansas Endowment for Youth Fund, and the Children's Initiatives Fund ([Attachment 9](#)).

Shannon Cotsoradis, President and CEO, Kansas Action for Children, opposes this bill and feels it will make revenues less predictable from year-to-year ([Attachment 10](#)).

Travis Stryker, Professional Engineer, Kansas Professional Society of Engineers, is in opposition because it abolishes the Expanded Lottery Act Revenue Fund which serves as the funding source for KanGrow ([Attachment 11](#)).

Tanya Dorf Brunner, Executive Director, Oral Health Kansas, opposes eliminating the designated funds, and said by keeping these funds separate reminds lawmakers of the source and the intended purpose of MSA proceeds ([Attachment 12](#)).

Neutral:

No neutral parties appeared before the committee.

Written Opponent:

Scott Heidner, Executive Director, American Council of Engineering Companies of Kansas ([Attachment 13](#)).

Greater Kansas City Chamber of Commerce and Civic Council of Greater Kansas City ([Attachment 14](#)).

Suzan Barnes, President, Travel Industry Association of Kansas ([Attachment 15](#)).

Written Neutral:

Kansas Association of Technical Colleges ([Attachment 16](#)).

Blake Flanders, President and CEO, Kansas Board of Regents ([Attachment 17](#)).

After all questions were answered, the Chairperson closed the hearing on **SB463**.

Final action on: SB404 - Authorizing the state board of regents on behalf of Kansas state university to sell certain real property in Riley county, Kansas.

Chairperson Masterson asked for questions or discussion before final action on **SB404**.

*Senator Kelly moved to pass **SB404** out of committee and place it on the consent calendar. Senator Francisco seconded the motion and it was adopted on a voice vote.*

Final action on: SB436 — Prioritizing moneys spent for entities that provide family planning services.

Chairperson Masterson asked the committee if there were any questions, comments or discussion before final action on **SB436**.

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.

CONTINUATION SHEET

MINUTES of the Committee on Ways and Means at 10:30 am on Tuesday, March 08, 2016 in Room 548-S of the Capitol.

Senator Francisco moved to add a balloon amendment because she said it is an important issue to assure the State has family planning services. The motion to amend was seconded by Senator Kelly (Attachment 18).

Senator Tyson explained that the bill had a large number of co-sponsors; therefore, she felt the language in the current bill was adequate. She said she felt Senator Francisco's concerns were answered in the bill and she could not support the amendment.

Chairperson Masterson recalled the motion to amend and the amendment failed on a voice vote.

Senator Tyson moved to pass **SB436** favorably. Senator Arpke seconded and the bill was passed out of committee with a voice vote.

The next Ways and Means Committee meeting is scheduled for Thursday, March 10, 2016, at 10:30 a.m., in Room 548-S at the Capitol.

Chairperson Masterson adjourned the meeting at 12:08 p.m.