Approved: _	May 10, 2005
-	Date

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:30 A.M. on March 18, 2005 in Room 123-S of the Capitol.

All members were present except:

Senator Carolyn McGinn- excused

Committee staff present:

Norman Furse, Revisor of Statutes Jill Wolters. Senior Assistant, Revisor of Statutes Alan Conroy, Director, Kansas Legislative Research Department J. G. Scott, Kansas Legislative Research Department Leah Robinson, Kansas Legislative Research Department Michelle Alishahi, 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 Debra Hollon, Kansas Legislative Research Department Susan Kannarr, Kansas Legislative Research Department Becky Krahl, Kansas Legislative Research Department Carolyn Rampey, Kansas Legislative Research Department Matt Spurgin, Kansas Legislative Research Department Amy VanHouse, Kansas Legislative Research Department Robert Waller, Kansas Legislative Research Department Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Senator David Wysong

Others attending:

See attached list.

Bill Introductions

Senator Wysong moved, with a second by Senator Teichman, to introduce a conceptual bill requested by the Kansas Commission on Disability Concerns regarding accessibility standards for public buildings or facilities. Motion carried on a voice vote.

Senator Teichman moved, with a second by Senator Schodorf, a conceptual bill introduction requested by Senator Schodorf regarding tax levy authority for governing bodies of technical colleges and school districts, a re-write of HB 2489. Motion carried on a voice vote.

Chairman Umbarger opened the public hearing on:

SB 300--Kansas partnership for faculty of distinction program; earnings equivalent awards

Staff briefed the committee on the bill.

Senator David Wysong explained that <u>SB 300</u> would raise the interest award to be made to 2 percent above the 10-year treasury note rate, which is currently about 4 percent, meaning approximately 6 percent would be credited to the program, instead of the current 2.3 percent. He also noted that he was sure there was a fiscal note on the bill currently for approximately \$1 million, but would argue that this is merely allowing the program to do what it was intended to do to begin with and that is to stimulate private donations of endowed professorship gifts. (Attachment 1)

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on March 18, 2005 in Room 123-S of the Capitol.

There being no further conferees to come before the committee, the Chairman closed the hearing on SB 300.

Senator Wysong recommended not taking action on the bill until Omnibus. Following committee discussion, Senator Barone moved, with a second by Senator Teichman, to take no action on the bill at this time and recommended taking action on **SB 300** at the Omnibus Session. Motion carried on a voice vote.

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

SB 270-Appropriations for FY2006 and FY2007 for various state agencies

SB 272-Appropriations for FY2005 for various state agencies

SB 273-Appropriations for FY2005, FY2006 and FY2007 for capital improvements for various state agencies

Staff briefed the committee on the bills. Alan Conroy, Director, Kansas Legislative Research Department, reviewed the status of the State General Fund Receipts to-date. Total receipts from July through February of FY 2005 were \$43.5 million, or 1.5 percent above the estimate. The component of State General Fund Receipts from taxes only was \$40.3 million, or 1.4 percent above the estimate. Mr. Conroy explained that total State General Fund Receipts through February of FY 2005 were \$80.5 million, or 2.8 percent above FY 2004 receipts for the same period. Tax receipts only for the same period exceeded FY 2004 by \$116.5 million, or 4.2 percent (Attachment 2).

- J. G. Scott, Chief Fiscal Analyst, Kansas Legislative Research Department, reviewed the following information that was provided to the committee:
 - Comparison of FY 2005-FY 2006 Recommended Expenditures, Governor's Recommendation and Senate Committee Recommendation - Reflects Senate Committee Action as of March 17, 2005 (<u>Attachment 3</u>)
 - Items Not Yet Resolved by the Senate Ways and Means Committee, mainly Governor's Budge Amendments (Attachment 4)
 - Senate Appropriations Bill (Reflects Senate Adjustments for FY 2005, FY 2006 and FY 2007)
 (Attachment 5)
 - Items for Omnibus Consideration (Referred by the Senate Committee) (Attachment 6)

Audrey Dunkel, Kansas Legislative Research Department, briefed the committee on the status of the Children's Initiatives Fund (CIF), FY 2005-2005 and FY 2006, Senate Committee Adjustments (<u>Attachment 7</u>). Amy VanHouse, Kansas Legislative Research Department, provided information regarding the status of the State Water Plan Fund (SWPF) for FY 2005 and FY 2006 (<u>Attachment 8</u>). Susan Kannarr, Kansas Legislative Research Department, gave a briefing on the status of the Economic Development Initiatives Fund (EDIF), Senate Committee Adjustments, Reflects Full Committee Action through March 16, 2005 (Attachment 9).

SB 270-Appropriations for FY2006 and FY2007 for various state agencies:

Senator Emler discussed recommendations regarding the Office of the Attorney General (<u>Attachment 10</u>). He noted that there is not enough money in the Tort Claim's Fund for this year and probably will not have enough funds next year either. <u>Senator Emler moved</u>, with a second by <u>Senator Teichman</u>, a proviso to revisit the Tort Claim's Fund in regard to the Office of the Attorney General at Omnibus in FY 2006. <u>Motion carried on a voice vote</u>.

In regard to the Kansas Department of Revenue, Senator Schodorf noted that when funding was added for

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on March 18, 2005 in Room 123-S of the Capitol.

four field auditors on the green sheet, on page 3 of Attachment 5, the revenue was not added that the auditors are anticipated to be able to collect in FY 2006 in the amount of \$250,000 each, or a total of \$1 million. The Kansas Legislative Research Department will take this amount into account on the revenue side.

Senator Taddiken explained regarding the Subcommittee on the Soil Conservation Commission finished its work, they made a recommendation based on the thought that <u>HB 2400</u> would become law and it would create the Irrigation Transition Assistance Program and that has not happened. Therefore there is a funding mechanism in place without a program to fund. <u>Senator Taddiken moved</u>, with a second by <u>Senator Emler</u>, to amend <u>SB 270</u> on page 169 of <u>SB 270</u>, line 3, to strike \$1.31 million for the Irrigation Transition Assistance Program and eliminate the authorization of the line item on page 169, paragraph "G" and on page 170; and delete the transfer of the \$1.31 million from the State General Fund to the State Water Plan Fund . Motion carried on a voice vote.

Senator Barone moved, with a second by Senator Emler, to add the Governor's Budget Amendments into **SB 270** as they relate to FY 2006. Motion carried on a voice vote.

Senator Barone moved, with a second by Senator Emler, to allow staff to make technical corrections and recommend SB 270 favorable for passage as amended. Motion carried on a roll call vote.

SB 272-Appropriations for FY2005 for various state agencies

Senator Emler moved, with a second by Senator Morris, to amend **SB 272** and recommend a no limit fund for the Tort Claim's Fund in FY 2005 (see Attachment 10). Motion carried on a voice vote.

Senator Barone moved to amend **SB 272**, with a second by Senator Teichman, to allow staff to make technical corrections, add the Governor's Budget Amendments as they relate to FY 2005 and recommend **SB 272** favorable for passage as amended. Motion carried on a roll call vote.

SB 273-Appropriations for FY2005, FY2006 and FY2007 for capital improvements for various state agencies

Senator Morris recommended an item for consideration regarding the research initiative at Kansas State University, University of Kansas and Wichita State University, and provided a written explanation (Attachment 11). Senator Barone moved, with a second by Senator Emler, to increase the bonding authority by \$5 million for the Kansas Board of Regents to enable the University Research Development and Enhancement Corporation to further leverage outside funding sources. Motion carried on a voice vote.

Senator Barone moved, with a second by Senator Emler, to allow staff to make technical corrections and recommend SB 273 favorable for passage as amended. Motion carried on a roll call vote.

The meeting adjourned at 12:00 p.m. The next meeting is scheduled for March 21, 2005.