

MINUTES OF THE SENATE FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

The meeting was called to order by Chairperson Ruth Teichman at 9:30 am on Thursday, January 19, 2012 in Room 152S of the Capitol.

All members were present except:
Senator Ty Masterson
Senator Ray Merrick

Committee staff present:
Ken Wilke, Office of the Revisor of Statutes
Heather O'Hara, Legislative Research Department
Marilyn Arnone, Committee Assistant

Conferees appearing before the Committee:
Senator Oletha Faust-Goudeau
Senator Allen Schmidt
Rocky Baumgarter, IAFF Local 135 (Wichita Firefighters)
Robert Wing, Kansas State Counsel of Firefighters
Senator Dick Kelsey

Others in attendance:
See attached list.

Chairman Teichman opened the meeting and welcomed everyone.

Confirmation Hearing for Neal Bernauer as a Member of the State Banking Board

Mr. Neal Bernauer came before the Committee for a Confirmation Hearing on his appointment as a Member of the State Banking Board by Governor Brownback.

Chair Teichman welcomed Mr. Bernauer to the Committee and asked him to tell the Committee about himself. Mr. Bernauer was born in New York. Following his time in the U. S. Air Force, he went to Plumbing Apprentice School in Topeka, and became owner of Neal's Plumbing and Heating, Inc. He retired as a State of Kansas Building Inspector. He, now, is employed part-time with the USDA as an Ag Enumerator.

Senator Holland asked Mr. Bernauer what he expected from this job. Mr. Bernauer answered that he saw this appointment as a way to help people and to serve the State. In answer to his lack of experience in banking, Mr. Bernauer said he thought different opinions were helpful on Boards and he was willing to learn.

Chair Teichman asked Representative Knox if he would like to speak on behalf of Mr. Bernauer. Mr. Knox said he had submitted Mr. Bernauer's name for the appointment. He has known

Mr. Bernauer for many years as a member of his family. Mr. Knox said Mr. Bernauer was the best State employee he knew, that he was very knowledgeable, went by the book, was fully accountable and would be a good citizen representative to the Banking Board.

Senator Steineger moved, Senator Holland seconded, to send Mr. Bernauer's appointment as a Member of the State Banking Board to the full Senate. The motion carried.

CONTINUATION SHEET

Minutes of the SENATE FINANCIAL INSTITUTIONS AND INSURANCE Committee at 9:30 am on Thursday, January 19, in Room 152S of the Capitol.

Chair Teichman opened the hearing on **SB 250 Pertaining to continuation of health insurance for firefighters** and asked Ken Wilke, staff revisor, reviewed of the bill. This bill was based on a similar bill in Wisconsin which will pay premiums for the surviving spouse and dependent children of a firefighter who dies in the line of duty. Premium payment will not be required after five years or if the surviving spouse remarries or reaches 65. A child is no longer considered a dependent after he/she reaches 18 unless the child is a full-time student in an accredited high school or postsecondary educational institution until age 24.

The Chair introduced Senator Oletha Faust-Goudeau, a sponsor of the bill, who thanked the Committee for the opportunity to speak in support of the bill. This legislation was brought to her attention by firefighters in Wichita who lost a colleague in the line of duty and whose family is dealing with the issue of the high cost of health coverage. Senator Faust-Goudeau remarked this is a way to help firefighters who put their life on the line by providing continued health coverage for their families in case of loss of life of the firefighter. (Attachment 1)

Senator Schmidt, also a sponsor of the bill, commented that he thought the bill was a very good move forward. When an individual serves in the line of duty, the family serves also. This bill is a necessary move.

The Chair then called on Rocky Bumgarner, Wichita Firefighters Union Local 135, in support of the bill. Currently as part of a benefits package, most cities offer a cost sharing health insurance program as either a single plan or a family plan. This bill would only affect those firefighters that die in the line of duty and at the time of their death are enrolled in a family plan health insurance program. At this time, if a firefighter dies in the line of duty, the cost sharing plan is no longer available to the family. Mr. Bumgarner related the tragedy of a colleague in the Wichita Fire Department who died in the Line of Duty and whose family is struggling with health insurance premiums. This bill would allow families who have suffered a loss to not have the undue financial burden of high cost health insurance. (Attachment 2)

Robert Wing testified in support of **SB 250**. This bill is designed to give some protection to the surviving spouse and dependent children of a firefighter who gave their life for the community they served. The bill would provide for the continuation of health insurance benefits in limited circumstances for a limited time period. The costs are believed to be minimal. The Counsel simply believes this is the right thing to do for the surviving families. (Attachment 3)

Senator Dick Kelsey was recognized for comment on the bill. He said he had no hesitancy when asked to co-sponsor this bill. He thought it was a very worthy bill and he was honored to be a co-sponsor.

Written only testimony was provided by JL Ellis, President, Kansas State Firefighters Association. (Attachment 4)

Following discussion, the Chair closed the hearing on **SB 250**.

The meeting was adjourned at 10:10 am. The next meeting will be on January 24, 2012.