

M I N U T E S

LEGISLATIVE BUDGET COMMITTEE

October 2, 1975

The Legislative Budget Committee convened at 10:00 a.m. on October 2, 1975, in Room 510-S of the State House. All members were present during the morning except Senator Doyen, who attended the afternoon session. Staff in attendance all or part of the time were R. W. Ryan, Fred Carman, Arden Ensley, James Bibb and Ed Ahrens.

Minutes of Last Meeting

The minutes of the meeting held on September 4 were approved without change.

Proposal No. 31 - State General Fund

The staff presented two tables up-dating data on general fund receipts, expenditures, and balances over a period of years and a memorandum on Kansas Personal Income, 1967-1974. Copies are in the Committee notebook.

An oral report was made by the staff on general fund receipts in the first quarter of FY 1976, based on preliminary figures for September excluding transfers and agency earnings and miscellaneous revenue. Such receipts were \$9.5 million, or 6.9%, over the budget estimate and were \$11.8 million, or 8.7%, above collections in the first quarter of FY 1975.

Proposal No. 32 - Investment of State
Moneys

The staff presented up-dated tables on average daily balances in the active account banks, the trend of interest rates on U.S. treasury bills, and on investments in repurchase agreements under 1975 S.B. 53. Copies are in the Committee notebook.

Also, the Committee approved a draft bill which amends KSA 1975 Supp. 75-4259 to authorize the Pooled Money Investment Board to invest federal revenue sharing funds in repurchase agreements under certain conditions.

Proposal No. 33 - Administrative Rules
and Regulations

Mr. Ensley distributed and discussed (1) a table listing the rules and regulations which were modified or rejected by the legislature during the 1975 session, (2) two charts which outline proposed changes re filing, administration, effective date, and legislative oversight of permanent and temporary administrative rules and regulations, and (3) a draft bill to implement such changes. He reported that the proposed changes were discussed with the Attorney General's office, the attorney for the Department of Administration, and the Secretary of State.

Richard Cunningham, associate director of the League of Kansas Municipalities, told the Committee that local officials have become increasingly concerned about the impact of rules and regulations on the operations and budgets of local governments. He suggested that (1) local officials be given an opportunity to review and have some input into proposed rules and regulations at an early stage similar to the federal A-85 procedure; (2) copies of state rules and regulations be filed with cities; and (3) some sort of fiscal note be provided by the agency promulgating rules and regulations prior to their adoption. Mr. Cunningham said he will provide the Revisor's office with examples of what other states and the federal government have done re providing for review of proposed rules and regulations.

Tom Pitner, attorney for the Department of Administration, said he thinks the proposed changes developed by Mr. Ensley are workable and are better than the existing procedures.

After discussion of the two charts and the draft bill, the Committee decided to:

(1) Delete section 14 from the bill and make it a separate bill to be effective on publication in the official state paper. This section relates to replacing the present "loose leaf" file of rules and regulations with an annual supplement similar to the KSA supplements. Mr. Ensley explained that the proposed change would result in a more orderly arrangement at a considerable savings in cost of publication.

(2) Provide that the Revisor of Statutes be given a copy of proposed rules and regulations at the same time it is submitted to the Secretary of Administration (motion by Senator Steineger, seconded by Representative Carlin).

(3) Eliminate the State Rules and Regulation Board (motion by Senator Steineger, seconded by Representative Lady).

(4) Make the Secretary of Administration responsible for the duties of the Board (motion by Representative Lady, seconded by Senator Steineger).

(5) Require that "fiscal notes" be prepared and attached to proposed rules and regulations by the promulgating agency, indicating the cost impact thereof on state and local government and the private sector affected (motion by Senator Steineger, seconded by Representative Bunten).

The staff was instructed to prepare a revised draft of the bill for consideration by the Committee at its next meeting.

Proposal No. 34 - Rules of the Legislature

Mr. Carman distributed and discussed drafts of three concurrent resolutions amending the joint rules, the rules of the House, and the rules of the Senate. He said the drafts were not necessarily complete at this time and that he had not yet received reactions to the changes from Senator Gaar and Representative Bower.

Speaker McGill suggested that the Committee study the resolutions prior to the next meeting, and requested the staff to add provisions re replacement of legislative leaders when vacancies occur to the extent that such provisions should be in the rules instead of in the law.

Senator Doyen said that the Committee also should give consideration to any needed changes in the law and/or rules re impeachment proceedings.

Proposal No. 35 - Recall of Public Officials

Mr. Ryan pointed out that the Committee notebook contains the constitutional and statutory provisions re recall of five states -- Alaska, California, Colorado, Idaho, and Wisconsin.

These states were selected to illustrate the variety of approaches to provide for and implement recall of public officials. Ryan then distributed a chart which compares selected major features of the constitutions and laws of the five states.

The staff was requested to prepare a draft bill implementing recall and to mail the draft to Committee members before the next meeting. As a general guideline to the staff, Speaker McGill suggested that the bill be drafted to prevent undue harassment of elected officials.

Proposal No. 68 - Governmental Immunity

The Committee approved a draft bill amending KSA 1975 Supp. 75-4105 and 4114 to provide that the Committee on Surety Bonds and Insurance could purchase liability insurance for the state and its employees re tortious conduct only "within the limitations of appropriations made by the legislature therefor." There is no such express restriction in the present law.

Architectural Services Advisory Committee

No change order of over \$25,000 was submitted by the Division of Architectural Services. The chairman appointed Senator Steineger to replace former Representative Loux on the subcommittee.

Plans for Next Meeting

The next meeting of the Committee is scheduled on November 6. The agenda will include staff reports on Proposals No. 31 and No. 32, review of the revised draft bill under Proposal No. 33, discussion of changes in legislative rules under Proposal No. 34, review of the draft bill re recall under Proposal No. 35, and the report of the Special Committee on Governmental Immunity under Proposal No. 68 if that Committee is prepared to report on November 6.

Prepared by Richard W. Ryan

Approved by Committee on:

Nov 6, 1975
Date