

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 February 10, 1986 in room 123-S of the Capitol.

All members were present except:

Committee staff present:

Research Department: Bill Wolff, Scott Rothe, Nedra Spengler  
Robert Coldsnow, Legislative Counsel  
Committee Office: Judy Bromich, Doris Fager

Conferees appearing before the committee:

Bill Wolfe, Research Department

SB 521 - Special Claims against the state

Mr. Wolff began his presentation by stating that there had been 115 claims filed with the state. Sixty of those claims were filed by inmates in various correctional institutions, and 55 were filed by non-inmates against other state institutions. He added that the total claim amount was \$4.5 million; and the amount in the bill before the committee is \$150,200.

Mr. Wolff explained SB 521, section by section, and answered questions from committee members. In connection with Section 2, he noted that the statute authorizes motor-vehicle fuel tax refunds within one year's date of purchase. If people who are eligible for refunds do not apply within the year they must go through the claims process.

There were questions from committee members concerning Section 3 (b). Mr. Wolff and Senator Winter, Chairman of the Special Claims Committee, gave the sequence of events leading to the claim by Herzog Construction Company. It was noted that the contractor was under a time obligation to complete the project. He caught the error in the specifications provided by the State Architect's office; and that office was slow in responding. According to Senator Winter, the contractor indicated that it was necessary to either stop the job, or complete it properly. Consequently, the work was completed on the time schedule without proper specifications from the State Architect's office. Mr. Wolff said the State Architect's office had felt the work might have been done in another manner.

During discussion regarding Section 4, there were questions concerning the length of time taken to file the claim. It was noted by Mr. Wolff that there was no disagreement with the employee taking the trip, but the authorization for out of state travel was not given prior to the symposium attended by that employee. He further stated that agencies are authorized to pay bills a few months following the close of a fiscal year; but suggested that if they are allowed to spend funds indefinitely without the claims process there is never any reconciliation with their budgets.

There were no questions during presentation of the claims in Section 5 and 6.

Mr. Wolff presented Section 7, and answered questions concerning the policy of the Department of Corrections in paying for hospitalized inmates. He noted that, in the instance of an inmate giving birth, there is no provision for caring for the infant or infants. He further stated that the hospital in question is not being authorized the full amount of its claim.

During discussion of Section 8, Mr. Wolff said there is a slight error in the amount. It should read \$15,640.30 instead of \$15,640.13. When asked by a member of the committee if the inmate involved in this claim was using the skill saw properly, Mr. Wolff answered in the affirmative, adding that all claims have been confirmed with the agency involved.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

room 123-S, Statehouse, at 11:00 a.m./p.m. on February 10, 1986.

SB 521 - Continued

The claims in Section 9 were authorized by the attorney for Kansas State University, according to Mr. Wolff.

There were no questions concerning Section 10. Mr. Wolff commented that the person who is being reimbursed for travel expenses in Section 11 was hired for the job for which he was being interviewed.

Section 12 contains a claim by an heir to the estate of Frances Stamps Brewster. Mr. Wolff explained that unclaimed estate funds are placed in the State General Fund for a number of years pending appearance of an heir. In this case, the balance of the estate is being claimed.

According to Mr. Wolff, the claim in Section 13 is the result of an employee neglecting to provide the records. The employee was subsequently released. Mr. Wolff explained that, if the time sheets had been filed properly, the funds would come from the SRS budget. Because of the situation, the funds will come from the State General Fund.

Mr. Wolff stated that the amount authorized in Section 14 is smaller than the amount claimed by Mr. Dowell.

There were questions concerning Section 15. There was discussion by Mr. Wolff and Senator Winter about the size of the claims listed. Mr. Wolff indicated that it is less costly for these small claims to be taken care of in the legislative process than for the Department of Corrections to investigate the legitimacy of such claims. Senator Winter said the Claims Committee is concerned about inmates filing small claims for frivolous reasons. He added that, while the Department of Corrections should not pay every claim that is filed, his committee has asked that they discontinue sending the very small claims to them. There was extended discussion about the use of witnesses in filing claims. According to Mr. Wolff, the witnesses sometimes will not confirm the claim when it comes before the legislative committee.

Section 16 and 17 were discussed by Mr. Wolff. There were no questions from committee members concerning these sections.

In discussing Section 18, Senator Winter said there is a disagreement between the Department of Revenue and the City of Lenexa regarding the amount to be reimbursed. He explained that the amount on Line 372 was placed in the bill until an agreement could be reached between the two principals.

The remainder of SB 521 was reviewed by Mr. Wolff. There was no discussion and no questions concerning the concluding sections.

Motion was made by Senator Winter and seconded by Senator Feleciano to amend SB 521 as follows: To add a new section to pay a claim in the amount of \$128.75 to the Commerce Clearing House, Inc., for a subscription for legal materials (See Attachment A); and to amend Section 8, Line 161 by changing the dollar amount from \$15,640.13 to, \$15,640.30. The motion carried by voice vote.

APPROVAL OF MINUTES

Motion was made by Senator Werts and seconded by Senator Winter to approve committee minutes for January 28, 29 and 30; and February 3, 4 and 6. The motion carried by voice vote.

The meeting was adjourned by the Chairman.



JOHN CARLIN Governor  
MICHAEL LENNEN Chairman  
MARGALEE WRIGHT Commissioner  
KEITH R. HENLEY Commissioner  
JUDITH A. McCONNELL Executive Secretary  
BRIAN J. MOLINE General Counsel

State Corporation Commission

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TOPEKA, KANSAS 66612-1571

February 7, 1986

The Honorable August "Gus" Bogina  
Chairman, Senate Committee on Ways & Means  
Room 123-South, Statehouse

The Honorable William W. Bunten  
Chairman, House Committee on Ways & Means  
Room 514-South, Statehouse

The Honorable Wint Winter, Jr. ✓  
Chairman, Joint Committee on Special  
Claims Against the State  
Room 120-South, Statehouse  
Topeka, Kansas 66612

Gentlemen:

The Commission respectfully requests consideration of the following item for inclusion in the claims bill (S.B. 521). Staff turnover this past summer and early fall contributed to an oversight of this matter on our part. Consequently, the proper forms were not filed with the Joint Committee on Special Claims Against the State and the Committee's subsequent review and recommendation was not obtained. Allow me to summarize the nature of the claim and pertinent events associated with the claim.

The claim filed by Mr. Charles L. Wolberg on behalf of Commerce Clearing House, Inc., (CCH) in the amount of \$128.75 has been in dispute and has been left unresolved for nearly three years. This disagreement stems from the purchase request made by Commission staff via telephone instructions to a CCH representative in March, 1982. Commission staff had requested the purchase of the Federal Tax Guide Reports-1982 Control Edition. When the Commission took delivery of the books, it was apparent that there had been some misunderstanding as both the 1982 and 1983 reports were received. An attempt was made to cancel the subscription. Instead, CCH cancelled the second year of the two year order and adjusted charges accordingly. It is the adjustment of the charges that is in dispute. Repeated attempts were made to negotiate a satisfactory resolution of this claim.

S. W. W. 2/10/86

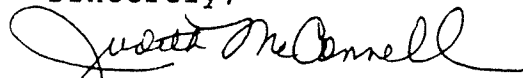
A 2-10-86

This matter was reviewed by an attorney on the Commission's legal staff. Upon a rather thorough investigation of the matter, Commission staff reluctantly recommended that the Commission support a claim filed by CCH with the Joint Committee on Special Claims Against the State. An inordinate amount of staff time has been devoted to a resolution of this matter. Additionally, written documentation that might conceivably have placed the Commission in a more favorable position from which to negotiate is unfortunately lacking. Consequently the Commission supports its staff recommendation to allow the claim.

Should you desire additional information or if you wish to examine Commission files and correspondence maintained on this matter, please so advise.

Thank you for your attention to this request.

Sincerely,



Judith McConnell  
Executive Secretary

cc: Mr. William Wolff, Kansas Legislative  
Research Department