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 21, 2005 in Room 123-S of the Capitol.

All members were present.

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

Julian Efird, Kansas Legislative Research Department

Susan Kannarr, Kansas Legislative Research Department

Carolyn Rampey, Kansas Legislative Research Department

Matt Spurgin, Kansas Legislative Research Department

Amy VanHouse, Kansas Legislative Research Department

Judy Bromich, Administrative Analyst

Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Representative Tom Sloan

Dale White, Mayor, Horton, Kansas

David Penny, President, The Aquatic Group, Lawrence, Kansas

Joe Fund, Kansas Water Office

Donald R. Seifert, Municipal Services Director, Olathe, Kansas

Dennis Schwartz, Director, Kansas Rural Water Association

Paul Liechti, Assistant Director, Kansas Biological Survey

Dick Koerth on behalf of Michael Hayden, Secretary, Kansas Department of Wildlife and Parks

Mike Beam, Senior Vice President, Kansas Livestock Association

Mark E. Smith, Smith Ranch, Wallace, Kansas

Steve M. Swaffar, Director of Natural Resources, Kansas Farm Bureau

Dan Ward, Executive Director, Kansas Wildlife Federation (written)

Jerry Sloan, Office of Judicial Administration

Judge Thomas Tuggle, Chief Judge of the 12th Judicial District

Judge Meryl D. Wilson, 21st Judicial District

Judge Richard M. Smith, on behalf of the Kansas District Judges Association (written)

James W. Clark, Legislative Counsel, Kansas Bar Association

Norbert Marek, Attorney, Manhattan, Kansas

Doug Smith, Kansas Credit Attorneys Association

Glenn Deck, Executive Director, Kansas Public Employees Retirement System

Others attending:

See attached list.

Chairman Umbarger opened the public hearing on:

HB 2017--Clean drinking water fee; use for protection of source water and assistance to public water supply systems

Staff briefed the committee on the bill.

Representative Tom Sloan testified in support of <u>HB 2017</u> (<u>Attachment 1</u>). Representative Sloan mentioned that representatives of the Kansas Biological Survey have appeared before the House Environment Committee and provided photographic evidence of the impact sediment has on drinking water supply lakes. He attached some of the KBS maps and photographs to his written testimony. Representative Sloan explained that transferring the Clean Drinking Water Fee from the State General Fund beginning in FY 2007 is not a matter to take lightly. He noted that the next few years will be difficult for Legislators, but if the process of saving

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on March 21, 2005 in Room 123-S of the Capitol.

the lakes now does not begin, when will it begin.

Dale White, Mayor, Horton, Kansas, spoke in support of the bill (<u>Attachment 2</u>). Mayor White briefly described the subject of the Mission Lake Project. He explained that <u>HB 2017</u> does not ask for new money, and only in FY 2007. He noted that by doing this, Kansas will have taken the first step in assuring drinking water for great grandchildren and helped secure the future of the State.

David Penny, President, The Aquatic Group, Lawrence, Kansas, testified in support of the bill. Mr. Penny emphasized the need for getting the lakes back to where they can be used. No written testimony was provided.

Joe Fund appeared on behalf of the Kansas Water Office in support of <u>HB 2017</u> as amended (<u>Attachment 3</u>). Mr. Fund addressed the Clean Drinking Water Fee, <u>HB 2017</u> as amended by the House Committee, action taken by the Kansas Water Authority, the need for the additional revenues and Phase I and Phase II of the Water Plan Projects Initiative for committee consideration. In closing, Mr. Fund emphasized that the Kansas Water Authority supports the bill with the House Committee amendments to change the date that the revenue would start flowing into the State Water Plan Fund in July 1, 2006.

Donald R. Seifert, Municipal Services Director, Olathe, Kansas, spoke in support of the bill (<u>Attachment 4</u>). Mr. Siefert mentioned that the City of Olathe supports the intent of <u>HB 2017</u>: to direct the clean drinking water fee revenue stream toward the preservation of clean drinking water. He also noted that the City of Olathe believes that the bill represents good public policy in the use of the fees collected from water suppliers.

Dennis Schwartz, Member of the Board of Directors of the Kansas Rural Water Association and Manager of Rural Water District No. 8, Shawnee County, testified in support of the bill (<u>Attachment 5</u>). Mr. Schwartz noted that <u>HB 2017</u> would credit the payments being made by city and rural water districts to the Clean Drinking Water Fee to be credited to the benefit of the Kansas Water Plan. He explained that the Clean Drinking Water Fee was enacted in the 2000 Session as a option for public water systems versus the very difficult issue of compliance and it was very confusing with the application of sales tax on purchases. Successful completion of the projects depends on support from the public and action by the Governor and Legislature to fully restore funding for the State Water Plan Fund, a dedicated funding source for water projects.

Paul Liechti, Assistant Director, Kansas Biological Survey, spoke in support of the bill (<u>Attachment 6</u>). Mr. Liechti emphasized that additional funding will be essential to continue to provide the clean drinking water that everyone expects, but all too often take for granted. He mentioned that the Kansas Biological Survey believes that <u>HB 2017</u>, as amended, is a step in the right direction.

There being no further conferees to appear before the committee, the Chairman closed the public hearing on **HB 2017**.

Chairman Umbarger opened the public hearing on:

HB 2116--Disposition of certain federal moneys received by Department of Wildlife and Parks

Dick Koerth on behalf of Michael Hayden, Secretary, Kansas Department of Wildlife and Parks, presented testimony in support of <u>HB 2116</u> (<u>Attachment 7</u>). Mr. Koerth explained that Wildlife and Parks is opposed to the portion of the bill that was amended by the House to include a provision that would make landowner/tenant antelope permits transferable. The Department requested the Committee's support in removing this portion of the bill and passing the original bill out favorably.

Mike Beam, Senior Vice President, Kansas Livestock Association, testified in support for Section 5 of <u>HB</u> <u>2116</u> which contains statutory language with a new provision to allow landowners or tenants the ability to transfer their antelope permit to a resident or nonresident hunter (<u>Attachment 8</u>).

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on March 21, 2005 in Room 123-S of the Capitol.

Mark E. Smith, Smith Ranch, Wallace, Kansas, spoke in support of <u>HB 2116</u> (<u>Attachment 9</u>). Mr. Smith explained that the landowner-tenant transferable permits would give them a chance for some additional compensation for providing habitat to antelope and more importantly help improve the attitudes of the landowners toward this species. He noted that the change of policy, as proposed by the legislation, would be a step in the right direction for the landowner/tenants of western Kansas.

Steve M. Swaffar, Director of Natural Resources, Kansas Farm Bureau, testified in support of <u>HB 2116</u> (<u>Attachment 10</u>). Mr. Swaffar explained that since <u>HB 2116</u> does not call for more antelope permits to be issued, there will not be any greater pressure on the antelope heard and the transferable permits will not have a detrimental impact on the herd. He noted that, additionally, the bill allows the Department to charge an administrative fee for the transfer of the tag and this should prevent a fiscal impact to the Department. Mr. Swaffer urged the committee to move the bill out of committee.

Dan Ward, Executive Director, Kansas Wildlife Federation, submitted written testimony (Attachment 11)

There being no further conferees to appear before the committee, the Chairman closed the public hearing on **HB 2116**.

Chairman Umbarger opened the public hearing on:

HB 2478--Delay of phased in increase of court of appeals to 14 judges

Staff briefed the committee on the bill.

Jerry Sloan, Office of Judicial Administration, testified in support of <u>HB 2478</u>, and provided copies of a letter from Gary W. Rulon, Chief Judge, Kansas Court of Appeals (<u>Attachment 12</u>). In the letter, Judge Rulon proposed postponing the addition of another judge to that court until the next legislative session, which will provide them the opportunity to reassess their needs for additional judges.

There being no further conferees to appear before the committee, the Chairman closed the public hearing on **HB 2478**.

Senator Barone moved, with a second by Senator Emler, to report **HB 2478** favorable for passage. Motion carried on a voice vote.

Chairman Umbarger opened the public hearing on:

SB 296--Compensation for certain judicial branch employees

Staff briefed the committee on the bill.

Judge Thomas Tuggle, Chief Judge of the 12th Judicial District, introduced the judges that were present with him and turned over the testimony to be presented by Judge Meryl Wilson, 21st Judicial District, Riley County (<u>Attachment 13</u>). Judge Wilson testified in favor of <u>SB 296</u>. He explained the aspects of providing the citizens of Kansas with a quality judicial system is not only the responsibility of the Judicial Branch, but also the responsibility of the Legislative and Executive branches as well. Judge Wilson also spoke regarding the Kansas District Judges' Association to provide a quality system, judicial compensation must be set at a level to attract able and experienced to the bench and to retain competent, experienced judges. He noted that <u>SB</u> <u>296</u> meets the test.

Judge Richard M. Smith, on behalf of the Kansas District Judges Association, submitted written testimony (Attachment 14).

James W. Clark, Legislative Counsel, Kansas Bar Association, appeared before the committee as an proponent on <u>SB 296</u> (<u>Attachment 15</u>). Mr. Clark mentioned that the Kansas Bar Association supports the

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on March 21, 2005 in Room 123-S of the Capitol.

bill and listed long-established legislative policies that are enhanced in **SB 296**.

Norbert Marek, Attorney, Manhattan, Kansas, testified in opposition to <u>SB 296</u> (<u>Attachment 16</u>). Mr. Marek provided information from the National Center for State Courts, Survey of Judicial Salaries, and called attention to page 3 of the report. He indicated that docket fees affect people of lesser means, can be difficult for some people and does represent a tax increase.

Doug Smith, Kansas Credit Attorneys Association, appeared before the committee as a neutral party (<u>Attachment 17</u>). Mr. Smith explained that the Kansas Credit Attorneys Association and Kansas Collectors Association, Inc. appear as neutral parties to the basic ideas of increased salaries for judges through <u>SB 296</u>, but are concerned about the method. He suggested rather than passing the measure now, look at reallocating the way in which the current docket fees are presently divided under KSA 20-367 and suggested an interim study to thoroughly review docket fees and charges. Mr. Smith also noted that they feel the Judicial Branch needs a permanent funding source.

There being no further conferees to appear before the committee, the Chairman closed the public hearing on **SB 296**.

Chairman Umbarger opened the public hearing on:

HB 2037--KPERS, benefits and contributions

Staff briefed the committee on the bill.

Glenn Deck, Executive Director, Kansas Public Employees Retirement System, testified in support of <u>HB</u> <u>2037</u> (<u>Attachment 18</u>). Mr. Deck explained that the bill was sponsored by the Joint Committee on Pensions, Investments and Benefits. He also addressed the effects and fiscal impact of the bill.

There being no further conferees to appear before the committee, the Chairman closed the public hearing on **HB 2037**.

Senator Morris moved, with a second by Senator Emler, to amend the Subcommittee Report on KPERS Issues recommendations into **HB 2037**. Motion carried on a voice vote.

Senator Barone moved, with a second by Senator Schmidt, to report Senate Substitute for **HB 2037** favorable for passage. Motion carried on a roll call vote. Copies of detailed information provided by Staff regarding **Senate Substitute for HB 2037** were distributed (<u>Attachment 19</u>).

The meeting adjourned at 12:00 p.m. The next meeting is scheduled for March 22, 2005.