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MINUTES OF THE <u>House</u> COMMIT	ΓΕΕ ΟΝ <u>Ways</u> and	Means	
The meeting was called to order by	BILL	BUNTEN	at
The meeting was carred to order by	C	hairperson	
1:30 AMM./p.m. on Wednesday,	January 18	, 19 <u>_8</u> 4n room _	514-S of the Capitol.
All members were present except:			

Committee staff present:

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Lyn Goering, Legislative Research Chris Stanfield, Legislative Research Gloria Timmer, Legislative Research Jim Wilson, Office of the Revisor Dave Hanzlick, Administrative Assistant Nadine Young, Committee Secretary

Conferees appearing before the committee:

Dr. D. Kay Clawson, M.D., Executive Vice Chancellor of KU Medical Center Dr. David Waxman, M.D., Special Counselor to the Chancellor Eugene L. Staples, Hospital Administrator Representative Ron Fox Bill Hanzlick, Fish and Game Commissioner Denny Burgess, Kansas Wildlife Federation Fred Allen, Kansas Association of Counties John Blythe, Kansas Farm Bureau Darrell Montei, Chief of Game Kent Jackson, Assistant Director of Fish and Game Commission Others present (see attached)

Chairman Bunten called the meeting to order at 1:30 p.m. Senate and House Committee members met jointly to hear the discussion on KU Medical Center.

Chairman welcomed Dr. Kay Clawson, Dr. David Waxman and Eugene Staples, all representing KU Medical Center.

Dr. Clawson spoke first and briefly explained some of the existing problems at the Center. He said one problem revolves around equipment purchases in setting priorities, and trying to justify the purchase of new equipment. Another problem is in personnel, the ability to control the number of EFTs that work in an institution. Other problems relate to motivation and the media. He said it is difficult to operate like a business with so many restraints.

Chairman then recognized Dr. David Waxman, Ex-Vice Chancellor of KU Medical Center and presently working in a consulting position. He said the first objective of the Med Center is to work aggresively to interest the business industry and other governmental agencies associated with the Center. He told the Committee about the relationship they have worked out with Leavenworth Hospital and stated that KU Med Center is a back-up for them. He also mentioned that he is presently working with Kansas Irwin Army Hospital in developing a contractual relationship. Another important activity of the Center is in Health Maintenance Organizations, and that it's very important to have a relationship with small community hospitals.

Another objective of the Center is to protect patient referral services to assist patients in gaining easy access to the Center. A problem exists in the area of transportation, that is, getting the patients to the Center. He stated that the Center does have an airplane, but that it's usually busy carrying doctors out to the communities. He said "we need an airplane dedicated to transporting patients". Another important feature of the Med Center is toll free telephone service for making in state and out of state calls. One big objective of the Center is to increase referrals from hospitals, saying it is preferable to make invitational type visits and pointed out that the Legislature is very instrumental in generating these invitations. The last objective is to put more emphasis on Research. He stated that other hospitals are 5 years ahead of KU, but said "we are moving ahead to try to improve our presentation".

CONTINUATION SHEET

MINUTES OF THE _	House	COMMITTEE ON .	Ways and Means	,
room 514-S, Stateho	ouse, at1:30	&x ./p.m. on	Wednesday, January 18	, 1984

Dr. Waxman provided the Committee with a Directory of the KU Medical Center (orange book), and a Blue book titled "Research Accomplishments in 1982.

In summary, Dr. Waxman emphasized the importance of community visits, developing programs relating to practicing physicians, increasing patient referrals, and lastly, the importance of research to the State of Kansas.

Chairman asked if all of Kansas could be an area of service, not just the Kansas City area. Dr. Waxman replied yes, stating "if you provide the services, right now, we can give any hospital the support needed".

Senator Hess asked about satellite clinics. Dr. Waxman said that now, there are none and the problem with satellite clinics is where to put them. He stated "we can't be everywhere".

Representative Farrar asked about the disposal of radioactive waste. Dr. Waxman said it is being burned in incinerators.

Chairman recognized Gene Staples, who spoke briefly and answered questions relating to administration. Chairman asked how the Center stands on revenue. He said the Center is in good shape and will draw the income that was projected. He did say however, there exists a problem with bad debts. The Center has prepared a recommended procedure for collecting these debts, which will be brought before the Board of Regents for approval, then forwarded on to the Legislature. One big problem is a list of old accounts totaling about 9 million dollars which dates from 1981 back to 1976. These accounts are presently in the hands of attorneys.

Representative Luzzati asked about possible action on the 9 million dollars in bad debts and Mr. Staples replied that most of them are too old to do anything about. He also said there is approximately 2 million dollars outstanding on the current accounts receivables.

Chairman turned to hearings on HB 2625, an act concerning fish and game; relating to disposition of certain fines; amending K.S.A. 20-2801 and repealing the existing section.; HB 2626, an act concerning the forestry, fish and game commission fee fund; relating to the disposition of moneys received as interest thereon.; and HB 2627, an act concerning the forestry, fish and game commission fee fund; relating to the disposition of moneys remitted to the state treasurer; amending K.S.A. 32-104c and 74-3304 and K.S.A. 1983 Supp. 75-3170a and repealing the existing sections.

Jim Wilson briefly reviewed the meaning of these four bills. Passage of the bills would require that 20% of fees and fines collected be credited to the state general fund and the balance to the Fish and Game Commission fee fund.

Representative Ron Fox spoke on the findings of the interim committee. He stated that the Committee was impressed with what Fish and Game had done since 1979 and the main reason they have been able to do so well is because of established fee structures. He said that if Fish and Game is to continue with the quality that presently exists, the committee needs to respond this year to allow them future planning tools; and that is basically a budgetary requirement.

Chairman then recognized Bill Hanzlick, Commissioner of Fish and Game, who introduced Kent Jackson, Assistant Director of Fish and Game. Mr. Jackson spoke concerning HB 2625. He pointed out that Fish and Game currently takes in about \$175,000 per year in total fines and fees that is going all to the General Fund, but this new legislation would return \$140,000 to Fish and Game. He also said this bill, in itself, would not solve all the long term problems, but it is a step in the right direction.

Representative Wisdom asked if this bill, if passed, would cause a reduction in license fees. He said it would not, but that passage of the bill would shift part of the burden to those who abuse it.

CONTINUATION SHEET

MINUTES OF THE House	COMMITTEE ON _	Ways and Means	,
room 514-S Statehouse, at _	1:30 s.m./p.m. on	Wednesday, January	18 , 1984

Floor was returned to Bill Hanzlick who spoke in support of HB 2626 and 2627, saying these two should be considered as "companion" bills. He said that by 1990 they would have used up all their reserve fund. He said they have many maintenance problems that need attention, and stated that wildlife reserves need repairs totaling approximately 3½ million dollars.

Representative Shriver asked if he would like to see the possibility of dissolving the Fish and Game Commission and making it a state agency if the funding problem continues. Mr. Hanzlick said no, because "we do cater to the sportsman".

Danny Burgess, Kansas Wildlife Federation made a brief statement in support of these bills, stating they are necessary to keep the money coming in. He advocated not raising fees because of people who don't hunt and fish regularly. He admitted that passage of these bills alone would not accomplish the goal. He is opposed to converting to a state agency.

Chairman moved to HB 2642 and recognized Fred Allen, who represents the Kansas Association of Counties. He introduced Jefferson County Commissioner Richard Malm and Douglas County Commissioner Robert Neis. They all are in support of this bill.

Mike Beam, representing the Kansas Livestock Association spoke briefly in support of HB 2642 and furnished the Committee with written testimony (Attachment II).

John Blythe, representing Kansas Farm Bureau also spoke in support of HB 2642 and furnished a copy of the Kansas Farm Bureau Resolution that was adopted by the voting delegates pertaining to land to be acquired by the Fish and Game from the Corp of Engineers. (Attachment III). He said his agency is opposed to Fish and Game accepting any Army Corp of Engineer's land without legislative approval.

Darrell Montei spoke on behalf of the Fish and Game Commission and stated that public land in Kansas is very important, noting that one solution is to try to manage what we have, but also look at acquiring other land if available. He stated he is not in opposition or in support of HB 2642, but a little confused as to exactly what passage of the bill would do.

Committee took no action this date on any of the above noted Fish and Game bills.

Meeting adjourned at 4:15 p.m.

GUESTS -- 1984

	Name	Address	Representing
1.	John Blythe	Manhattan	Ks. Farm Buredy
2.	Dob Zunnels	Leawood	Js. Catholic CONF.
3.	Stanley 2 Keplih	1 cpeka	Regents
4.	D.B. Dellan	Topha	Dof Bodget
5.	Mital Jame	Wichita	Aide to Rep. Dyck
6.	J. H. Scott	LANRENCE	Alde to Rep Rous
7.	Richard MAlm	HAlley FAlls	Jofforn County
8.	Fred Allen	Topeka	K.A.C.
9.	Robert Heis	Endorso	Douglas count, comm
10.	Richard von Ende	Laurence	Inclinivereday of Lancus
11.	Lynne Halt		Legikerearch
12.	Larry Ames		Son Sternger
13.	TIM SCANLAN M.D.	SALINA	DR. FOR DAY KAFP
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15.	6. Sewell	460E	Sen. Reliam
16.	Rob Karwoth	havierce	UDK
17.	David Rohler	Topoka	Ruth Luzzali
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Owns and Publishes The Kansas STOCKMAN magazine and KLA News & Market Report newsletter.

STATEMENT By The KANSAS LIVESTOCK ASSOCIATION

In support of House Bill 2642 relating to the acquisition of Army Corps of Engineers Land by the Kansas Fish & Game Commission.

Presented to the

House Ways & Means Committee
Representative Bill Bunten, Chairman

Presented by

Mike Beam Executive Secretary, Cow-Calf/Stocker Division

January 17, 1984

Mr. Chairman and members of the Committee, I'm Mike Beam representing over 9,000 members of the Kansas Livestock Association. You are probably aware that our Association's members are farmers and ranchers who are involved in all segments of agriculture production. The Kansas Livestock Association supports HB 2642.

The Kansas Fish & Game Commission currently licenses (leases) over 10,000 acres of Army Corps of Engineers land in Kansas. HB 2642, which is recommended by the Special Interim Committee on Energy & Natural Resources, establishes guidelines for further acquisition of Corps-owned land by the Fish & Game Commission. Following is a brief summary of the proposed legislation.

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- 1) Before the Fish & Game Commission enters into a license agreement with the Army Corps of Engineers, it must first notify the Board of County Commissioners of the county(s) in which land is located.
- 2) The County Commissioners shall call and hold a public hearing on the proposed acquisition.
- 3) During the hearing, the Fish & Game Commission shall give a description of the land proposed to be acquired and the reason for acquisition.
- 4) After the hearing the Fish & Game may enter into the license agreement.
- 5) During the first 30 days of the next legislative session the Fish & Game Commission must submit to the full legislature and Secretary of State copies of each license.
- 6) If the legislature fails to pass a concurrent resolution disapproving an acquisition, the license shall become valid.

The purpose of HB 2642 is to allow local units of government and individuals to have adequate input into any proposed acquisition and to provide an opportunity for citizens to block a license agreement when they fear the potential negative impact of such agreement.

The Army Corps of Engineers owns over 340,000 acres of land in Kansas. In many cases this land is leased directly to farmers/ranchers, marinas or other entities. The Corps remits approximately 75% of this lease revenue to counties where the land is located. The Fish & Wildlife Coordination Act of 1934 permits the granting of a license to a state for fish and wildlife management. The money received by the licensee (Kansas Fish & Game Commission) is generated from the sale of surplus crops. According to testimony presented this summer by the Kansas Fish & Game Commission and the Army Corps of

Engineers, no part of these funds can be paid to the state for the benefit of the county. This is why a Fish & Game acquisition of Army Corps of Engineers land has a significant negative financial impact to local units of government.

Land managed by the Kansas Fish & Game Commission for wildlife habitat and public hunting also has a negative impact on local farmers, tenants and rural people in general. Members of the KLA who live and work near Fish & Game managed land have experienced numerous problems with wildlife damage to crops and livestock facilities. Kansas farmers and ranchers who work diligently to control highly spreadable noxious weeds are upset when Fish & Game managed land in their area is harboring such weeds. Our members near public hunting areas continually experience difficulties controlling trespassing by hunters on private land. This summer a Jefferson County Commissioner told the Interim Committee because of the Fish & Game-managed public hunting land, the cost for road maintenance, law enforcement and medical services increased.

Because of the negative impact on land owners and tenants and the reduction in revenue to the counties, the Kansas Livestock Association supports the Interim Committee's recommendation that before the Kansas Fish & Game Commission may license additional Army Corps of Engineers land, there must be a more thorough review by effected individuals, local units of government and the Kansas legislature. We urge your support of HB 2642.

STATEMENT TO THE HOUSE WAYS AND MEANS COMMITTEE

RE: HB 2642

Land Acquired By Fish and Game Commission from the Army Corps of Engineers

January 17, 1984

Topeka, KS

by

John K. Blythe, Assistant Director
Public Affairs Division
Kansas Farm Bureau

Following is a Kansas Farm Bureau resolution adopted by the voting delegates at their most recent annual meeting pertaining to land to be acquired by the Fish and Game Commission from the Army Corps of Engineers. I would call your attention to the underlined portion of this statement in the fourth paragraph.

Fish and Game Commission

We support the present statutory requirements for appointment to the Fish and Game Commission.

We believe consideration should be given to appointments of bona fide farmers to the Commission. We urge such appointments be made.

We would favor an established land-leasing policy giving first-choice farm tenancy privileges to the original landowner. Should the original landowner not desire to lease Fish and Game property, a uniform procedure for bid-basis land leasing should prevail through all Fish and Game service regions.

We are opposed to the Fish and Game Commission having the authority to use the power of eminent domain. In addition, we are opposed to the Fish and Game Commission accepting any Army Corps of Engineers land without legislative approval.

We believe the Kansas Fish and Game Commission should pay property taxes just as other owners of real property are required to do, or make an in-lieu-of tax payment to the county and school districts in which Fish and Game property is located equal to the ad valorem taxes on such property.

We recommend that the Fish and Game Commission conduct a study to determine if brucellosis, other livestock diseases, and noxious weeds are transmitted by deer, other wildlife, and livestock.

Thank you very much for allowing me to make this brief presentation and if there are questions I will be most happy to answer them.

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