

Approved Thomas F. Walker
Date

MINUTES OF THE HOUSE COMMITTEE ON GOVERNMENTAL ORGANIZATION

The meeting was called to order by Representative Thomas F. Walker at
Chairperson

9:00 a.m./~~p.m.~~ on Friday, February 3, 1989 in room 522-S of the Capitol.

All members were present except:

Committee staff present:

Avis Swartzman - Revisor
Carolyn Rampey - Legislative Research
Jackie Breymeyer - Committee Secretary

Conferees appearing before the committee:

Gene Robben, Chairman, State Board of Accountancy
T. C. Anderson, Executive Director, Kansas Society of Certified Public Accountants
Representative Bill Brady
Michael Lechner, Executive Director, Advisory Committee on Employment of the Handicapped

The meeting of the House Governmental Organization Committee was called to order by Representative Thomas F. Walker, Chairman. He stated the minutes would stand approved at the end of the meeting if there were no corrections or additions.

The tentative date for the G.O. party, hosted by Mr. Peterson was discussed. After checking the dates, it was decided to keep the 27th of February, as all alternate dates seem to be filled.

The Chairman asked for the members of the committee to contact him if they wished to carry bills. Several comments were forthcoming.

Gene Robben, Chairman, State Board of Accountancy, had a bill request. He said it was necessary to control some of the practices by out-of-state CPA's. He mentioned temporary permits and the collection of fees.

Representative McClure moved to introduce the bill request. Representative Turnbaugh gave a second to the motion. The motion carried.

HB 2090 - Board of Accountancy

Gene Robben was first to speak to the bill. He asked the committee to defer action until certain rules drafted at the board meeting can be drawn up. He will keep the committee apprised of the proposed amendment the board would like to offer.

T. C. Anderson, testified that the board should know something by the 10th of the month. The present bill, HB 2090, is not in the best public interest. (Attachment 1)

Representative Bill Brady spoke next and asked for the committee's support of the bill. He spoke of the problem a CPA has in trying to open a satellite office in a neighboring community from the town of Parsons. Because he could not operate more than 50% of the time in this office, he could not have an office in both places. If he did open an office he could not advertise or solicit business. (Attachment 2) Representative Brady said this bill would allow a private practitioner to have an office in another community.

Chairman Walker reminded the committee that bills that are not killed in committee are held over to the next year in a two-year time frame. He closed the hearing on HB 2090.

HB 2096 - Establishing Commission on Disability Concerns

Testimony in support of HB 2096, sent by the Acting Secretary of Human Resources, Ray Siehndel, was distributed to the committee. (Attachment 3)

Michael Lechner, Executive Director, Advisory Committee on Employment of the Handicapped, addressed the bill. Mr. Lechner went through the bill section by section, explaining the bill and making suggested amendments where needed. (Attachment 4)

Testimony by Sharon R. Joseph, who was unable to attend, was submitted. (Attachment 5)
The Chairman thanked the conferees and adjourned the meeting.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.



Kansas Society of Certified Public Accountants

FOUNDED OCTOBER 17, 1932

400 CROIX / P.O. BOX 5654 / TOPEKA, KANSAS 66605-0654 / 913-267-6460

February 3, 1989

TO: House Governmental Organizations Committee

RE: HB 2090

Chairman Walker, Members of the Committee:

I am T. C. Anderson, Executive Director of the Kansas Society of Certified Public Accountants.

I appear before you today to request that you take no action on HB 2090 until the State Board of Accountancy has an opportunity to address the issue of resident managers contained in K.A.R. 74-6-2. This regulation states that every CPA office in this state must have a resident manager who devotes more than half of his (or her) working time to the affairs of that office and that the manager must be the holder of a valid CPA permit to practice.

It is this regulation that gave rise to HB 2090, however, it is clear that the requirements of K.A.R. 74-6-2 are designed to provide the public with an assurance that offices held out as "CPA firms" are being operated under the true management, control and supervision of at least one licensed CPA on a regular basis.

HB 2090, as drafted, is not in the best interest of the public. It states a CPA could have any number of offices provided they are adequately supervised. I'm at a loss as to how to define "adequately supervised" and I also realize that some people are better managers than others. So, yes, one CPA might be able to adequately supervise three offices while another might have a hard time managing just one.

Thus, I hope you'll agree that the State Board should have an opportunity to review K.A.R. 74-6-2 and propose suggestions that could ease the resident manager requirements, yet still insure the public that all CPA offices in this state are being operated and managed by a permit holding CPA on a regular basis.

Thank you, Mr. Chairman. I'd be happy to stand for questions.

*G.O.
Attach 1
2/3/89*



TOPEKA

HOUSE OF
REPRESENTATIVES

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 REPRESENTATIVE, SIXTH DISTRICT
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COMMITTEE ASSIGNMENTS
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 ECONOMIC DEVELOPMENT
 JOINT COMMITTEE ON LEGISLATIVE
 POST AUDIT

M E M O R A N D U M

TO: Governmental Organization Committee Members
 FROM: Representative Bill Brady
 RE: H.B. 2090
 DATE: February 3, 1989

H.B. 2090 is the result of an issue I brought to the attention of the Rules and Regulations Committee this fall. I have a constituent who is a CPA in Parsons, who is a private practitioner. He would like to open a satellite office in a neighboring community to be more readily able to service his current customers, as well as provide CPA services to a community that currently has none. He was notified by the Board of Accountancy that Rules and Regulations would allow him to have a office as long as he did not advertise or solicit business.

According to existing board rules no office can be open unless it is managed by a CPA who spends more than 50% of his/her time at the location. Since he is a sole practitioner he could not possibly have two offices.

I requested an Attorney General's opinion regarding whether such a rule was a unfair restriction of trade. In opinion no 88-139 the Attorney General basically agreed that the rule did restrict an individual's right to do business.

It is unfortunate that this bill is necessary. When the problem arose I tried to resolve it with the Board of Accountancy. When there was no resolution between my position and the Board's I sought the Attorney General's legal opinion. When the Attorney General informed the Board that their rule was flawed they hired an attorney to provide them with a different opinion.

The administrative Rules and Regulations committee agreed with the Attorney General's interpretation and also requested that the Board adopt rules addressing this issue. Since the agency does not appear to be interested in such an initiative, I ask for your support for H.B. 2090.

*Y. O.
 Attach 2
 2/3/89*



OFFICE OF THE SECRETARY

401 S.W. Topeka Boulevard, Topeka, Kansas 66603-3182
913-296-7474

Mike Hayden, Governor

Dennis R. Taylor, Secretary

TESTIMONY IN SUPPORT OF HB 2096
RAY SIEHNDEL
ACTING SECRETARY OF HUMAN RESOURCES

I thank the chair and members of the House Committee on Governmental Organization for this opportunity to testify in support of HB 2096. The Advisory Committee on Employment of the Handicapped was established as the Committee on Employment of the Physically Handicapped in 1949. It has been housed in the Kansas Department of Human Resources since 1976.

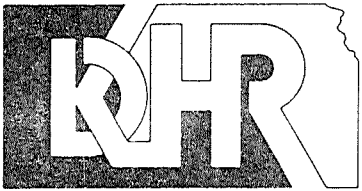
In its forty years of existence, the committee has changed in response to the needs of its constituency, people with disabilities. The amendments in HB 2096 are a logical step in this continuing evolution. In the past decade, we have seen an accelerated influx of Kansans with disabilities into the mainstream of society. There are a few major reasons for this increased visibility. First, medical and technological advances are increasing the survival rate of Kansans with disabilities. Second, educational opportunities have increased. Third, public awareness of people with disabilities is increasing. Finally, people with disabilities are exploring more and diverse options to increase their independence.

In serving Kansans with disabilities, the Advisory Committee on Employment of the Handicapped has been foremost in advocating policy initiatives and amendments to keep Kansas government abreast of changing social demands. In pursuit of this mission, the committee has been increasingly involved in issues which do not conveniently fit into the category of employment. Issues such as education, housing, transportation, in-home health care and insurance are typical areas in which the committee works.

This is because we can no longer attempt to isolate employment from these other issues. Meaningful employment opportunities for Kansans with disabilities are contingent on and interrelated with education, transportation, housing, insurance and various other areas which are not readily discernible as being directly related to employment.

HB 2096 legitimizes the activity currently being undertaken by the committee. Michael Lechner, Executive Secretary to the committee, will take you through the bill and explain the rationale for each of these amendments.

*g.o.
attach 3
2/3/89*

**ADVISORY COMMITTEE ON EMPLOYMENT
OF THE HANDICAPPED**

1430 S.W. Topeka Boulevard, Topeka, Kansas 66612-1877
913-296-1722 (Voice) • 913-296-5044 (TDD) • 561-1722 (KANS-A-N)

Mike Hayden, Governor

Dennis R. Taylor, Secretary

TESTIMONY IN SUPPORT OF HB 2096

by Michael Lechner, Executive Director
February 3, 1989

Thank you, members of the House Committee on Governmental Organization, for this opportunity to speak in support of HB 2096. My testimony will consist of an explanation of the amendments in this bill and the reasons for proposing them.

Section 1 changes the name of the Advisory Committee on Employment of the Handicapped to the Commission on Disability Concerns. We are seeking this change for three reasons. First, the work of the committee necessarily involves it in issues of transportation, education, in-home care, insurance coverage, accessibility and other issues of major life activity because barriers in such areas strongly influence employment opportunities for Kansans with disabilities. Therefore, the present title does not reflect the true scope or nature of committee functions. Second, our present name encourages people to call us in the hope that we can find them jobs. We cannot, for we are not a placement agency; we advise on policy and procedures that affect Kansans with disabilities. To these people, we then become another wall in the bureaucratic maze. Third, the word "handicapped" is outmoded and proves offensive to our constituency.

Section 2 increases membership from 25 to 30 members by adding five ex-officio members. All 15 appointments of other members would be made by the Secretary of Human Resources instead of the present 11. The current authority for appointments of four members lies with the legislative leadership. Five appointing authorities causes undue record keeping. The purpose for legislative appointments was to increase the legislature's involvement in committee business. This involvement is more strongly augmented in section 3 and I will address it in the discussion of that section.

Section 2 also replaces the requirement for qualifications of membership with a preference for qualifications of membership. It has proven extremely difficult to find the correct balance in these categories and we have had to occasionally overlook a good prospect because of this restriction.

*G. O.
Attach 4
2/3/89*

We are also proposing to strike membership by members of the Senate and House of Representatives because the terms of elected office do not match the terms of service on the committee.

Section 3 changes the composition of ex-officio membership. We propose to include the leadership of the legislature in order to preserve and strengthen the legislative branch's involvement in committee business. Additionally, by making the legislative leadership members ex-officio, the discrepancy between terms of office and terms of service is resolved. The remainder of ex-officio changes provides for involvement by those in major policy making capacities and widens the scope of input available to the committee.

Section 4 increases the term of service on the committee from two years to three years. This change will make the statute consistent with terms of office for committee officers. Further, members feel that three year terms give the committee a more stable sense of continuity.

Section 5 would allow members to be reimbursed for attending functions other than meetings. Members are sometimes called upon to make presentations or consult with other organizations. We are proposing that they be reimbursed for such activity.

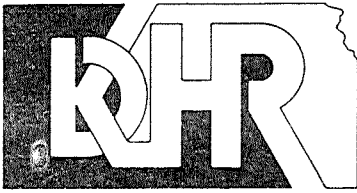
Section 6 changes and clarifies our mission. These amendments more closely reflect the work of the committee in areas that are not directly defined as employment.

Section 7 changes the title of the chief administrative officer from executive secretary to executive director. The title of executive secretary has come to mean a position that coordinates day to day office activity rather than administering a program.

Sections 8, 9, 10 and 11 provide for the transfer of functions to the new commission.

KANSAS

DEPARTMENT OF HUMAN RESOURCES



ADVISORY COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED

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Mike Hayden, Governor

Dennis R. Taylor, Secretary

TESTIMONY ON HB 2096
Sharon R. Joseph, Chair
February 3, 1989

Thank you for the opportunity to address you on this topic. The Kansas Advisory Committee on Employment of the Handicapped (KACEH) has grown, expanded and flourished in the past half decade. The membership agreed on and addressed this fact in 1988. The mission of KACEH recognizes that there is a critical relation among the various aspects of life that influences the subject of employment. We strongly believe that civil rights, accessibility and accommodations, education, transportation, housing, and a host of other concerns are essential to the issue of employment. The staff and committee have been dealing with this widened view toward employment on an on-going basis at a growing rate. Any denial of complete access to the "full picture" will mean lessened chances for opportunities for Kansans with disabilities to live full, productive lives.

It is essential that the Commission on Disability Concerns replaces the Kansas Advisory Committee on Employment of the Handicapped (in name and expanded mission) with the vision of the future for individuals with disabilities in Kansas. This is the direction for the rapidly approaching twenty-first century. It is the desired and necessary direction for KACEH.

I appreciate your consideration of this action.

*G. O.
Attach 5
2/3/89*