

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Steve Morris at 10:35 a.m. on February 8, 2001, in Room 123-S of the Capitol.

All members were present except: All present

Committee staff present:

Alan Conroy, Chief Fiscal Analyst, Kansas Legislative Research Department
Debra Hollon, Kansas Legislative Research Department
Amory Lovin, Kansas Legislative Research Department
Stuart Little, Kansas Legislative Research Department
Audrey Nogle, Kansas Legislative Research Department
Michael Corrigan, Assistant Revisor, Revisor of Statutes Office
Julie Weber, Administrative Assistant to the Chairman
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

James Buchele, Member, Childrens' Cabinet
Steve Williams, Secretary, Department of Wildlife and Parks
John W. Campbell, Senior Deputy Attorney General, Office of the Attorney General
Bobbi Mariani, Director, Division of Personnel Services

Others attending: See attached guest list

Bill Introductions

Senator Jordan moved, with a second by Senator Feleciano, to introduce a bill (1rs0945) concerning tourism; establishing state tourism fund. Motion carried by a voice vote.

Chairman Morris opened the public hearing on:

SB 170 - Kansas children's cabinet to enter into agreements with not-for-profit entities for the investment of certain moneys

Staff briefed the Committee on the bill.

Chairman Morris welcomed Jim Buchele, Member, Kansas Children's Cabinet, who spoke in support of **SB 170**. Mr. Buchele explained that the bill provides that the Children's Cabinet may negotiate with a not-for-profit foundation to receive, administer and manage funds that are contributed to benefit cabinet programs. He noted that the bill requires that the Attorney General approve the contract with the not-for-profit. In closing, Mr. Buchele mentioned that the bill has no fiscal note the intent is to enhance revenue to bring additional funds to children's programs in Kansas (Attachment 1). Committee questions and discussion followed. Chairman Morris thanked Mr. Buchele for his presentation before the Committee.

There being no further conferees to come before the Committee, the Chairman closed the public hearing on **SB 170**.

Chairman Morris opened the public hearing on:

SB 242 - Requirements for sale of cigarettes

Staff briefed the Committee on the bill.

Chairman Morris welcomed John Campbell, Senior Deputy Attorney General, Office of the Attorney General, who spoke in favor of **SB 242**. Senior Attorney General Campbell explained that the bill helps protect the State's \$1.5 billion settlement of its tobacco litigation. He further explained that the major tobacco companies now maintain that five states, including Kansas, have a Non-Participating Manufacturer statute (NPM) that are materially different from the Model statute contained in the Master Settlement Agreement (MSA). Senior Attorney General Campbell noted that the Attorney General's office is prepared to fight in court for years if need be to prove this point. However, there is an alternative, if the Kansas NPM statute is amended as shown within his testimony, the tobacco companies will drop their claims that the Kansas statute does not comply with the terms of the MSA. The Attorney General's office recommends that Kansas accept this offer and make the technical amendments as requested (Attachment 2). Committee questions and discussion followed. The Chairman thanked Senior Deputy Attorney General Campbell for his appearance before the Committee.

Senator Feleciano moved, with a second by Senator Jordan, to make the requested technical amendments, place the bill on the Consent Calendar, make the bill effective with the Kansas Register and pass SB 242 favorable as amended. Motion carried by a roll call vote.

The Chairman returned the Committee's attention to discussion of:

SB 170 - Kansas children's cabinet to enter into agreements with not-for-profit entities for the investment of certain moneys

Senator Kerr moved, with a second by Senator Schodorf, to pass SB 170 as favorable. Committee discussion followed.

Senator Huelskamp moved, with a second by Senator Jackson, for a substitute motion to amend SB 170 that the contracts with not for profit authorized by the bill be competitively bid in terms of receiving, administering and investing the children's cabinet moneys. Detailed Committee discussion followed.

Senator Kerr withdrew his motion with the agreement of the second, Senator Schodorf. Senator Downey requested that staff look at the information regarding the North Carolina Smart Start as was mentioned in Mr. Buchele's testimony and report back to the Committee. Chairman Morris mentioned that he will hold SB 170 at this time.

Chairman Morris opened the public hearing on:

SB 147 - Adoption of wildlife fees by Secretary of Wildlife and Parks; amounts authorized

Staff briefed the Committee on the bill.

Chairman Morris welcomed Steve Williams, Secretary, Department of Wildlife and Parks, who spoke in favor of **SB 147**. Secretary Williams mentioned that revenue and expenditure projections for the next two years indicate a serious decline in the Wildlife Fee Fund balance by FY 2003. The Wildlife and Parks Commission and the department ask for support of this bill to help in addressing this financial concern. Secretary Williams explained that the last legislative action on wildlife parks and parks fees occurred in 1989 when the Game and Fish Commission merged with the Parks Authority. Since 1989 and the present, the Wildlife and Parks Commission has set actual fees by regulation within the statutorily defined ranges. The last such fee increase for these wildlife and boating fees was enacted by the Commission in 1995, becoming effective January 1, 1996 (Attachment 3). Committee questions and discussion followed.

Senator Huelskamp requested information regarding in-state and out-of state comparisons regarding fees. The Chairman thanked Secretary Williams for his appearance before the Committee.

There being no further conferees, the Chairman closed the public hearing on **SB 147**.

Status Report Regarding State Information Resource Managers

Chairman Morris welcomed Bobbi Mariani, Director, Division of Personnel Services, who briefed the Committee on information requested relating to **SB 196** regarding the Department of Corrections

reclassifying two positions (Attachment 4). Ms. Mariani explained information as noted in her written testimony. She also distributed information regarding:

- Planning for the Workforce of Today and Tomorrow, State of Kansas I.T. Retention Program (Attachment 5)

Bill Introductions

Senator Feleciano moved, with a second by Senator Huelskamp, to introduce a bill (1rs0562) concerning State health care benefit system eligibility. Motion carried by a voice vote.

Senator Huelskamp moved, with a second by Senator Jackson, to introduce a bill (1rs0575) concerning a Kansas producer protection act. Motion carried by a voice vote.

Information was distributed from Kathy Porter, Office of Judicial Administration, in response to questions regarding the public hearing on **SB 49** (Attachment 6).

The meeting was adjourned at 12:00 noon. The next meeting is scheduled for February 9, 2001.