

## MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Julia Lynn at 8:40 a.m. on Thursday, March 19, 2015, 548-S of the Capitol.

All members were present

Committee staff present:

Reed Holwegner, Legislative Research Department  
Debbie Bartuccio, Kansas Legislative Committee Assistant  
Norm Furse, Office of Revisor of Statutes  
Edward Penner, Legislative Research Department  
Chuck Reimer, Office of Revisor of Statutes

Conferees appearing before the Committee:

Scott Frank, Legislative Post Auditor  
Dan Lara, Deputy Secretary of Public Affairs, Kansas Department of Commerce

Others in attendance:

[See Attached List](#)

### **Final action on: SB212 — Strengthening protection of public employee paychecks.**

Chairperson Lynn requested Revisor Chuck Reimer to provide an overview of the bill. The Committee proceeded to deliberate the bill.

Senator Baumgardner offered an amendment to the bill and requested Revisor Norm Furse to review the amendment. ([Attachment 1](#))

Senator Holland questioned whether voluntary tax sheltered annuities would be allowed to be payroll deducted. Revisor Furse responded the voluntary deduction is required to be something that directly benefits the employee. Senator Holland inquired whether, under this bill, deductions for items such as Learning Quest, United Way, and parking could no longer be deducted from an employee's payroll. Revisor Furse responded affirmatively, that these items would no longer be permitted payroll deductions.

Senator Baumgardner stated the goal of the amendment is to streamline the payroll process. Items taken out of the paycheck would be anything related to federal and state taxes, and items that are part of the employee's benefit package, such as deductions for life insurance and retirement savings. In addition, any court mandated deductions would be allowed. The employee would be responsible for arranging for the deduction of all other items.

Senator Holland asked how this would address the discrepancy between certain deductions, for example in situations where the receiving organization is making payments to the State for processing the payroll deductions, versus those organizations which do not reimburse the State for this function. Senator Baumgardner responded it is not the role of the State to be in the banking business by

CONTINUATION SHEET

MINUTES of the Committee on Commerce at 8:40 a.m. on Thursday, March 19, 2015, 548-S of the Capitol.

providing banking services. She indicated the goal is to accomplish fairness, cost savings, and to protect the employee from inadvertently providing too much information to the employer.

Senator Longbine inquired if he understood it correctly that United Way contributions would no longer be eligible for payroll deduction. Senator Baumgardner responded affirmatively. Senator Longbine asked Revisor Furse if the Legislature would be included under this bill and Mr. Furse indicated the Legislature would be included.

Senator Baumgardner moved, seconded by Senator Wagle, to amend **SB 212**. ([Attachment 1](#)) The motion passed.

**Final action on: SB179 — Limiting negotiations under the public employer-employee relations act.**

The Committee continued deliberation of the bill which had initiated at the Senate Commerce Committee meeting on March 18, 2015.

Senator Melcher, with the consent of Senator Pilcher-Cook, withdrew the motion made on March 18, 2015, pertaining to **SB 179**.

Senator Holland questioned the order of the motions offered by Senator Pilcher-Cook and Senator Melcher. Revisor Norm Furse confirmed the motions were in order as **SB 179** had not been acted upon at the meeting on March 18, 2015.

**Final action on: HB2096 — Kansas Uniform Common Interest Owners Bill of Rights Act.**

The Committee proceeded to deliberate the bill.

Senator Denning moved, seconded by Senator Pilcher-Cook, to remove the language of **HB 2096** and insert the amended language of **SB 179** and the amended language of **SB 212**. The motion passed.

Senator Holland thanked Senator Baumgardner for the amendment she presented for **SB 212**. He questioned the purpose of the bill and expressed concerns about limiting the ability of employees to voluntarily have deductions made from their payroll.

Senator Denning moved, seconded by Senator Pilcher-Cook, a **Senate Substitute for HB 2096** be introduced and passed. The motion passed. Senator Faust-Goudeau and Senator Holland voted nay.

**Final action on: HB2254 — Exempting certain general contractors from the roofing contractor registration act.**

Chairperson Lynn requested Revisor Chuck Reimer to provide an overview of the bill. The Committee proceeded to deliberate the bill.

CONTINUATION SHEET

MINUTES of the Committee on Commerce at 8:40 a.m. on Thursday, March 19, 2015, 548-S of the Capitol.

*Senator Longbine moved, seconded by Senator Olson, the bill be passed. The motion passed.*

**Hearing on: SB283 — STAR bonds; economic impact study; base year for additions of area to project districts; financing in excess of approved amounts.**

Chairperson Lynn opened the hearing on **SB 283** and requested Revisor Chuck Reimer to provide an overview of the bill.

Senator Faust-Goudeau inquired if there was a timeframe specified in the bill for repayment of the STAR bonds. Revisor Reimer responded the timeframe would be a part of the agreement between the parties and is not specified in the legislation.

Chairperson Lynn recognized the following conferee.

Scott Frank, Legislative Post Auditor, provided testimony in support of the bill. ([Attachment 2](#))

There was no testimony submitted in opposition to the bill.

At the conclusion of the question and answer session, Chairman Lynn expressed her appreciation of the due diligence provided by the Post Audit Division to protect taxpayer funds. Chairperson Lynn closed the hearing on **SB 283**.

**Possible action on bills previously heard**

There was no action on other bills previously heard.

**Final action on: SB283 — STAR bonds; economic impact study; base year for additions of area to project districts; financing in excess of approved amounts.**

The Committee proceeded to deliberate the bill.

*Senator Olson moved, seconded by Senator Melcher, to approve **SB 283**.*

Senator Longbine noted testimony submitted by Dan Lara, Deputy Secretary of Public Affairs, Kansas Department of Commerce. Chairperson Lynn recognized Mr. Lara who reviewed the testimony which included a recommendation for three small technical changes to the wording of the legislation. ([Attachment 3](#))

*Senator Olson, with the consent of Senator Melcher, withdrew his motion.*

*Senator Longbine moved, seconded by Senator Baumgardner, to adopt a conceptual amendment including the technical changes offered by the Kansas Department of Commerce's testimony. The motion passed.*

CONTINUATION SHEET

MINUTES of the Committee on Commerce at 8:40 a.m. on Thursday, March 19, 2015, 548-S of the Capitol.

Senator Olson moved, seconded by Senator Melcher, to approve **SB 283** as amended. The motion passed.

Senator Denning moved, seconded by Senator Wagle, to approve the minutes for the Senate Commerce Committee meetings on March 10, 2015, March 11, 2015 and March 12, 2015. The motion passed.

Chairperson Lynn expressed her appreciation to the Committee for their work during this session. Chairperson Lynn adjourned the meeting at 9:25 a.m. There are no other meetings scheduled.