

Journal of the Senate

FORTY-SECOND DAY

SENATE CHAMBER, TOPEKA, KANSAS
Thursday, March 8, 2007—2:30 p.m.

The Senate was called to order by President Stephen Morris.
The roll was called with thirty-nine senators present.
Senator McGinn was excused.
Invocation by Chaplain Fred S. Hollomon:

Heavenly Father,

The last report of the unprecedented ice and snow storm in western Kansas in the latter part of December reveals that it was the most destructive and expensive storm in the history of the state. In view of the destruction caused by tornadoes and floods we have witnessed in the past, the results of this disaster is remarkable. No doubt the huge portion of the state affected by this storm accounts for the extent of the damage and loss, since it covered forty-three counties.

The damage to buildings, equipment, roads, utility poles, and other vulnerable objects is astronomical. The loss of livestock and crops is staggering.

We are grateful for the government and other agencies which rallied to the call for help. We pray for those residents, businesses, ranchers and farmers still trying to recover.

Grant them strength to weather the hardships and supply them with the evidence of Your presence in producing a complete recovery.

I pray in the Name of Christ,

AMEN

GUESTS

President Morris and members of the senate welcomed Farmers Insurance agents and employees throughout the state visiting the Capitol on behalf of Farmers Insurance Legislative Day—2007.

REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bill and resolution were referred to Committees as indicated:

Committee of the Whole: **SCR 1609**.

Ways and Means: **SB 377**.

MESSAGE FROM THE GOVERNOR

March 7, 2007

Message to the Senate of the State of Kansas:

Enclosed herewith is Executive Order 07-04 for your information

KATHLEEN SEBELIUS
Governor

The President announced Executive Order 07-04, pursuant to the authority vested in Kathleen Sebelius, Governor of the State of Kansas, I hereby:

1. Rescind all county drought stage declarations in Executive Order 06-09 issued on August 21, 2006; and
2. Declare a Drought Warning or Drought Watch for the counties identified; and
3. Authorize and direct all agencies under the jurisdiction of the Governor to implement the appropriate Watch or Warning-level drought response actions assigned to them in the Operations Plan of the Governor's Drought Response Team, is on file in the office of the Secretary of the Senate and is available for review at any time.

MESSAGE FROM THE HOUSE

Announcing passage of **HB 2475**.

Also, passage of **SB 191**.

The House adopts the conference committee report on **HCR 5003**.

INTRODUCTION OF HOUSE BILLS AND CONCURRENT RESOLUTIONS

HB 2475 was thereupon introduced and read by title.

INTRODUCTION OF ORIGINAL MOTIONS AND SENATE RESOLUTIONS

Senator D. Schmidt introduced the following Senate resolution, which was read:

SENATE RESOLUTION No. 1835—

A RESOLUTION observing March 8 as World Kidney Day.

WHEREAS, March 8, 2007, has been designated as the second annual World Kidney Day. World Kidney Day, observed during National Kidney Month in March, is part of an international effort to focus attention on one of our vital organs, and to raise awareness among people, especially those considered at risk for Chronic Kidney Disease (CKD); and

WHEREAS, CKD is a public health problem that affects 20 million Americans. Problems associated with CKD include increased risk for cardiovascular disease, complications of decreased kidney function and progression to kidney failure, which requires dialysis or kidney transplantation to survive; and

WHEREAS, CKD is a silent disease because most individuals with CKD are not aware that they have this condition and it can be easily overlooked by primary care physicians; and

WHEREAS, Early identification of individuals with CKD, combined with appropriate intervention and treatment, can delay the progression of kidney disease and its complications; and

WHEREAS, The National Kidney Foundation offers free screenings through its Kidney Early Evaluation Program (KEEP). KEEP screenings are designed especially for people who think they may be at risk for CKD: Now, therefore,

Be it resolved by the Senate of the State of Kansas: That the body recognizes the importance of early detection and treatment in preventing Chronic Kidney Disease, and we encourage all citizens to look at their personal and family medical history, and participate in kidney screenings; and

Be it further resolved: That the Secretary of the Senate provide an enrolled copy of this resolution to Senator Derek Schmidt for presentation to the National Kidney Foundation.

On emergency motion of Senator D. Schmidt **SR 1835** was adopted unanimously.

Senator D. Schmidt introduced Tom Falsey, Shawnee, Kansas, member of the Board of Directors for the National Kidney Foundation of Kansas and Western Missouri. Tom and his wife have both donated kidneys anonymously. Tom also serves on the boards of the United Network of Organ Sharing and the Organ Procurement and Transplantation Network.

Senator D. Schmidt and members of the Senate commended Tom for his continued dedication to such a worthy cause.

REPORTS OF STANDING COMMITTEES

Committee on **Federal and State Affairs** recommended **HB 2249**, as amended by House Committee, be passed.

Also, **SB 360** be amended on page 3, in line 3, by striking "(1)"; in line 5, by striking "issue" and inserting "apply to the district court in accordance with the provisions of K.S.A.

60-245 or 60-245a, and amendments thereto, whichever is applicable, for the issuance of"; by striking all in lines 10 through 29; and the bill be passed as amended.

HB 2268 be amended on page 1, in line 21, by striking all after "(b)"; by striking all in line 22 and 23; in line 24, by striking "(c)" and inserting "Any person who performs an inspection specified in subsection (a) and who fails to comply with the requirements of subsection (a), shall be guilty of a deceptive act or practice in violation of K.S.A. 50-626 and amendments thereto.

(c) The provisions of this section shall not apply to any employee of the Kansas department of agriculture who performs an inspection for evidence of wood destroying insects as a part of such employee's duties pursuant to the Kansas pesticide law.

(d)"; and the bill be passed as amended.

HB 2314, as amended by House Committee, be amended on page 1, in line 24, by striking "and"; in line 27, before the period by inserting "; and

(3) the credit is accepted by the board";

Also on page 1, in line 37, by striking all after "(c)"; by striking all in lines 38 through 41 and inserting "The board may define, by rules and regulations, the term "concentration in accounting". The board may also prescribe, by rules and regulations, the type and amount of credit submitted pursuant to subsection (a)."; and the bill be passed as amended.

Committee on **Financial Institutions and Insurance** recommends **HB 2109** be passed and, because the committee is of the opinion that the bill is of a noncontroversial nature, be placed on the consent calendar.

Also, **Substitute for HB 2108** be amended on page 1, in line 12, preceding "Section" by inserting "New"; in line 16, preceding the period by inserting "except, that such rules and regulations shall not affect federal insurance programs under subchapter III of chapter 19 of title 38, United States Code"; in line 19, before "Sec." by inserting "New"; also on page 19, preceding "and" by inserting "sections 1 and 2."; following line 20, by inserting the following:

"Sec. 3. K.S.A. 40-2416 is hereby amended to read as follows: 40-2416. When used in this act: "Commissioner" shall mean the commissioner of insurance of this state; "unfair trade practice law" shall mean K.S.A. 40-2401 through 40-2414, *sections 1 and 2*, and ~~acts amendatory thereof and supplemental amendments~~ *thereunto*; "residents" shall mean and include person, partnership or corporation, domestic, alien or foreign.

Sec. 4. K.S.A. 40-2416 is hereby repealed.";

And by renumbering the remaining section accordingly;

In the title, in line 9, preceding the period by inserting "; amending K.S.A. 40-2416 and repealing the existing section"; and the substitute bill be passed as amended.

HB 2112 be amended on page 2, following line 13, by inserting the following:

"Sec. 2. K.S.A. 40-309 is hereby amended to read as follows: 40-309. (a) (1) Any insurance company *and any health maintenance organization* of this state may unite, merge or consolidate with any other company or companies of this or any other state engaged in like business and having similar corporate powers, upon such terms and conditions, including the reinsurance of the business in force, as may be approved at a meeting of the stockholders of any such company or companies of this state, called for that purpose, such approval to be by vote of stockholders owning not less than two-thirds of the shares of stock of any such company or companies of this state. The agreement for such union, merger, consolidation and reinsurance shall be subject to the approval of the commissioner of insurance. There shall be filed with the commissioner of insurance a verified schedule by the actuaries of the companies *or health maintenance organizations* interested showing that the legal reserve for the policyholders of each of the several companies is of the amount required by law.

(2) Where companies of other states are uniting, consolidating, merging and reinsuring with a company *or health maintenance organization* of this state the commissioner of insurance also shall approve in the same manner such amendments to the articles of incorporation of such companies of this state as may be necessary and proper. Such agreement shall provide for payment in cash to any dissenting stockholder of an amount equal to the fair value of the stock if the stockholder shall refuse to assent to the union, merger or consolidation.

(3) When a company or health maintenance organization of this state shall be merged, consolidated or united with a company organized under the laws of any other state, the commissioner of insurance in the commissioner's order of approval shall direct that the assets of the domestic company or health maintenance organization be delivered to the company with which the domestic company is united, merged or consolidated.

(b) For the purposes of this section the term "health maintenance organization" shall have the meaning ascribed to it in K.S.A. 40-3202, and amendments thereto.

Sec. 3. K.S.A. 40-252 is hereby amended to read as follows: 40-252. Every insurance company or fraternal benefit society organized under the laws of this state or doing business in this state shall pay to the commissioner of insurance fees and taxes specified in the following schedule:

A
Insurance companies organized under
the laws of this state:

1. Capital stock insurance companies and mutual legal reserve life insurance companies:	
Filing application for sale of stock or certificates of indebtedness	\$25
Admission fees:	
Examination of charter and other documents	500
Filing annual statement	100
Certificate of authority	10
Annual fees:	
Filing annual statement	100
Continuation of certificate of authority	10
2. Mutual life, accident and health associations:	
Admission fees:	
Examination of charter and other documents	\$500
Filing annual statement	100
Certificate of authority	10
Annual fees:	
Filing annual statement	100
Continuation of certificate of authority	10
3. Mutual fire, hail, casualty and multiple line insurers and reciprocal or interinsurance exchanges:	
Admission fees:	
Examination of charter and other documents	\$500
Filing annual statement	100
Certificate of authority	10
Annual fees:	
Filing annual statement	100
Continuation of certificate of authority	10

In addition to the above fees and as a condition precedent to the continuation of the certificate of authority provided in this code, all such companies shall pay a fee of \$2 for each agent certified by the company and shall also pay a tax annually upon all premiums received on risk located in this state at the rate of 1% for tax year 1997, and 2% for all tax years thereafter per annum less (1) for tax years prior to 1984, any taxes paid on business in this state pursuant to the provisions of K.S.A. 40-1701 to 40-1707, inclusive, and 75-1508 and amendments thereto and (2) for tax years 1984 and thereafter, any taxes paid on business in this state pursuant to the provisions of K.S.A. 75-1508 and amendments thereto and the amount of the firefighters relief tax credit determined by the commissioner of insurance. The amount of the firefighters relief tax credit for a company for the current tax year shall be determined by the commissioner of insurance by dividing (A) the total amount of credits against the tax imposed by this section for taxes paid by all such companies on business in this state under K.S.A. 40-1701 to 40-1707, inclusive, and amendments thereto for tax year

1983, by (B) the total amount of taxes paid by all such companies on business in this state under K.S.A. 40-1703 and amendments thereto for the tax year immediately preceding the current tax year, and by multiplying the result so obtained by (C) the amount of taxes paid by the company on business in this state under K.S.A. 40-1703 and amendments thereto for the current tax year.

In the computation of the gross premiums all such companies shall be entitled to deduct any premiums returned on account of cancellations, including funds accepted before January 1, 1997, and declared and taxed as annuity premiums which, on or after January 1, 1997, are withdrawn before application to the purchase of annuities, all premiums received for reinsurance from any other company authorized to do business in this state, dividends returned to policyholders and premiums received in connection with the funding of a pension, deferred compensation, annuity or profit-sharing plan qualified or exempt under sections 401, 403, 404, 408, 457 or 501 of the United States internal revenue code of 1986. Funds received by life insurers for the purchase of annuity contracts and funds applied by life insurers to the purchase of annuities shall not be deemed taxable premiums or be subject to tax under this section for tax years commencing on or after January 1, 1997.

B

*Fraternal benefit societies organized
under the laws of this state:*

Admission fees:	
Examination of charter and other documents	\$500
Filing annual statement	100
Certificate of authority	10
Annual fees:	
Filing annual statement	100
Continuation of certificate of authority	10

C

Mutual nonprofit hospital service corporations, nonprofit medical service corporations, nonprofit dental service corporations, nonprofit optometric service corporations and nonprofit pharmacy service corporations organized under the laws of this state:

1. Mutual nonprofit hospital service corporations:

Admission fees:	
Examination of charter and other documents	\$500
Filing annual statement	100
Certificate of authority	10
Annual fees:	
Filing annual statement	100
Continuation of certificate of authority	10

2. Nonprofit medical service corporations:

Admission fees:	
Examination of charter and other documents	\$500
Filing annual statement	100
Certificate of authority	10
Annual fees:	
Filing annual statement	100
Continuation of certificate of authority	10

3. Nonprofit dental service corporations:

Admission fees:	
Examination of charter and other documents	\$500
Filing annual statement	100
Certificate of authority	10

Annual fees:	
Filing annual statement	100
Continuation of certificate of authority	10
4. Nonprofit optometric service corporations:	
Admission fees:	
Examination of charter and other documents	\$500
Filing annual statement	100
Certificate of authority	10
Annual fees:	
Filing annual statement	100
Continuation of certificate of authority	10
5. Nonprofit pharmacy service corporations:	
Admission fees:	
Examination of charter and other documents	\$500
Filing annual statement	100
Certificate of authority	10
Annual fees:	
Filing annual statement	100
Continuation of certificate of authority	10

In addition to the above fees and as a condition precedent to the continuation of the certificate of authority, provided in this code, every corporation or association shall pay annually to the commissioner of insurance a tax in an amount equal to 1% for tax year 1997, and 2% for all tax years thereafter per annum of the total of all premiums, subscription charges, or any other term which may be used to describe the charges made by such corporation or association to subscribers for hospital, medical or other health services or indemnity received during the preceding year. In such computations all such corporations or associations shall be entitled to deduct any premiums or subscription charges returned on account of cancellations and dividends returned to members or subscribers.

D

Insurance companies organized under the laws of any other state, territory or country:

1. Capital stock insurance companies and mutual legal reserve life insurance companies:	
Filing application for sale of stock or certificates of indebtedness	\$25
Admission fees:	
Examination of charter and other documents	500
Filing annual statement	100
Certificate of authority	10
Annual fees:	
Filing annual statement	100
Continuation of certificate of authority	10

In addition to the above fees all such companies shall pay \$5 for each agent certified by the company, except as otherwise provided by law.

As a condition precedent to the continuation of the certificate of authority, provided in this code, every company organized under the laws of any other state of the United States or of any foreign country shall pay a tax upon all premiums received during the preceding year at the rate of 2% per annum.

In the computation of the gross premiums all such companies shall be entitled to deduct any premiums returned on account of cancellations, including funds accepted before January 1, 1997, and declared and taxed as annuity premiums which, on or after January 1, 1997, are withdrawn before application to the purchase of annuities, dividends returned to policyholders and all premiums received for reinsurance from any other company authorized to do business in this state and premiums received in connection with the funding of a pension, deferred compensation, annuity or profit-sharing plan qualified or exempt under

sections 401, 403, 404, 408, 457 or 501 of the United States internal revenue code of 1986. Funds received by life insurers for the purchase of annuity contracts and funds applied by life insurers to the purchase of annuities shall not be deemed taxable premiums or be subject to tax under this section for tax years commencing on or after January 1, 1997.

2. Mutual life, accident and health associations:

Admission fees:

Examination of charter and other documents	\$500
Filing annual statement	100
Certificate of authority	10

Annual fees:

Filing annual statement	100
Continuation of certificate of authority	10

In addition to the above fees, every such company organized under the laws of any other state of the United States shall pay \$5 for each agent certified by the company, and shall pay a tax annually upon all premiums received at the rate of 2% per annum.

In the computation of the gross premiums all such companies shall be entitled to deduct any premiums returned on account of cancellations, including funds accepted before January 1, 1997, and declared and taxed as annuity premiums which, on or after January 1, 1997, are withdrawn before application to the purchase of annuities, dividends returned to policyholders and all premiums received for reinsurance from any other company authorized to do business in this state and premiums received in connection with the funding of a pension, deferred compensation, annuity or profit-sharing plan qualified or exempt under sections 401, 403, 404, 408, 457 or 501 of the United States internal revenue code of 1986. Funds received by life insurers for the purchase of annuity contracts and funds applied by life insurers to the purchase of annuities shall not be deemed taxable premiums or be subject to tax under this section for tax years commencing on or after January 1, 1997.

3. Mutual fire, casualty and multiple line insurers and reciprocal or interinsurance exchanges:

Admission fees:

Examination of charter and other documents and issuance of certificate of authority	\$500
Filing annual statement	100
Certificate of authority	10

Annual fees:

Filing annual statement	100
Continuation of certificate of authority	10

In addition to the above fees, every such company or association organized under the laws of any other state of the United States shall pay a fee of \$5 for each agent certified by the company and shall also pay a tax annually upon all premiums received at the rate of 2% per annum.

For tax years 1998 and thereafter, the annual tax shall be reduced by the "applicable percentage" of (1) any taxes paid on business in this state pursuant to the provisions of K.S.A. 75-1508 and amendments thereto and (2) the amount of the firefighters relief tax credit determined by the commissioner of insurance. The amount of the firefighters relief tax credit for a company taxable under this subsection for the current tax year shall be determined by the commissioner of insurance by dividing (A) the total amount of taxes paid by all such companies on business in this state under K.S.A. 40-1701 to 40-1707 and amendments thereto for tax year 1983 as then in effect, by (B) the total amount of taxes paid by all such companies on business in this state under K.S.A. 40-1703 and amendments thereto for the tax year immediately preceding the current tax year, and by multiplying the result so obtained by (C) the amount of taxes paid by the company on business in this state under K.S.A. 40-1703 and amendments thereto for the current tax year. The "applicable percentage" shall be as follows:

Tax Year	Applicable Percentage
1998	10%
1999	20%
2000	30%
2001	40%
2002	50%
2003	60%
2004	70%
2005	80%
2006	90%
2007 and thereafter	100%

In the computation of the gross premiums all such companies shall be entitled to deduct any premiums returned on account of cancellations, all premiums received for reinsurance from any other company authorized to do business in this state, and dividends returned to policyholders.

E

Fraternal benefit societies organized under the laws of any other state, territory or country:

Admission fees:	
Examination of charter and other documents	\$500
Filing annual statement	100
Certificate of authority	10
Annual fees:	
Filing annual statement	100
Continuation of certificate of authority	10

F

Mutual nonprofit hospital service corporations, nonprofit medical service corporations, nonprofit dental service corporations, nonprofit optometric service corporations and nonprofit pharmacy service corporations organized under the laws of any other state, territory or country:

1. Mutual nonprofit hospital service corporations:	
Admission fees:	
Examination of charter and other documents	\$500
Filing annual statement	100
Certificate of authority	10
Annual fees:	
Filing annual statement	100
Continuation of certificate of authority	10
2. Nonprofit medical service corporations, nonprofit dental service corporations, nonprofit optometric service corporations and nonprofit pharmacy service corporations:	
Admission fees:	
Examination of charter and other documents	\$500
Filing annual statement	100
Certificate of authority	10
Annual fees:	
Filing annual statement	100
Continuation of certificate of authority	10

In addition to the above fees and as a condition precedent to the continuation of the certificate of authority, provided in this code, every corporation or association shall pay annually to the commissioner of insurance a tax in an amount equal to 2% per annum of the total of all premiums, subscription charges, or any other term which may be used to describe the charges made by such corporation or association to subscribers in this state for

hospital, medical or other health services or indemnity received during the preceding year. In such computations all such corporations or associations shall be entitled to deduct any premiums or subscription charges returned on account of cancellations and dividends returned to members or subscribers.

G

Payment of Taxes.

For the purpose of insuring the collection of the tax upon premiums, assessments and charges as set out in subsection A, C, D or F, every insurance company, corporation or association shall at the time it files its annual statement, as required by the provisions of K.S.A. 40-225, and amendments thereto, make a return, ~~verified by affidavits generated by or at the direction of its president and secretary or other chief officers, under penalty of K.S.A. 21-3711, and amendments thereto,~~ to the commissioner of insurance, stating the amount of all premiums, assessments and charges received by the companies or corporations in this state, whether in cash or notes, during the year ending on the December 31 next preceding.

Commencing in 1985 and annually thereafter the estimated taxes shall be paid as follows: On or before June 15 and December 15 of such year an amount equal to 50% of the full amount of the prior year's taxes as reported by the company shall be remitted to the commissioner of insurance. As used in this paragraph, "prior year's taxes" includes (1) taxes assessed pursuant to this section for the prior calendar year, (2) fees and taxes assessed pursuant to K.S.A. 40-253, and amendments thereto, for the prior calendar year, and (3) taxes paid for maintenance of the department of the state fire marshal pursuant to K.S.A. 75-1508, and amendments thereto, for the prior calendar year.

Upon the receipt of such returns the commissioner of insurance shall verify the same and assess the taxes upon such companies, corporations or associations on the basis and at the rate provided herein and the balance of such taxes shall thereupon become due and payable giving credit for amounts paid pursuant to the preceding paragraph, or the commissioner shall make a refund if the taxes paid in the prior June and December are in excess of the taxes assessed.

H

The fee prescribed for the examination of charters and other documents shall apply to each company's initial application for admission and shall not be refundable for any reason.

Sec. 4. K.S.A. 40-1702 is hereby amended to read as follows: 40-1702. (a) On or before April 1 of each year, every insurance company doing business in this state shall return to the commissioner of insurance a just and true account, ~~verified by oath generated by or at the direction of its president and secretary or other chief officers, under penalty of K.S.A. 21-3711, and amendments thereto,~~ of all premiums received for fire and lightning insurance covering risks located within this state during the year ending December 31, or the fire and lightning portion of any other insurance transacted by the insurance company covering risks within this state. Every insurance company shall include in its return an account of all premiums received for fire and lightning insurance covering risks located within this state.

(b) Each firefighters relief association shall prepare and file with the commissioner a plat drawn to scale showing the area provided fire protection service by the fire department of the firefighters relief association and the location of each fire department house. No such plat shall include any part of any area served by another fire department.

Sec. 5. K.S.A. 2006 Supp. 40-3213 is hereby amended to read as follows: 40-3213. (a) Every health maintenance organization and medicare provider organization subject to this act shall pay to the commissioner the following fees:

- (1) For filing an application for a certificate of authority, \$150;
- (2) For filing each annual report, \$50;
- (3) For filing an amendment to the certificate of authority, \$10.

(b) Every health maintenance organization subject to this act which has operated for a period of three years but not more than five years shall pay annually to the commissioner at the time such organization files its annual report a privilege fee in an amount equal to one-half of one per cent (.005) per annum of the total of all premiums, subscription charges

or any other term which may be used to describe the charges made by such organization to enrollees; and after operating for a period of more than five years from the time of organization a health maintenance organization shall pay annually to the commissioner at the time such organization files its annual report, a privilege fee in an amount equal to 1% per annum of the total of all premiums, subscription charges or any other term which may be used to describe the charges made by such organization to enrollees. In such computations all such organizations shall be entitled to deduct therefrom any premiums or subscription charges returned on account of cancellations and dividends returned to enrollees. If the commissioner shall determine at any time that the application of the privilege fee would cause a denial of, reduction in or elimination of federal financial assistance to the state or to any health maintenance organization subject to this act, the commissioner is hereby authorized to terminate the operation of such privilege fee.

(c) For the purpose of insuring the collection of the privilege fee provided for by subsection (b), every health maintenance organization subject to this act and required by subsection (b) to pay such privilege fee shall at the time it files its annual report, as required by K.S.A. 40-3220, and amendments thereto, make a return, ~~verified by affidavits of~~ *generated by or at the direction of* its chief officer or principal managing director, *under penalty of K.S.A. 21-3711, and amendments thereto*, to the commissioner, stating the amount of all premiums, assessments and charges received by the health maintenance organization, whether in cash or notes, during the year ending on the last day of the preceding calendar year. Upon the receipt of such returns the commissioner of insurance shall verify the same and assess the fees upon such organization on the basis and at the rate provided herein and such fees shall thereupon become due and payable.

(d) Premiums or other charges received by an insurance company from the operation of a health maintenance organization subject to this act shall not be subject to any fee or tax imposed under the provisions of K.S.A. 40-252, and amendments thereto.

(e) Fees charged under this section shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state general fund.

Sec. 6. K.S.A. 2006 Supp. 75-1508 is hereby amended to read as follows: 75-1508. (a) For the purpose of maintaining the department of the state fire marshal and the payment of the expenses incident thereto, each fire insurance company doing business in this state shall pay to the commissioner of insurance, on or before March 15 each year, in addition to the taxes, fees and charges now required by law to be paid by it, such levy as may be made by the state fire marshal. The levy shall not be more than .80% for calendar year 2004, and each calendar year thereafter, of a sum equal to the gross cash receipts as premiums of such company on all fire business transacted by it in the state of Kansas during the calendar year next preceding, as shown by its annual statement under oath to the state insurance department.

(b) For the purposes of maintaining the emergency medical services board and the payment of the expenses incident thereto, each fire insurance company doing business in this state shall pay to the commissioner of insurance, on or before March 15 each year, beginning with calendar year 2002 and each calendar year thereafter, in addition to the taxes, fees and charges now required by law to be paid by it, such levy as may be made by the emergency medical services board. The levy shall not be more than .25% of a sum equal to the gross cash receipts as premiums of such company on all fire business transacted by it in the state of Kansas during the calendar year next preceding, as shown by its annual statement ~~under oath~~ to the state insurance department *generated by or at the direction of its president and secretary or other chief officers under penalty of K.S.A. 21-3711 and amendments thereto*.

(c) For the purposes of maintaining the fire service training program of the university of Kansas and the payment of the expenses incident thereto, each fire insurance company doing business in this state shall pay to the commissioner of insurance, on or before March 15 each year, beginning with calendar year 2004, and each calendar year thereafter, in addition to the taxes, fees and charges now required by law to be paid by it, such levy as may be made by the Kansas fire service training commission. The levy shall not be more

than .20% of a sum equal to the gross cash receipts as premiums of such company on all fire business transacted by it in the state of Kansas during the calendar year next preceding, as shown by its annual statement under oath to the state insurance department.

(d) The director of the fire service training program of the university of Kansas shall submit a report concerning expenditures and activities of the fire service training program of the university of Kansas to the house committee on appropriations on or before February 1, 2005, and each ensuing year thereafter.”;

And by renumbering the remaining sections accordingly;

Also on page 2, in line 14, by striking “is” and inserting “, 40-252, 40-309 and 40-1702 and K.S.A. 2006 Supp. 40-3213 and 75-1508 are”;

In the title, in line 9, following the semicolon where it appears for the second time, by inserting “pertaining to merger authority; pertaining to the preparation and filing of certain reports;”; in line 10, following “40-218” by inserting “, 40-252, 40-309 and 40-1702 and K.S.A. 2006 Supp. 40-3213 and 75-1508”; also in line 10, by striking “section” and inserting “sections”; and the bill be passed as amended.

Committee on **Judiciary** recommends **HB 2190, HB 2193, HB 2230, HB 2233** be passed.

Also, **HB 2232** be passed and, because the committee is of the opinion that the bill is of a noncontroversial nature, be placed on the consent calendar.

Committee on **Transportation** recommends **HB 2373**, as amended by House Committee, be amended on page 4, in line 32, before the period, by inserting “for vehicles with a gross vehicle weight rating of 26,000 pounds or less. As used in this section “gross vehicle weight rating” shall have the meaning ascribed thereto in K.S.A. 66-1,108, and amendments thereto”;

On page 5, in line 31, by striking “it” and inserting “that such person”; in line 39, before the period, by inserting “for vehicles with a gross vehicle weight rating, as defined in K.S.A. 66-1,108, and amendments thereto, of 26,000 pounds or less”;

On page 6, in line 4, before the period, by inserting “for vehicles with a gross vehicle rating of 26,000 pounds or less, and not more than two liens or encumbrances may be shown upon a title for vehicles in excess of 26,000 pounds gross vehicle weight rating”;

On page 8, in line 25, by striking “statute book” and inserting “Kansas register”; and the bill be passed as amended.

Committee on **Utilities** recommends **Substitute for HB 2278** be amended on page 1, in line 13, after “1.” by inserting “(a)”; in line 15, after “customers” by inserting “and landlords of customers”; in line 16, after the period by inserting “(b)”; in line 21, before “Except” by inserting “(c)”; also in line 21, by striking “tariff approved by the”; in line 22, after the comma by inserting “through the approved tariff or otherwise.”; in line 24, after the comma by inserting “or”; in line 25, by striking “or its energy conservation efficiency”; after line 27, by inserting the following:

“(d) Nothing in this section shall be construed to limit any rights or remedies of utility customers and landlords of utility customers against other parties to a transaction involving the purchase and installation of energy conservation measures.”; and the substitute bill be passed as amended.

Committee on **Ways and Means** recommends **SB 362** be passed.

Also, **HB 2385** be passed and, because the committee is of the opinion that the bill is of a noncontroversial nature, be placed on the consent calendar.

SB 79 be amended by substituting a new bill to be designated as “Substitute for SENATE BILL No. 79,” as follows:

“Substitute for SENATE BILL No. 79

By Committee on Ways and Means

“AN ACT concerning the Kansas sports hall of fame; relating to the funding thereof; amending K.S.A. 2006 Supp. 79-4803 and 79-4804 and repealing the existing sections.”; and the substitute bill be passed.

REPORT ON ENGROSSED BILLS

SB 75, SB 355 reported correctly engrossed March 7, 2007.

MARCH 8, 2007

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On motion of Senator D. Schmidt the Senate adjourned until 8:00 a.m., Friday, March 9, 2007.

HELEN MORELAND, CAROL PARRETT, BRENDA KLING, *Journal Clerks*.
PAT SAVILLE, *Secretary of the Senate*.

