Approved: February 13, 2015

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairperson Ty Masterson at 10:30 am on Wednesday, January 21, 2015, 548-S of the Capitol.

All members were present

Committee staff present:

J.G. Scott, Legislative Research Department Jill Wolters, Office of Revisor of Statutes

Daniel Yoza, Office of Revisor of Statutes

David Wiese, Office of Revisor of Statutes

Bobbi Mariani, Legislative Research

Justin Carroll, Legislative Research

Ben Wilhelm, Legislative Research

Shirley Morrow, Legislative Research

Sharon Wenger, Legislative Research

Debbie Luper, Chief of Staff

Dee Heideman, Committee Assistant

Conferees appearing before the Committee:

Larry Isaak, President, Midwestern Higher Education Compact

Others in attendance:

See Attached List

Bill introductions

Senator Powell made a motion to introduce proposed legislation concerning property taxation. The motion was seconded by Senator Denning, with the motion carried on a voice vote.

Senator Masterson made a motion to introduce proposed legislation concerning changes to the Local Option Budget. The motion was seconded by Senator Arpke and the motion was adopted.

Informational briefing:

Dr Larry Isaak, President, of Midwestern Higher Education Compact (MHEC) gave an overview and outlined the purpose of MHEC. He outlined several areas of cost savings that MHEC members were able to realize through membership with the Compact (Attachment 1). Mr Isaac introduced Richard Short, President of Short and Son, Inc, and Pam Schutt, Director of State Relations MHEC who also attended the committee meeting.

Senator Francisco commented she was pleased with the diversity of backgrounds of the MHEC board members and felt it an asset for the organization.

Senator Kelly asked if all States belong to MHEC, and Dr Isaac said, yes, and there has not been any that have withdrawn.

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.

CONTINUATION SHEET

MINUTES of the Committee on Ways and Means at 10:30 am on Wednesday, January 21, 2015, 548-S of the Capitol.

Senator Fitzgerald asked what Kansas could do better to take advantage of the cost savings offered through the Compact. Dr Isaac said Kansas does a good job utilizing the organization; however, he thought State and Local entities should start looking more closely at other areas that could be of benefit.

Informational briefing:

Sharon Wenger, Principal Fiscal Analyst, explained the effects of a proposed school finance plan based on the latest available information. She gave an overview of the Governor's education budget adjustments (Attachment 2).

Ms Wenger explained the K-12 State Aid Summary from the Fall 2014 Education Consensus (Attachment 3).

Senator Melcher asked what specific school districts had their mill levies reduced. Ms Wenger said she had a spreadsheet that showed the mill levy of each school district and would provide it to the committee (Attachment 3A).

Senator Arpke asked if the school districts had the authority to extend their bond pay off date, and if they did extend the maturity date, wouldn't the State's liability also increase? She said she would provide a report that shows the status of the bonds at each school district (Attachment 3B).

Senator Powell asked from what fund bond interest is paid. Senator Masterson said from SGF.

Information was distributed to the committee concerning KPERS bond debt service (Attachment 4).

The next Ways and Means Committee meeting is scheduled for January 22, 2015, at 10:30 am, in Room 548-S of the Capitol.

The Chairperson adjourned the meeting at 11:20 am.