Approved: March 25, 2003

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Stephen Morris at 10:30 a.m. on February 25, 2003, in Room 123-S of the Capitol.

All members were present except: All present

Committee staff present:

Alan Conroy, Director, Kansas Legislative Research Department

J. G. Scott, Chief Fiscal Analyst, Kansas Legislative Research Department

Martha Dorsey, Kansas Legislative Research Department

Melissa Calderwood, Kansas Legislative Research Department

Amy Deckard, Kansas Legislative Research Department

Paul West, Kansas Legislative Research Department

Audrey Nogle, Kansas Legislative Research Department

Robert Waller, Kansas Legislative Research Department

Norman Furse, Revisor of Statutes

Michael Corrigan, Assistant Revisor of Statutes

Judy Bromich, Administrative Analyst

Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Dr. Donald Hagen, Executive Vice Chancellor, University of Kansas Medical Center

Dr. Rick Kellerman, Wichita Center for Graduate Medical Education

Janet Chubb, Assistant Secretary of State

Col. Adam King, on behalf of Major General Greg Gardner, The Adjutant General of Kansas

Others attending: See attached list

Chairman Morris welcomed Dr. Donald Hagen, Executive Vice Chancellor, University of Kansas Medical Center, who appeared on behalf of the University of Kansas to express the University's concerns regarding impacts on the ability of the Wichita Center for Graduate Medical Education (WCGME) to conduct training programs in various medical specialties in Wichita (Attachment 1). Dr. Hagen mentioned that the proposed elimination of graduate medical education funding provided through Medicaid program of Kansas Social and Rehabilitation Services is a great threat to the strength of the School of Medicine.

Dr. Hagen introduced and Chairman Morris welcomed Dr. Rick Kellerman, Wichita Center for Graduate Medical Education, who spoke regarding the Wichita Graduate Medical Education programs jeopardized by budget cuts (<u>Attachment 2</u>). Dr. Kellerman addressed why residency programs are vital to Kansas and policy considerations. He noted that some solutions are restoring Medicaid GME funding to keep providers for the uninsured and Medicaid patients and to sustain the supply of physicians to Kansas. Various questions and discussion followed.

Chairman Morris opened the public hearing on:

SB 239-Secretary of state fees for certain services and publications

Staff briefed the committee on the bill.

Janet Chubb, Assistant Secretary of State, testified in support of <u>SB 239</u> (<u>Attachment 3</u>). Ms. Chubb explained that recently their agency became aware of becoming primarily fee-funded. She noted that the Governor's recommendations are to eliminate \$800,000 State General Fund from their FY 2004 budget and elimination of all State General Fund, \$1.7 million, from their FY 2005 budget. Ms. Chubb mentioned that because the State General Fund appropriation has been approximately one-half of the agency's yearly budget, this action could paralyze their ability to serve the citizens of Kansas. She explained that <u>SB 239</u> contains several amendments that will allow the Secretary of State's office to provide quality service.

CONTINUATION SHEET

Committee questions and discussion followed. Chairman Morris requested that the Secretary of State's office, the Division of the Budget and the Kansas Legislative Research Department meet and work up a spreadsheet to show where things are regarding the State General Fund and if there are recommendations regarding the bill.

There being no further conferees to come before the committee, the Chairman closed the public hearing on **SB 239**.

Chairman Morris opened the public hearing on:

SB 240-Adjutant general authorized to self insure certain armories

Staff briefed the committee on the bill.

Colonel Adam King presented testimony on behalf of Major General Greg Gardner, The Adjutant General of Kansas, in support of <u>SB 240</u> (<u>Attachment 4</u>). Colonel King explained that as part of the Adjutant General's Department cost savings review, they identified a potential opportunity that might save money and pose minimal risk to the State. He discussed insurance coverage for the National Guard armories, and if the Department of Administration includes their facilities under the statewide umbrella without significantly raising their costs, then maybe there can be savings. Committee questions and discussion followed.

Senator Adkins moved, with a second by Senator Feleciano, to recommend **SB 240** favorable for passage. Motion carried on a roll call vote.

The meeting adjourned at 11:45 a.m. The next meeting is scheduled for February 27, 2003.