

M I N U T E S

LEGISLATIVE BUDGET COMMITTEE

November 6, 1975

The Legislative Budget Committee convened at 10:00 a.m. on November 6, 1975 in Room 510-S of the State House. All members were present except Senator Winter. Staff in attendance were R. W. Ryan, Fred Carman, Arden Ensley and Ed Ahrens.

Minutes of Last Meeting

The minutes of the meeting held on October 2 were approved without change.

Proposal No. 31 - State General Fund

The staff presented a report on general fund receipts in FY 1976 through October. It was pointed out that, because of the transition to the new central accounting system (CASK) in November, receipts on the last two days of October will be included in November receipts by the Division of Accounts and Reports.

Based on the Accounts and Reports Division's summary of receipts (excluding October 30 and 31), general fund total receipts through October were \$9.4 million over the budget estimate. It is estimated that such receipts were between \$13.5 million and \$13.9 million above the estimate if the last two days of October were included. That estimate is based on preliminary data on receipts during all of October from the principal revenue-collecting agencies.

The next report by the staff, covering the period July-November, will reflect receipts through all of November since the exclusion of two deposit days in October by the Division of Accounts and Reports was a one-time transitional adjustment.

Proposal No. 32 - Investment of State
Moneys

Four up-dated tables were presented as part of the monthly staff report: on the average daily balance in active accounts through October; on the amounts in state time deposit/open accounts up to November 5; on the trend of yields on 91-day treasury bills

through November 6; and on repurchase agreements under 1975 S.B. 53 through November 5. The Committee also was advised that the interest rate on state inactive accounts increased from 5.39% for the quarter which began on August 1 to 6.33% for the quarter which began on November 1.

Mr. Ensley distributed two bills which had been drafted with the chairman's approval for consideration by the Committee. One bill is, in effect, a supplement to 1975 S.B. 54 which centralized investments of most state moneys or funds in the Pooled Money Investment Board. Much of the bill is "clean-up" in nature, but it was pointed out by the staff that Section 6 provides for investment of the proceeds from bonds issued for construction at the Medical Center by the Pooled Money Investment Board and specifically sets out the type of authorized investments. On the motion of Representative Lady, seconded by Representative Bunten, this bill was approved by the Committee.

The second bill prohibits counties from exercising home rule with respect to investment of public moneys, making them subject to K.S.A. 12-1675 et seq. That policy was adopted by the 1975 Legislature by enactment of S.B. 55, section 2, but the Attorney General ruled that section is "void and ineffective to amend K.S.A. 19-101a and to restrict county home rule powers granted thereby" (AG Opinion 75-388, October 6, 1975). The bill was approved by the Committee on the motion of Senator Steineger, seconded by Senator Doyen.

Proposal No. 33 - Administrative Rules and Regulations

Mr. Ensley distributed revised bills and charts drafted to carry out the Committee's decisions at the last meeting. He explained the changes made since then, and emphasized that the main bill continues and enhances legislative oversight of rules and regulations.

With respect to the main bill, the Committee agreed that Section 7 should be amended to provide that the "fiscal note" on a proposed regulation shall be submitted to the Revisor of Statutes when a regulation is first filed with the Revisor, that the "fiscal note" shall be up-dated, as necessary, at each stage of the procedure required to file and adopt a regulation, and that a "fiscal note" shall be prepared for emergency as well as permanent regulations.

The Committee approved the main bill, as amended, the bill concerning publication of annual supplements to KAR, and the final report on Proposal No. 33 with the understanding that it will be revised to reflect the amendments to the main bill re "fiscal notes."

Architectural Services Advisory Committee

The director of architectural services resubmitted a change order of \$37,884 providing for Imperial Danby marble instead of Royal Danby marble in the interior of the Supreme Court building. Jack Bradley, of the Kiene and Bradley architectural firm, appeared before the Committee to explain the requested change. He said that Royal Danby conflicts with the color scheme of the building and that the cost of the change order will be paid from contingency funds. On the motion of Representative Lady, seconded by Senator Steineger, the Committee voted to recommend approval of the change order by the director of architectural services. There was no other change order over \$25,000.

Proposal No. 34 - Rules of the
Legislature

Mr. Carman distributed and explained drafts of a Senate Resolution re rules of the Senate, a House Resolution re rules of the House, a joint resolution re joint rules of the House and Senate, a bill re impeachment, and a bill re meetings of the House or Senate to fill vacancies as provided by the rules. After lengthy discussion of these drafts, it was decided to consider final action thereon at the next meeting of the Committee.

Proposal No. 35 - Recall of Public
Officials

A tentative draft bill re recall was mailed to the Committee prior to this meeting. The bill was discussed briefly and final action thereon was deferred until the next meeting.

Proposal No. 68 - Governmental
Immunity

Mr. Ensley reported that the Special Committee on Governmental Immunity has completed its work except for final review of its proposed legislation and its report. Both should be available for consideration by the Legislative Budget Committee at its next meeting.

Plans for Next Meeting

The Committee scheduled its next meeting on November 20, beginning at 10:00 a.m. The agenda for that meeting will include

further consideration of Proposals 34, 35 and 68, and review of final reports on Proposals 31, 32 and 36.

Prepared by Richard Ryan

Approval by Committee on:

Nov. 20, 1975

Date