

May 23, 1994

TO: SENATOR DOLE
FROM: MARCIE ADLER
RE: KCCI RECEPTION
MONDAY, MAY 23RD

I HAVE CHECKED WITH YVONNE AND AM ADVISING THE KCCI PEOPLE THAT IT WOULD BE BEST TO HAVE YOU SPEAK WHEN WE SIT DOWN AT 7:00 P.M.

80 KANSANS ARE EXPECTED TO BE IN ATTENDANCE. SEVERAL CHAMBERS WILL BE MEETING WITH OUR VARIOUS STAFF, INCLUDING LAWRENCE, WICHITA, OVERLAND PARK, MANHATTAN, & JUNCTION CITY.

PRIOR TO DINNER, THE GROUP HAS A RECEPTION AT THE SWEDISH EMBASSY.

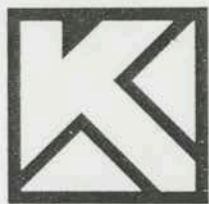
ATTENDING FROM KANSAS:

Keith and Rosemary Beach, Topeka
Mary Birch, Overland Park
Candace Borders, Topeka
Tammy Boucher, Wichita
Ed and Ellie Bruske, Topeka
David Carlin, Washington, D.C.
Lawrence and Lois Churchill, Pratt and Whitney
Jayne E. Clarke, Hays
Pat Connelly, Manhattan
Mike and Janet Daniels, Manhattan
Jim Edwards, Topeka
Ron Fehr, Manhattan
Michael and Mary Fuller, Overland Park
Doug Fumell, Louisburg
Michael C. Germann, Wichita
Bud and Sarah Grant, Topeka
Bill Henry, Topeka
Cynthia Hostetler, Manhattan
Denny Koch, Topeka
Bernie Koch, Wichita
Robert Krause, Manhattan
Randy Martin, Manhattan
Roger Maughmer, Manhattan
Gwen Montgomery, Topeka
John Montgomery, Junction City
Larry Montgomery, Topeka
John & Marty Moore, Wichita
Ken Morse, Topeka

CHAMBER LIST CONTINUED

Dennis Mullin, Manhattan
David Nichols, Topeka
Carl & Ginny Nordstrom, Topeka
Jack & Nancie Paradise, Olathe
Lloyd Parker, Junction City
Harland Priddle, Junction City
Jeff Russell, Topeka
Ron & Renae Ryan, Wichita
Bill Salome, Lawrence
Gary & Janice Toeppen, Lawrence
Marty Vanier, Manhattan
David & Sylvia Walker, Chapman
John Walters, Manhattan
Dan & Phyllis Watkins, Lawrence
Merrill & Dorothy Werts, Junction City
Jay & Barbara Williams, Overland Park
Don Wissman, Manhattan
Tim & Sandy Witsman, Wichita
Doug Wood, Cessna
Glenn Wood

Mon, May 23



KCCI

Kansas Chamber of Commerce and Industry

A consolidation of the Kansas State Chamber of Commerce, Associated Industries of Kansas, Kansas Retail Council

835 SW Topeka Blvd.
Topeka, KS 66612-1671
(913) 357-6321
Fax (913) 357-4732

May 5, 1994

The Honorable Bob Dole
U.S. Senate
141 Hart Senate Office Building
Washington, D.C. 20510

Dear Bob:

We're looking forward to seeing you and members of your staff at the Congressional Dinner on Monday evening, May 23, at the Crystal City Doubletree Hotel, 300 Army Navy Drive, Arlington.

The event is scheduled to start at 6:30 p.m. with a reception and dinner at 7 p.m., on the 14th floor, Penthouse level.

In keeping with tradition, we are looking forward to hearing your remarks concerning important Congressional legislation that will impact Kansas business. Issues like health care, OSHA reform, labor-management relations issues (striker replacement), downsizing of the military (Fort Riley), are just a few of the subjects Kansans are interested in.

As I indicated in earlier correspondence, the Kansas group will be meeting for a 4 p.m. reception on May 23 with the Ambassador of Sweden at his personal residence. If your Congressional schedule allows you to attend, we'd be delighted to have you or anyone from your staff join us. Let me know.

Look forward to seeing you on May 23.

Sincerely,



EDWARD G. BRUSKE
President

njd

cc: Jim Edwards

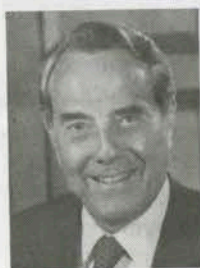
Copy to Sarah



Strictly Business

May 1994

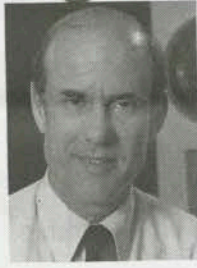
Kansas Chamber of Commerce and Industry



Senator
Bob Dole



Senator
Nancy Kassebaum



District 1
Pat Roberts



District 2
Jim Slattery



District 3
Jan Meyers



District 4
Dan Glickman

42nd KCCI Congressional Dinner May 23

More than 100 persons are expected to gather in Washington, D.C. later this month for the Kansas Congressional Reception and Dinner which will be held at a new sight this year. The host facility for the reception and dinner, which will be held on the evening of May 23, will be the Crystal City Doubletree Hotel.

All of the Kansas Congressional Delegation is expected to be in attendance at the event as well as their chief staff persons. This allows those attending from Kansas the opportunity to visit with their Congressperson, Senator, or their key staff persons on issues of importance to them.

In addition to this reception and dinner, a special trade meeting and reception will be held on Monday afternoon at the residence of Swedish Ambassador Henrick Liljegren. In addition to the Ambassador, trade representatives will also be present.

Continued on page 5

KCCI To Begin Workers Compensation Self Insurance Program

Beginning this summer, qualified KCCI members will be able to meet their workers compensation obligations through a Kansas Chamber group-funded self insurance pool. A management team for the **Kansas Chamber of Commerce and Industry Workers**

Compensation Corporation has been chosen with a goal of initiating this new member service by August. (The Kansas Chamber of Commerce and Industry Workers Compensation Corporation is not associated with the Kansas Manufacturers and Commerce Self

Insurers Fund. See related story on page 5.)

The Administrator of the KCCI Workers Compensation Corporation will be the Kansas Association of Insurance Agents

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| | | | | | | | |
|--------------------|---|---------------------------------|---|---------------------------|---|--------------------------|--------|
| Family Business | 2 | Chamber Talks Health Care | 3 | U.S. Chamber Survey | 4 | KCCI Member Update | Insert |
|--------------------|---|---------------------------------|---|---------------------------|---|--------------------------|--------|

Small Business Practitioner

Tom Hull



Managing a Family-Owned Business

In a family-owned business a statement commonly heard is, "It's our business and we all get a say in how its run."

Conflicts may occur because relatives look upon the business from different viewpoints. Those relatives who are silent partners, stockholders and directors see only dollar signs when discussing capital expenditures, growth, and other matters that could have a cashflow impact on the business. Relatives involved in operating the business see the same issues from their viewpoints of production, sales, and having the personnel needed to make the company successful.

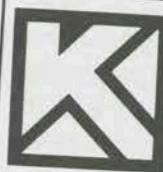
The following are guidelines to manage a family-owned business both effectively and profitably:

1. Be a leader - set the example for the work ethic that you expect and insist that relatives follow your example.
2. Communicate the results of business activities and educate involved relatives at regular intervals (monthly operations review meeting) so that they are kept up-to-date.
3. Keep family bickering from interfering with work. You cannot allow the company to become divided into warring camps where non-family employees' allegiance is divided among different family members. Non-family employees' interests are best served by a profitable company.
4. Identify, in writing, the responsibilities of family members. Insist that family employees work within the same bounds of authority as expected of non-family employees.
5. Ensure that there is a clearly communicated succession plan that identifies who will be responsible for managing the company when the current manager retires or dies. This will prevent a "power play" by relatives and minimize the chaos that can develop from the uncertainty that results from an unexpected change of leadership.
6. Get assistance from outside business advisors (Banker, Attorney, Accountant) in the event that there is a need to make an expenditure to improve efficiency and the owner-manager needs the approval of other family members. Outside advisors aren't influenced by family relationships and can help you present a factual, logical proposal.
7. As some relatives in a family owned/operated business get older, they may resist change and avoid risk. Their "status quo" attitude can block growth of the business. Suggest that "status quo" relatives be given the opportunity to convert their stock to preferred stock or sell some of their stock to younger relatives or non-family employees. This can be a delicate issue and should be done with the assistance of an attorney and an accountant.
8. Salaries of relatives should be competitive with similar positions in the industry. When you associate salary to the type of work that the individual does, you can show relatives the value that the industry puts on their jobs.

9. Develop a plan for the division of profits. Remember that profits are the resources for expansion and lenders are influenced by what is done with the profits. The value of your company is diminished when the owners equity is drained off by relatives.

To obtain free and confidential assistance with these or any other business management issues, contact the Small Business Development Center at a college near you or call the State Office at (316) 689-3193.

Tom Hull is the State Director of Kansas Small Business Development Centers. He works in the Barton School of Business at Wichita State University. His business career includes over 16 years in private industry and 5 years as a business consultant. He teaches a graduate level business consulting course.



**Kansas
Chamber of
Commerce
and Industry**

A consolidation of the
Kansas State Chamber
of Commerce,
Associated Industries
of Kansas,
Kansas Retail Council

STRICTLY BUSINESS is published by the Kansas Chamber of Commerce and Industry, 835 SW Topeka Blvd., Topeka, KS 66612, (913) 357-6321 FAX (913) 357-4732. John Moore, Wichita, board chairman. Rosemary Beach, Topeka, senior vice chairperson. Jack Paradise, Olathe, financial vice president. Ed Bruske, Topeka, president & CEO. Diana Friend, Topeka, editor.



(above) Dan Donaldson, Donaldson's, KRC president, takes questions from the press during a news conference on April 6 that addressed the health care issue of employer mandates. (right) Congressman Jim Slattery met with KCCI members April 25 to explain his newly released health care proposal that contains no employer mandates. The meeting was chaired by John Moore, KCCI chairman.



Health Care Reform Captures Chamber Attention

With the Kansas Legislature out of town most of the month of April, the Chamber's attention turned to health care reform, and its opposition to President Clinton's plan for employer mandates.

In mid-March a group of KCCI members, primarily retailers, met in the KCCI office with Kansas Second District Congressman Jim Slattery, a key member of the U.S. House of Representatives Energy and Commerce Committee, the lead house health care committee. KCCI members urged Congressman Slattery to oppose employer mandates, and explained the negative impact forcing employers to pay would have on jobs and wages.

On April 6, the day before President Clinton's visit to Topeka, these Kansas business leaders went public with their opposition to employer mandates. Joining with other representatives of the Coalition for Jobs and Healthcare, a national employer coalition rep-

resenting more than one million employers and forty million employees, a press conference was held and employer concerns were made public.

Speaking for KCCI and the Coalition, Bud Grant, KCCI vice president, stated; "Tomorrow, President Clinton will be in Topeka and we hope he hears our voices, a million strong and growing. Health reforms are important, but so are jobs and economic opportunity. Congress can give us both by eliminating employer mandates," Grant said.

During the President's visit to Topeka on April 7, KCCI President Ed Bruske attended the Town Meeting with the President. Bruske said following the meeting, that while the President answered the concerns expressed by the businesses participating in the forum, the costs surrounding the President's reform proposal could not be explained and left great doubt

that any reliable figures could be applied to a government directed program. It was Bruske's opinion that none of the businesses in attendance were willing to write the government a blank check on health care.

Following Congressman Slattery's late April announcement that he was now opposed to employer mandates, KCCI again hosted a meeting with the Congressman and several KCCI members, where Congressman Slattery reviewed the elements of his health care reform proposal. KCCI Chairman John Moore, who chaired the meeting, thanked Slattery for keeping KCCI informed and assured him that his plan would be given close scrutiny.

Because of the importance of Congressman Slattery's vote on this issue, both local media and ABC's Night Line filmed the session.

Business Voice Heard on Health Care

As the efforts of KCCI members show, the involvement of the business community in Kansas and across the country is beginning to reshape the debate over national health care reform. With business leaders speaking out, support is growing for Congressional reform that will make health insurance more available to Americans, without onerous employer mandates and the dismantling of the current insurance process.

A recent U.S. Chamber of Commerce member survey, released in April, shows strong business consensus on what should, and should not, be included in health care reform. In February, a KCCI member survey also showed strong opposition to employer mandates and creation of governmental insurance bureaucracies. Survey results from Kansas and neighboring states are shown below.

| | KANSAS | MISSOURI | NEBRASKA | IOWA | OKLAHOMA | U.S. |
|---|--------|----------|----------|------|----------|-----------|
| 1. Employer Mandate | | | | | | |
| Unacceptable | 75% | 75% | 77% | 74% | 76% | 71% |
| Acceptable | 20% | 21% | 20% | 20% | 20% | 24% |
| 2. Government-Run Health Care System | | | | | | |
| Unacceptable | 91% | 90% | 91% | 88% | 91% | 87% |
| Acceptable | 5% | 5% | 4% | 6% | 5% | 8% |
| 3. Most Preferred Option | | | | | | |
| Enhance the Current System | 55% | 58% | 62% | 56% | 62% | 56% |
| Expand Current Coverage for Low Income Individuals and Families | 9% | 7% | 9% | 6% | 6% | 8% |
| Employer-Required Access | 9% | 10% | 7% | 11% | 7% | 9% |
| Employer Mandate | 6% | 5% | 5% | 5% | 5% | 7% |
| Individual Mandate | 12% | 13% | 10% | 14% | 14% | 11% |
| Government-Run System | 4% | 3% | 2% | 3% | 2% | 4% |
| TOTAL RESPONSES | 676 | 852 | 585 | 902 | 553 | 40,000(+) |

KANSAS CHAMBER OF COMMERCE AND INDUSTRY

STRICTLY BUSINESS

Workers Compensation Insurance

A Point of Clarity

It was brought to KCCI's attention in October of 1993, that many members were being solicited to join a workers compensation self-insurance pool called the Kansas Manufacturers and Commerce Self Insurers Fund. Please note, **this is not the Kansas Chamber of Commerce and Industry Workers Compensation Corporation**, the KCCI sponsored program.

Congressional Dinner

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Ed Bruske, KCCI President and CEO, stated "KCCI has sponsored a number of these meetings in the past with representatives of possible trading partners for Kansas firms and products. They

have been very well received." As in the past, many businesses, associations, local chambers of commerce and KCCI's Past Directors Club help in sponsoring this event.

For registration, use the flyer included in this mailing.

Environmental Regs Seminar May 10-11

If your business is faced with the significant challenge finding a way through the maze of environmental regulations, you might consider attending a seminar program in Kansas City this month.

"Effective Negotiation with Environmental Agencies" will be held May 10 & 11 at the Regents Center in Kansas City. The seminar sponsor is the Center for Environmental Education and Training at the University of Kansas.

The program is designed to show you how to work with regulatory agencies to obtain workable permits, figure out monitoring requirements, clean up contaminated sites and respond to agency compliance inspections.

Business owners, senior executives, facility managers, corporate counsel, and environmental managers should benefit from meeting with environmental regulators in a cooperative atmosphere to learn techniques and strategies for negotiating and joint problem solving.

To encourage interaction between seminar participants and instructors, enrollment is limited to 90 registrants from Kansas, Missouri, Iowa and Nebraska. The fee for the program is \$395. For more information or to register, contact Brenda Collins, Center for Environmental Education and Training, University of Kansas, (913) 897-8526.

HELP

Build Strong Legislative Partnerships



Back Your PACK!

I know we have to continue to build strong business representation in the Kansas Legislature, so we can look forward to a better future. That's why you can count on my support. I understand that I can give to PACK in two different ways: (1) by personal check, and (2) through MasterCard, Visa or American Express.



Please accept the following contribution to PACK. (1) Enclosed is my check for:

\$ _____ payable to PACK.

(2) Charge my contribution to:

___ Mastercard ___ VISA ___ AXE

Credit Card Number

_____ Exp. Date

Name

Address

City/State/Zip

Phone

FAX

Mail today to:

PACK
835 SW Topeka Blvd.
Topeka, KS 66612-1671
(913) 357-6321

WC Insurance

continued from page 1

(KAIA). The KAIA is an association with a 70 year history in Kansas and brings the KCCI program its marketing force of independent insurance agents across the state. In addition, KAIA will be in charge of program underwriting, accounting and billing.

The program's management of workers compensation claims and loss control services will be administered by Thomas McGee & Sons. The Kansas City based partnership has been in business since 1910. Currently, Thomas McGee manages three workers compensation self insurance pools in Kansas.

Kansas law has permitted workers compensation group-funded self insurance pools since 1984. However, until the KCCI driven 1993 legislative reform of the Kansas workers compensation system, only "same or similar" businesses could organize into a group-funded pool. Now, dissimilar business can participate in pools, making pooling a possibility for the diverse membership of KCCI.

As the name implies, group-funded self insurance pools permit small and medium sized employers to band together to self insure their workers compensation exposure. If workers compensation claims are less than the premiums reserved to pay losses, the excess revenue is returned to the pool members in the form of dividends. Conversely, if claim losses exceed loss reserves, pool members would pay assessments to make up the difference. The KCCI pool will purchase additional insurance, to limit a pool member's assessment exposure.

Another advantage of self insurance pools is member control of the program. "We plan to have a very active Board of Trustees for the KCCI Workers Compensation Corporation," said KCCI President Ed Bruske. "The Board will be directly responsible for critical policy like what members will be permitted to participate, safety program requirements, and how much emphasis our pool should put on fraud investigations. The program literally does belong to the members of the pool."

Premium charges for pool members will be calculated by using a business' current experience modification and employee classifications. In addition, plans call for use of a "stock" premium discount. As a result, KCCI members in the Kansas Assigned Risk Plan would experience significantly lower insurance premiums in the KCCI program. Businesses insured through the conventional insurance marketplace should expect the KCCI program to be competitively priced with their current insurance.

"KCCI has been the leader in promoting legislation to permit Kansas employers to control their workers compensation destiny," Bruske added. "This new KCCI program will give our members who qualify the opportunity to take control of workers compensation at their business."

If you would like more information on the KCCI Workers Compensation Corporation, please complete and return the enclosed questionnaire in this edition of *Strictly Business*.

KCCI

Calendar of Events

May 11 - 14

KCCE/ACCE
Wichita

May 18 - 20

Leadership Kansas
Kansas City/Overland Park

May 23

Congressional Dinner
Washington, D.C.

June 8-9

KCCI Board of Directors Meeting
Wichita

June 23-24

Leadership Kansas
Pittsburg

August 16

Unemployment Compensation/
Workers Compensation Seminar
Wichita

August 17

Unemployment Compensation/
Workers Compensation Seminar
Topeka

August 18

Unemployment Compensation/
Workers Compensation Seminar
Lenexa

October 25

KCCI Business Congress
Topeka

February 7, 1995

CAUCUS - Topeka

For more information on these activities contact the KCCI office at (913) 357-6321

TO: Senator Dole
FR: Kerry

RE Monday Speaking Appearances

*You have four speaking appearances on Monday, but only one of them requires formal remarks.

1. **National Truck Stop Operators:** Audience of about 50 truck stop operators attending government affairs conference. Kansans will be present. This is a breakfast session, and they're looking for a few minutes of remarks on issues of day, followed by Q&A. Greg is preparing a issue briefing. *Mike Dole - Dep IRS Commis*
2. **"Congressman Upton's Big Supporters:"** Brief stop-by and Q&A before approximately 50 major donors to Congressman Upton.
3. **Kansas Chamber of Commerce and Industry:** Annual dinner for Kansas delegation. Delegation members attending will be invited to give informal remarks on issues of importance to Kansas. Dan is preparing a briefing sheet summarizing Kansas issues.
4. **International Mass Retail Association:** Organization representing mass retailers such as Wal-Mart, Home Depot, Target, etc. They are expecting an audience of 2,000+ for their annual convention. Other speakers include Gingrich, Gramm, and Carville.

*You will be receiving their "1994 Leadership Award" for "your tireless commitment to preserving America's free market system." You will be receiving the award at a dinner banquet, and they have asked for you speak for 10 minutes or so on "leadership."