Approved:	February 5, 2008
-	Date

MINUTES OF THE HOUSE GOVERNMENT EFFICIENCY AND TECHNOLOGY COMMITTEE

The meeting was called to order by Chairman Jim Morrison at 3:37 P.M. on February 4, 2008, in Room 526-S of the Capitol.

All members were present except Representatives Loganbill, Johnson, King, Swenson, Tafanelli, Wilk, Frownfelter, Holland, and Ruiz, all of whom were excused.

Committee staff present:

Mary Galligan, Kansas Legislative Research Department Jennifer Thierer, Kansas Legislative Research Department Renae Jefferies, Office of Revisor of Statutes Gary Deeter, Committee Assistant

Conferees appearing before the committee:

Duane Goossen, Director, Division of the Budget, and Secretary, Kansas Department of Administration
Alan Cobb, Executive Director, Americans for Prosperity
Richard Gannon, Director of Governmental Affairs, Kansas Press Association

Others attending:

See attached list.

The chair opened the hearing on <u>HB 2730</u> - the taxpayer transparency act.

Staff Renae Jefferies briefed the Committee on <u>HB 2730</u> (<u>Attachment 1</u>). She said the bill is virtually the same as the 2007 House <u>Sub for HB 2457</u> passed by the Committee and incorporated into <u>HB 2368</u> last year. She gave details of the bill, saying the bill mandates that the Secretary of the Kansas Department of Administration develop and operate a searchable website accessible by the public, a website that provides detailed information regarding revenues, expenditures, bonded indebtedness, and other information deemed suitable by the Public Finance Transparency Board.

Answering questions, Ms. Jefferies said the bill has no fiscal effect. Representative Kelley explained that the cost of the website will be folded into the Financial Management System. Ms. Jefferies acknowledged expenses for the Transparency Board, costs for which there is no fiscal note.

Duane Goossen, Director, Division of the Budget, and Secretary, Kansas Department of Administration, testified as a proponent for the bill (<u>Attachment 2</u>). He commented that the Committee passed the bill in the 2007 session and its provisions were incorporated into an appropriations bill. The present bill simply places the provisions of the act into statute. He said the Public Finance Transparency Board has been appointed and met for the first time on November 14, 2007. The website is scheduled for launch by March 1.

Answering questions, Mr. Goossen said school districts are considered local entities, but that the transparency website will reflect only disbursements to the school district, not details of individual school budgets. He replied that the Kansas Board of Regents has its own financial system that interfaces with STARS (State-wide

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Accounting and Reporting System) and that, when the new Financial Management System is completed, the Regents system will interface with it. Regents transactions will be viewed on the website based on that interface.

Kent Olson, Director, Division of Accounts and Reports, Kansas Department of Administration, replied to another question, saying that the Regents use the same central accounting system that any other agency uses, so the Regents reports will reflect different sources of funding.

A member commented that the Kansas Department of Education has developed an extensive database for K-12 school districts, a resource that need not be duplicated by the transparency website. Mr. Goossen said the website would not be duplicative, primarily reflecting information from STARS using the Information Network of Kansas' portal, Kansas.gov. He replied that certain information will be considered protected, such as which company may be receiving tax credits; he has been working with agencies to assure that private information does not appear on the website.

Alan Cobb, Executive Director, Americans for Prosperity, spoke as a proponent for the bill (<u>Attachment 3</u>). He commended Secretary Goossen for expediting the website, noting that Kansas is the first state to pass a transparency bill, further observing that the federal government recently launched a transparency website.

Members expressed concern regarding mailings by private groups that do not identify the sponsoring organization. A member commented that if government funds are being used, the information should be included on the transparency website. Mr. Cobb referenced <u>Attachment 4</u> regarding the federal transparency database launched in December 2007 and, responding to a question, said that the Information Network of Kansas is including the Kansas transparency website as a part of its next contract.

Richard Gannon, Director of Governmental Affairs, Kansas Press Association, spoke in support of the bill (Attachment 5). He observed that the bill is simple with strong public support and that the only opposition has come from government sources. He stated that open government is a pre-requisite for good government.

The Chair closed the hearing and stated that the Committee will work the bill tomorrow.

<u>The Committee minutes for January 31 were approved.</u> (Motion, Representative Sloan; second, Representative Siegfried.)

The meeting was adjourned at 4:10 p.m. The next meeting is scheduled for February 5, 2008.