Approved:	February 18, 2000
	Date

MINUTES OF THE SENATE WAYS & MEANS COMMITTEE.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on February 16, 2000 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Chief Fiscal Analyst, KLRD

Rae Anne Davis, KS Legislative Research Department Debra Hollon, KS Legislative Research Department

Norman Furse, Revisor of Statutes

Michael Corrigan, Asst. Revisor of Statutes

Judy Bromich, Administrative Assistant to the Chairman

Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

The following FY 2001 subcommittee reports were reviewed by Senator Jordan. Discussion by Committee members is reflected under the appropriate heading.

Kansas School for the Blind (Attachment 1)

The Committee discussed at length the impact of the retirement reduction law. <u>Senator Salisbury moved</u>, <u>Senator Morris seconded</u>, that item 3 of the subcommittee report be amended to reflect that only the safety officers and direct care staff of the <u>Department of Corrections</u> and the state mental health facilities are currently exempt from the retirement reduction law. The motion carried on a voice vote.

Kansas State School for the Deaf (Attachment 2)

In response to a concern, subcommittee members stated that they believed the FTE teacher position was necessary because the school potentially will lose 13 out of 47 positions because of retirements, the Governor's recommendation, and 5% shrinkage.

Members discussed whether students at the School for the Deaf would be eligible for special education funding and mental health services. Because of concern about the apparent "disconnect" between the School for the Deaf and agencies concerned about the education and welfare of children, Chairman Kerr asked that the subcommittee ascertain to what extent the School for the Deaf is allowed to use and is using Special Education funding.

Kansas State Library (<u>Attachment 3</u>)

In answer to a question, subcommittee members noted that the State Library would not lose a position with the subcommittee recommendation. (Item 1 of <u>Attachment 3-2</u>)

<u>Senator Salisbury moved, Senator Lawrence seconded, that state assistance to local libraries be included in the list of items for Omnibus consideration.</u> It was noted that the difference between current funding level and the Governor's recommendation is \$300,000. The motion carried on a voice vote.

Kansas State Historical Society (Attachment 4)

The Committee discussed at length the subcommittee's recommendation for the funding of the repairs and rehabilitation of the First Territorial Capital and Historic Fort Hays. In answer to a question, staff indicated that the General Fees Fund is made up of fees collected for copies and there is also some carryover monies for FY 2001. It was noted that

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half of the Visitor Donation Fund will be used at sites all over the state; the other half plus \$30,000 from the General Fees Fund will be used for the repairs and rehabilitation of the First Territorial Capital and Historic Fort Hays.

Senator Ranson questioned adding \$16,000 from the SGF for the Kansas Humanities Council for the Kansas Chautaqua feasibility study and the Yesterday's Tomorrow Smithsonian traveling exhibit which she did not consider to be a high priority. Senator Salisbury moved, Senator Ranson seconded that item 2 of the subcommittee report be amended to reflect that the funding source for these projects be the EDIF. The motion carried on a voice vote.

Chairman Kerr noted that the third bay was contracted for in December.

Kansas Arts Commission (Attachment 5)

In answer to a question, Senator Jordan stated that he believes accounting problems that have been associated with this agency have been corrected.

In response to a request from Senator Lawrence, the agency's requests for enhancements were reviewed. Senator Lawrence stated that Kansas ranks low in funding for the arts, and expressed her opinion that some of the requested enhancements should be reexamined in a more fiscally sound year. Senator Downey moved, Senator Lawrence seconded, that the enhancements requested by the Kansas Arts Commission be added to the list of items considered during Omnibus. It was noted that the Governor's recommendation for FY 2001 is a 5.6% reduction from the FY 2000 recommendation. With the consent of Senator Lawrence, Senator Downey withdrew her motion but not her concern for the Arts Commission.

It was moved by Senator Jordan and seconded by Senator Morris that the FY 2001 subcommittee reports on the Kansas State School for the Deaf and the Kansas Arts Commission be adopted and the FY 2001 subcommittee reports on the Kansas State School for the Blind, the Kansas State Historical Society, and the Kansas State Library as amended be adopted. The motion carried on a voice vote.

Senator Downey reviewed the FY 2001 subcommittee report on the **Kansas Corporation Commission**. (Attachment 6) It was moved by Senator Salmans and seconded by Senator Downey that item 2 of the subcommittee report be deleted because that issue is addressed in item 4. The motion carried on a voice vote.

There was lengthy discussion regarding the subcommittee's concern about the Commission's lack of progress with the well-plugging program. (Item 4 of Attachment 6-3) Members discussed the subcommittee's recommendation to transfer \$400,000 from the SGF to the Abandoned Oil and Gas Well Fund, and debated whether appropriations should be increased to encourage well-plugging or whether the Legislature should provide additional funding subsequent to increased well-plugging activity. Senator Downey reviewed the number and category of wells that need to be plugged and Senator Salmans testified as to the increasing costs associated with well-plugging. Members endorsed the well-plugging program, but, after reviewing the ending balances in the Abandoned Oil and Gas Well Fund from FY 1997 through FY 1999, it was noted that the program has not been restricted by insufficient funding. A representative from the Corporation Commission stated that the agency believes the program could cost \$2 million, though they suggested a cost of \$1.6 million to the Governor based on the amount of new revenues that would come in each year. Senator Ranson moved, Senator Salisbury seconded, that item 4 of the FY 2001 subcommittee report on the Kansas Corporation Commission be amended by transferring the \$400,000 from the Abandoned Oil and Gas Well Fund to the State General Fund. The motion carried on a voice vote.

Senator Ranson, as Chairman of the Utilities Committee, stated that her committee has time to review legislative concerns regarding well-plugging. Senator Morris added that clean-up of the major cleanup sites also needs to be reviewed. A motion was offered by Senator Ranson and seconded by Senator Morris that the subcommittee report be amended by authorizing the Senate Utilities Company to conduct a

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performance review of well plugging (impediments to well-plugging as well as steps that need to be taken to accelerate well-plugging) and of the major cleanup sites and report back to the Ways and Means Committee prior to Omnibus. The motion carried on a voice vote.

Members concurred that a technical amendment should be made in the language of item 3 to clarify that the Governor recommends shifting expenditures to the Kansas Savings Incentives Program (KSIP).

<u>Senator Salmans moved, Senator Downey seconded, that the FY 2001 subcommittee report on the Kansas Corporation Commission as amended be adopted. The motion carried on a voice vote.</u>

It was moved by Senator Salisbury and seconded by Senator Morris that the minutes of the February 11 and 14 meetings be approved. The motion carried on a voice vote.

The Chairman adjourned the meeting at 12:20 p.m. The next meeting will be February 18, 2000.