Approved: _	June 6, 2003
-	Date

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Stephen Morris at 1:40 p.m. on April 28, 2003, in Room 123-S of the Capitol.

All members were present except: Senator Bill Bunten - excused

Committee staff present:

Alan Conroy, Director, Kansas Legislative Research Department J. G. Scott, Chief Fiscal Analyst, Kansas Legislative Research Department Leah Robinson, Kansas Legislative Research Department Nicoletta Buonasera, Kansas Legislative Research Department Melissa Calderwood, Kansas Legislative Research Department Amy Deckard, Kansas Legislative Research Department Martha Dorsey, Kansas Legislative Research Department Julian Efird, Kansas Legislative Research Department Debra Hollon, Kansas Legislative Research Department Becky Krahl, Kansas Legislative Research Department Carolyn Rampey, Kansas Legislative Research Department Audrey Nogle, Kansas Legislative Research Department Amy VanHouse, Kansas Legislative Research Department Robert Waller, Kansas Legislative Research Department Paul West, Kansas Legislative Research Department Norman Furse, Revisor of Statutes Michael Corrigan, Assistant Revisor of Statutes Theresa Kiernan, Assistant Revisor of Statutes Judy Bromich, Administrative Analyst

Conferees appearing before the committee:

Mary Shaw, Committee Secretary

Senator Stan Clark

Jim Edwards, Governmental Relations Director, Kansas Association of School Boards Dr. Lee Tarrant, Superintendent, United School District No. 318, Atwood, Kansas Mark Desetti, representing the Kansas National Education Association

Others attending: See attached list

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

HB 2399-Authorizing the Kansas water office to borrow funds for certain purposes

Staff briefed the committee on the bill and distributed the following information:

- Proposed Plan to Delay School District General State Aid Payment (<u>Attachment 1</u>)
- USD Projected Payment Dates and State Aid Distribution, 2002-2003 School Year, Kansas Board of Education (Attachment 2)

Senator Stan Clark testified in favor of **HB 2399** and he expressed support of provisions relating to school consolidation (Attachment 3).

Jim Edwards, Governmental Relations Director, Kansas Association of School Boards, testified in favor of **HB 2399** (Attachment 4). Mr. Edwards proposed including language in the bill that provides that payments that legally must be made in June (lump-sum salary payment for employees) shall be made in July if revenues are insufficient in June. Mr. Edwards introduced Dr. Lee Tarrant.

CONTINUATION SHEET

Dr. Lee Tarrant, Superintendent, USD #318, Atwood, Kansas, testified in support of **HB 2399** (Attachment 5). Dr. Tarrant mentioned in his written testimony that he believed the language in the proposed change to K.S.A. 72-8702 will allow school districts consolidating to transition to the new district in a more efficient manner.

Mark Desetti, representing the Kansas National Education Association, testified in favor of <u>HB 2399</u> (<u>Attachment 6</u>). Mr. Desetti proposed including language in the bill providing that payments that legally must be made in June (lump-sum salary payment for employees) shall be made in July if revenues are insufficient in June. Mr. Desetti also asked to amend the provisions relating to the consolidation of school districts to allow the temporary board to recognize bargaining units.

There being no further conferees to come before the meeting, the Chairman closed the public hearing on **HB 2399**.

Senator Feleciano moved, with a second by Senator Barone, to amend **HB 2399** by substituting a new bill to be designated as "**Substitute for HB 2399**" and to delay the school payment to include supplemental state aid, to allow the new board to have powers for 90 days and that the new board be allowed to recognize bargaining units. Motion carried on a voice vote.

Senator Adkins moved, with a second by Senator Jordan, to amend **HB 2399** with a provision to provide flexibility for capital outlay fund expenditures that would apply those flexibility measures only to those school districts whose operating expenses during the school year 2001-2002 were equal to or less than the median amount of operating expenses per pupil as determined by the State Board of Education (Attachment 7). Committee questions and discussion followed. A voice vote was taken and division requested. Motion carried by a show of hands (tally was 5 votes in favor and 3 against).

Senator Jordan moved, with a second by Senator Adkins, to recommend **Substitute for HB 2399** favorable for passage as amended. Motion carried on a roll call vote.

Senator Jordan moved, with a second by Senator Barone, to reconsider the action just taken on **Substitute for HB 2399**. Motion carried on a voice vote.

Senator Barone moved, with a second by Senator Jordan, to amend the contents of **SB 162** into **Substitute for HB 2399** to allow for the extension of the statewide 20-Mill School District Levy. Motion carried on a voice vote.

Senator Barone moved, with a second by Senator Jordan, to recommend **Substitute for HB 2399** favorable for passage as amended. Motion carried on a roll call vote.

The meeting adjourned at 2:50 p.m. The next meeting is scheduled for May 1, 2003.