

Approved March 10, 1986
Date

MINUTES OF THE Senate COMMITTEE ON Governmental Organization

The meeting was called to order by Senator Vidricksen at
Chairperson

1:40 ~~xxx~~ p.m. on March 3, 1986 in room 531N of the Capitol.

All members were present except:

Senator Bogina

Committee staff present:

Julian Efird - Research
Arden Ensley - Revisor

Conferees appearing before the committee:

Senator Johnston - Senate Minority Leader
Ed Reznicek - Kansas Rural Center, Inc.
Major General Ralph Tice - Adjutant General

The Chairman called the meeting to order and informed the Committee that because of some changes SB 592 would not be heard as scheduled.

Attention was then turned to SB 608 which concerns contracts for purchases by the state and governmental subdivisions. The Chairman introduced Senator Mike Johnston who presented a statement to the Committee in support of this bill. He explained that this bill would provide for a bid preference to Kansas manufacturers while encouraging development so that they can continue to compete and would provide benefits to the struggling Kansas agriculture. (Exhibit A)

Ed Reznicek also spoke in support of SB 608 pointing out that this bill would help create new production and marketing opportunities for Kansas farmers. He felt that this bill would encourage Kansas producers to bid on institutional food contracts which would help build markets for Kansas producers wanting to grow alternative crops and diversify their operations. He stated that preferential bidding for Kansas farmers on institutional food contracts would help Kansas producers reach other private markets as a local grower who produces and markets food directly to state institutions would find it easier to produce for local farmers markets, grocery stores and restaurants and this would stimulate the Kansas economy. (Exhibit B)

After some discussion, Senator Strick made a motion to pass SB 608 favorably out of committee. This was seconded by Senator Johnston. Motion carried.

SB 662 relating to the Kansas National Guard and concerning the appointment of officers was then introduced for discussion. This bill in its present form provides that "officers shall be appointed and commissioned by the governor alone, except that appointment of general officers shall be subject to confirmation by the senate". The Committee heard testimony from General Tice who explained that their change of command usually occurred in the August-September time frame and since the Senate is not in session at that time it delays their official confirmation until the next session. (Exhibit C) Therefore it was felt that lines 23-25 could be deleted from this bill.

After some discussion Senator Gaines made a motion to strike the word "alone" in line 23. This was seconded by Senator Hoferer. Motion carried.

Senator Hoferer then made a motion to recommend SB 662 favorable for passage as amended. This was seconded by Senator Gaines. Motion carried.

CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Governmental Organization,
room 531N, Statehouse, at 1:40 ~~am~~/p.m. on March 3, 1986

SB 581 establishing an employee suggestion award program was presented for discussion. Senator Gaines made a motion to add the words "and service" after the word "suggestion" in line 22. This was seconded by Senator Frey. Motion carried. Senator Gaines then made a motion to insert in line 30 "three persons who are in the classified service". This was seconded by Senator Frey. Motion carried. (see balloon version, Exhibit D and amended copy Exhibit E, attached)

A conceptual motion was made to have the secretary of administration report all awards to the legislative coordinating council and this was seconded by Senator Gaines. Motion carried.

A motion was then made by Senator Johnston to adopt the bill as amended. This was seconded by Senator Gaines. Motion carried.

A motion was then made by Senator Gaines to recommend SB 581 favorable for passage as amended. This was seconded by Senator Francisco. Motion carried.

Attention was then turned to SB 514 concerning the state Alcoholic Beverage Control Board of Review. Senator Vidricksen requested that the Committee send a letter to the Governor's Liquor Law Review Commission recommending that the number of members on the Alcoholic Beverage Control Board be changed from 3 to 5 with one being chosen from each congressional district and asking that the Commission submit a report of their study. No action will be taken on this bill by the Committee.

A motion was made to this effect by Senator Francisco, seconded by Senator Strick and carried.

Senator Strick then made a motion that the Committee approve the minutes of the February 24th and 25th meetings. This was seconded by Senator Francisco. Motion carried.

The meeting was then adjourned by the Chairman.

GUEST LIST

COMMITTEE: Senate Governmental Organization

DATE: Mar. 3

NAME	ADDRESS	COMPANY/ORGANIZATION
Dorena Toet	Rm 347-N	Senator Johnston
CATHY STRICKLER	347-N	Sen. Johnston
Nick Roach	Topeka	DIV. OF PURCHASES Board of Agriculture Marketing Division
ER Fastrop	Topeka	The Adj. Gen. Dept
Jay D. Cole	Topeka	T A C
Ralph K. Rice	Topeka	Div of PERSONNEL SUCS
SUSAN IRZA	Topeka	Rept. of Administration
Faith Foster	"	XCC
Robin Bradley	"	Kansas Supreme Court
Larry Henderson	"	McGill + Associates
Chris Wheeler	Topeka	Ks. Rural Center
Ed Reznick	Whiting	KAPE
Charles Dodson	Topeka	

State of Kansas

Senate Chamber

MICHAEL L. JOHNSTON
SENATE MINORITY LEADER
SENATOR, FOURTEENTH DISTRICT
LABETTE COUNTY AND PARTS OF
CRAWFORD, MONTGOMERY AND
NEOSHO COUNTIES
P.O. BOX A
PARSONS, KANSAS 67357-0040



COMMITTEE ASSIGNMENTS
MEMBER. ELECTIONS
GOVERNMENTAL ORGANIZATION
INTERSTATE COOPERATION
LEGISLATIVE BUDGET
LEGISLATIVE AND CONGRESSIONAL
APPORTIONMENT
LEGISLATIVE COORDINATING COUNCIL
WAYS AND MEANS

Office of Minority Leader

STATE CAPITOL
TOPEKA, KANSAS 66612-1565
913-296-3245

Governmental Organization Committee

Senate Bill 608 - Bid Preference

March 3, 1986

Statement by Senator Michael L. Johnston

Mr. Chairman, Members of the Committee, and Guests, thank you for affording me the opportunity to speak on behalf of Senate Bill 608.

As you know, this bill provides for a bid preference to Kansas manufacturers, processors and producers contracting with state institutions. The bid preference begins at five (5%) percent and decreases one (1%) percent in each of the following years, in order to give producers a competitive edge initially, while encouraging development so that they can continue to contract competitively when the bid preference phases out.

An important aspect of this bill is its effective date of July 1, 1987. By delaying the program for a year, the Department of Administration, through the Division of Purchases, can better advertise current bidding procedures, as well as provide an opportunity to train Kansas vendors

EXHIBIT A

3/3/86
Sen. G.O.

for greater awareness of the contracts available. A companion concurrent resolution, SCR 1637, facilitates such action.

But the most important advantage of a bid preference system lies in the benefits it provides to struggling Kansas agriculture. It is apparent that the plight of food producers is not going to be solved at the federal level this year. Instead, the state must work to save our agricultural programs. And how better to do so than by providing the incentive for Kansas processors to sell their products? If we invest our dollars in Kansas products, we are investing in jobs for our neighbors, dollars for our local economies and greater revenues returning to the state as a result of increased economic activity. Fred Bentley of the Kansas Rural Center testified in interim committee hearings last year that, "If the state could increase purchases of Kansas grown agricultural products by only ten (10%) percent it would inject approximately one million dollars into local economies across the state. According to statistics supplied by the Kansas Department of Economic Development, the multiplying impact of this investment would more than double as it circulated throughout the state economy." I feel strongly that the costs incurred by implementing a bid preference system will certainly be returned to the state many times over as we watch local economies and ultimately the state prosper.

I urge you to consider Senate Bill 608 favorably.

THE KANSAS RURAL CENTER, INC.

304 Pratt Street

WHITING, KANSAS 66552

Phone: (913) 873-3431

March 3, 1986

Senate Governmental Organization Committee

RE: SB 608

Mr. Chairman, Members of the Committee.

My name is Ed Reznicek. I am here representing the Kansas Rural Center. The Rural Center is a private, non-profit research and education organization focusing on public policy, programs and other issues as they affect family size farms and rural communities. I wish to comment on SB 608 with respect to its effect on Kansas food producers. Thank you for the opportunity to make comments.

The Kansas Rural Center supports SB 608 on the basis that it will help create new production and marketing opportunities for Kansas farmers. Most everyone recognizes that Kansas, like other agricultural states, is confronted with a farm crisis that affects farmers, non-farm businesses, rural communities and the state generally. Agriculture is in a state of transition, and change is needed in policy, farming practices and institutional structures.

Many Kansas farmers are looking for changes in their farming operations to reduce costs and increase income. Some are interested in switching to high value, alternative crops, such as fruit and vegetables and some value added products from grain and meat. As a major grain and meat producer, much of Kansas' farm production is exported. On the other hand, Kansas imports a substantial part of its food - about 40%. Part of the farm problem is that too many farmers are dependent on a few, low priced, surplus production crops. If farmers could produce and market crops other than surplus grain crops, they might realize greater profits and reduce the volume of surplus commodities. The extent of Kansas food imports suggests there is room to justify changes in Kansas' food production.

SB 608, by encouraging Kansas producers to bid on institutional food contracts, can help build markets for Kansas producers wanting to grow alternative crops and diversify their operations. Kansas institutions purchase about \$12 million of food each year, with much of it imported into Kansas. Increasing purchases of Kansas grown food by 10% would inject approximately \$1 million into local economies across the state. The multiplying impact of this income would more than double, according to Kansas Department Of Economic Development statistics. Part of this income would return to the state in the form of increased tax revenues.

Preferential bidding for Kansas farmers on institutional food contracts

EXHIBIT B

3/3/86
Sen. G.O.

would help Kansas producers reach other private markets. A local grower who produces and markets food directly to state institutions will find it easier to produce for local farmers markets, grocery stores and restaurants. This would further stimulate local economies and the Kansas economy generally.

We recognize that this measure will not solve the farm crisis, and that not all farmers are going to switch to alternative crops. But SB 608 is a positive state response for encouraging alternative farm production and market opportunities for those producers interested in changing their production. As such it is part of the solution to the farm crisis. Also, we must not assume that preferential bidding is a drain on the state treasury. It can be an inexpensive and sound investment that will yield positive returns to farmers, rural communities and state government.

Please vote in support of SB 608.

Thank you.

SENATE GOVERNMENT ORGANIZATION COMMITTEE

3 MARCH 1986

MAJOR GENERAL RALPH TICE
THE ADJUTANT GENERAL

BECAUSE OF THE HIGH COST OF MAINTAINING AN ADEQUATE DEFENSE FOR THE UNITED STATES, THE ROLE OF THE RESERVE FORCES OF THE NATION IS CHANGING DRAMATICALLY. THE LARGEST SHARE OF THE RESERVE FORCES IS FALLING UPON THE ARMY AND AIR NATIONAL GUARD.

FIFTY PER CENT OF THE COMBAT BATTALIONS IN THE TOTAL ARMY IS NOW FOUND IN THE ARMY GUARD AND A STRENGTH OF 423,000 MEN AND WOMEN WITH GROWTH EXPECTED TO REACH OVER 500,000 BY 1989. THE AIR GUARD IS NOW 110,000 STRONG AND WILL INCREASE TO 125,000 BY 1989. THE AIR GUARD AVERAGES 35% OF THE TOTAL AIR DEFENSE, WITH 75% OF THE AIR TO AIR DEFENSE OF CONTINENTAL UNITED STATES IN THE AIR GUARD AND 100% OF THE AIR TO AIR DEFENSE OF THE HAWAIIAN ISLANDS.

THE COST OF MAINTAINING AN ARMY GUARDSMAN IN KANSAS COSTS THE UNITED STATES ABOUT \$7,200 A YEAR, AS COMPARED TO NEARLY \$40,000 PER YEAR FOR THE ACTIVE SOLDIER.

THE COST OF MAINTAINING AN AIR GUARDSMAN AT FORBES IS APPROXIMATELY \$26,800 PER AIRMAN, WITH COST AT McCONNELL, WICHITA, \$29,420 PER INDIVIDUAL, COMPARED TO THE COST IN THE ACTIVE AIR FORCE OF NEARLY \$50,000.

WITH THE LARGE DEFICIT, IT IS EASILY SEEN WHY THE NATIONAL GUARD IS BECOMING THE BEST "BANG FOR THE BUCK."

BECAUSE OF THE EVER INCREASING NEED OF THE NATIONAL GUARD, A MASSIVE REORGANIZATION OF UNITS HAS TRANSPIRED THE PAST TWO YEARS. THE 35TH INFANTRY DIVISION AND 29TH DIVISION WERE REACTIVATED IN THE ARMY GUARD, WITH INPUT OF MODERN WEAPONS SYSTEMS. THE AIR GUARD HAS ACTIVATED F-16 AND F-15 UNITS WITH INCREASE IN THE TANKER SQUADRONS AND COMBAT COMMUNICATION SQUADRONS.

IN KANSAS THE 35TH DIVISION IS DIVIDED AMONG FIVE STATES--KANSAS, NEBRASKA, MISSOURI, KENTUCKY, AND COLORADO. THE HEADQUARTERS IS LOCATED AT FORT LEAVENWORTH, KANSAS, WHICH HAS COMMAND AND TRAINING RESPONSIBILITIES FOR NEARLY 18,000 MEN AND WOMEN AMONG THE FIVE STATES.

THE DIVISION COMMANDER WILL BE SELECTED FROM GENERAL OFFICERS IN THE FIVE STATES AND, AFTER SELECTION, APPROVED BY THE PRESIDENT OF THE U.S. AND CONFIRMED BY THE U.S. SENATE. AFTER CONFIRMATION, THE COMMANDING GENERAL WILL BE ASSIGNED TO THE DIVISION HEADQUARTERS AT FORT LEAVENWORTH, KANSAS. BECAUSE OF THE MULTI-STATE ROLE, THE CHANGE OF COMMANDER WILL OCCUR ABOUT EVERY TWO YEARS; AND WITH THE CHANGES OCCURRING IN THE AUGUST-SEPTEMBER TIME FRAME, OUR SENATE IS NOT IN SESSION, WHICH MAKES IT DIFFICULT TO GET THEM IN THE LOOP.

ON THE AIR GUARD SIDE WE WERE FORTUNATE TO GET TWO GENERAL OFFICER APPOINTMENTS AT THE NATIONAL LEVEL: BRIGADIER GENERAL JOHN McMERTY, WHO IS NOW THE DEPUTY DIRECTOR OF THE AIR GUARD; THE OTHER IS BRIGADIER GENERAL GENE BUDIG, ADVISOR TO THE AIR FORCE TRAINING COMMAND. THESE TWO POSITIONS ARE SELECTED BY THE SECRETARY OF THE AIR FORCE, NOMINATED BY THE PRESIDENT, WITH CONFIRMATION BY THE U.S. SENATE. UPON CONFIRMATION, A POSITION ON THE MANNING DOCUMENT OF THE KANSAS AIR NATIONAL GUARD WAS ESTABLISHED, SHOWING THESE TWO POSITIONS AS KANSAS AIR GUARD GENERALS.

WHEN THESE OFFICERS HAVE COMPLETED THEIR TOURS, THE TWO POSITIONS ARE REMOVED FROM OUR MANNING DOCUMENT. THESE POSITIONS ARE FILLED AND MOVED QUITE FREQUENTLY.

WITH THE RAPID FLUCTUATION OF GENERAL OFFICER POSITIONS, IT HAS BECOME APPARENT THAT THE ADJUTANT GENERAL POSITION MAY BE THE ONLY STABLE BILLET, AND THE MULTI-STATE RESPONSIBILITIES MAKE THE CURRENT LAW DIFFICULT.

SENATE BILL No. 581

By Senator Vidricksen

2-7

0017 AN ACT establishing an employee suggestion award program;
 0018 establishing an employee suggestion award board and pro-
 0019 viding for the powers, duties and functions thereof; providing
 0020 for maximum cash awards; and repealing K.S.A. 75-2956b.

0021 *Be it enacted by the Legislature of the State of Kansas:*

0022 Section 1. There is established an employee suggestion
 0023 award program for employees and retired employees of state
 0024 government. Under this program cash or honorary awards may
 0025 be made to state employees and retired state employees whose
 0026 adopted suggestions will result in substantial savings or im-
 0027 provement in state operations.

0028 Sec. 2. There is hereby established within the department of
 0029 administration an employee suggestion award board which shall
 0030 be composed of ~~the secretary of administration, the director of~~
 0031 ~~personnel services of the department of administration, the~~
 0032 ~~chairperson of the legislative coordinating council, the chairper-~~
 0033 ~~son of the senate committee on ways and means, the chairperson~~
 0034 ~~of the house committee on ways and means and one member~~
 0035 ~~appointed by the Kansas association of public employees.~~

0036 Sec. 3. ~~It~~ shall be the duty of the board to adopt rules
 0037 governing its proceedings, to elect a chairperson and secretary,
 0038 to keep permanent and accurate records of its proceedings, to
 0039 establish criteria for making awards, to adopt rules and regula-
 0040 tions to carry out the provisions of this act ~~and to approve each~~
 0041 ~~award made.~~ ~~^~~

0042 Sec. 4. In establishing criteria for making awards, the board
 0043 may exclude certain levels of positions from participation in the
 0044 program, but in no event shall the following levels of manage-
 0045 ment be eligible to receive cash awards under the program:

_____ and service

_____ three persons named by the
 _____ and two persons named by

2 Classified

(a)

(b) The rules and regulations of the secretary of administration relating to awards pursuant to K.S.A. 75-2956b shall continue to be effective until revised, amended, repealed, or nullified pursuant to law.

3/3/86
 Sen. Gov. Dreg.
 EXHIBIT D

0046 (a) Level I: Governor's staff, department secretary or equiv-
0047 alent.

0048 (b) Level II: Assistant or deputy secretary, assistant to a
0049 department secretary, major fiscal and administrative policy de-
0050 partmental director, staff or equivalent.

0051 (c) Level III: Division director or section head.

0052 (d) Level IV: Assistant to division director or section head or
0053 head of major departmental function or equivalent.

0054 Sec. 5. ~~The maximum cash award approved shall be limited~~
0055 ~~to 10% of the first year's estimated savings, or \$5,000, whichever~~
0056 ~~is less, except that cash awards approved for suggestions that~~
0057 ~~have a first year's estimated savings of less than \$250 shall be~~
0058 ~~\$25. Any cash awards approved by the board shall be charged~~
0059 ~~against the appropriation item or items to which estimated sav-~~
0060 ~~ings apply.~~

0061 Sec. 6. K.S.A. 75-2956b is hereby repealed.

0062 Sec. 7. This act shall take effect and be in force from and
0063 after its publication in the statute book.

(a) Subject to criteria approved by the board, the payment of cash awards to state employees for meritorious suggestions and accomplishments may be made: (1) from appropriations made therefor, or (2) by the state agency employing the employee or by a state agency which has expenditures reduced as a result of the suggestion or accomplishment of the employee, from money appropriated for such state agency and available for operating expenditures or salaries and wages or from money appropriated in any item of appropriation from which expenditures are so reduced.

(b)

Employee award program -

REPORTS OF STANDING COMMITTEES

MR. PRESIDENT:

Your Committee on Governmental Organization

Recommends that Senate Bill No. 581

"AN ACT establishing an employee suggestion award program; establishing an employee suggestion award board and providing for the powers, duties and functions thereof; providing for maximum cash awards; and repealing K.S.A. 75-2956b."

Be amended:

On page 1, in line 22, preceding "There" by inserting "(a)"; following line 27, by inserting:

"(b) There is hereby established an employee service award program. Under this program the board shall formulate, establish and maintain plans to provide a uniform system through which state employees may receive appropriate recognition for their service dedication to Kansas state government in a scheduled, timely manner.";

in line 29, by striking "suggestion"; in line 30, after the word "of" where it first appears in the line by inserting "three persons who are in the classified service under the Kansas civil service act named by"; also in line 30, by striking all after "administration"; in line 31, by striking all preceding "the" where is last appears in the line and inserting in lieu thereof "and two persons named by"; in line 32, by striking all after "council"; by striking all of lines 33 and 34; in line 35, by striking all preceding the period; in line 36, preceding "It" by inserting "(a)"; following line 41, by inserting:

"(b) The rules and regulations of the secretary of administration relating to awards pursuant to K.S.A. 75-2956b shall continue to be effective until revised, amended, repealed or nullified pursuant to law.";

in line 42, after "making" by inserting "suggestion";

On page 2, in line 54, preceding "The" by inserting:

"(a) Subject to criteria approved by the board, the payment of cash awards to state employees for meritorious suggestions and accomplishments may be made: (1) From appropriations made therefor, or (2) by the state agency employing the employee or by a state agency which has expenditures reduced as a result of the suggestion or accomplishment of the employee, from money appropriated for such state agency and available for operating expenditures or salaries and wages or from money appropriated in any item of appropriation from which expenditures are so reduced.

(b)";

in line 58, by striking all after the period; by striking all of lines 59 and 60 and inserting:

"(c) On the first day of each regular session of the legislature the secretary of administration shall report to each member of the legislative coordinating council the amount and the purposes for which all awards granted during the preceding calendar year were made.";

In the title, in line 17, by striking all after "establishing" and inserting in lieu thereof "certain employee award programs;"; in line 18, by striking the word "suggestion";

And the bill be passed as amended.

Chairperson