

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Stephen Morris at 10:30 a.m. on March 17, 2003, in Room 123-S of the Capitol.

All members were present except: All present

Committee staff present:

Alan Conroy, Director, Kansas Legislative Research Department  
J. G. Scott, Chief Fiscal Analyst, Kansas Legislative Research Department  
Martha Dorsey, Kansas Legislative Research Department  
Melissa Calderwood, Kansas Legislative Research Department  
Carolyn Rampey, Kansas Legislative Research Department  
Amy Deckard, Kansas Legislative Research Department  
Norman Furse, Revisor of Statutes  
Michael Corrigan, Assistant Revisor of Statutes  
Judy Bromich, Administrative Analyst  
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Janet Chubb, Assistant Secretary of State  
Senator Bill Bunten  
Jim Cates, KMAJ Radio, Topeka

Others attending: See attached list

**Bill Introduction**

Senator Feleciano moved, with a second by Senator Barone, a conceptual bill introduction regarding providing an exemption to the ban on certain former state officers and employees right to be employed by or contract with certain person or businesses. Motion carried on a voice vote.

Copies of the Kansas Legislative Research Department Budget Analysis Report for FY 2003 and FY 2004 were distributed to the committee.

Subcommittee reports on:

**Attorney General (Attachment 1)**

Subcommittee Chairman Adkins reported that the Subcommittee concurs with the recommendation of the Governor for FY 2003.

Subcommittee Chairman Adkins reported that the Subcommittee concurs with the recommendation of the Governor with exceptions and comments for FY 2004.

Senator Adkins moved, with a second by Senator Downey, to adopt the subcommittee budget report for the Attorney General for the FY 2003 and FY 2004 budget. Motion carried on a voice vote. Senator Jackson and Senator Jordan abstained from voting on the motion.

**State Treasurer (Attachment 2)**

Subcommittee Chairman Adkins reported that the Subcommittee concurs with the recommendation of the Governor for FY 2003.

## CONTINUATION SHEET

Subcommittee Chairman Adkins reported that the Subcommittee concurs with the recommendation of the Governor with comments and observations for FY 2004.

Senator Adkins moved, with a second by Senator Schodorf, to adopt the subcommittee budget report for the State Treasurer for the FY 2003 and FY 2004 budget. Motion carried on a voice vote.

### **Bill Introductions**

Senator Adkins moved, with a second by Senator Bunten, to introduce a bill regarding the transfer of the Division of Accounts and Reports in the Department of Administration to the State Treasurer's Office. Motion carried on a voice vote.

Senator Kerr moved, with a second by Senator Jackson, to introduce a bill to transfer the Information Network of Kansas to Kansas, Inc. (3rs0940). Motion carried on a voice vote.

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

### **SB 50--State employee voluntary leave purchase program**

Chairman Morris welcomed Karen Watney, Department of Administration, who detailed a letter from Jack Rickerson, Director, Division of Personnel Services (Attachment 3). Ms. Watney explained two options: pre-tax and after-tax implications. Primary components of each option were highlighted in the written testimony. The Department also provided a balloon amendment in the letter that reflects an informal revenue code Section 125 program. Committee questions and discussion followed.

Chairman Morris suggested holding the bill at this time and requested an amendment from the Division of Personnel Services using Option Two.

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

### **SB 239--Secretary of state fees for certain services and publications**

Staff distributed a chart regarding revenue, expenditures and selected Secretary of State fees (Attachment 4).

Chairman Morris recognized Janet Chubb, Assistant Secretary of State, who explained a letter from Secretary of State Ron Thornburgh (Attachment 5). Ms. Chubb mentioned that as a result of the corrected fiscal note of March 10, 2003, stating that **SB 239** would have a \$418,991 negative effect upon the state general fund and suggested amendments detailed in the testimony. She also explained that the Secretary of State is extremely reluctant to suggest these changes, because the effect upon the fiscal integrity of their programs, particularly the elections and legislative matters program is severe. Ms. Chubb also noted that the Secretary believes that elections should be funded by the State General Fund, not their business customers. Copies of the Secretary of State Draft of Possible FY 2004 Fee Increases, dated March 17, 2003, were distributed (Attachment 6).

Senator Schodorf moved, with a second by Senator Downey, to move the amendments requested by the Secretary of State for **SB 239** to delete all but sections 4, 6 and 8 and amend section 6, line 8, from \$2.00 to \$1.00, the current language. Motion carried on a voice vote.

Senator Schodorf moved, with a second by Senator Downey, to recommend **SB 239** favorable for passage as amended. Motion carried on a roll call vote.

Chairman Morris opened the public hearing on:

### **SB 49--State employee fiscal bonus program**

Staff briefed the committee on the bill.

CONTINUATION SHEET

Senator Bill Bunten testified in support of **SB 49** (Attachment 7). Senator Bunten explained that **SB 49** was first introduced in the House of Representatives by Representative Jim Cates in the mid-1990's as an effort to encourage fiscal responsibility by State employees and to reward them for judicious management of their agency appropriations. He detailed additional information in his written testimony.

Jim Cates, talk show host employed by AM 1440 KMAJ radio and also served in the Kansas Senate for a brief period and two terms in the House of Representatives, testified in support of **SB 49** (Attachment 8). Mr. Cates explained that this concept has worked in the private sector and noted that by rewarding state employees that return unused monies to the state, resulting in significant savings, money that can be returned to taxpayers or money that can be used to fund other needs. An example was provided in his written testimony.

There being no further conferees to come before the committee, the Chairman closed the public hearing on **SB 49**.

The meeting adjourned at 11:45 a.m. The next meeting is scheduled for March 18, 2003.