

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairperson Ty Masterson at 10:30 am on Wednesday, March 16, 2016, 548-S of the Capitol.

All members were present except:
Senator Jeff Melcher – Excused

Committee staff present:
Jill Wolters, Office of Revisor of Statutes
Scott Abbott, Office of Revisor of Statutes
David Wiese, Office of Revisor of Statutes
J.G. Scott, Legislative Research Department
Shirley Morrow, Legislative Research Department
Dezeree Hodish, Legislative Research Department
Dylan Dear, Legislative Research Department
Sharon Wenger, Legislative Research Department
David Fye, Legislative Research Department
Amy Deckard, Legislative Research Department

Conferees appearing before the Committee:
Tim Keck, Interim Secretary, KDADS
Rebecca Proctor, Executive Director, Kansas Organization of State Employees
Marilyn Jacobsen, Chief Financial Officer & General Council, KVC Health Systems

Others in attendance:
[See Attached List](#)

Bill introductions

Senator Arpke moved to introduce a legislation concerning the student physical privacy act. The motion was seconded by Senator Powell and the motion was adopted on a voice vote.

Hearing on: SB460 — Social and rehabilitative institutions; appointment of superintendents, physicians, employees and staff.

Scott Abbott, Assistant Revisor Office of Revisor of Statutes, presented the bill brief for **SB460**. He explained that this bill changes the Kansas Civil Service Act classification for superintendents, physicians, staff, other personnel and employees appointed to serve at Osawatomie State Hospital, Larned State Hospital, Parsons State Hospital and Training Center and Kansas Neurological Institute ([Attachment 1](#)).

Proponents:

Tim Keck, Interim Secretary, Kansas Department for Aging and Disability Services explained why he supports **SB460**. In addition, he included 2 amendments at the end of his testimony proposed for this

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bill in response to some of the concerns he has heard ([Attachment 2](#)).

Senator Tyson said she finds it interesting that the Interim Secretary is asking for the flexibility to put out an RFP, when in **SB151** it specifies legislative approval before privatizing the hospitals.

Senator Kelly stated one of the major issues was staffing and the horrendous amount of overtime. She asked Mr. Keck what they had done to correct the employee staffing problems. Mr. Keck said they need to hire 10 nurses and are now in that process.

Opponents:

Rebecca Proctor, Executive Director, Kansas Organization of State Employees, opposed the bill because she feels there has not been enough public debate about privatization of State hospitals ([Attachment 3](#)).

Written neutral:

Marilyn Jacobson, Executive Director, Chief Financial Officer and General Counsel, KVC Health Systems, stated her neutral position in written testimony ([Attachment 4](#)).

After the question, answer and discussion period, the Chairperson closed the hearing on **SB460**.

Hearing on: SB512 — Court ordered redistribution of district funds act.

Chairperson Masterson opened the hearing on **SB512**. He asked for an amendment to the bill to correct some technical problems in the bill.

*Senator Denning moved to adopt a balloon amendment for technical corrections to **SB512**, Senator Arpke seconded and the balloon amendment was adopted ([Attachment 5](#)).*

Jason Long, Senior Assistant Revisor, Office of the Revisor of Statutes, said the bill makes various amendments regarding school finance. He said the bill reestablishes supplemental general state and capital outlay state aid so that both are based on prior statutory formulas. The bill also amends the CLASS Act ([Attachment 6](#)).

Edward Penner, Fiscal Analyst, Legislative Research Department, distributed two spreadsheets. He said the one with the yellow line represents LOB equalization ([Attachment 7](#)). He said the spreadsheet without the yellow bar is the capital outlay state aid ([Attachment 8](#)). He further explained the yellow bar represents where the 81.2 percentile occurs with the 2015-16 estimated assessed valuation per pupil. Mr. Penner added that each school is ranked per assessed valuation per pupil.

Proponents:

No proponents appeared before the committee.

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Opponents:

No opponents appeared before the committee.

Neutral:

Mark Tallman, Assistant Executive Director for Advocacy, was a neutral conferee ([Attachment 9](#)). Mr. Tallman distributed information concerning the Gannon equity decision and the impact of state aid changes on local property rates and per pupil revenues ([Attachment 10](#)).

Dale Dennis, Deputy Commissioner, Kansas Board of Education, distributed a computer printout which summarized the effects of **SB512** on general state aid, supplemental general (LOB) state aid, and capital outlay state aid ([Attachment 11](#)).

Dave Trabert, President, Kansas Policy Institute, presented neutral testimony on **SB512**. He said he is pleased that the Legislature is proactively responding to the Supreme Court ruling on school equity funding in a manner that doesn't increase total funding. He said he is neutral because this is only one of several methods of satisfying equity without spending additional money ([Attachment 12](#)).

Written opponent:

Cheryl Semmel, Blue Valley USD 229 ([Attachment 13](#)).

Dodie Wellshear, representing USD 229, said under **SB512**, Blue Valley Schools would lose \$2.4 million from the Local Option Budget (LOB) and \$1.5 million from the general operating budget.

The Chairperson closed the hearing on **SB512**.

Possible action on bills previously heard

There was no action taken on bills previously heard.

The next Ways and Means Committee meeting is scheduled for Thursday, March 17, 2016, at 10:30 a.m., in Room 548-S at the Capitol.

Chairperson Masterson adjourned the meeting at 12:14 p.m.

Meeting at the Rail

The meeting was called to order by Chairperson Ty Masterson at 4:33 pm on Wednesday, March 16, 2016, Third Floor, at the Rail of the Rotunda of the Capitol.

All members were present except: Senator Melcher - excused

Committee staff present:

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Jason Long, Office of Revisor of Statutes
Shirley Morrow, Legislative Research Department
Dezeree Hodish, Legislative Research Department
Debbie Luper, Chief of staff
Dee Heideman, Committee Assistant

Conferees appearing before the Committee:
No conferees present

Bill introductions:

Senator Arpke moved to introduce amendments to the CLASS Act regarding the distribution of equalization state aid. Senator Powell seconded the motion. The bill was approved for introduction.

Chairperson Masterson adjourned the meeting at 4:36 p.m.