

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairperson Ty Masterson at 10:30 am on Thursday, January 15, 2015, 548-S of the Capitol.

All members were present

Committee staff present:

J.G. Scott, Kansas Legislative Research Department
Jill Wolters, Kansas Office of Revisor of Statutes
Daniel Yoza, Kansas Office of Revisor of Statutes
David Wiese, Kansas Office of Revisor of Statutes
Justin Carroll, Legislative Research
Ben Wilhelm, Legislative Research
Dylan Dear, Legislative Research
Bobbi Mariani, Legislative Research
Andy Chiamopoulos, Legislative Research
Mark Dapp, Legislative Research
Amy Deckard, Legislative Research
David Fye, Legislative Research
Dezeree Hodish, Legislative Research
Aaron Klaassen, Legislative Research
Shirley Morrow, Legislative Research
Mark Skoglund, Legislative Research
Sharon Wenger, Legislative Research
Mark Savoy, Legislative Research
Jennifer Ouellete, Legislative Research
Debbie Luper, Chief of Staff
Dee Heideman, Committee Assistant

Conferees appearing before the Committee:

No conferees present

Others in attendance:

[See Attached List](#)

Bill introductions

The Chairperson asked for introduction of any bills.

Senator Denning made a motion to introduce proposed legislation concerning the Governor's rescission bill for 2015. The motion was seconded by Senator Arpke, with the motion carrying on a voice vote.

Staff introductions

After calling the meeting to order, Senator Masterson introduced his staff in the Senate Ways and

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Mean's office. He asked Jill Wolters, First Assistant Revisor of Statutes, to introduce the Staff from the Revisor of Statutes' office who are assigned to the Senate Ways and Means Committee for this legislative session. Next, J G Scott, Assistant Director for Fiscal Affairs, distributed a Legislative Fiscal Analyst Assignments - FY2016 sheet and said, since the Legislative Research Department has a rather large staff, each member would introduce themselves, and present a short bio of his/her education, experience, and agency assignments for the 2015 legislative session ([Attachment 1](#)).

Committee rules review

The Chairperson called the committee's attention to the Committee and Conferee Rules. He advised them copies of the Rules were in their testimony folders and asked the committee members to review them ([Attachment 1A](#)).

Consensus Revenue Estimate

Chris Courtwright, Principal Economist, explained the consensus estimating process and told the committee a portion of the Kansas revenue shortfall was attributable to federal action causing reduced individual income tax collections because of the possible impending fiscal cliff. He explained other factors that also have an adverse affect on State revenues ([Attachment 2](#)). He outlined the State General Fund (SGF) receipts for July through December, FY2015. Mr Courtwright attached a table showing SGF receipts for July-December, FY2015 with the percentage increase or decrease in the estimated, versus the actual receipts ([Attachment 3](#)).

Senator Melcher asked Mr Courtwright to expound in more detail on the overestimation of the State individual income tax collections. Mr Courtwright said the \$307 million deficit from the amount estimated from individual income taxes was caused by the accelerated long-term capital gains tax payments, due to possible income tax increases because of the possible fiscal cliff because the Bush era tax cuts were due to expire.

Expanded Lottery Act Revenues

Dezeree Hodish, Fiscal Analyst, gave an overview of the Expanded Lottery Act revenues, revised estimates, and expenditures ([Attachment 4](#)) .

Senator Arpke asked if she had a list of the Regent universities that are asking for the \$20 million for deferred maintenance and the specific areas where they will spend the money. Ms Hodish said she would get the information and forward it to the committee. Attached is the deferred maintenance for the State universities ([Attachment 4A](#)).

Senator Kelly asked if the KPERS bonds debt service is paying off \$500 million that was bonded several years ago and she wanted to know when the debt will be fully paid. Ms Hodish said she would obtain that information for the committee.

Senator Masterson asked if the decline in Lottery revenues were estimated to continue in the out years.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

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Ms Hodish replied that there is estimated growth in future years; however, the managers at the entities are experimenting with various promotions and expansion programs in the short term.

Consensus Caseloads

Bobbi Mariani, Managing Fiscal Analyst, reported on the Fall 2014 Human Services Consensus Caseload Estimates for FY2015, FY2016, FY2017 ([Attachment 5](#)).

Ms Mariani answered questions from several Senators concerning her report on the Human Services caseload estimates.

Budget Review

J G Scott, Assistant Director for Fiscal Affairs, distributed spreadsheets of the State General Fund Profile based on consensus revenue estimates dated November 14, 2014, ([Attachment 6](#)), and a Profile spreadsheet with the Governor's Allotment Plan included ([Attachment 7](#)). He distributed a copy of the Governor's Allotment Plan ([Attachment 8](#)), and advised the committee that the Governor cannot make allotments to the Kansas judicial and legislative branches.

Written information, was distributed to the committee from the Kansas Housing Resources Corporation (KHRC). KHRC is a public corporation that administers housing programs on behalf of the State ([Attachment 9](#)).

The next meeting will be joint with the Senate Ways and Means and House Appropriations Committees, scheduled for Friday, January 16, at 9:00 am, in Room 346-S at the Capitol.

The Meeting was adjourned by the Chairperson at 11:33 am.