

MINUTES OF THE SENATE WAYS & MEANS COMMITTEE.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on March 1, 2000 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Chief Fiscal Analyst, KLRD
 Rae Anne Davis, KS Legislative Research Department
 Debra Hollon, KS Legislative Research Department
 Norman Furse, Revisor of Statutes
 Michael Corrigan, Asst. Revisor of Statutes
 Judy Bromich, Administrative Assistant to the Chairman
 Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

Senator Morris moved, Senator Salmans seconded, that the minutes of the February 23 meeting be approved. The motion carried on a voice vote.

Chairman Kerr reviewed the following FY 2001 subcommittee reports:

Regents Systemwide (Attachment 1)

Senator Petty reviewed the minority report found on page 10 of the attachment. The Chairman noted that most of the issues are addressed in the systemwide portion of the budget rather than at the institutional level. It was moved by Senator Salisbury and seconded by Senator Salmans that item 7 of the subcommittee report be amended to reflect that the SGF match is not recommended in FY 2001. The motion to amend the report carried on a voice vote.

Emporia State University (Attachment 2)

Fort Hays State University (Attachment 3)

In discussing item 3 of the Senate subcommittee's recommendations, Chairman Kerr noted that the last sentence should have stated that only 12-13% of the additional credit hours were generated through the virtual college. A motion was made by Senator Salmans and seconded by Senator Petty that item 3 of the subcommittee report be amended by recommending an appropriation of \$156,000 from the SGF to fully fund the University's enrollment adjustment. The Chairman suggested that the Committee consider appropriating 87% of that amount to avoid setting a precedent on virtual hours. Senator Petty and Senator Salmans commended the University's program as exemplary and expressed concern that not fully funding the enrollment adjustment would discourage cost effective and innovative programs. Senator Salisbury noted that the House Committee had recommended full funding of this item and suggested a substitute motion might be in order that would allow further study of the costs associated with providing virtual college. A substitute motion was offered by Senator Salisbury and seconded by Senator Jordan that 87% of costs associated with credit hours generated through traditional coursework be reinstated and that costs associated with the 13% of credit hours generated through virtual college curriculum be examined at a later date. The substitute motion failed on a voice vote. The original motion carried on a voice vote.

Kansas State University (Attachment 4)

KSU-Extension Systems and Agriculture Research Programs (Attachment 5)

KSU-Veterinary Medical Center (Attachment 6)

Pittsburg State University (Attachment 7)

University of Kansas (Attachment 8)

University of Kansas Medical Center (Attachment 9)

Wichita State University (Attachment 10)

CONTINUATION SHEET

SENATE WAYS & MEANS COMMITTEE MINUTES

Board of Regents (Attachment 11)

Senator Ranson called attention to a summary of regents universities' undergraduate tuition and fees in comparison to that of peer universities in FY 1999 and FY 2000. (Attachment 11-7 & 8)

Senator Salmans expressed his desire to consider funding for an Alzheimers pilot project at KUMC.

It was moved by Senator Moris and seconded by Senator Salisbury that the FY 2001 subcommittee reports for the University of Kansas, KSU-Veterinary Medical Center, KSU-Agricultural Extension, Wichita State University, Emporia State University, Pittsburg State University, Board of Regents, University of Kansas Medical Center be adopted and that the FY 2001 subcommittee reports as amended on Regents Systemwide Issues and Fort Hays State University be adopted. The motion carried on a voice vote.

HB 2476: Kansas partnership for faculty of distinction program, state educational institutions

A copy of the balloon that was submitted for the Committee's consideration on February 15, 2000 was distributed to members (Attachment 12). It was noted that the revisor's office had prepared a technical amendment which was also distributed to members (Attachment 13). A member of the Revisor's staff explained that the language in Attachment 12 could be interpreted to mean that all the monies in the account should be matched and the proposed language in Attachment 13 clarifies that the interest earnings only apply to the qualifying gifts. Marlin Rein, University Director of Budget and Governmental Relations, KUMC, added that the proposed language in Attachment 13 clarifies that the state share does not grow if the endowment grows with interest. In answer to Senator Petty, Mr. Rein stated that:

- the bill sets the threshold for the award and caps it
- the gift has to be for a professorship
- the gift is certified by Accounts and Reports
- the interest is based on the initial certified gift

Senator Feleciano distributed a flow chart to members of the Committee (Attachment 14).

Members expressed a desire to have all proposals before them in one bill. It was moved by Senator Ranson and seconded by Senator Lawrence that a substitute bill be introduced for **HB 2476** that would incorporate all the balloons. The motion carried on a voice vote. The Chairman announced that the substitute bill would be distributed in Committee as soon as it became available and would be voted upon the following day.

The Chairman adjourned the meeting at 12:05 p.m. The next meeting will be March 2, 2000.