

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:40 A.M. on January 29, 2007, in Room 123-S of the Capitol.

All members were present.

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Becky Krahl, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Melinda Gaul, Chief of Staff, Senate Ways & Means
Mary Shaw, Committee Assistant

Conferees appearing before the committee:

Paul Morrison, Kansas Attorney General
Dr. Howard Rodenberg, Kansas Department of Health and Environment
Jim Redmon, Executive Director, Children's Cabinet
Melissa Ness, Chair, Children's Cabinet
Mary Jayne Hellebust, Director, Tobacco Free Kansas Coalition

Others attending:

See attached list.

Chairman Umbarger made the following referrals:

SB 24--Medical student loan program; monthly stipend, increase; inflation factor

Referred to the Higher Education Subcommittee

SB 25--Nurse educator service scholarship

Referred to the Higher Education Subcommittee

SB 167--Postretirement benefit adjustment of 3% for retirants from school employment of the Kansas Public Employees Retirement System

Referred to the KPERS Issues Subcommittee

SB 193--State debt limitations and procedures

Referred to Capital Improvements Subcommittee

The Chairman welcomed Kansas Attorney General Paul Morrison who presented an update on the on-going water litigation and the tobacco master settlement agreement ([Attachment 1](#)). General Morrison explained that all of the lawsuits are very complex and have an extensive history. In regard to the Kansas v. Colorado, Kansas filed this suit in 1985 with the U. S. Supreme Court to enforce the terms of the Arkansas River compact. The court found that well-pumping in Colorado was in violation of the Compact. The Special Master in this case has filed four reports (1994, 1997, 2000 and 2003) and the Court has issued three opinions (1995, 2001, and 2004). Since March, 2005, the states have been updating the current measurement model and drafting the final decree. At the present time the states are awaiting the final decree from the Special Master. It was noted that if Kansas and Colorado disagree as to whether compliance has been achieved, further litigation or arbitration may become necessary.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on January 29, 2007, in Room 123-S of the Capitol.

In regard to the Tobacco Master Settlement Agreement (MSA), General Morrison provided history on the settlement. He provided current status in his written testimony. General Morrison explained that the Master Settlement Agreement developed a Strategic Contribution Fund that required the manufacturers to pay an increased amount from 2008-2017. Based on a percentage of how much each state contributed to the original MSA effort (time, money, people, etc.), states were allocated a share of this strategic fund. Kansas gets 1.85 percent of the total amount, which translates into an estimated \$15.4 million in April of 2008. He noted that this amount is expected to remain relatively flat until 2017 when the Strategic Contribution Fund would be depleted. Committee questions and discussion followed.

Staff provided an update of the Children's Initiatives Fund, FY 2006 - FY 2008 ([Attachment 2](#)) and State Water Plan Fund Expenditures, FY 2006 - FY 2008 ([Attachment 3](#)).

There was a continued discussion on the Master Settlement Agreement (MSA) Bonus Funds. The Chairman welcomed Dr. Howard Rodenberg, MD, Kansas Department of Health and Environment ([Attachment 4](#)). Dr. Rodenberg explained how tobacco settlement funds have helped to prevent the leading causes of death in Kansas, and how the investment of additional funds can accelerate the Agency's current efforts to achieve state goals for prevention of primary threats to health. He also provided history of MSA funds invested in tobacco use prevention in Kansas, accomplishments to date, additional funding opportunities and the need for support in preventing chronic disease. Committee questions and discussion followed.

Chairman Umbarger welcomed Melissa Ness, Chair, and Jim Redmon, Executive Director, Kansas Children's Cabinet and Trust Fund, who presented an overview and additional detailed information in their Briefing Binder ([Attachment 5](#)). The information contained in the attachment was compiled based on the requests of the Kansas Children's Cabinet and Trust Fund to develop an accountability framework for the Children's Initiative Funds (CIF). Data was gathered from a variety of sources including written program materials, public records and face to face interviews with program staff. It was noted that newly funded 2007 programs were not assessed. This is an ongoing process to strengthen the quality of not only the CIF recommendation process, but more importantly, to improve the quality of services to children and families in Kansas. Committee questions and discussion followed.

The Chairman welcomed Mary Jayne Hellebust, Executive Director, Tobacco Free Kansas Coalition, who presented information about the health benefits and savings that will come from adopting a comprehensive statewide tobacco prevention program ([Attachment 6](#)). Ms. Hellebust addressed and detailed funding tobacco prevention programs adequately, costs of treating tobacco illnesses, tobacco prevention needing to begin in childhood, some successes in Kansas, inadequate tobacco control funding and components and funding levels for a comprehensive statewide tobacco prevention program. Committee questions and discussion followed.

The meeting adjourned at 12:15 p.m. The next meeting is scheduled for January 30, 2007.