

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairperson Ty Masterson at 10:30 am on Tuesday, January 26, 2016, 548-S of the Capitol.

All members were present

Committee staff present:

Jill Wolters, Office of Revisor of Statutes  
Scott Abbott, Office of Revisor of Statutes  
David Wiese, Office of the Revisor of Statutes  
J.G.Scott, Legislative Research Department  
Shirley Morrow, Legislative Research Department  
Dezeree Hodish, Legislative Research Department  
Justin Carroll, Legislative Research Department  
Dylan Dear, Legislative Research Department  
Bobbi Mariani, Legislative Research Department  
Mark Dapp, Legislative Research Department  
Amy Deckard, Legislative Research Department  
David Fye, Legislative Research Department  
Steven Wu, Legislative Research Department  
Mark Skoglund, Legislative Research Department  
Aaron Klaassen, Legislative Research Department  
Sharon Wenger, Legislative Research Department  
Mark Savoy, Legislative Research Department  
Jennifer Ouellete, Legislative Research Department  
Debbie Luper, Chief of staff  
Dee Heideman, Committee Assistant

Conferees appearing before the Committee:

Scott Frank, Post Auditor, Legislative Division of Post Audit

Others in attendance:

[See Attached List](#)

**Bill introductions**

There were no bill introductions.

**Hearing on: SB354 — Appropriation revisions for FY 2016, FY 2017 and FY 2018 for various state agencies.**

Chairperson Masterson opened the Hearing on **SB354**.

## CONTINUATION SHEET

MINUTES of the Committee on Ways and Means at 10:30 am on Tuesday, January 26, 2016 in Room 548-S of the Capitol.

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J. G. Scott, Assistant Director for Fiscal Affairs, explained **SB354** which is the Governor's recommendation for appropriation revisions for FY2016, FY2017, and FY 2018. His report included the State General Fund Adjustments, Rescission Bill as of Monday January 25, 2016 ([Attachment 1](#)) .

Mr. Scott reported on the Governor's Budget Recommendation: 2016 Appropriations Rescission Bill (Reflects GBR adjustments for FY2016 and Select Adjustments for FY2017 and FY2018) ([Attachment 2](#)).

Senator Denning asked if any recommendations other than filling the positions for the Department of Revenue recommended by Alvarez and Marsal were included in the budget adjustment recommendations. Shawn Sullivan, Director, Kansas Division of the Budget and Business Processes, reported that the major recommendation from Alvarez and Marsal included in the budget revision was the addition of 21 positions for the Department of Revenue. He stated there were a couple other minor additions; however, the Department of Revenue positions recommendation was the major addition to the budget revision.

Senator Masterson asked how many positions recommended for the Department of Revenue were filled to date. Mr. Sullivan said 17 out of the recommended 21 positions have been filled.

Senator Fitzgerald asked what protocol is being used for adopting some recommendations from Alvarez and Marsal while not adopting others. Mr. Sullivan said many of the recommendations require further discussion and study, and some require legislation. He said all of the recommendations will be looked at; however, it will be imperative to adopt a good and successful plan for choosing which recommendations to adopt and also for implementing them.

Senator Kerschen wondered why several funds on Page 4, under the Department of Revenue heading were zero. Mr. Scott said they are newly created funds and do not have appropriations at this time.

The Chairperson held the hearing on **SB354** open to be continued at a later date. |

### **Hearing on: SB313 — Limiting which government officials may receive information technology audit written reports.**

Chairperson Masterson opened the hearing on **SB313**, which limits which government officials may receive information technology audits written reports.

Jill Wolters, First Assistant Revisor, presented the bill brief with an explanation of the bill. She said the bill eliminates the requirement to provide security IT audits to the Governor and all three chief information technology officers. Ms. Wolters informed the committee an identical bill was passed and is now on General Orders in the House ([Attachment 3](#)).

### **Proponents:**

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Scott Frank, Post Auditor, Legislative Division of Post Audit, spoke in favor of **SB313**. Mr Frank said if this bill passes, the Governor and other branch CITO's would still be notified that a report was issued, but would not be automatically issued the reports. He said making wide distributions of confidential technically detailed IT security audits presents opportunities for potential hackers ([Attachment 4](#)).

**Opponents:** No opponents appeared before the committee.

**Neutral:**

No neutral parties appeared before the committee.

The Chairperson closed the hearing on **SB313**.

**Final action on: SB313 — Limiting which government officials may receive information technology audit written reports.**

Chairperson Masterson asked if any committee member objected to taking final action on **SB313**. There was no objection to taking final action on the bill.

*Senator Kelly made a motion to amend **SB313** to match **HB2442** and pass it out favorably, and place it on the consent calendar. Senator Kelly withdrew this motion before it was seconded and any action was taken.*

*Senator Kelly then made a motion to pass **SB313** favorably, and place it on the consent calendar. The motion was seconded by Senator Arpke and the motion carried on a voice vote.*

**Update on:**

Scott Frank, Post Auditor, Legislative Division of Post Audit, reported on the audit reports that were issued by Legislative Division of Post Audit in 2015 ([Attachment 5](#)). He also distributed the Legislative Post Audit Performance Audit Report Highlights ([Attachment 6](#)).

In addition, Mr. Scott also reported on the scope of two audit reports:

- Foster Care and Adoption in Kansas: Reviewing Various Issues Related to the State's Foster Care and Adoption System;
- Seized and Forfeited Property: Evaluating Compliance with State Law and How Proceeds are Tracked, Used, and Reported ([Attachment 7](#)).

The next Ways and Means Committee meeting is scheduled for Wednesday, January 27, 2016, at 10:30 a.m., in Room 548-S at the Capitol.

Chairperson Masterson adjourned the meeting at 11:47 a.m.

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