

Approved: April 19, 2007
Date

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:40 A.M. on February 13, 2007, in Room 123-S of the Capitol.

All members were present except:

Senator Chris Steineger- excused

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes
J. G. Scott, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Audrey Dunkel, 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:

Mike Santos, on behalf of Kristy Stallings, Deputy Manager of the City of Overland Park
Larry Baer, Assistant General Counsel, League of Kansas Municipalities
Bud Burke, City of Olathe
Matt Shatto, Assistant City Administrator, Lenexa (written)
Judy A. Moler, General Counsel/Legislative Svcs. Director, Kansas Assoc. of Counties (written)
Jim Langford, Budget and Finance Director, City of Topeka (written)
Carol Gonzales, City Manager, City of Shawnee (written)

Others attending:

See attached list.

Bill Introduction

Senator Schodorf moved, with a second by Senator Kelly, to introduce a bill creating the Kansas long-term care bill of rights. Motion carried on a voice vote.

Copies of the Kansas Legislative Research Department Budget Analysis report for FY 2007 and FY 2008 were available to the committee.

Subcommittee report on:

Kansas Department of Revenue (Attachment 1)

Subcommittee Chair Jean Schodorf reported that the subcommittee on the Kansas Department of Revenue concurs with the Governor's recommendation in FY 2007 with notations and concurs with the Governor's FY 2008 recommendation with adjustment and notations. Copies of the Kansas Advisory Council on Intergovernmental Relations 2006 Annual Report were distributed to the committee (Attachment 2).

Senator Schodorf moved, with a second by Senator V. Schmidt, to amend the subcommittee budget report on the Kansas Department of Revenue in FY 2007 to consider Item No. 8 (Kansas Advisory Council on Intergovernmental Relations) at Omnibus. Motion carried on a voice vote.

Senator Schodorf moved, with a second by Senator Betts, to adopt the subcommittee budget report on the Kansas Department of Revenue in FY 2007 as amended . Motion carried on a voice vote.

Senator Kelly moved, with a second by Senator Wysong, to amend the subcommittee budget report in FY 2008 to review at Omnibus the cost involved regarding conceal/carry and implementation of **2006 SB 418** (Family and Personal Protection Act). Motion carried on a voice vote.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:40 A.M. on February 13, 2007, in Room 123-S of the Capitol.

Senator Schodorf moved, with a second by Senator Betts, to adopt the subcommittee budget report on the Kansas Department of Revenue in FY 2008 as amended and include any technical corrections. Motion carried on a voice vote.

Chairman Umbarger opened the public hearing on:

SB 232--Municipalities; postemployment benefits other than retirement; authorization

Staff briefed the committee on the bill.

The Chairman welcomed the following conferees:

Mike Santos, on behalf of Kristy Stallings, Deputy City Manager, City of Overland Park, testified in support of **SB 232** (Attachment 3). Mr. Santos explained that the City of Overland Park requested and supports the legislation which would create the authority for governmental entities to establish and contribute to a trust in order to fund future liabilities for other post-employment benefits for its retirees. He noted that currently the authority to create such a trust does not exist.

Larry R. Baer, Assistant General Counsel, League of Kansas Municipalities, spoke in support of **SB 232** (Attachment 4). Mr. Baer mentioned that the bill would allow a city to either establish its own trust or trusts or join with others to do so; provide for management and investment of the trust; and, provide for the organization of the members of the management team. It was explained that although the bill would be applicable to a few cities in Kansas, it is needed by those cities to allow them to completely comply with changes noted in Mr. Baer's written testimony and for that reason, the League supported the bill.

Bud Burke, City of Olathe, testified in support of **SB 232** (Attachment 5). Mr. Burke addressed the problem of unfunded liabilities into the future for cities. He also mentioned that while the Other Post Employment Benefits does not require governmental units to fund these obligations, those that choose not to fund them run the risk of lower credit ratings making the cost of borrowing money much more expensive.

Written testimony was submitted by the following:

Matt Shatto, Assistant City Administrator, Lenexa (Attachment 6)

Judy A. Moler, General Counsel/Legislative Svcs. Director, Kansas Assoc. of Counties (Attachment 7)

Jim Langford, Budget and Finance Director, City of Topeka (Attachment 8)

Carol Gonzales, City Manager, City of Shawnee (Attachment 9)

The meeting adjourned at 11:25 a.m.