

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by Senator Paul Hess at _____
Chairperson

4:30 a.m./p.m. on March 29, 1983, 19 in room 123-S of the Capitol.

All members were present except:

Senator Bogina

Committee staff present:

Research Department: Marlin Rein, Sherry Brown, Mary Galligan, Chris Stanfield
Lyn Goering, Julian Efird, Carolyn Rampey
Revisor's Office: Norman Furse
Committee Office: Mark Skinner, Doris Fager

Conferees appearing before the committee:

Representative Jack Shriver
Senator Fred Kerr
Ron Todd, Office of Insurance Commissioner
Larry McGill, Independent Insurance Agents of Kansas

Introduction of Bills

Representative Shriver presented a bill for introduction which would place no more than 15 people in the Department of Health and Environment in the unclassified service. He explained the reason for his requesting introduction of the proposal.

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

Senator Kerr explained that the Senate Agriculture Committee had voted unanimously to request the Ways and Means Committee to introduce a bill to make it clear that payment in kind grain is subject to a mill levy when farmers sell it. There is a sunset of September 30, 1985. He requested that the proposal be referred to Committee of the Whole.

Motion was made by Senator Gaines and seconded by Senator Warren to introduce the bill requested by Senator Kerr, and to be sure that the sunset applies to each section being amended instead of being a separate section; and further, that the committee request that it be referred to Committee of the Whole. The motion carried by roll call vote.

Mr. Todd and Mr. McGill explained a proposal concerning insurance; concerning requirements for certain licenses; and requested that the committee introduce the measure. Following a brief discussion, motion was made by Senator Werts and seconded by Senator McCray to introduce the bill requested by Messrs. Todd and McGill, and to request that it be referred to Commercial and Financial Institutions Committee. The motion carried by roll call vote.

HB 2085, HB 2135 - FY 1983 and FY 1984 Appropriations, Fee Agencies

HB 2085, Section 2 - Abstracters' Board of Examiners

There were no questions following Senator Hein's presentation of the subcommittee report on this section.

HB 2085, Section 6 - Board of Healing Arts

It was decided to delete the Board of Healing Arts from the bill until the subcommittee appointed to discuss SB 41 gives its report. It was the concensus that the Board of Healing Arts subcommittee report may have to be rewritten, pending decisions on SB 41.

HB 2085 - Continued

HB 2085

Section 7 - Board of Cosmetology

Section 9 - Dental Board

Section 10 - Board of Embalming

Section 14 - Board of Optometry Examiners

Senator Hein explained the subcommittee reports on each of the four sections above, and committee members were given opportunity to question him.

HB 2135, Section - Board of Accountancy

HB 2085 - Section 2 - Board of Accountancy

Following Senator Hein's explanation of the subcommittee reports on the Board of Accountancy, committee members were given opportunity to question him.

HB 2135, Section - Board of Barber Examiners

HB 2085, Section 5 - Board of Barber Examiners

Following Senator Hein's presentation of the subcommittee report on this section, committee members were given opportunity to question him.

HB 2135, Section - Board of Pharmacy

HB 2085, Section 15 - Board of Pharmacy

There were no questions following the presentation of the subcommittee reports on the Board of Pharmacy.

HB 2085, Section 18 - Board of Technical Professions

There were no questions following the subcommittee report on this section.

HB 2085, Section 13 - Board of Nursing

Senator Hein presented the subcommittee report on Section 13, and committee members were given opportunity to question him.

HB 2135, Section - Board of Hearing Aid Examiners

HB 2085, Section 11 - Board of Hearing Aid Examiners

There were no questions following Senator Hein's presentation of the subcommittee report on these sections.

HB 2135, Section 12 - State Bank Commissioner

HB 2085, Section 4 - State Bank Commissioner

Senator Hein presented the subcommittee report on these sections, and committee members were given opportunity to question him.

HB 2135, Section 15 - State Department of Credit Unions

HB 2085, Section 8 - State Department of Credit Unions

Following Senator Hein's explanation of the subcommittee report on Credit Unions, committee members were given opportunity to question him.

HB 2135, Section 13 - Consumer Credit Commissioner

HB 2085, Section 12 - Consumer Credit Commissioner

There were no questions following Senator Hein's presentation of the subcommittee reports on these sections.

HB 2135, Section 18 - Savings and Loan Department
HB 2085, Section 17 - Savings and Loan Department

There were no questions following Senator Hein's presentation of the subcommittee reports on the Savings and Loan Department.

HB 2085, Section 16 - Real Estate Commission

Senator Hein explained the subcommittee report and committee members had opportunity to question him.

HB 2085, Section 19 - Board of Veterinary Examiners

There were no questions following Senator Hein's presentation of the subcommittee report.

HB 2085, Section 20 - Behavioral Sciences Regulatory Board

There were no questions following Senator Hein's explanation of the subcommittee report on this section.

Motion was made by Senator Hein and seconded by Senator Harder to adopt all subcommittee reports presented above except the Board of Healing Arts, and to delete that section from HB 2085. The motion carried by voice vote.

Motion was made by Senator Hein and seconded by Senator Harder to report HB 2085 as amended favorably for passage. The motion carried by roll call vote.

HB 2497 - Certain assessments by State Corporation Commission

The Chairman explained HB 2497, and noted that it is supported by the Kansas Corporation Commission. It splits up their cash flow by allowing them to assess quarterly rather than annually from utilities.

Motion was made by Senator Steineger and seconded by Senator Gaines to report HB 2497 favorably. The motion carried by roll call vote.

SB 399 - Concerning business hours and concerning printing costs of publications, State Historical Society

Senator Hein distributed copies of a letter dated March 29, 1983, addressed to him and signed by Joseph Snell, Executive Director, Kansas Historical Society. There was committee discussion concerning the six options set out in the letter (See Attachment A).

Motion was made by Senator Steineger to amend SB 399 to delete the provision to close the museum on Monday. The motion was seconded by Senator Werts and carried by voice vote.

Motion was made by Senator Hein and seconded by Senator Steineger to report SB 399 as amended favorably for passage. The motion carried by roll call vote.

The meeting was adjourned by the Chairman.



KANSAS STATE HISTORICAL SOCIETY

120 West Tenth • Topeka, Kansas 66612 • 913/296-3251

March 29, 1983

The Honorable Ron Hein
State Senator
State Capitol, Room 120-S
Topeka, Kansas 66612

Dear Ron:

In response to your request of March 23, 1983 the Society offers the following options that could be utilized to assist the Society in processing the backlog of the collections:

1. Implement the Governor's recommendation to close all of the Society programs to the public on Monday, thereby providing eight hours of uninterrupted work time for the existing staff. There would be no additional costs to the State associated with this solution. However, the Society would hope it would be considered only as a temporary solution. There has been a great deal of negative response from our patrons and from the Board of the Kansas Historical Society concerning the Monday closing bill.
2. Open research areas to the public at a later hour of the day. The Society currently remains closed to the public until 9:00 a.m. each weekday thereby allowing the staff five hours a week to work in the collections. Since we deal with the public till 5:00 p.m. each weekday, the hour in the morning is usually spent in processing the paper work that is a part of any organization, returning items used by the public the previous day to its proper locations, and preparing for the new group of patrons coming in, many of whom come to the building at 8:00 or 8:30 and wait for our doors to open into the research areas. Again there will be no additional cost to the State if we do not open the research areas to the public until 10:00 a.m., thereby allowing an additional five hours each week for the staff to process the collections. The response from our patrons to this idea would most certainly be as negative as it would be to being closed a full day.

JOSEPH W. SNELL, Executive Director
ROBERT W. RICHMOND, Assistant Executive Director
PORTIA ALLBERT, Library Director
EUGENE D. DECKER, State Archivist
MARK A. HUNT, Museum Director
THOMAS A. WITTY, State Archeologist
PATRICIA A. MICHAELIS, Curator of Manuscripts

FORREST R. BLACKBURN, Director of Publications
RICHARD D. PANKRATZ, Director, Historic Preservation Dept.
THOMAS P. BARR, Historic Properties Supervisor
LARRY JOCHIMS, Research Historian
MARILYN FOSTER, Director of Development
NYLE H. MILLER, Executive Director Emeritus
EDGAR LANGSDORF, Executive Director Emeritus

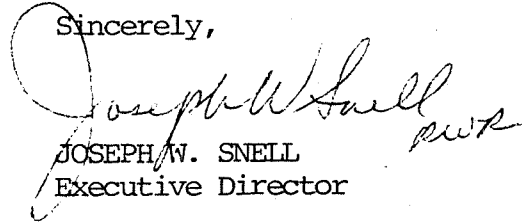
ATA 3-29-83
4:30P.M.

3. Keep the research areas open for public use during "off duty" hours such as evenings or all day on Saturday. This solution would need to be accompanied by a like period of closed time, perhaps two to four hours each weekday morning in order to allow the staff time to process the collections plus additional funds would need to be provided for staff to assist patrons during the extra "off duty" hours. The Society eventually would like our research areas to be open in more "off duty" hours in order for us to be of better service to the working public. Until the Kansas economic climate improves, however, we have not considered this to be a viable request. Therefore, we have no projected costs available.
4. Utilize volunteers to relieve the professional staff. The Society has a history of using volunteers in as many areas as possible. We currently have several "regular" volunteers who work for us, if not daily, at least on a weekly basis. These people work in the areas of indexing census records, limited archival processing, and maps and manuscript processing. They are limited in their archival knowledge and have to be closely supervised. As there is no means of rewarding volunteers for a job well done, they sometimes tend to "burn out" quickly. The Society feels its first duty is to protect the integrity of the collections and a well meaning volunteer with poor work habits could do considerable harm to those collections before the staff discovered that person's failings if close supervision were not available.
5. Provide minimum staffing to relieve professional staff from public assistance duties thereby allowing them more time to process the collections. This option would provide two positions plus equipment in the Collections program at a cost of \$33,680. The positions correspond with our priority numbers three and four on the non-museum positions list attached to the detailed analyses of our budget that was prepared by Carolyn Rampey. The Library Clerk is requested to relieve the library professional staff of para-professional duties at a cost of \$12,906 for salaries and \$1,350 for equipment. The Library Assistant II is requested by the Manuscripts Department to supervise the reading room and assist patrons at a cost of \$17,992 for salaries and \$1,432 for equipment.
6. Maintain current hours, provide no additional staff, address the problem in the FY 1985 budget. This option would have no costs associated with it for FY 1984 but it would require the Society to address the problem, perhaps in an issue paper for FY 1985, thereby focusing the attention of the Governor and the Legislature on the current condition of the collections. The Society would be expected to identify the total costs that would be incurred for salaries, supplies, and equipment and to project a time frame for partial or total implementation by fiscal year. This information is contained in the FY 1984 budget narrative of the departments involved but has not been addressed by the Society as a single issue.

The Honorable Ron Hein
March 29, 1983
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As you can see, the only program really affected by this decision is the Collections program which encompasses Archives, Library, Manuscripts, and Archeology. For the past few years the greatest emphasis has been placed on the Museum program, in getting the new building completed and furnished, and in exhibit construction. The Society has been aware that the current economic climate would not support more than one major program. It has been our intent to complete the Museum project and then address the other areas of concern with the Collections being a first priority.

Sincerely,

A handwritten signature in cursive script that reads "Joseph W. Snell". The signature is written in dark ink and is positioned above the typed name and title.

JOSEPH W. SNELL
Executive Director

JWS:pm
GS

cc: Carolyn Rampey

FRED A. KERR
SENATOR, THIRTY-THIRD DISTRICT
BARBER, COMANCHE, HARPER, KINGMAN, KIOWA,
PRATT, STAFFORD, S. RENO,
W. SUMNER COUNTIES
ROUTE 2
PRATT, KANSAS 67124



TOPEKA

SENATE CHAMBER

March 29, 1983

COMMITTEE ASSIGNMENTS
CHAIRMAN, AGRICULTURE AND SMALL BUSINESS
VICE CHAIRMAN, ENERGY AND NATURAL RESOURCES
MEMBER, ASSESSMENT AND TAXATION
FOUNDED IN
TRANSPORTATION AND UTILITIES

Senator Paul Hess
Chairman, Ways and Means Committee
Statehouse, Room 123-S

Dear Senator Hess:

As you know, the federal government has recently announced and began the implementation of a "Payment-In-Kind" program. This program is designed to aid the nation's agricultural sector by reducing surpluses and thereby improving prices to producers.

As a part of the Payment-In-Kind program, farmers will reduce acreages of land planted to wheat, corn, and grain sorghum. However, producers will be paid with these commodities for reducing producing acreage.

Potentially, this program has an effect on the levels of receipts by our Wheat, Corn, and Grain Sorghum Commissions. This would be particularly so if the Payment-In-Kind grain, which producers will receive, is not subject to those portions of the Kansas Statutes which impose the mill levy assessments. The attached bill clarifies the statutes so that Payment-In-Kind grain will be subject to the mill levy assessments. The concept of the bill was unanimously endorsed by the Senate Agriculture and Small Business Committee, with the recommendation that the bill be referred to the Committee of the Whole. The committee did hear from several groups affected by this proposal and all who appeared endorsed this concept.

I would ask that your Committee take favorable action on the bill so that this issue would be resolved.

Thank you for your attention.

Sincerely,

Fred A. Kerr, Chairman
Senate Agriculture and
Small Business Committee

Attach.
FAK/lc

SENATE BILL NO. _____

By Committee on Ways and Means

AN ACT concerning agriculture; relating to the wheat and grain commissions; providing for levy and assessment on wheat, corn and grain sorghum acquired under the federal payment-in-kind program; amending K.S.A. 2-2608 and 2-3007 and repealing the existing sections.

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

Section 1. K.S.A. 2-2608 is hereby amended to read as follows: 2-2608. (a) Commencing June 1, 1982, there is hereby levied an excise tax of four mills per bushel upon wheat marketed through commercial channels in the state of Kansas on and after such date. The tax shall be levied and assessed to the grower at the time of sale, and shall be shown as a deduction by the first purchaser from the price paid in settlement to the grower. The administrator shall furnish to every first purchaser receipt forms which shall be issued by such first purchaser to the grower upon payment of such excise tax. The form shall indicate thereon the procedure by which the grower may obtain a refund of any such tax. Within one year after any and all sales during such period the grower may upon submission of a request therefor to the administrator, obtain a refund in the amount of the tax or taxes deducted by the first purchaser. Such request shall be accompanied by evidence of the payment of the tax or taxes which need not be verified.

(b) The commission shall keep complete records of all refunds made under the provisions of this section. Records of refunds may be destroyed two years after the refund is made. All funds expended in the administration of this act and for the payment of all claims whatsoever growing out of the performance of any duties or activities pursuant to this act shall be paid

from the proceeds derived from such act. In the case of a lien holder who is a first purchaser as defined herein, the tax shall be deducted by the lien holder from the proceeds of the claim secured by such lien at the time the wheat is pledged or mortgaged. The tax shall constitute a preferred lien and shall have priority over all other liens and encumbrances upon such wheat. The tax shall be deducted and paid as herein provided whether such wheat is stored in this or any other state.

(c) Any wheat acquired by a grower as defined in K.S.A. 2-2602, under the provisions of the federal payment-in-kind (PIK) program, shall be subject to the provisions of this section.

Sec. 2. K.S.A. 2-3007 is hereby amended to read as follows: 2-3007. (a) Commencing September 1, 1982, there is hereby levied an assessment of three mills per bushel upon corn and grain sorghum marketed through commercial channels in the state of Kansas on and after such date. Commencing September 1, 1982, there is hereby levied an assessment of 10 mills per bushel upon soybeans marketed through commercial channels in the state of Kansas on and after such date. Such assessment shall be levied and assessed to the grower at the time of sale, and shall be shown as a deduction by the first purchaser from the price paid in settlement to the grower. The division shall furnish to every first purchaser receipt forms which shall be issued by such first purchaser to the grower upon the payment of such assessment. The form shall indicate thereon the procedure by which the grower may obtain a refund of any such assessment. Within one year after any and all sales during such period the grower may upon submission of a request therefor to the division, obtain a refund in the amount of the assessments deducted by the first purchaser. Such request shall be accompanied by evidence of the payment of the assessments which need not be verified.

(b) The division shall keep complete records of all refunds made under the provisions of this section. Records of refunds may be destroyed two years after the refund is made. All funds expended in the administration of this act and for the payment of

all claims whatsoever growing out of the performance of any duties or activities pursuant to this act shall be paid from the proceeds derived from such assessment. In the case of a lien holder who is a first purchaser as defined herein, the assessment shall be deducted by the lien holder from the proceeds of the claim secured by such lien at the time the corn, grain sorghum or soybeans are pledged or mortgaged. The assessment shall constitute a preferred lien and shall have priority over all other liens and encumbrances upon such corn, grain sorghum or soybeans. The assessment shall be deducted and paid as herein provided whether such corn, grain sorghum or soybeans are stored in this or any other state.

(c) Any corn or grain sorghum acquired by a grower as defined in K.S.A. 2-3001, under the provisions of the federal payment-in-kind (PIK) program shall be subject to the provisions of this section.

Sec. 3. The provisions of this act shall expire on September 30, 1985.

Sec. 4. K.S.A. 2-2608 and 2-3007 are hereby repealed.

Sec. 5. This act shall take effect and be in force from and after its publication in the Kansas register.