

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Steve Morris at 10:30 a.m. on March 19, 2001 in Room 123-S of the Capitol.

All members were present except: All Present

Committee staff present:

Leah Robinson, Kansas Legislative Research Department
Debra Hollon, Kansas Legislative Research Department
Amory Lovin, Kansas Legislative Research Department
Stuart Little, Kansas Legislative Research Department
Paul West, Kansas Legislative Research Department
Carolyn Rampey, Kansas Legislative Research Department
Kathie Sparks, Kansas Legislative Research Department
Robert Waller, Kansas Legislative Research Department
Robert Chapman, Kansas Legislative Research Department
Chris Courtwright, Kansas Legislative Research Department
Norman Furse, Revisor of Statutes
Michael Corrigan, Assistant Revisor, Revisor of Statutes Office
Julie Weber, Administrative Assistant to the Chairman
Mary Shaw, Committee Secretary

Conferees appearing before the committee: None

Others attending: See attached guest list

Senate Subcommittee Report on:

Capital Improvement Projects, Chairman Morris reporting (Attachment 1):

State Fair Board

The Senate Subcommittee concurs with the Governor's recommendation with adjustments, recommendations, and observations as listed in the Subcommittee report.

Department of Social and Rehabilitation Services

The Senate Subcommittee concurs with the Governor's recommendation in FY 2001.

For FY 2002, the agency requests a total of \$31.4 million for capital improvements, including a new state security hospital at Larned.

The Governor in FY 2002 recommends \$7,696,950 all funds, including \$3.7 million for planning funds for a new State Security Hospital and a 20-bed modular building on the campus of Larned State Hospital.

The Senate Subcommittee concurs with the Governor's recommendation for FY 2002 and notes that funding is provided in the legislation that will allow for the planning of the remodeling of the Meyer Building at Larned State Hospital as outlined by the Department.

Kansas State School for the Blind

The Senate Subcommittee concurs with the Governor's recommendation.

Kansas State School for the Deaf

The Senate Subcommittee concurs with the Governor's recommendation.

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Department of Corrections

The Senate Subcommittee concurs with the Governor's recommendation with adjustment as listed in the Subcommittee report.

Kansas State Historical Society

The Subcommittee concurs with the Governor's recommendation for FY 2001.

The Subcommittee concurs with the Governor's recommendation for FY 2002 with adjustments as listed in the Subcommittee report.

Kansas Insurance Department

The Senate Subcommittee concurs with the Governor's recommendation.

Department of Administration

The Senate Subcommittee concurs with the Governor's recommendation.

Department of Commerce and Housing

The Senate Subcommittee concurs with the Governor's recommendation.

Fort Hays State University

The Subcommittee concurs with the Governor's recommendation, but notes the agency reports the Center for Networked Learning currently has insufficient funds, so the project will be delayed one year.

Kansas State University

The Senate Subcommittee concurs with the Governor's recommendation.

Kansas State University – ESARP

The Senate Subcommittee concurs with the Governor's recommendation with observation as listed in the Subcommittee report.

Emporia State University

The Senate Subcommittee concurs with the Governor's recommendation.

Pittsburg State University

The Senate Subcommittee concurs with the Governor's recommendation with comment as listed in the Subcommittee report.

University of Kansas

The Senate Subcommittee concurs with the Governor's recommendation.

University of Kansas Medical Center

The Senate Subcommittee concurs with the Governor's recommendation.

Senator Adkins moved, with a second by Senator Schodorf, to amend the Senate Subcommittee report on the University of Kansas Medical Center regarding the existing Research Support Facility construction addition to increase the figures in the line item to give them more flexibility so they can re-bid. (Attachment 2) Motion carried by voice vote.

Wichita State University

The Senate Subcommittee concurs with the Governor's recommendation with adjustment as listed in the Subcommittee report.

Kansas Department of Human Resources

The Senate Subcommittee concurs with the Governor's recommendation with adjustments as listed in the Subcommittee report.

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Kansas Commission on Veterans Affairs

The Senate Subcommittee concurs with the Governor's recommendation for FY 2001 with adjustments as listed in the Subcommittee report.

The Senate Subcommittee concurs with the Governor's recommendation for FY 2002.

Kansas Bureau of Investigation

The Senate Subcommittee concurs with the Governor's recommendation with adjustment as listed in the Subcommittee report.

Kansas Highway Patrol

The Senate Subcommittee concurs with the Governor's recommendation.

Kansas Department of Wildlife and Parks

The Senate Subcommittee concurs with the Governor's recommendation for FY 2001.

The Senate Subcommittee concurs with the Governor's recommendation for FY 2002.

State Board of Regents

The Senate Subcommittee concurs with the Governor's recommendation.

Juvenile Justice Authority

The Senate Subcommittee concurs with the Governor's recommendation.

Kansas Department of Transportation

The Senate Subcommittee concurs with the Governor's recommendation.

An additional sheet for Kansas State University was added to the Senate Subcommittee report (Attachment 3).

In regard to the Kansas State School for the Deaf (page 7), Chairman Morris mentioned that the Building Committee recommended adding \$411,000 State Institutions Building Fund (SIBF), FY 2002, for asbestos abatement and improvements to the dorm.

In regard to the Board of Regents (page 40), Chairman Morris mentioned that the Building Committee recommended adding \$2,000,000 Educational Building Fund to provide a \$10,000,000 rollover.

Senator Feleciano moved, with a second by Senator Jordan, to amend the subcommittee report to add the \$411,000 for the remodeling of the dorm and asbestos abatement regarding the Kansas School of the Deaf as recommended by the Joint Committee on State Building Construction. Motion carried by a voice vote.

Senator Salmans moved, with a second by Senator Adkins, to amend the subcommittee report to add the Kansas Regents Systemwide project as recommended by the Joint Committee on State Building Construction. Motion carried by a voice vote.

Committee questions and discussion followed.

Senator Schodorf moved, with a second by Senator Jackson, to approve the Subcommittee report on Capital Improvement Projects as amended. Motion carried by a voice vote.

Chairman Morris called the Committee's attention to discussion of:

SB 344—Appropriations for FY 2001, FY 2002 and FY 2003 for capital improvements for various state agencies

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Senator Schodorf moved, with a second by Senator Jackson, to move the information from the Subcommittee report on Capital Improvement Projects into SB 344 and to direct staff to do technical cleanup of the bill as amended. Motion carried by a roll call vote.

Subcommittee budget report on:

Kansas Department of Transportation (Attachment 4)

Senator Adkins reported that the subcommittee concurs with the Governor's recommendations for FY 2001.

Senator Adkins reported that the subcommittee concurs with the Governor's recommendations for FY 2002 with additional adjustments, notations and recommendations as listed in the Subcommittee budget report.

Senator Adkins mentioned that there is an attachment included in the Subcommittee report with information the Subcommittee wanted the Committee to have. The Subcommittee feels it summarizes the current budget status of the Comprehensive Transportation Program including projected revenues and projected expenditures.

Senator Adkins also distributed copies of a summary, for information purposes only, that is not part of the Subcommittee report. He explained that it does allow the Committee to understand some of the implications of tax increases that have been suggested (Attachment 5). Senator Adkins briefed the Committee regarding the information in detail.

Committee questions and discussion followed. Senator Jackson mentioned that a group of Senators and Representatives have met with the Secretary of Transportation concerning the use of reinforced concrete pipe versus corrugated metal pipe by the Department of Transportation and the concern is that nearly all concrete pipe is produced in Kansas and nearly all corrugated metal pipe comes from outside the state of Kansas. The Secretary shows a projection if 75 percent of the concrete pipe were replaced that the cost to the state would be approximately \$3 to \$4 million dollars. However, the concrete pipe producers generate approximately \$17 million dollars in gross revenues a year in Kansas. Using the standard multiplier, that would generate \$104 million in Kansas now recognizing that not all that would be replaced.

Senator Jackson noted that he spoke with Senator Adkins and he suggested proposing a proviso. Senator Jackson read his drafted proviso to the Committee to amend the Subcommittee Report on the Kansas Department of Transportation Budget:

Provided that reinforced concrete pipe used in highway construction is, in nearly all instances, Kansas produced including 67 percent of the raw materials. The Secretary is strongly urged that expenditures made by the department of transportation for purchase of concrete drainage pipe in lieu of corrugated metal pipe.

Provided further, that the Secretary shall restrict the use of corrugated metal pipe to areas of Kansas where installation of RCP (Reinforced Concrete Pipe) due to transportation costs exceeds 1.75 times the installed cost of corrugated metal pipe, and further in all areas in counties in which soil pH conditions dictate testing of soils prior to installation of piping.

And provided that the department of transportation specify that RCP be specified in all cases for Sanitary & Storm Water & Sewer piping.

Senator Jackson explained that the proviso would protect Kansas industry and possibly the taxpayers. He also noted that the Secretary of Transportation provides information that the installed cost of corrugated metal pipe typically is \$30 per meter and for reinforced concrete pipe is \$45 per meter. Committee questions and discussion followed.

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Senator Downey mentioned that she was uncomfortable with the specificity of the proposed proviso. She noted that she would like the Secretary of Transportation to respond to this request and that more generic language should be put into the proviso.

Senator Kerr mentioned that Senator Downey made some good points and that the Committee should be very careful entering into an engineering design area type of issue. He also does not know if KDOT has had an adequate opportunity to respond, but he thinks it would be a mistake to specifically act here on something that is integral to the design of Kansas highways.

Senator Jackson mentioned that the Secretary of the Kansas Department of Transportation has agreed to look at these cases and the group wanted to be sure that the full Committee was aware of the problems they see using corrugated metal pipe in lieu of reinforced concrete pipe.

Senator Kerr explained that maybe a compromise position would be to say that the Committee expresses its concern about the policy and asks that the Department of Transportation review their decisions to increase the use of corrugated metal as opposed to reinforced concrete pipe in Kansas. Senator Kerr noted that it puts the Department of Transportation on notice that they need to be responsive without involving the Committee in design areas.

Senator Jackson moved conceptually, with a second by Senator Downey, to adopt the language that Senator Kerr proposed, request the Secretary for information on the issue and flag the issue for Omnibus. Motion carried by a voice vote.

Senator Adkins moved, with a second by Senator Salmans, to adopt the Subcommittee budget report on the Kansas Department of Transportation as amended. Motion carried by a voice vote.

Chairman Morris called the Committee's attention to discussion of:

HB 2297—Increase court of appeals to 14 judges, increasing by one each year to 2004

Senator Kerr moved, with a second by Senator Jackson, to amend the bill to authorize additional appellate judges positions in FY 2004 and pass **HB 2297** as amended. Motion carried by a roll call vote.

The meeting was adjourned at 12:00 noon. The next meeting is scheduled for March 20, 2001.