

Approved: (signed)
Date

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 9:40 A.M. on March 21, 2008, in Room 123-S of the Capitol.

All members were present except:

Senator Donald Betts, Jr., - excused
Senator Jay Emler - excused
Senator Steve Morris - excused

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes
Alan Conroy, Director, Kansas Legislative Research Department
Kristen Clarke Kellems, Assistant Revisor of Statutes
Kimbra Caywood McCarthy, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Julian Efird, Kansas Legislative Research Department
Cody Gorges, Kansas Legislative Research Department
Reed Holwegner, Kansas Legislative Research Department
Aaron Klaassen, Kansas Legislative Research
Heather O'Hara, Kansas Legislative Research Department
Leah Robinson, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Jarod Waltner, Kansas Legislative Research Department
Melinda Gaul, Chief of Staff, Senate Ways & Means
Mary Shaw, Committee Assistant

Conferees appearing before the committee:

Deb Prideaux, Fort Hays State University
Tracy Taylor, KTEC
Marc Galbraith, Deputy Director, State Library of Kansas
Jim Dahmen, General Manager, Columbus Telephone, Columbus, Kansas

Others attending:

See attached list.

The Chairman opened the public hearing on:

SB 673--Appropriations; regents; postsecondary education operating grants; Kansas academy for math and science

Staff briefed the committee on the bill.

The Chairman welcomed Deb Prideaux, Fort Hays State University, who testified in support of **SB 673** which is specifically the funding for the Kansas Academy of Math and Science (Attachment 1).

The Chairman closed the public hearing on **SB 673**.

Senator Teichman moved, with a second by Senator Taddiken, to amend SB 651 into SB 673 and recommend SB 673 favorable for passage as amended. Motion carried on a roll call vote.

Chairman Umbarger opened the public hearing on:

SB 668--Kansas technology enterprise corporation; Kansas broadband initiative and the rural broadband grants program

Staff briefed the committee on the bill.

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MINUTES OF THE Senate Ways and Means Committee at 9:40 A.M. on March 21, 2008, in Room 123-S of the Capitol.

The Chairman welcomed the following conferees:

Tracy Taylor, President, Kansas Technology Enterprise Corporation, testified in support of **SB 668**. Mr. Taylor mentioned that, if the bill passed, they would support it. (No written testimony was submitted.)

Marc Galbraith, Deputy Director, State Library of Kansas, spoke in support of **SB 668** (Attachment 2). Mr. Galbraith addressed the background and recent studies on broadband access and public libraries. He noted that the bill has potential for offering positive change regarding broadband access and encourages support.

Jim Dahmen, General Manager, Columbus Telephone, testified in support of **SB 668** (Attachment 3). Mr. Dahmen explained that through **SB 668** the State of Kansas can partner, through demonstration projects, with rural hospitals in installing eMedicine/eMedical Records for improved service and reduced errors.

The Chairman closed the public hearing on **SB 668**.

Senator Kelly moved, with a second by Senator Steineger, to consider SB 668 at Omnibus. Motion carried on a voice vote.

Chairman Umbarger called the Committee's attention to discussion and possible action on:

SB 652--Appropriations for FY2009 and FY2010 for capital improvements for various state agencies
SB 655--Supplemental appropriations for FY2008, FY2009, FY2010 and FY2011 for various state agencies

SB 658--Appropriations for FY 2009 through FY 2013 for various state agencies

The following information was distributed by the Kansas Legislative Research Staff and detailed by them:

- Comparison of FY 2008 - FY 2009 Recommended Expenditures, Governor's Recommendation and Senate Committee Recommendation (Reflects Senate Committee Action as of March 20, 2008) (Attachment 4).
- Senate Appropriations Bill (Reflects Senate Adjustments for FY 2008, FY 2009, FY 2010, FY 2011, and FY 2012) (Attachment 5).
- Items for Omnibus Consideration (Referred by the Senate) (Attachment 6).
- Children's Initiatives Fund, FY 2007 - FY 2008, FY 2009 (Attachment 7).
- State Water Plan Fund, FY 2008 and FY 2009 (Attachment 8).
- Expanded Lottery Act Revenues Fund, FY 2009, (Attachment 9)
- Economic Development Initiatives Fund (EDIF), Fys 2007-FY 2009, Senate Ways and Means Committee Recommendations as of March 20, 2008 (Attachment 10).
- Educational Building Fund, State Institutional Building Fund, Correctional Institutions Building Fund (Attachment 11).
- Educational Building Fund, FY 2007 - FY 2008, FY 2009, Senate Committee Recommendation (Attachment 12).
- State Institutions Building Fund, FY 2007 - FY 2008, FY 2009, Senate Committee Recommendation (Attachment 13).
- Correctional Institutions Building Fund, FY 2007 - FY 2008, FY 2009, Senate Committee Recommendation (Attachment 14).

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- State General Fund Receipts, Expenditures and Balances, FY 2007 - FY 2010, In Millions, (Attachment 15). Senate Ways and Means Committee Recommended Expenditures in FY 2008 (revised) and FY 2009 including the State Employee Pay Plan, Projected FY 2010 Expenditures as Adjusted for the Next Phase of the Recommended State Employee Market Pay Increase and Partial Replacement of Expanded Gaming Funds and Phase-In of All-Day Kindergarten, Federal Economic Stimulus Legislation - Estimated Loss of State Revenue of \$79.0 Million, Federal Economic Stimulus Legislation for Individuals - Estimated Gain of State Revenue of \$25.6 million.

Senator Kelly moved, with a second by Senator Goodwin, to review Juvenile Justice Authority/Childrens' Initiatives Fund shift at Omnibus. Motion carried on a voice vote.

Senator Teichman moved, with a second by Senator Kelly, in regard to SB 417, to put money into the program, but to not exempt from the Rural Housing Act. Motion carried on a voice vote.

Senator Goodwin moved, with a second by Senator Steineger, to amend SB 658, Juvenile Justice Authority, to strike the wording beginning with the word "new" which is a technical correction. Motion carried on a voice vote.

Senator McGinn moved, with a second by Senator Teichman, to add \$150,000 State General Fund and 1 FTE in the Kansas Department of Wildlife and Parks for an Environmental Scientist II and report back next session. Motion carried on a voice vote.

Senator Kelly moved, with a second by Senator Teichman, to add \$47,000 Kansas Department of Wildlife and Parks Fee Fund in FY 2009 for Capital Improvements regarding a fence and the bison herd. Motion failed on a voice vote. Senator Kelly moved, with a second by Senator Teichman, to reconsider the action taken and recommended review at Omnibus. Motion carried on a voice vote.

Senator Taddiken moved, with a second by Senator McGinn, to remove the \$25 million for All-Day Kindergarten under the Kansas Department of Education. Motion carried on a voice vote.

Senator V. Schmidt moved, with a second by Senator Wysong, to add \$326,964, including \$131,047 from the State General Fund, in the Kansas Department on Aging to increase the Protected Income Level (PIL) in FY 2009 for those receiving services from the HCBS/FE waiver. Motion carried on a voice vote.

Jill Wolters, Senior Assistant Revisor of Statutes, explained a memorandum addressed to Chairman Umberger and the members of the Senate Ways and Means Committee concerning impermissible provisions in an Appropriations Bill (Attachment 16).

Senator McGinn presented an item for consideration in regard to Kan-Ed (Attachment 17). Senator Steineger moved, with a second by Senator McGinn, requested adding language in the final committee report regarding Kan-ed. Motion carried on a voice vote.

Senator V. Schmidt moved, with a second by Senator Teichman, to remove proviso regarding the two items brought to the committee by the Revisor (Kan-Ed and Highway Patrol Troopers) at consider them at Omnibus. Motion carried on a voice vote.

Senator V. Schmidt moved, with a second by Senator Teichman, to request the Legislative Coordinating Council recommend an interim study to look at all proviso language. Motion carried on a voice vote.

Senator V. Schmidt moved, with a second by Senator Goodwin, to authorize the Kansas Bureau of Investigation to self-fund a 7.5 percent increase effective January 1, 2009, for all agents (Attachment 18). Motion carried on a voice vote.

Senator Taddiken moved, to change the language in the subcommittee report to not allow legislators to buy multiple computers. Motion died due to lack of a second.

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Senator Teichman moved, with a second by Senator Kelly, to allow the Kansas Highway Patrol to buy their own firearms and take the proviso out regarding firearms. Motion carried on a voice vote.

Senator Steineger moved a proposed amendment (Attachment 19) to **SB 655** regarding \$12 million for Medicaid replacement state aid. Following committee discussion, Senator Steineger withdrew his motion. Senator Schodorf suggested considering this item at Omnibus and the Committee was in agreement.

Kansas Legislative Research Department will look at the re-appropriation language concerning the funding to build the buildings for the Kansas Bureau of Investigation.

Senator Taddiken moved, with a second by Senator Goodwin, to consider fully implementing the National Guard Tuition Assistance Program at Omnibus. Motion carried on a voice vote.

Senator V. Schmidt moved, with a second by Senator Kelly, to add potential \$1.5 million from the Expanded Lottery Act Revenue Fund for the Kansas Children's Discovery Center subject to availability of funding. Motion carried on a voice vote.

Senator Schodorf moved, with a second by Senator Kelly, to add \$750,000 from the Expanded Lottery Act Revenue Fund for the entrance gate and road at the Parsons Ammunition Plant subject to availability of funding. Motion carried on a voice vote.

Senator V. Schmidt moved, with a second by Senator Teichman, to re-appropriate funds for the Kansas Bureau of Investigation for purchase of real estate. Motion carried on a voice vote.

Senator Goodwin moved, with a second by Senator V. Schmidt, to add \$100,000 for nursing grant scholarships in the Kansas Board of Regents concerning **SB 654** to help with nursing shortages. Motion carried on a voice vote.

Senator V. Schmidt moved, with a second by Senator Kelly, to consider at Omnibus funding for the Kansas Police and Fire (**SB 681**) from the Kansas Lottery funding. Motion carried on a voice vote.

A memorandum was distributed to the Committee from the Kansas Association of Technical Schools and Colleges concerning postsecondary aid for technical education and the hold harmless provision during deliberations (Attachment 20) and consider at Omnibus. Senator Schodorf moved, with a second by Senator Taddiken, to consider the hold harmless clause at Omnibus. Motion carried on a voice vote.

Senator Kelly moved, with a second by Senator Schodorf, to delete \$183,916 in the State Treasurer's Office, Kid's Match, in FY 2008. Motion carried on a voice vote.

Senator McGinn moved, with a second by Senator Schmidt, to transfer Kansas Department of Health and Environment funding back to the State Fire Marshal (1 FTE and funding). Motion carried on a voice vote.

Senator Umbarger moved, with a second by Senator Teichman, to amend the subcommittee budget reports as amended into **SB 652**, **SB 655** and **SB 658**, allow Staff to make technical corrections and recommend **SB 652**, **SB 655** and **SB 658** favorable for passage as amended. Motion carried on a roll call vote.

Chairman Umbarger thanked the Committee, Kansas Legislative Research Department, Revisor of Statutes Office and his own staff for their time and commitment. The meeting adjourned at 12:40 p.m. The next meeting was scheduled for March 24, 2008.