

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Stephen Morris at 10:30 a.m. on January 21, 2003 in Room 123-S of the Capitol.

All members were present except: Senator Dave Kerr - excused

Committee staff present:

Alan Conroy, Director, Kansas Legislative Research Department  
J. G. Scott, Chief Fiscal Analyst, Kansas Legislative Research Department  
Martha Dorsey, Kansas Legislative Research Department  
Carolyn Rampey, Kansas Legislative Research Department  
Melissa Calderwood, Kansas Legislative Research Department  
Michael Corrigan, Assistant Revisor of Statutes  
Judy Bromich, Administrative Analyst  
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Dale Dennis, Deputy Commissioner, Kansas State Board of Education  
Mark Tallman, Assistant Executive Director, Kansas Association of School Boards  
Barbara Hinton, Legislative Post Auditor, Legislative Division of Post Audit

Others attending: See attached list

Chairman Stephen Morris referred the following bills to the KPERS Issues subcommittee:

**SB 12--Appointment of officers and employees by KPERS board of trustees**  
**SB 13--Benefits and service credit purchase under KPERS and systems related thereto**

Chairman Morris opened the public hearing on:

**SB 4--Cash-basis law; exemptions for certain expenditures by school districts**

Staff briefed the Committee on the bill.

Dale Dennis, Deputy Commissioner, Kansas State Board of Education, spoke before the committee in support of **SB 4 (Attachment 1)**. Mr. Dennis explained that the bill amends the cash basis law to provide an exception when the state is unable to make a state aid payment distribution to school districts within the fiscal year. He also mentioned that the bill would eliminate the audit exception if there is a delayed payment beyond the end of the fiscal year.

Mark Tallman, Assistant Executive Director/Advocacy, Kansas Association of School Boards, spoke before the committee in support of **SB 4 (Attachment 2)**. Mr. Tallman mentioned that the bill would exempt school districts from the state cash basis law for purchases made in excess of current revenues if the deficit is caused

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by a late distribution of state aid.

There being no further conferees to appear before the committee, the Chairman closed the public hearing on **SB 4**.

Senator Feleciano moved, with a second by Senator Schodorf, to recommend SB 4 favorable for passage. Motion carried on a roll call vote.

Chairman Morris opened the public hearing on:

**SB 6--Racing and gaming commission; eliminating annual financial-compliance audit requirement**

Barb Hinton, Legislative Post Auditor, Legislative Division of Post Audit, mentioned that the bill would implement a recommendation from her staff and the Legislative Post Audit Committee for unnecessary audit requirements (Attachment 3). Ms. Hinton explained the reasons for eliminating the unnecessary audit requirements which are listed in her written testimony

There being no further conferees to appear before the committee, the Chairman closed the public hearing on **SB 6**.

Senator Barone moved, with a second by Senator Jackson, to recommend SB 6 favorable for passage. Motion carried on a roll call vote.

Copies of the Senate Ways and Means Subcommittee Assignments for 2003 were distributed (Attachment 4).

The meeting adjourned at 10:55 a.m. The next meeting is scheduled for January 22, 2003.