MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson Representative Kenny Wilk at 9:00 a.m. on January 29, 2002, in Room 514-S of the Capitol.

| All members were present except: | - | entative Cindy Hermes, Excused sentative Doug Spangler, Excused |
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| Committee staff present: | Amy k Paul W Jim W Mike (| Conroy, Legislative Research Kramer, Legislative Research /est, Legislative Research ilson, Revisor of Statutes Corrigan, Revisor of Statutes Feuerborn, Committee Secretary |
| Conferees appearing before the com | mittee: | Clay Blair, Board of Regents Pete Levi, Greater Kansas City Chamber of Commerce Bill Jarrell, Wichita Leslie Kaufman, Farm Bureau Mike Beam, Kansas Livestock Association Jewel Scott, Civic Counsel of Greater Kansas City Mike Lackey, Kansas Society of Professional Engineers Trudy Aron, American Institute of Architects George Barbee, Kansas Consulting Engineers Corey Peterson, Kansas Association of General Contractors |

Others attending: See Attached

Janet Schalansky, Secretary of SRS, requested the introduction of three pieces of legislation (Attachment 1):

- Statutory changes that would allow SRS to use additional tools to manage increasing drug costs.
- Authorization for SRS to fix and collect fees from parents or other legally responsible individuals for services SRS provides to their children.
- Permit the Secretary of SRS to add designated types of medical professionals to the list of unclassified positions for easier recruitment of staff.

<u>Representative Bethell moved for the introduction of legislation in compliance with the stated requests of</u> <u>Secretary Schalansky. Motion was seconded by Representative Neufeld. Motion carried.</u>

<u>Representative Campbell moved for the introduction of legislation which would establish uniform firefighter</u> training in Kansas. Motion was seconded by Representative Stone. Motion carried.

Hearing on HB 2690 - Regents research and development facilities

Clay Blair, President of the Board of Regents, presented testimony supporting their request which would empower the Board of Regents to develop the research infrastructure at the University of Kansas, Wichita State University, and Kansas State University (<u>Attachment 2</u>). Within his presentation, Mr. Blair used examples of well-known and successful researchers leaving the state due to the lack of facilities. Along with their leaving, millions of dollars in research money has left the institutions. He assured the Committee that if the federal funding for the purposed research institutions was to "dry up," the money for research would come from the schools which had benefitted in the past from the research funding. In discussing future tuition plans, the Committee was assured that there would be six different tuition plans developed, one for each Regents school, rather than one uniform plan for all schools.

Mr. Blair pointed out that the priorities of the Board of Regents in the following order:

- Priority 1: Restoration of the base budget
- Priority 2: Full funding for 1999's SB 345
- Priority 3: Research and development

Mr. Blair introduced Lew Ferguson, newest member of the Board, and Dr. Kim Wilcox, Executive Director of the Board.

Jim Wilson, Revisor of Statutes, provided a memorandum explaining the exemptions from several statutes concerning procurement and technical procedures when acting under the authority of the university research and development enhancement act found in Section 10 of the bill (Attachment 3).

Peter S. Levi, President of the Greater Kansas City Chamber of Commerce, explained their support and enthusiasm for the proposed research and development facilities (<u>Attachment 4</u>). He emphasized the necessity for funding research facilities if the universities are to attract world class researchers. He equated the funding of this project to having a positive impact on economic development. The implementation of this bill would make the Kansas City area a great place for research and life sciences, it would attract quality people from all over the world to make their homes in the Kansas City area, and the time to act is now. The legislature of Missouri has granted \$21 million for biomedical research.

Bill Jarrell, The Boeing Company, Wichita, urged the Committee to look to the future and include research in development in the overall plan for Kansas economic development (Attachment 5).

Written testimony supporting the passage and implementation of the research and development initiatives for the Regents was received from:

Bernie Koch, Wichita Area Chamber of Commerce (<u>Attachment 6</u>). Mike Taylor, Government Relations Director, city of Wichita (<u>Attachment 7</u>).

Leslie Kaufman, Associate Director, Public Policy Division, Kansas Farm Bureau, urged a strong commitment by the Legislature for the support and construction of a food safety and security center at Kansas State University (Attachment 8).

Mike Beam, Public Affairs Staff, Kansas Livestock Association, stated their support of the Kansas Board of Regents' proposal to enhance biosecurity research facilities at Kansas State University (Attachment 9).

Jewel Scott, Executive Director of the Civic Council of Greater Kansas City, explained the integral relationship between the Stowers Institute and the research universities in the state of Kansas (Attachment 10). The Institute is currently attracting internationally-recognized scientists which in turn helps the universities in the recruitment of top-notch research persons and students.

Mike Lackey, Chairman of the Legislative Affairs Committee of the Kansas Society of Professional Engineers, spoke in support of the proposed funding of the research and development facilities (Attachment <u>11</u>). These facilities would contribute to broadening and strengthening the economic infrastructure of Kansas as well as employ leading engineers in addition to other scientists and technical professionals. Mr. Lackey said he was sympathetic to the Regents wanting the authority to negotiate regarding the building of the facilities, but he urged modification of the bill in order to maintain the oversight of the Department of Administration.

Trudy Aron, Executive Director of American Institute of Architects in Kansas, spoke in opposition to the portion of the bill which would exempt Kansas statutes that relate to the selection of architects, engineers, and other design professionals (Attachment 12). She also voiced objection to the elimination of the responsibilities of the Division of Architectural Services in the Division of Facilities Management.

George Barbee, Executive Director of the Kansas Consulting Engineers, urged the Committee to not open the door to a process that does not follow the time-proven method that exists for the purpose of providing quality at fair and reasonable prices for Kansans (Attachment 13).

Corey Peterson, Executive Vice President of the Associated General Contractors of Kansas, Inc., opposed the exemptions outlined in Section 10 of the bill as being a dramatic deviation from current public policy regarding competitive bidding (Attachment 14).

The hearing for HB 2690 was continued.

Chairman Wilk adjourned the meeting at 10:45 a.m. The next meeting is scheduled for Wednesday, January 30, 2002.

CONTINUATION SHEET