

Approved: April 19, 2007
Date

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:35 A.M. on March 2, 2007, in Room 123-S of the Capitol.

All members were present except:
Senator Jay Emler- excused

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Reagan Cussimanio, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Julian Efird, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Aaron Klaassen, Kansas Legislative Research
Becky Krahl, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Amy VanHouse, Kansas Legislative Research Department
Melinda Gaul, Chief of Staff, Senate Ways & Means
Mary Shaw, Committee Assistant

Conferees appearing before the committee:

Dr. Marcia Nielsen, Executive Director, Kansas Health Policy Authority
Dr. Andrew Allison, Deputy Director and Acting Medicaid Director, Kansas Health Policy Authority
Senator Karin Brownlee
Duane Goossen, Secretary of Administration/Budget Director
Alan Cobb, Kansas State Director of Americans for Prosperity
W. Bartley Hildreth, Wichita State University

Others attending:
See attached list.

Bill Introductions

Senator Kelly moved, with a second by Senator Barone, to introduce a conceptual bill regarding purchase of participating service credit under KPERS for service time in Iraq (7rs1255). Motion carried on a voice vote.

Senator Taddiken moved, with a second by Senator Kelly, to introduce a bill concerning an Office of Inspector General in Kansas Health Policy Authority (7rs1264). Motion carried on a voice vote.

Chairman Umbarger welcomed Dr. Marcia Nielsen, Executive Director, Kansas Health Policy Authority, who presented an informational briefing on the Kansas Health Care Connector Act, **SB 309** (Attachment 1). Dr. Nielsen provided some background on the health reform process in Kansas and information regarding their perspective of the connector plan with lessons learned from studying the Massachusetts Health Connector. Details were provided in Dr. Nielsen's written testimony on how a connector plan could be implemented in Kansas. Committee questions and discussion followed.

The Chairman opened the public hearing on:

SB 193--State debt limitations and procedures

Staff briefed the committee on the bill.

The Chairman welcomed the following conferees:

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:35 A.M. on March 2, 2007, in Room 123-S of the Capitol.

Senator Brownlee testified in support of **SB 193** (Attachment 2). Senator Brownlee explained that the Senate Commerce Committee starts the legislative session with a review of the current status of the Kansas economy. It was noted that the debt burden of the state is an important part of this total picture and creating a state debt policy statement became one of the goals of the Senate Commerce Committee.

Duane Goossen, Secretary of Administration/Budget Director, spoke in support of **SB 193** (Attachment 3). Secretary Goossen explained that they support the idea of coming to a consensus on a reasonable and workable debt policy for Kansas, and annually preparing a report on state debt, which they believe should be assigned as a joint responsibility to the Department of Administration and the Kansas Development Finance Authority (K DFA). He noted that **SB 193** is an effort to do that. In closing Secretary Goossen mentioned that further discussions should take place about the bill and the Department of Administration and K DFA are ready to participate.

Alan Cobb, Kansas State Director of Americans for Prosperity, testified in support of **SB 193** (Attachment 4). Mr. Cobb expressed concern about the amendments that were added to the bill and urged support of the original **SB 193**.

W. Bartley Hildreth, Regents Distinguished Professor of Public Finance Director, Kansas Public Finance Center, Wichita State University, provided information about state debt affordability (Attachment 5). Dr. Hildreth explained that his work on the State of Kansas 2005 Debt Affordability Report and a review of affordability policies in other states suggested the following basic principles:

- Assess debt affordability annually.
- Define debt broadly.
- Set targets for key debt ratios.

There being no further conferees to come before the Committee, the Chairman closed the hearing on **SB 193**.

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

Subcommittee reports on:

Kansas Parole Board

Kansas Bureau of Investigation (Attachment 6)

Senator Vicki Schmidt reported on behalf of Subcommittee Chair Senator Carolyn McGinn that the subcommittee on the Kansas Parole Board concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustment.

Senator V. Schmidt moved, with a second by Senator Kelly, to adopt the subcommittee budget report on the Kansas Parole Board in FY 2007. Motion carried on a voice vote.

Senator Kelly moved, with a second by Senator Betts, to adopt the subcommittee budget report on the Kansas Parole Board in FY 2008. Motion carried on a voice vote.

Senator Vicki Schmidt reported on behalf of Subcommittee Chair Senator Carolyn McGinn that the subcommittee on the Kansas Bureau of Investigation concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustments and comments.

Senator Kelly moved, with a second by Senator Betts, to adopt the subcommittee budget report on the Kansas Bureau of Investigation in FY 2007. Motion carried on a voice vote.

Senator Barone moved, with a second by Senator Betts, to adopt the subcommittee budget report on the Kansas Bureau of Investigation in FY 2008. Motion carried on a voice vote.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:35 A.M. on March 2, 2007, in Room 123-S of the Capitol.

**Emergency Medical Services Board
Sentencing Commission
State Fire Marshal (Attachment 7)**

Senator Vicki Schmidt reported on behalf of Subcommittee Chair Carolyn McGinn that the subcommittee on the Emergency Medical Services Board concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustments and notations.

Senator Kelly moved, with a second by Senator V. Schmidt, to adopt the subcommittee budget report on the Emergency Medical Services Board in FY 2007. Motion carried on a voice vote.

Senator Betts moved, with a second by Senator Barone, to adopt the subcommittee budget report on the Emergency Medical Services Board in FY 2008. Motion carried on a voice vote.

Senator Vicki Schmidt reported on behalf of Subcommittee Chair Carolyn McGinn that the subcommittee on the Sentencing Commission concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustments.

Senator V. Schmidt moved, with a second by Senator Kelly, to adopt the subcommittee budget report on the Sentencing Commission in FY 2007. Motion carried on a voice vote.

Senator Kelly moved, with a second by Senator Betts, to adopt the subcommittee budget report on the Sentencing Commission in FY 2008. Motion carried on a voice vote.

Senator Vicki Schmidt reported on behalf of Subcommittee Chair Carolyn McGinn that the subcommittee on the State Fire Marshal concurs with the Governor's recommendation in FY 2007 with a comment and concurs with the Governor's FY 2008 recommendation with adjustments and comments.

Senator Kelly moved, with a second by Senator Taddiken, to adopt the subcommittee budget report on the State Fire Marshal in FY 2007. Motion carried on a voice vote.

Senator Kelly moved, with a second by Senator Betts, to adopt the subcommittee budget report on the State Fire Marshal in FY 2008. Motion carried on a voice vote.

**Kansas Highway Patrol
Adjutant General's Department (Including Civil Air Patrol) (Attachment 8)**

Subcommittee Chair Vicki Schmidt reported that the subcommittee on the Kansas Highway Patrol concurs with the Governor's recommendation in FY 2007 with comments and concurs with the Governor's FY 2008 recommendation with adjustments and comments.

Senator Betts moved, with a second by Senator Taddiken, to adopt the subcommittee budget report on the Kansas Highway Patrol in FY 2007. Motion carried on a voice vote.

Senator Schodorf moved, with a second by Senator Morris, to adopt the subcommittee budget report on the Kansas Highway Patrol in FY 2008. Motion carried on a voice vote.

Subcommittee Chair Vicki Schmidt reported that the subcommittee on the Adjutant General's Department (Including Civil Air Patrol) concurs with the Governor's recommendation in FY 2007 with adjustments and concurs with the Governor's FY 2008 recommendation with adjustments and comments.

Senator Kelly moved, with a second by Senator Schodorf, to adopt the subcommittee budget report on the Adjutant General's Department (Including Civil Air Patrol) in FY 2007. Motion carried on a voice vote.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:35 A.M. on March 2, 2007, in Room 123-S of the Capitol.

Senator Kelly moved, with a second by Senator Morris, to adopt the subcommittee budget report on the Adjutant General's Department (Including Civil Air Patrol) in FY 2008. Motion carried on a voice vote.

The meeting adjourned at 12:15 p.m. The next meeting is scheduled for March 5, 2007.