

Approved April 30, 1987
Date

MINUTES OF THE Senate COMMITTEE ON Governmental Organization

The meeting was called to order by Senator Vidricksen at
Chairperson

1:30 ~~am~~/p.m. on April 2, 1987 in room 531N of the Capitol.

All members were present except:

Senator Winter

Senator Gaines Senator Francisco

Senator Johnston

Committee staff present:

Jill Wolters - Revisor

Conferees appearing before the committee:

Senator Alicia Salisbury

Rob Hodges - KCCI

Ann Victoria Thomas - General Counsel, K.U.

Nick Roach - Director of Purchases

The Chairman called the meeting to order for the purpose of discussing SB 414 relating to administrative rules and regulations of state agencies, and HB 2435 concerning purchasing and sales procedures for state agencies.

Senator Salisbury spoke on SB 414 and stated that it was viewed that Rules and Regs can be an impediment for Economic Development and that Ks. Inc. was to review the new regulations. It was suggested that when a public statement was issued that they should list income and statutory provision on small businesses. Rob Hodges spoke in support of the bill stressing that it was important to consider the impact on small business. No action was taken on the bill at this meeting. (NFIB also supports this bill although not testifying)

Ann Victoria Thomas distributed testimony to the Committee and spoke in support of HB 2435. She said this bill would introduce the needed flexibility into the procedures for the purchase of supplies as well as raise the limits required of bidding. (Exhibit A)

In discussion Senator Frey questioned eliminating the part of the bill that pertains to posting information on the bulletin board. (Lines 0095) Nick Roach responded that they also sent the information out as well. A motion was then made by Senator Frey and seconded by Senator Bogina to strike the word "either" in line 0092 and change the word "or" to "and" at the end of line 0093. Motion carried.

Senator Frey then made a motion to change the words "accounts and reports" in line 0102 to "purchases". This was seconded by Senator Bogina. Motion carried.

A motion was made by Senator Bogina to recommend HB 2435 favorable for passage as amended. Senator Hoferer seconded this and motion carried.

A motion was made by Senator Bogina and seconded by Senator Hoferer to approve the minutes of the meetings of March 17, 30, 31 and April 1st. Motion carried.

The meeting was then adjourned by the Chairman.

Senate Committee on Governmental Organization

April 2, 1987

Ann Victoria Thomas
General Counsel, University of Kansas

I am here today to speak in support of H.B. 2435, which has a number of provisions that introduce needed flexibility into the procedures for the purchase of supplies, materials, equipment and contractual services. We are especially pleased to see the proviso in Section 1(a)(4) (at the top of page two) which gives recognition to the existence of other statutes authorizing "exemption from the provisions of this section." H.B. 2078, now in the Senate Committee on Economic Development, would provide such an exemption for "sponsored projects" and thus mesh well with H.B. 2435.

The combination of greater flexibility suggested by H.B. 2435 for the expenditure of state funds and the exemption provided for in H.B. 2078 for sponsored project funds is commendable and would contribute to an overall improvement in the efficient use of state resources and the capability of timely responsiveness on sponsored projects.

A second positive feature in H.B. 2435 is the raising of the limits from \$5,000 to \$10,000 for the requirement of bidding to be invoked. Additionally, permitting the director of purchases to waive publication of the notice requirements in the interest of timely procurement when it is in the best interest of the state would be extremely beneficial. Similarly, the provision for the director of purchases to delegate authority to any state agency to make purchases of less than \$10,000 either on the open market or under certain conditions is welcome additional flexibility.

Thus, H.B. 2435 contains useful provisions and recognizes the possibility of other statutes granting needed exemptions. This makes it entirely compatible and complementary to H.B. 2078. H.B. 2435 should not be viewed as a substitute for H.B. 2078, because H.B. 2078 speaks specifically to the needs of sponsored project purchasing and travel.

We hope you will give your full support to H.B. 2435. We are here to say that it is a good bill and we are supportive of it.

EXHIBIT A
4/2/87