

Approved 3-21-83
Date

MINUTES OF THE HOUSE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by BILL BUNTEN at
Chairperson

1:30 ~~XXXX~~ p.m. on Monday, March 14, 1983 in room 514-S of the Capitol.

All members were present except:

Committee staff present: Marlin Rein -- Legislative Research
Lyn Entrikin Goering -- Legislative Research
Bill Gilmore -- Legislative Research
Jim Wilson -- Office of the Revisor
LewJene Schneider -- Administrative Assistant
Charlene Wilson -- Committee Secretary

Conferees appearing before the committee:

Representative Bob Ott on HB 2439
Mr. Jim Turner, Kansas Savings and Loan League
Representative Art Douville on HB 2244
Mr. Marshall Crowther, KPERS
Representative Steve Cloud on HB 2478
Mr. Brian Moline, KCC
Mr. Harley Duncan, Division of the Budget
Representative Keith Farrar on HB 2540
Mr. Art Griggs, Department of Administration

The meeting was called to order by Vice-Chairman Arbuthnot, in the absence of Chairman Buntten, at 1:35 p.m.

House Bill No. 2439 -- "An Act relating to public moneys; concerning sale of security for deposit; amending K.S.A. 9-1405 and repealing the existing section"

Representative Bob Ott was called upon by the Vice-Chairman to review the provisions of HB 2439 for the committee.

Mr. Jim Turner also spoke in favor of HB 2439.

House Bill No. 2244 -- "An Act relating to the Kansas public employees retirement system; concerning the retirement system for judges; providing a plan of death benefits and a minimum retirement annuity; amending K.S.A 1982 Supp. 20-2610 and 20-2610a and repealing the existing sections."

Vice Chairman Arbuthnot called upon Representative Douville to review this bill for the committee. He indicated that the bill, as he had originally had it drawn up, has been amended. He referred to Marshall Crowther to explain the bill further.

Mr. Crowther indicated that what the new section 3 would do would be that it would make the members of the judges system members of the KPERS system for purposes of the group life insurance. This would include a group of approximately 168 older employees. In the amended version of the bill, line 84 provides that the cost of that change will be .3% of covered payroll, which is the same proportion being paid by the other public employees. The effect of doing this, if this bill passes, is that the judges would be under the group insurance program with coverage at 100% of their annual salary and the coverage would extend until age 70.

Mr. Crowther went on to say that the way the bill reads now, it would change the formula for the judges' retirement system. The present formula provides a member of the judges' system receives a benefit based on a percent of the final average salary times years of service. The present percent is 3 1/3% for every year of credit service with a maximum benefit payable at 65%. The amended version would provide that the judges benefit would be 4% of the final salary for each of the first 10 years and a maximum benefit, still, of 65%. This 65% could be attained earlier under the amended version. The cost of the amendment is .8 of 1% and the bill as it was amended by the House Committee would result in no change in the judges' rate of contribution. The net effect of this is that there is an .8% savings from the change in the death benefit and an .8% addition for the improvement in the formula that accelerates the judges to a maximum 65% at an earlier date.

Under special procedure, individual remarks reported 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 HOUSE COMMITTEE ON WAYS AND MEANS,
 room 514-S, Statehouse, at 1:30 ~~XXX~~ p.m. on Monday, March 14, 1983

House Bill No. 2478 -- "An Act concerning the state corporation commission; relating to negotiation of contracts for professional services; affecting the composition of the negotiating committee. amending K.S.A. 66-1513 and repealing the existing section."

Representative Cloud was called upon by the Chairman to address the committee on this bill. Chairman Bunten asked why the duty of sitting on the Negotiating Committee should be turned over to General Council rather than having the Chairperson of the KCC sitting on the committee. Representative Cloud stated that there were two reasons for this change. One being that it is the General Council that is sitting on that committee now, because the current law allows the Chairperson to sit, or his designee. And the Chairperson in this case is consistently appointing the General Council to sit on the committee. Representative Cloud stated that there is a feeling that the Chairperson will have to sit in judgment in some of the utility rate requests and there was some feeling that, to allow the person who is going to be judging the information that is presented by the outside contractual firms, that it would be better to have General Council to negotiate the contract rather than the Chairperson because of possible accusations of bias.

Mr. Brian Moline also appeared in support of HB 2478. He indicated that the Commission views this bill as only a minor housekeeping amendment. The Chairman of the Negotiating Committee does not feel that it is appropriate for a member of the Commission to participate in the selection of the special staff. He further stated that when the Negotiating Committee reviews the proposals that come in, one of the things that they look at is the regulatory approach that they have had in the past and whether or not it is compatible with the regular staff's position on various issues.

House Bill No. 2543 -- "An Act relating to the county and city revenue sharing fund; concerning the use of population figures in the allocation of moneys therefrom; amending K.S.A. 1982 Supp. 79-2965 and repealing the existing section"

Chairman Bunten called upon Harley Duncan to review this bill for the committee. Mr. Duncan indicated that what is proposed by this bill is that the payments would fall on July 15 and December 15 and they would both be made under the same set of population figures.

House Bill No. 2540 -- "An Act concerning state capital improvements; prescribing procedures for legislative review; changing the name of the joint committee on state building construction; amending K.S.A. 46-1701, as amended by 1983 Senate Bill No. 128, and 46-1702 and K.S.A. 1982 Supp. 75-3717b, 75-5411 and 75-5414 and repealing the existing sections."

The Chairman referred to Representative Farrar to address the committee on the provisions of HB 2540. A copy of some proposed amendments to the bill was passed out to the members of the committee. (Attachment II). Representative Farrar referred to Art Griggs to further explain the effect of the amendments to the committee.

Chairman Bunten indicated that, due to the fact that several issues are being addressed by this bill, a subcommittee would be appointed to work out the details and when they arrive at some conclusions they would report back to the full committee. The subcommittee was appointed as follows:

Representative Farrar
 Representative Arbuthnot
 Representative Shriver

Representative Shriver requested that a bill be introduced by this committee with reference back to this committee for consideration. Representative Shriver explained that this bill would make the Security Commissioner's Office a state agency. It would transfer everything from the fee fund to the general fund. This would be a positive fiscal note for the state in the approximate amount of \$2 million. Representative Shriver moved that the bill be introduced and referred back to this committee. Seconded by Representative Heinemann.
The motion carried.

The Chairman turned to consideration of final action on bills heard in the meeting today. Page 2 of 3

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON WAYS AND MEANS,
room 514-S, Statehouse, at 1:30 ~~XXX~~ p.m. on Monday, March 14, 19 83

House Bill No. 2439 -- "An Act relating to public moneys; concerning sale of security for deposit; amending K.S.A. 9-1405 and repealing the existing section."

Representative Shriver moved that HB 2439 be reported favorable for passage. Seconded by Representative Heinemann. The motion carried.

House Bill No. 2543 -- "An Act relating to the county and city revenue sharing fund; concerning the use of population figures in the allocation of moneys therefrom; amending K.S.A. 1982 Supp. 79-2965 and repealing the existing section"

Representative Heinemann moved that HB 2543 be reported favorable for passage. Seconded by Representative Shriver. The motion carried.

House Bill No. 2478 -- "An Act concerning the state corporation commission; relating to negotiation of contracts for professional services; affecting the composition of the negotiating committee; amending K.S.A. 66-1513 and repealing the existing section."

Representative Louis moved that HB 2478 be reported favorable for passage. Seconded by Representative Chronister. The motion carried.

House Bill No. 2244 -- "An Act relating to the Kansas public employees retirement system; concerning the retirement system for judges; providing a plan of death benefits and a minimum retirement annuity; amending K.S.A. 1982 Supp. 20-2610 and 20-2610a and repealing the existing sections."

Representative Shriver moved to strike section 1 from the bill. Seconded by Representative Arbuthnot. Representative Heinemann spoke in opposition to the motion. The motion lost.

Representative Wisdom moved that HB 2244 be reported favorable for passage, as amended by the House Committee on Pensions, Investments and Benefits. Seconded by Representative Dyck. The motion carried.

Chairman Bunten requested a motion on the minutes of March 3,4,7,8,9 and 10th. Representative Chronister moved that the minutes be approved as written. Seconded by Representative Holderman. The motion carried.

Representative Rolfs made a substitute motion to amend March 7th minutes by including, with reference to HB 2252, that Representative Rolfs and Representative Meacham requested being recorded as voting "no" on the motion to pass the bill favorably. Seconded by Representative Meacham. The motion carried.

The Chairman turned to consideration of a subcommittee report.

House Bill 2085, Section 9, DENTAL BOARD FY84.

Representative Bussman reported on this section. The subcommittee concurs with the Governor's FY 83 recommendation. The subcommittee concurs with the Governor's FY84 recommendation with one adjustment. (Attachment III).

Representative Bussman moved the adoption of the subcommittee report. Seconded by Representative Louis. The motion carried.

The meeting was adjourned at 3:00 p.m.

| NAME | ADDRESS | REPRESENTING |
|-----------------------|----------|---------------|
| 1. Marjorie Van Buren | Topeka | OJA |
| 2. Marshall Coan | Lawrence | KPEB |
| 3. Jim Turner | Topeka | KSLC |
| 4. Jack Hawn | Topeka | KPERS |
| 5. Gary Howland | Topeka | DOA |
| 6. Brian McIn | " | V.C.C. |
| 7. Patrick Wherley | " | Dept of Admin |
| 8. | | |
| 9. | | |
| 10. | | |
| 11. | | |
| 12. | | |
| 13. | | |
| 14. | | |
| 15. | | |
| 16. | | |
| 17. | | |
| 18. | | |
| 19. | | |
| 20. | | |
| 21. | | |
| 22. | | |
| 23. | | |
| 24. | | |
| 25. | | |

HOUSE BILL No. 2540

By Committee on Ways and Means

3-4

0017 AN ACT concerning state capital improvements; prescribing
0018 procedures for legislative review; changing the name of the
0019 joint committee on state building construction; amending
0020 K.S.A. 46-1701, as amended by 1983 Senate Bill No. 128, and
0021 46-1702 and K.S.A. 1982 Supp. 75-3717b, 75-5411 and 75-5414
0022 and repealing the existing sections.

0023 *Be it enacted by the Legislature of the State of Kansas:*

0024 Section 1. K.S.A. 46-1701, as amended by 1983 Senate Bill
0025 No. 128, is hereby amended to read as follows: 46-1701. (a) ~~There~~
0026 ~~is hereby created~~ The joint committee on state ~~building con-~~
0027 ~~struction which~~ *capital improvements* shall be composed of
0028 three senators and three members of the house of representa-
0029 tives. The three senate members shall be the chairperson of the
0030 ways and means committee, or a member of the ways and means
0031 committee appointed by the chairperson, a senator appointed by
0032 the president and a senator appointed by the minority leader.
0033 The three representative members shall be the chairperson of
0034 the ways and means committee, or a member of the ways and
0035 means committee appointed by the chairperson, a representative
0036 appointed by the speaker and a representative appointed by the
0037 minority leader.

0038 (b) All members of the joint committee on state ~~building~~
0039 ~~construction~~ *capital improvements* shall serve for terms ending
0040 on the first day of the regular legislative session in odd-num-
0041 bered years. In even-numbered years, the chairperson shall be
0042 one of the representative members of the joint committee
0043 elected by the members of the joint committee and the vice-
0044 chairperson shall be one of the senate members elected by the
0045 members of the joint committee. In odd-numbered years, the
0046 chairperson shall be one of the senate members of the joint

17
Atch. II

0047 committee elected by the members of the joint committee and
0048 the vice-chairperson shall be one of the representative members
0049 of the joint committee elected by the members of the joint
0050 committee. The vice-chairperson shall exercise all of the powers
0051 of the chairperson in the absence of the chairperson.

0052 (c) A quorum of the joint committee on state ~~building con-~~
0053 ~~struction~~ *capital improvements* shall be four. All actions of the
0054 joint committee shall be taken by a majority of all of the members
0055 of the joint committee.

0056 (d) The joint committee on state ~~building construction capi-~~
0057 ~~tal improvements~~ may meet at any time and at any place within
0058 the state on the call of the chairperson.

0059 (e) The provisions of the acts contained in article 12 of
0060 chapter 46 of the Kansas Statutes Annotated, and amendments
0061 thereto, applicable to special committees shall apply to the joint
0062 committee on state ~~building construction~~ *capital improvements*
0063 to the extent that the same do not conflict with the specific
0064 provisions of this act applicable to the joint committee.

0065 (f) In accordance with K.S.A. 46-1204, the legislative coordi-
0066 nating council may provide for such professional services as may
0067 be requested by the joint committee on state ~~building construc-~~
0068 ~~tion~~ *capital improvements*.

0069 (g) *The joint committee on state capital improvements may*
0070 *introduce such legislation as it deems necessary in performing*
0071 *its functions.*

0072 (h) *The name of the joint committee on state building con-*
0073 *struction is hereby changed to the joint committee on state*
0074 *capital improvements. All powers, duties and functions now*
0075 *vested with the joint committee on state building construction*
0076 *shall be vested with the joint committee on state capital im-*
0077 *provements. Whenever the joint committee on state building*
0078 *construction, or words of like effect, is referred to by any*
0079 *statute, contract or other document, such reference or designa-*
0080 *tion shall be deemed to apply to the joint committee on state*
0081 *capital improvements.*

Sec. 2. K.S.A. 46-1702 is hereby amended to read as follows:
46-1702. In addition to other powers and duties authorized or

0084 prescribed by law or by the legislative coordinating council, the
0085 joint committee on state ~~building construction capital improve-~~
0086 ~~ments~~ shall:

0087 (a) Study all five-year capital improvement and facilities
0088 plans and capital improvement budget estimates which are sub-
0089 mitted to the joint committee by state agencies in accordance
0090 with K.S.A. ~~1978 Supp.~~ 75-3717b and amendments thereto and
0091 the reports on ~~such~~ capital improvement budget estimates sub-
0092 mitted to the joint committee by the state building advisory
0093 commission in accordance with that statute;

0094 (b) Make recommendations on all such five-year capital im-
0095 provement and facilities plans and capital improvement budget
0096 estimates to the ways and means committees of the house of
0097 representatives and the senate;

0098 (c) Study the progress and results of all capital improvement
0099 projects for the construction of buildings or for major repairs or
0100 improvements to buildings for ~~of~~ state agencies; and

0101 (d) Make an annual report to the legislative coordinating
0102 council as provided in K.S.A. 46-1207, and amendments thereto,
0103 and such special reports to committees of the house of repre-
0104 sentatives and senate as are deemed appropriate by the joint
0105 committee.

0106 (e) ~~As used in this section, "capital improvement project"~~
0107 ~~means any such project conducted or administered for or by one~~
0108 ~~or more state agencies, but shall not include any project for the~~
0109 ~~construction, reconstruction, improvement or maintenance of~~
0110 ~~highways.~~

0111 Sec. 3. K.S.A. 1982 Supp. 75-3717b is hereby amended to
0112 read as follows: 75-3717b. (a) Whenever a state agency proposes
0113 a capital improvement project for the construction of a building
0114 or for major repairs or improvements to a building, such state
0115 agency shall prepare a capital improvement budget estimate to
0116 be submitted to the division of the budget in such form as may be
0117 required by the director of the budget and this section. Such
0118 state agency shall prepare and include as a part of such capital
0119 improvement budget estimate a written program statement de-
0120 scribing the project. ~~As used in this section, "capital imp-~~

for the construction of buildings or for major repairs or improvements to buildings or other capital improvements budgeted for pursuant to K.S.A. 75-3717b for

Have authority to request any state agency to provide the committee with any information relating to any proposed or past capital improvement project.

for the construction of a building or for major repairs or improvements to a building or any other capital improvement which cannot be paid from budgeted funds of a state agency

~~ment project" means any such project conducted or administered
0122 for or by one or more state agencies, but shall not include any
0123 project for the construction, reconstruction, improvement or
0124 maintenance of highways.]~~

~~0125 (b) Where such capital improvement project is for the con-
0126 struction of a building or for major repairs or improvements to a
0127 building, Such program statement shall: (1) Include a detailed
0128 justification for the project including an analysis of the programs,
0129 activities and other needs and intended uses for the additional or
0130 improved space and an analysis of the alternative means by
0131 which such space needs and uses could be satisfied; (2) request
0132 appropriations for the project in the three phases of preliminary
0133 planning, final planning and construction; (3) describe in detail
0134 each such phase of the project; and (4) include cost estimates for
0135 land, site surveys, soil investigations, equipment, buildings or
0136 major repairs or improvements to buildings and other items
0137 necessary for the project.~~

~~0138 (b) (c) Not later than July 1 of each year, such state agency
0139 shall submit to the division of the budget a copy of such capital
0140 improvement budget estimate, and all amendments and revi-
0141 sions thereof, and at the same time such state agency shall
0142 submit copies of such capital improvement budget estimate, and
0143 all amendments and revisions thereof, directly to the state
0144 building advisory commission and to the joint committee on state
0145 building construction capital improvements. At the same time
0146 such state agency shall submit copies of each such capital
0147 improvement budget estimate which is for the construction of a
0148 building or for major repairs or improvements to a building, and
0149 all amendments and revisions thereof, directly to the state
0150 building advisory commission.~~

~~0151 (e) (d) On or before November 15 each year, the state build-
0152 ing advisory commission shall report and make recommenda-
0153 tions on each capital improvement budget estimate received
0154 pursuant to this section regarding the project costs, projected
0155 scheduling of funding for such costs, and such other matters as
are deemed appropriate by the state building advisory commis-
sion, to: (1) The division of the budget; (2) the joint committee on~~

state building advisory commission and to the

SUBCOMMITTEE REPORT

Agency: Dental Board Bill No. 2085 Bill Sec. 9

Analyst: Rampey Analysis Pg. No. 116 Budget Pg. No. 1-209

| <u>Expenditure Summary</u> | <u>Agency Req. FY 84</u> | <u>Governor's Rec. FY 84</u> | <u>Subcommittee Adjustments</u> |
|----------------------------|------------------------------|----------------------------------|-------------------------------------|
| State Operations: | | | |
| All Funds | \$ 120,961 | \$ 102,416 | \$ (1,100) |
| State General Fund | — | — | — |
| F.T.E. Positions | 1.0 | 1.0 | — |

House Subcommittee Recommendations

FY 1983. The Board estimates expenditures of \$94,851 for the current year. The Governor's recommendation of \$94,409 eliminates \$442 in salaries and wages for a merit increase.

The Subcommittee concurs with the Governor's recommendation.

FY 1984. The Board requests an expenditure limitation of \$120,961. The amount would generally maintain the operations of the Board at the current level, except that it would enable the Board to fund its secretary-treasurer position full-time instead of part-time, as is currently the case. The request would also provide an increase in funding available for legal and investigative services (\$41,900 is requested, which is an increase of \$6,250 over the current year's estimate of \$35,650).

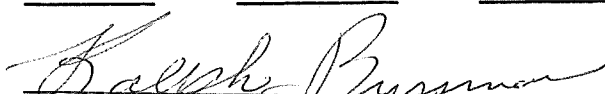
The Governor recommends an expenditure limitation of \$102,416, a decrease of \$18,545 from the Board's request. The reductions are primarily in the areas of salaries, travel and subsistence, and fees for professional services. The Governor does not recommend that the secretary-treasurer position be funded full-time.

The Subcommittee concurs with the Governor's recommendations except for the following adjustment:

1. Delete \$1,100 for cost-of-living increases.

Based upon the Subcommittee's adjustment, the ending balance in the Dental Board Fee Fund will be \$115,117 at the end of FY 1983 and \$109,321 at the end of FY 1984. The fee fund analysis is shown below:

| <u>Resource Estimate</u> | <u>Actual FY 1982</u> | <u>Est. FY 1983</u> | <u>Est. FY 1984</u> |
|--------------------------|---------------------------|-------------------------|-------------------------|
| Beginning Balance | \$ 87,302 | \$ 118,302 | \$ 115,117 |
| Net Receipts | <u>117,804</u> | <u>91,224</u> | <u>95,520</u> |
| Total Funds Available | \$205,106 | \$ 209,526 | \$ 210,637 |
| Less: Expenditures | <u>86,804</u> | <u>94,409</u> | <u>101,316</u> |
| Ending Balance | <u>\$118,302</u> | <u>\$ 115,117</u> | <u>\$ 109,321</u> |


 Representative Ralph Bussman,
 Subcommittee Chairman

Atch. III