MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Steve Morris at 10:40 a.m. on March 14, 2001 in Room 123-S of the Capitol.

All members were present except: All Present

Committee staff present:

Alan Conroy, Chief Fiscal Analyst, Kansas Legislative Research Department Debra Hollon, Kansas Legislative Research Department Amory Lovin, Kansas Legislative Research Department Julian Efird, Kansas Legislative Research Department Stuart Little, Kansas Legislative Research Department Robert Chapman, Kansas Legislative Research Department Audrey Nogle, Kansas Legislative Research Department Paul West, Kansas Legislative Research Department Norman Furse, Revisor of Statutes Michael Corrigan, Assistant Revisor, Revisor of Statutes Office Julie Weber, Administrative Assistant to the Chairman Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Barbara Hinton, Legislative Post Auditor, Legislative Post Audit E. Dean Carlson, Secretary, Kansas Department of Transportation Dr. Edward Hammond, President, Fort Hays State University

Others attending: See attached guest list

Subcommittee budget reports on:

Department of Agriculture (<u>Attachment 1</u>)

Chairman Morris reported that the Subcommittee concurs with the Governor's recommendation for FY 2001 with adjustments, recommendations and observations as listed in the subcommittee budget report.

Chairman Morris reported that the Subcommittee concurs with the Governor's recommendation for FY 2002 with adjustments, recommendations and observations as listed in the subcommittee budget report.

Committee questions and discussion followed with Jamie Clover Adams, Secretary, Department of Agriculture, regarding Item 3 adding \$31,000 from the Department's Feed Fee Fund to allow the Department to continue increased surveillance of feed products for Bovine Spongiform Encephalopathy (BSE).

Senator Kerr suggested that the Committee review the possibility at Omnibus of taking the limit off the fee fund and appropriating from it with finance council approval to avoid the Department of Agriculture being held up at any time in responding to a crisis. Chairman Morris mentioned that this can be identified as an Omnibus item or can be placed in the subcommittee report at this time.

Senator Barone moved, with a second by Senator Huelskamp, to remove the limit on the department's fee fund for FY 2002. Motion carried by a voice vote.

Animal Health Department (<u>Attachment 2</u>)

Chairman Morris reported that the Subcommittee concurs with the Governor's recommendation for FY 2001.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS on March 14, 2001 in Room 123-S of the Capitol.

Chairman Morris reported that the Subcommittee concurs with the recommendation for FY 2002 with adjustments, recommendations and observations as listed in the subcommittee budget report.

Senator Downey moved, with a second by Senator Schodorf, to remove the word "bureaucratic" from the subcommittee report on Animal Health for FY 2002 regarding Item 5. Motion carried by a voice vote.

Kansas State Fair (Attachment 3)

Chairman Morris reported that the Subcommittee concurs with the Governor's recommendation for FY 2001.

Chairman Morris reported that the Subcommittee concurs with the Governor's recommendation for FY 2002 with adjustments, recommendations and observations as listed in the subcommittee report.

Senator Schodorf moved, with a second by Senator Huelskamp, to adopt subcommittee budget reports on the Department of Agriculture, Animal Health and Kansas State Fair as amended. Motion carried by a voice vote.

State Conservation Commission (Attachment 4)

Senator Kerr reported that the Subcommittee concurs with the Governor's recommendation for FY 2001.

Senator Kerr reported that the Subcommittee concurs with the Governor's recommendation for FY 2002 with adjustments, recommendations and observations as listed in the subcommittee budget report.

Senator Huelskamp moved, with a second by Senator Jackson, to add a proviso in recognition that the water banking bill and **SB 237** both require some start-up costs and to consider both of those bills at Omnibus if they pass. Motion carried by a voice vote.

Kansas Water Office (Attachment 5)

Senator Kerr reported that the Subcommittee concurs with the Governor's recommendation for FY 2001 with adjustments, recommendations and observations as listed in the subcommittee budget report.

Senator Kerr reported that the Subcommittee concurs with the Governor's recommendation for FY 2002 with adjustments, recommendations and observations as listed in the subcommittee budget report.

Senator Downey moved, with a second by Senator Huelskamp, to amend the subcommittee budget report on the Kansas Water Office and add a proviso that the Ogallala Aquifer Institute needs to be in contact with other regional entities who are doing the same type of activity. Motion carried by a voice vote.

Kansas Department of Wildlife and Parks (Attachment 6)

Senator Kerr reported that the Subcommittee concurs with the Governor's recommendations for FY 2001.

Senator Kerr reported that the Subcommittee concurs with the Governor's recommendations for FY 2002 with adjustments as listed in the subcommittee budget report.

Senator Kerr moved, with a second by Senator Jackson, to adopt the subcommittee budget reports on the State Conservation Commission, Kansas Water Office and Kansas Department of Wildlife and Parks as amended. Motion carried by a voice vote.

Copies of the State Water Plan Fund, FY 2001 and FY 2002, were distributed (Attachment 7)

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS on March 14, 2001 in Room 123-S of the Capitol.

Chairman Morris opened the public hearing on:

HB 2040-State-held lands, designation and disposition of surplus land

Staff briefed the committee on the bill.

Chairman Morris welcomed Barbara Hinton, Legislative Post Auditor, Division of Legislative Post Audit, in support of <u>HB 2040</u> (Attachment 8).

Chairman Morris welcomed Dean Carlson, Secretary, Kansas Department of Transportation (KDOT), who spoke in opposition to an amendment that was added to <u>HB 2040</u> by the House Appropriations Committee (<u>Attachment 9</u>). In his testimony, Secretary Carlson explained the exemption of the Secretary of Transportation from the requirement of filing records of all real property holdings and real estate transactions with the Director of Accounts and Reports. Committee questions and discussion followed.

There being no further conferees to appear before the Committee, the Chairman closed the public hearing on **HB 2040**.

Chairman Morris opened the public hearing on:

HB 2270–State board of regents, authority to exchange certain real estate with endowment association for Fort Hays state university

Staff briefed the committee on the bill.

Chairman Morris welcomed Dr. Edward Hammond, President, Ft. Hays State University, who spoke in support of **HB 2270**. Dr. Hammond explained the Fort Hays State University Proposed Site Development Plan 1 Alumni and Endowment Center (<u>Attachment 10</u>). The Chairman thanked Dr. Hammond for his appearance before the Committee.

Written testimony was received from Dick Carter, Jr., Director for External Affairs, Kansas Board of Regents, in support of **HB 2270** (Attachment 11).

There being no further conferees, the Chairman closed the public hearing on <u>SB 2270</u>. He turned the Committee's attention to discussion of **SB 2270**.

Senator Salmans moved, with a second by Senator Barone, to pass **HB 2270** as favorable and place on the Consent Calendar. Motion carried by a roll call vote.

The meeting was adjourned at 12:00 noon. The next meeting is scheduled for March 15, 2001.