

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANSThe meeting was called to order by Senator Paul Hess at \_\_\_\_\_  
Chairperson4:15 /a.m./p.m. on March 23, 1983, 19    in room 123-S of the Capitol.

All members were present except:

Senator Hein

Committee staff present:

Research Department: Sherry Brown, Mary Galligan, Julian Efird, Louis Chabira,  
Lyn Goering

Revisor's Office: Norman Furse

Committee Office: Mark Skinner, Doris Fager

Conferees appearing before the committee:

Roger Werholtz, Community Corrections Administrator, Department of Corrections

Introduction of Bills

Senator Harder said it has come to his attention that there are requests being made to establish Type I area vocational technical schools, and his committee believes those schools should be frozen because Type II schools are now frozen. It would be advantageous, according to Senator Harder, to continue the freeze until a study is completed on the needs for the programs; and it would be well to establish the freeze before the State Board of Education approves some of the applications.

Motion was made by Senator Harder and seconded by Senator Warren to introduce the bill explained above, and to request that it be referred to Committee of the Whole. The motion carried by roll call vote.

Mr. Werholtz explained that there was a recent change in the juvenile code which allows judges to recall juveniles within a 60-day period, etc., and the Department wants to make a change in the Community Corrections Act to conform to the juvenile code. There were questions from committee members about the need for the act, and the reason for submitting the need so late in the legislative session. Mr. Werholtz said it had been brought to the Department's attention within the last week.

Motion was made by Senator Werts and seconded by Senator Gaines to introduce the bill requested by Mr. Werholtz and to request that it be referred to Committee of the Whole. The motion carried by roll call vote.

Subcommittee Report on Retirement Proposals

Senator Doyen presented the subcommittee report on these proposals (See Attachment A). Included in the report was a recommendation to introduce two bills.

Motion was made by Senator Doyen and seconded by Senator Harder to introduce the two bills recommended in the subcommittee report, as follows: (1) to allow the Kansas State High School Activities Association to become a participating employer under KPERS; and (2) to require members of KPERS and KP&F who renew their employment with the same participating employer within 60 days after termination to return to the KPERS Fund all amounts withdrawn plus interest at a rate established by the Board; and that the two measures be referred to Committee of the Whole. The motion carried by roll call vote.

SB 126 - prohibiting deduction of Social Security benefits from insured disability benefits under KPERS.

Motion was made by Senator Doyen and seconded by Senator Harder to report SB 126 adversely, as recommended in the subcommittee report. The motion carried by roll call vote.

SB 129 - Allows annuitants of Kansas School Retirement System to have a post retirement adjustment in benefits

Motion was made by Senator Doyen and seconded by Senator Talkington to report SB 129 adversely. The motion carried by roll call vote.

SB 195 - Kansas public employees retirement system, employer contributions declared fringe benefits, credited to member accounts

Motion was made by Senator Doyen and seconded by Senator Talkington to report SB 195 adversely. The motion carried by roll call vote.

It was the concensus of the committee to hold SB 158 and SB 242 in the committee, and to request an interim committee study as suggested in the subcommittee report.

SB 414 - Fees charged and collected by Department of Health and Environment

Following a brief explanation of the bill, and a reminder that this was included in a subcommittee report adopted by the committee when considering this department's budget, motion was made by Senator Doyen and seconded by Senator Gaines to report SB 414 favorably for passage. The motion carried by roll call vote.

HB 2064 - Appropriations FY 1984, Education Agencies

Section 2 - State Library

Senator Bogina presented the subcommittee report for the State Library. Committee members were given opportunity to question him.

Motion was made by Senator Bogina and seconded by Senator Harder to adopt the subcommittee report. The motion carried by voice vote.

SB 19 - Student residency requirements, community colleges and Washburn U.

There was a brief discussion concerning this measure, but no action was taken.

SB 164 - Investing public moneys in corporate obligations

Motion was made by Senator Talkington and seconded by Senator Werts to report SB 164 adversely.

Senator Steineger noted that originally he wasn't in favor of the concept set forth in SB 164. However, in listening to testimony at a previous meeting and learning that other states are moving into this area, he had come to the conclusion everything possible should be done to enhance revenues.

Substitute motion was made by Senator Steineger and seconded by Senator McCray to request an interim study on SB 164. The motion lost on a voice vote.

The original motion by Senator Talkington carried by roll call vote.

SB 182 - Cemetery and funeral expenses; payment SRS

It was noted by the Chairman that HB 2097 had been approved by this committee and there is no need for SB 182.

Motion was made by Senator Gaines and seconded by Senator Talkington to report SB 182 adversely. The motion carried by roll call vote.

SB 184 - Treasurers of financial organizations required to provide information to persons concerning applicants for or recipients of public assistance

There was a brief discussion concerning this measure. Senator Doyen said it is his understanding the concept has worked in other states, but that financial institutions have some concerns. Their concern was that of confidentiality and civil liability. Senator Doyen said he would like to try to work out some amendments for SB 184. No action was taken.

SB 210 - Establishment of legislative joint revenue review committee

Senator Steineger said he felt if this proposal were in place, there would not be the need for so many supplemental appropriations. The essence of the bill is that the Legislature pre-determine how much money is available before legislation is passed. He added he would like to hold the bill in committee. No action was taken on SB 210.

SB 212 - State contracts, residents preference for employment

Senator Steineger said he feels the legislature should look at the concept in SB 212. He added that it is his understanding Oklahoma has recently passed legislation in this regard. He said there would need to be amendments to SB 212 before any action is taken.

No action was taken on SB 212.

SB 216 - Personnel in office of state treasurer unclassified

Motion was made by Senator Steineger and seconded by Senator McCray to include personnel in the office of the insurance commissioner in SB 216. The motion carried by voice vote.

Motion was made by Senator Steineger and seconded by Senator McCray to report SB 216 favorably. The motion lost on a roll call vote.

No motion was made to report SB 216 adversely, and it remains in the committee.

SB 217 - Fee agency accounts of state agencies

Motion was made by Senator Bogina to amend SB 217 in line 31 after the word "county" by adding "or contiguous county" (and to conceptually make sure that such county would be only in the State of Kansas. The motion was seconded by Senator Doyen. There was discussion concerning the amendment. The motion carried by voice vote.

Motion was made by Senator Steineger and seconded by Senator McCray to report SB 217 adversely. The motion carried by roll call vote.

SB 218 - Establishing a local government investment pool for investment of moneys of local units of government

Senator Steineger suggested there should be an interim study requested on this measure. No action was taken on his request.

Motion was made by Senator Gaines and seconded by Senator Werts to report SB 218 adversely. The motion carried by roll call vote.

SB 219 - Investment of public moneys by pooled money investment board in repurchase agreements

Motion was made by Senator Steineger and seconded by Senator McCray to report SB 219 favorably for passage. The motion lost on a roll call vote.

Motion was made by Senator Gaines and seconded by Senator Harder to report SB 219 adversely. The motion carried by roll call vote.

SB 224 - State construction, repair and improvement projects, certificates of deposit accepted for surety

Following a brief explanation of the measure by Senator Steineger, motion was made by Senator Doyen and seconded by Senator Steineger to report SB 224 favorably for passage. The motion carried by roll call vote.

SB 252 - Pooled money investment board, investment officer unclassified, management of office.

Motion was made by Senator Steineger to report SB 252 favorably. The motion lost for lack of a second.

Motion was made by Senator Doyen and seconded by Senator Werts to report SB 252 adversely. The motion carried by roll call vote.

SB 255 - Interest on inactive bank accounts of the state

Motion was made by Senator Doyen and seconded by Senator Steineger to report SB 255 favorably for passage. The motion carried by roll call vote.

The meeting was adjourned by the Chairman.

## SUBCOMMITTEE REPORT

The Subcommittee on retirement matters has been assigned the following bills for consideration and recommendation to the Senate Committee on Ways and Means:

S.B. 126 prohibits the deduction of Social Security benefits from insured disability benefits under KPERS.

S.B. 129 allows annuitants of the Kansas School Retirement System who have nine and one-half or fewer years of Kansas credited school service to use nonmember service along with member service if the combined years of service credit equal ten or more years, in which case the service rate would be \$2 per month for each year of service. Under present law, KSRS annuitants with less than ten years of credited Kansas school service receive \$1 per month per year of service and nonmember service cannot be used.

S.B. 158 authorizes the Department of Revenue to become an eligible employer to allow alcoholic beverage control enforcement officers to participate in KP&F.

S.B. 195 redefines "accumulated contributions" so that a withdrawing member would be entitled to receive employer contributions made on his behalf in addition to the return of employee contributions plus interest.


S.B. 242 authorizes cities with emergency medical technicians to provide participation in KP&F.

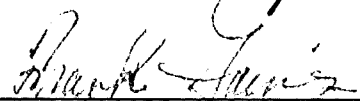
The Subcommittee recommends that all of the above bills be reported adversely. Two of the bills (S.B. 158 and S.B. 242) are requests to allow certain employee groups to become members of KP&F. H.B. 2272 in the House Committee on Pensions, Investments, and Benefits would allow state game protectors under the Kansas Fish and Game Commission to become members of KP&F. The Subcommittee is aware that other employee classes have been considered for inclusion in KP&F or special provisions similar to those for correctional employees (involving the dates for normal and early retirement and KP&F disability coverage). In addition to those mentioned, such classes have included: Capitol Area Security patrol officers and communications operators in the Highway Patrol, security personnel for the Schools for the Deaf and Visually Handicapped, park managers and patrol officers under the State Park and Resources Authority, security personnel at institutions under the State Board of Regents, instructional staff of KU's Fire Service Training Program and Law Enforcement Training Center, security personnel at institutions under the Department of Social and Rehabilitation Services, personnel of Legal Services for Prisoners, and securities investigator/auditors in the Office of the Securities Commissioner. The Subcommittee recommends an interim study to consider expanding coverage of KP&F to include other employee classes not now eligible and explore options of establishing special provisions for certain groups similar to those for correctional officers.

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The Subcommittee also recommends the introduction of two bills.

1. A bill to allow the Kansas State High School Activities Association to become a participating employer under KPERS. The bill would make the same provision for the Association as has been made for other quasi-public bodies such as the League of Kansas Municipalities and the Kansas Association of Counties.
2. A bill to require members of KPERS and KP&F who renew their employment with the same participating employer within 60 days after termination to return to the KPERS Fund all amounts withdrawn plus interest at a rate established by the Board. The purpose of the bill is to preclude any potential for participating employers to allow an employee to resign and withdraw his contributions and shortly thereafter rehire the employee, who would not pay contributions into the system for another year but who would still be covered under the insured death and disability benefits.

  
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Senator Ross Doyen, Subcommittee  
Chairman

  
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Senator Frank Gaines

  
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Senator Robert Talkington