

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by Senator August "Gus" Bogina at
Chairperson

11:00 a.m./p.m./ on April 1, 1985 in room 123-S of the Capitol.

All members were present except:

Committee staff present:

Research Department: Ed Ahrens, Robin Hunn, Laura Howard, Ray Hauke
Paul West, Gloria Timmer

Revisor's Office: Norman Furse

Committee Office: Judy Bromich, Doris Fager

Conferees appearing before the committee:

INTRODUCTION OF BILL

Senator Bogina informed the committee that the Secretary of the Department of Human Resources had requested introduction of a bill to amend K.S.A. 44-703. The bill concerns the definition of "wages" in the Kansas Employment Security Law, and the proposed changes would conform to the Federal Unemployment Tax Act.

Motion was made by Senator Talkington and seconded by Senator Harder to introduce the requested bill. The motion carried by voice vote.

HB 2134 - Appropriations for FY 1986, Department of Administration, etc.
HB 2154 - Appropriations for FY 1985, Various Agencies

Section 2, HB 2134 - (See later in minutes)

HB 2134, Section 3 - State Finance Council

Senator Werts presented the subcommittee report, and members were given the opportunity to question him.

HB 2154 - Park and Resources Authority

There were no questions following Senator Werts' explanation of the subcommittee report for FY 1985.

HB 2134, Section 4 - Park and Resources Authority

Senator Werts presented the subcommittee report on this section. There were no questions.

HB 2154 - Fish and Game Commission

There were no questions from committee members following explanation of the subcommittee report.

HB 2134, Section 5 - Fish and Game Commission

Senator Werts explained the subcommittee report, and committee members were given the opportunity to question him.

HB 2154, Section 4 - Kansas Corporation Commission

Senator Werts presented the subcommittee report. There was a brief discussion about the Senate Subcommittee Recommendation, but no adjustments were made.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

room 123-S, Statehouse, at 11:00 a.m./p/m/on April 1, 1985.

HB 2134, Section 6 - Kansas Corporation Commission

Senator Werts explained the subcommittee report for FY 1986 appropriations. Senator Gaines took exception to the subcommittee's Recommendation No. 7, concerning transfer of \$100,000 to the Kansas Water Office from the Conservation Fee Fund. He said the funds will be used to determine whether water from the Dakota Aquifer is salty. He added that the area in question is not near an oil well, and he feels the oil industry should not be paying for the study noted in Recommendation No. 7.

Senator Werts indicated he had asked some people whom he considers to be water experts whether the so-called pollution of the Dakota Aquifer is from natural causes or the result of oil and gas activity and the answer was that it is a little of each. Senator Werts stressed that there is need to determine the cause.

There was an extended discussion regarding the problems involved with the study of pollution in the Dakota Aquifer; and it was noted during the discussion that there have been two studies made of the subject.

Motion was made by Senator Feleciano and seconded by Senator Werts to strike the last sentence of Recommendation No. 7 on page 4 of the subcommittee report. The motion carried by voice vote.

HB 2154 - Kansas Historical Society

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

HB 2134, Section 7 - Kansas Historical Society

Following Senator Werts' explanation of the subcommittee report on Section 7, there was discussion concerning the recommendations about the All-Sports Hall of Fame. Senator Winter suggested that the Athletic Directors who are members of the Board do not have time to work on the problems of the Hall of Fame. He indicated he felt the statutes should be changed to provide that the Governor appoint the Board.

Senator Bogina noted that each member had received a letter from Marjorie J. Schnacke concerning the purchase of the Charles Curtis home in Topeka. (See Attachment A) He asked if the subcommittee had discussed that subject. Senator Werts stated that the home is privately owned and is currently being maintained by the owner. He said it may be appropriate to acquire it in the future, but that the Historical Society has a great deal of property to manage at this time. He added that the subcommittee learned after its work was completed that a Topeka group would maintain it after the state had purchased it.

Senator Feleciano added that the subcommittee felt the Historical Society had been entrusted with more properties than they were provided funds for maintenance. This is the primary reason for not making a recommendation concerning purchase of the Curtis home. Senator Werts said he felt the proposition could be pursued by the Society for the purpose of making a recommendation to the Legislature in the future.

Senator Kerr indicated there might be a possibility of placing an option on the property. This would put the state in the position of being able to purchase it. He added that it is no doubt a prime location and may be valuable.

Senator Winter suggested the possibility of requesting donations at the various historical sites to help with maintenance.

No changes were made in the subcommittee report.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

room 123-S, Statehouse, at 11:00 a.m./p.m./ on April 1, 1985

HB 2154, Section 2 - Department of Administration

There were questions from committee members following Senator Werts' explanation of the subcommittee report. These questions were answered to the satisfaction of the committee.

HB 2134, Section 2 - Department of Administration

Senator Werts explained the subcommittee report on Section 2. Following his presentation, Senator Harder reminded the committee that the Joint Committee on State Building Construction had not approved the \$40,000 noted in Senate subcommittee recommendation No. 3 because there is not enough available information.

Motion was made by Senator Winter and seconded by Senator Harder that Recommendation 3(b) be deleted from the report. The motion carried by voice vote.

Senator Gaines stressed the lack of parking around the state office complex, and asked if any consideration had been given to issuing revenue bonds. Senator Harder said his Building Committee had heard a complete report of the Department study concerning parking; and it had been discovered that there are a lot of financial questions involved with the problem. He said some suggestions that had been considered are raising parking fees and trying to provide incentives for car-pooling. Senator Gaines asked why a building is not provided for parking purposes. The Chairman said there aren't enough state revenues to construct a building.

Senator Doyen asked if one solution might be to lease vehicles for the state instead of purchasing them, and the lessor could have the responsibility of providing parking. Senator Gannon indicated he had been working on that idea, but the Department of Administration does not seem to be in favor of it. Senator Doyen then stated he would be hesitant to build a parking garage until the leasing issue is settled.

Senator Bogina noted that a letter had been distributed to each member, and that the letter was from the Legislative Counsel for the Sperry Corporation (See Attachment B). Referring to the letter, and to a suggestion made by Secretary Mike Harder at a previous meeting, Senator Bogina indicated his concern about an additional report concerning state computer needs. He added that he is aware of the importance of the subject, but that previous reports have not answered all the questions.

In discussion of the subcommittee recommendations on the matter, Senator Feleciano said it is not an affront to the Secretary of Administration, but the feeling that there is need to establish public policy of the State of Kansas with respect to computers. He added that the subcommittee feels it is necessary for the people doing the study to look at what has previously been done.

There followed an in-depth discussion concerning the question of computers, and the dilemma facing the Department of Administration and the Legislature in this regard. Senator Winter discounted the suggestion of yet another study; and he enumerated the various studies made during the past year or two. He suggested that the controversy between Sperry Corporation and the Department of Administration should be put to rest.

Motion was made by Senator Winter to delete Senate Recommendation No. 7 (b) from the subcommittee report; and reinsert the amount of \$350,000 in No. 7 (d), but to apply the conditions that (1) use of funds be subject to Finance Council approval; (2) expenditure be made only after an interim study that focuses on (a) whether the state continue the information services or contract with private industry and (b) whether university computers are included in the state's data processing; (3) the funds may be used for purchase of consulting services and/or for custom software needs. The motion lost for lack of a second.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,
room 123-S, Statehouse, at 11:00 a.m./p.m./on April 1, 1985.

HB 2134 - Continued
HB 2154 - Continued

Motion was made by Senator Harder and seconded by Senator Gaines to adopt the subcommittee reports as amended for HB 2134 and HB 2154. The motion carried by voice vote.

Motion was made by Senator Feleciano and seconded by Senator Gaines to report HB 2134 as amended and HB 2154 as amended favorably for passage. The motion carried by roll call vote.

APPROVAL OF MINUTES

Motion was made by Senator Talkington and seconded by Senator Gaines to approve committee minutes for March 21, 22, 25, 26 and 27. The motion carried by voice vote.

The meeting was adjourned by the Chairman.



HISTORIC TOPEKA INC.

P. O. BOX 903 TOPEKA, KANSAS 66601

March 28, 1985

BOARD OF DIRECTORS

MARJORIE SCHNACKE
PRESIDENT
RUTH K. LAWSON
VICE-PRESIDENT
WILLIAM O. WAGNON
TREASURER
DOUGLASS W. WALLACE
SECRETARY

MEMO TO: SENATE WAYS AND MEANS COMMITTEE
FROM: Marjorie C. Schnacke, President
RE: STATE PROCUREMENT OF CHARLES CURTIS HOME

Historic Topeka, Inc. fully supports the idea of the State of Kansas buying the Charles Curtis home at 1101 Topeka Blvd. and we request that the recommendation of the Historic Sites Review Board be supported and that the State moves to preserve the home.

NANCY HASKELL BLACK
MARILYN BROWNING
TIMOTHY J. CARKHUFF
BYRON COOK
ANDREA GLENN
FAITH B. GREENWOOD
MARC W. LAHR
DON LAMBERT
ED LOVE
MYRNA K. PREISNER
MARY ROWLAND
JOHN E. SALISBURY
LEE SCOTT
ADRIEN Y. SPENCER
LOIS S. SPRING
BARBARA STANLEY
JAMES C. TURNER
JAMES R. WARD
KAREN P. WELCH
CAROL K. ZACHARIAS

The home is historically significant; is strategically located; can be put to an economic use by having the Tourism Division of the KDED office there; and the home is available. We feel that time is of the essence. One only has to look down Topeka Blvd. and see how many commercial enterprises are where formerly old, lovely mansions were located. In fact, look across the street north from the Curtis home and see a modern insurance building where the home of Senator Arthur Capper once stood.

An interesting suggestion came from the owner in answer to a request from Representative Bill Buntent as to whether the home was for sale. The owner is willing to pursue a trade with the state. This brings about a very creative way of obtaining such historical and valuable property. We suggest that this matter be looked into and pursued diligently. Also, because the State Historical Society doesn't feel it can handle the property, Historic Topeka, Inc. is willing to work on the restoration. We have done this with the Ward-Meade home at 124 N. Fillmore here in Topeka. We are willing to be involved as small or as in depth as you would wish.

ADVISORY MEMBERS

ELIZABETH AND RICHARD WARD


Marjorie C. Schnacke

A 4-1-85

LAW OFFICES
HIATT & CARPENTER, CHARTERED
627 S. TOPEKA AVENUE
TOPEKA, KANSAS 66603-3294

EUGENE W. HIATT
EDWIN P. CARPENTER
RONALD R. HEIN
DAVID C. CARPENTER
STEPHEN P. WEIR

TELEPHONE
AREA CODE (913)
232-7283

April 1, 1985

The Honorable Mike Harder
Secretary of Administration
State Capitol
Topeka, KS 66612

Dear Mike:

On behalf of the Sperry Corporation, I want to express my appreciation for your request for and commitment to a comprehensive study of the computer needs of the State and the deferral of the \$650,000 expenditure.

In response to a senatorial request, the Sperry Corporation would suggest an alternative approach to meeting the State's short-term computer capacity needs while the proposed Interim Committee/Consultant study is conducted. This alternative will provide immediate capacity relief on the Sperry System while providing the maximum decision-making flexibility by neither forcing any long-term decisions nor foreclosing any options.

Specifically, Sperry offers the following plan: In lieu of the State's spending \$300,000 on a software package, Sperry will loan the State a 4th central processing unit for one year beginning July 1, 1985, for the cost of maintenance only - approximately \$30,000.

This would provide an immediate 30% performance increase on the central processing complex, relieve the overload situation, and provide improved response time for agency users.
FY 86.

This option could be implemented without the need for additional air conditioning, electrical, or other State Office Building structural modifications since the 4th processor was included in previous DISC capacity plans.

In addition to saving the State \$270,00 by avoiding the purchase of a software package whose ultimate need is still in question, several other cost savings could accrue through the adoption of Sperry's offer. ~~The State will be able to avoid~~ the cost associated with buying the IBM terminals which would have to be installed in the personnel offices of the 13 agencies being paid by the old paymaster payroll system. (These agencies currently have installed Sperry terminals.) The State could also avoid the need to purchase any additional data base software which may be an expensive prerequisite to the installation of a personnel/payroll package. The State could also

B 4-1-85

Page 2
The Honorable Mike Harder
April 1, 1985

avoid the additional staff and maintenance costs associated with attempting to split its payroll process across two separate hardware systems.

Finally, there would be no capacity relief on the Sperry System until the package was modified to the extent necessary to eliminate the old paymaster payroll and actually process live payroll for these agencies. (Primarily DHR and the SRS hospitals.)

Thank you for your consideration of our proposal.

Sincerely,

HIATT & CARPENTER, CHARTERED



Ronald R. Hein
Legislative Counsel
Sperry Corporation

RRH:lc
cc: Senate Ways and Means Committee

COMPARISON OF SPERRY AND DOA PROPOSAL OF
SHORT TERM SOLUTION PENDING INTERIM STUDY

	<u>DOA</u>	<u>SPERRY</u>
Cost	\$300,000	\$30,000
Solve immediate capacity problem	No	Yes
Meet agencies' needs	No	Yes
Able to eliminate old Paymaster payroll before 1986 Session	Doubtful	Probable
Requirement for additional staff time and effort	Yes	No
Splits Payroll/Personnel System (part Sperry Center Center/part IBM Center)	Yes	No
Requires 13 agencies to have payroll run on system which is not yet operational (AS5000)	Yes	No
Requires additional cost for terminals	Yes	No
Requires purchase of additional software (e.g., Database)	Yes	No
Forces State to change procedures to fit package limitations	Yes	No