

Approved February 20, 1992

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Senator August "Gus" Bogina, Chairperson, at 11:10 a.m. on February 17, 1992 in Room 123-S of the Capitol.

All members were present except:

Senator Feleciano, who was excused

Conferees appearing before the committee:

Ramon Powers, Executive Director, State Historical Society
Dr. Hugh Thompson, President, Washburn University
Colonel Bert Cantwell, Superintendent, Kansas Highway Patrol
Tommy McGeeney, Kansas Independent Automobile Dealers' Association
Paul Shelby, Office of Judicial Administration

The Chairman distributed copies of new subcommittee assignments for the House appropriations bill, Attachment 1.

HB 2718 - An act concerning the state historical society; authorizing disposition of certain property; amending K.S.A. 76-2044 and repealing the existing section; also repealing K.S.A. 76-2045.

Ramon Powers appeared before the Committee in support of **HB 2718** and reviewed Attachment 2. He noted that Bob Wunsch, attorney for the Souders, endorses the bill. In answer to a question, Mr. Powers stated that a process has been put in place for the acquisition of property. He added that no property has been acquired in the last five years and the agency looks forward to making decisions about the disposition of other properties.

Senator Kerr moved, Senator Gaines seconded, that **HB 2718** be recommended favorable for passage. The motion carried on a roll call vote.

SB 584 - An act concerning Washburn university; relating to the financing thereof; amending K.S.A. 1991 Supp. 72-6503 and 72-6508 and repealing the existing sections.

Dr. Hugh Thompson provided testimony in support of **SB 584** (Attachment 3). Mr. Ted Ayres, General Counsel for the Board of Regents, concurred with Dr. Thompson that **SB 584** would provide more flexibility for the Board. He stated that the Board of Regents supports both sections of the bill.

Senator Parrish moved, Senator Salisbury seconded, that **SB 584** be recommended favorable for passage. The motion carried on a roll call vote.

SB 572 - An act relating to certificates of title; increasing the fee; providing for the disposition thereof; amending K.S.A. 8-135, 8-135a, 8-139, 8-145, 8-146, 8-170, 8-171 and 8-198 and K.S.A. 1991 Supp. 74-2-13 and repealing the existing sections.

Colonel Bert Cantwell appeared on behalf of the Kansas Highway Patrol in support of **SB 572**. He reviewed Attachment 4 and noted that the proposed fee would be a one-time expense at the time a vehicle is purchased or traded.

In answer to a question, Col. Cantwell informed the Committee that the \$750,000 retained by the Division of Vehicles would be used to employ two investigators of title fraud rather than for administration of the program.

Senator Kerr inquired about the possibility of funding the purchase of new vehicles from the Highway Patrol Training Center Fund as recommended by the Governor. Col Cantwell noted that the fund, initiated last year, generates approximately \$1.4 million; \$500,000 of which is transferred into the state general fund to reimburse the state for training costs and the remaining estimated \$900,000 is deposited in the Highway Patrol Training Center Fund. He stated that the agency felt the Highway Patrol Training Center Fund was designed to replace the antiquated training center. There was discussion regarding the cost of building a new training center with Senator Gaines reminding Col. Cantwell that he did not believe the renovation of the former

Marymount School at Salina would be a wise investment.

In answer to Senator Salisbury, Col. Cantwell stated that the proposed fee would make Kansas comparable to Missouri (Attachment 4-11). Senator Salisbury expressed concern about raising any automobile fee because of the publicity given to high property taxes in Kansas.

Senator Rock reiterated his concern regarding fleet vehicles with 100,000 miles and about designated funds.

Tommy McGeeney appeared on behalf of Kansas Independent Automobile Dealers Association in opposition to SB 572, and reviewed Attachment 5. In answer to a question, he stated that he would estimate the rate of titling a car to be two and a half to three years.

The Chair announced that SB 572 would be taken under advisement.

HB 2784 - An act concerning district courts; relating to district court budgets; amending K.S.A. 20-349 and repealing the existing section.

Paul Shelby appeared before the Committee in support of HB 2784 and reviewed Attachment 6. Senator Gaines expressed concern that the proposal to change 1978 to 1991 in line 38 of the bill would limit any modifications in the court.

In answer to Senator Salisbury's question, Mr. Shelby stated that because most courts perform audits now but simply do not submit the report to the judicial administrator, there will be minimal increased costs. In answering Senator Gaines' question, he stated that although audits are performed on the law library fund, no report is made to the judicial administrator. He added that the agency would like to have the court trustee fund audited.

Senator Gaines moved, Senator Salisbury seconded, that HB 2784 be amended by striking "1991" from and reinserting "1978" into line 38 of the bill. The motion to amend the bill carried on a voice vote.

It was moved by Senator Gaines and seconded by Senator Salisbury that HB 2784 as amended be recommended favorable for passage. The motion carried on a roll call vote.

INTRODUCTION OF BILLS

Senator Doyen moved, Senator Winter seconded, that bill drafts 1 RS 2006, 1 RS 1972, 1 RS 1973, 1 RS 2064 and 1 RS 2123 be introduced as requested by Gene Johnson. The motion carried on a voice vote.

The Chairman requested that members reacquaint themselves with HB 2611 and HB 2648 and be prepared to vote when time allows in an upcoming meeting. He adjourned the meeting at 12:00 noon.

SENATE WAYS AND MEANS

Subcommittee Assignments on House Appropriation Bills
1992 Session

	<u>Subcommittee</u>	<u>Analyst</u>	<u>Final Committee Action</u>
House Bill No. 2720			
Department of Health and Environment	Kerr (Chair) Brady	Rothe	
Department of Human Resources	Winter (Chair) Feleciano	Porter	
Department on Aging	Doyen (Chair) Hayden	Piekalkiewicz	
Kansas Commission on Veterans Affairs/Soldiers' Home	Moran (Chair) Gaines	Porter	
Homestead Property Tax Refunds		Efird	
House Bill No. 2707			
Legislative Agencies Governor	Bogina (Chair) Gaines	Ahrens Ahrens	
Lieutenant Governor Attorney General	Kerr (Chair) Brady	Ahrens Rampey	
Secretary of State Insurance Department	Moran (Chair) Parrish	Mah Robinson	
State Treasurer	Winter (Chair) Rock	Duffy	
House Bill No. 2708			
Board of Accountancy	Moran (Chair)	Porter	
Board of Mortuary Arts	Salisbury	Porter	
Board of Pharmacy	Bogina	Colton	
Board of Barbering	Rock	Piekalkiewicz	
Board of Cosmetology	Feleciano	Piekalkiewicz	
Board of Veterinary Examiners	Hayden	Duncan	
Kansas Dental Board		Robinson	
Board of Nursing		Colton	
Board of Examiners in Optometry		Colton	
Real Estate Commission		Duncan	
Consumer Credit Commission		Duncan	
Bank Commissioner		Duncan	

SW + M
2-17-92
Attachment I

	<u>Subcommittee</u>	<u>Analyst</u>	<u>Committee Action</u>
Savings and Loan Department		Duncan	
Department of Credit Unions		Duncan	
Securities Commission		Robinson	
Board of Technical Professions		Rampey	
Abstracters' Board of Examiners		Porter	
Behavioral Sciences Regulatory Board		Robinson	
Board of Hearing Aid Examiners		Rampey	
Board of Healing Arts		Robinson	
House Bill No. 2730			
University of Kansas	Harder(Chair) Rock	Conroy	
University of Kansas Medical Center	Bogina (Chair) Moran Feleciano	Conroy	
Kansas State University	Salisbury (Chair)	Conroy	
Kansas State University - Salina	Hayden	Conroy	
Kansas State Veterinary Medical Center		Conroy	
Kansas State University -- Extension and Agricultural Research		Conroy	
Wichita State University	Kerr (Chair) Parrish	Conroy	
Pittsburg State University	Doyen (Chair)	Duffy	
Fort Hays State University	Brady	Duffy	
Emporia State University	Winter (Chair)	Duffy	
Board of Regents	Gaines	Duffy	
Regents Systemwide	Bogina (Chair) Winter Doyen Gaines Hayden	Conroy	
House Bill No. 2722			
Corrections Ombudsman Board	Salisbury (Chair)	Mills	
Kansas Parole Board	Hayden	Duncan	
Adjutant General		West	
State Fire Marshal	Bogina (Chair)	Robinson	
Kansas Highway Patrol	Rock	Colton	
Kansas Bureau of Investigation	Harder (Chair) Feleciano	Colton	

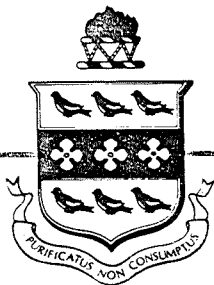
<u>Subcommittee</u>	<u>Analyst</u>	<u>Committee Action</u>
Emergency Medical Services Department of Civil Air Patrol Sentencing Commission	Moran (Chair) Parrish	Rothe West Mills
Youth Center at Topeka Youth Center at Beloit Youth Center at Atchison	Kerr (Chair) Harder Feleciano	Duncan Duncan Duncan
House Bill No. 2706		
Kansas Department of Transportation	Salisbury (Chair) Moran Bogina Rock Brady	Rothe
House Bill No. 2721		
Department of Administration	Bogina (Chair) Gaines Brady	Duffy
Commission on Governmental Standards and Conduct Commission on Human Rights	Harder (Chair) Rock	Mah Piekalkiewicz
Kansas Corporation Commission Citizens Utility Ratepayer Board	Doyen (Chair) Hayden	Rampey Rampey
KPERS	Salisbury (Chair) Winter Brady	Conroy
House Bill No. 2728		
Capital Improvements	Harder (Chair) Bogina Gaines	Staff
House Bill No. 2729		
Supplemental 92-0046-H/Fiscal		

Testimony to the Senate Ways and Means Committee
February 18, 1992

Senator Bogina and Members of the Committee, I am Ramon Powers, Executive Director of the Kansas State Historical Society. House Bill 2718 gives the Society authority to dispose of the Souders Historical Farm Museum near Cheney, Kansas. In 1978 the owners, Mr. and Mrs. Floyd Souders, conveyed approximately 10 acres to the state of Kansas for purposes of developing the property as a historical farm and museum. The Society has since administered the operation of the property until the current fiscal year when state general fund support for operations ceased.

The Society is not able to develop the Souders Farm in accordance with its mission for the state historic sites program. In order that the property be maintained and interpreted, the Society has made arrangements to transfer the property back to Mr. and Mrs. Souders provided that the Legislature gives us the authority to dispose of the property.

SWAM
February 17, 1992
Attachment 2



WASHBURN UNIVERSITY OF TOPEKA

Office of the President
Topeka, Kansas 66621
Phone 913-295-6556 231-1010

SWM
SB584
2-17/92

Mr. Chairman, Members of the Committee:

It is a pleasure to appear before you today in support of Senate Bill 584. This bill provides for two minor, technical adjustments to Washburn's relationship to the state of Kansas and to its internal operations.

Section 1 of the bill relates to those statutes governing the submission of our budgetary request to the Kansas Board of Regents. With the passage of House Bill 2333 in 1991, the University is to submit its budgetary request to the State Board at the time prescribed for submission of budget estimates and requests by the state educational institutions.

Because of its unique status as a municipal university, Washburn operates on a different budgetary cycle than the state institutions. Information crucial to the development of our budget is typically not available until after the close of the fiscal year on June 30.

We are requesting this amendment to current law to allow the State Board of Regents the flexibility to determine exactly when they wish to receive our budgetary request. If they want us to submit our request at the same time as the state educational institutions, we will be happy to comply. If they want to review our request following the review of the state university budgetary requests, it would also be our pleasure to comply.

There is no fiscal note associated with this request as it merely relates to a more efficient discussion of the University's budgetary requirements. This amendment has been discussed with the staff of the Kansas Board of Regents, and they support its enactment.

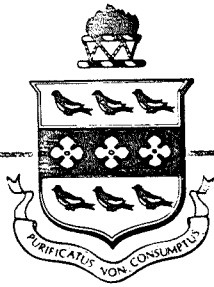
The second section of Senate Bill 584 would allow the University to change the name of its School of Applied and Continuing Education to the School of Applied Studies.

This requested change reflects an administrative decision to shift the Division of Continuing Education to the direct control of the Vice President for Academic Affairs. The division delivering Continuing Education services to our students cuts across many disciplinary boundaries.

In our judgment, we can provide for a more effective delivery of these services by having this division under the direct control of the Vice President for Academic Affairs rather than administered within one of our schools.

Again, this requested amendment carries no fiscal consequence for the state but will, we hope, allow the University to be more efficient and responsive to the continuing education needs of our citizens.

Attached to my remarks is a brief memorandum from Mr. Monical providing additional information regarding these requested technical changes. On behalf of the University, I ask your support for Senate Bill 584.



WASHBURN UNIVERSITY OF TOPEKA

Topeka, Kansas 66621
Phone 913-295-6300 231-1010

TO: Senate Committee on Ways & Means
FROM: David Monical
RE: Senate Bill No. 584
DATE: February 13, 1992

Senate Bill 584 is an act concerning Washburn University relating to its financing and amending K.S.A. 1991 Supp. 72-6503 and 72-6508. It contains two technical amendments designed to improve administrative operations and organization.

Section 1. KSA 1991 Supp. 72-6503

The passage of 1991 House Bill 2333 transferred the administration of Washburn's state funding from the State Board of Education to the State Board of Regents. It provides that Washburn will submit its budget request "in the manner and at the time prescribed by the State Board for submission to it of budget estimates and requests by the state educational institutions."

The state regents institutions typically submit their budgetary estimates and requests to the Kansas Board of Regents in June. The Board then reviews the requests and make its recommendations for each institution in July.

Washburn's unique status as a state affiliated municipal university results in a different budgetary process than that employed by regents institutions. Washburn University would like the Kansas Board of Regents to have greater flexibility over the timing of Washburn's budget request submittal.

The requested amendment would have Washburn's budget request submitted "in the manner and at the time prescribed by the State Board." The change has been discussed with and has the support of the staff of the Kansas Board of Regents.

Section 2. KSA 72-6508

This statute identifies by name the major academic units which the University may operate while receiving state funds. This statute was initially adopted in 1961 when Washburn, the community colleges and then Wichita University began receiving state funding.

The academic units were specified in law to ensure that no other units would be created without an act of the legislature. This statute was amended in 1972 when the School of Business was created. In 1982, it was amended to reflect the establishment of the School of Nursing and in 1983, to change the name of Center for Adult Education to School of Applied and Continuing Education.

Senate Bill 584 would change the name of School of Applied and Continuing Education to School of Applied Studies. This will reflect the internal improvements the University hopes to make by transferring The Division of Continuing Education to the direct supervision of the Vice President for Academic Affairs.

REQUEST:

Washburn University requests support for the passage of Senate Bill 584. This proposal will allow Washburn University to improve its working relationship with the Kansas Board of Regents regarding budgetary process and enable the University to deliver its continuing education programs in a more efficient manner.

**KANSAS HIGHWAY PATROL
FLEET RESTORATION PROPOSAL
1992 SENATE BILL 572**

**Presented to the
SENATE WAYS & MEANS COMMITTEE
February 17, 1992**

PRESENTED BY

COLONEL BERT CANTWELL

*SWAM
February 17, 1992
Attachment 4*

SUMMARY OF TESTIMONY

Before Senate Ways & Means Committee

February 17, 1992

Presented by the Kansas Highway Patrol

(Colonel Bert Cantwell)

The Patrol is requesting legislation which would increase the fee for title applications by five dollars and fifty cents (\$5.50), from the current three dollars and fifty cents (\$3.50) to nine dollars (\$9.00). Four dollars and fifty cents (\$.4.50) of this funding would be designated for the purchase and maintenance of Highway Patrol vehicles. The remaining one dollar (\$1.00) would be retained by the Division of Vehicles to cover administrative costs and to fund a program that they would specify.

The Division of Vehicles estimates that between 700,000 and 800,000 vehicles are titled annually. Five dollars and fifty cents per vehicle titled in Kansas each year would generate approximately \$4.1 million, based on 750,000 vehicles. Of that amount, \$750,000 would be retained by the Division of Vehicles and \$3.375 million would be available for fleet funding for the Patrol. Estimates for FY93 indicate that this would not fully fund restoration of the fleet, however, this would permit a graduated replacement program, requiring four years for completion.

The Patrol estimates for Fiscal Year 1993, maintenance, operation and capitol outlay will total \$5,141,582.00.

Maintenance:	\$ 310,484.00 (parts, repairs and service)
Operation:	\$ 798,071.00 (oil and gasoline)
Capitol Outlay:	\$4,033,027.00 (vehicles and facilities)

Of this amount, 94% or \$4.8 million would currently be financed by the State General Fund.

The proposed legislation would more appropriately assess the users of the services provided. The Patrol is responsible for the safe, efficient movement of traffic on the highways of Kansas. These highway users, through their titling fees could and we believe should, pay their fair share for the service, courtesy and protection provided by the Kansas Highway Patrol.

KHP FLEET ENHANCEMENT PROPOSAL

- ✓ 1992 SENATE BILL 572
- ✓ \$4.50 VEHICLE TITLE FEE INCREASE
- ✓ PAID UPON TITLE TRANSACTION
- ✓ 750,000 TRANSACTIONS
- ✓ GENERATES \$3.375M ANNUALLY
- ✓ FOR KHP FLEET RESTORATION
- ✓ FLEET OPERATION & MAINTAINENCE
- ✓ FUTURE FLEET ACQUISITION

BENEFITS

1992 SB 572

- ✓ REDUCE STRAIN ON GENERAL FUND
- ✓ RESTORE KHP VEHICLE FLEET
- ✓ REDUCE EXPOSURE TO LIABILITY
- ✓ A PREVIOUS FUNDING SOURCE
- ✓ ASSESS USERS DIRECTLY
- ✓ BENEFIT LOCAL LAW ENFORCEMENT
- ✓ ENHANCE EMPLOYEE MORALE

KANSAS HIGHWAY PATROL
Vehicle Fleet
As of October 1, 1991

State General Fund

Program 7001

Marked Units:	(Blue & Gray)	334
Unmarked Units:		88
Not in Service:	(New vehicles 13) (Damaged 8) (Emergency High Mileage 66)	87
Other:	(Trucks-Vans-Delivery vehicles, etc.)	6

Program 5401

CASP:		5
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SUBTOTAL	520
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Other Funds

MCIT:	(38 marked 4 unmarked) (30 motor pool vehicles)	42
MCSAP:	(19 marked 2 unmarked)	21

Vehicles in service 496

Vehicles not in service 87

TOTAL FLEET	583
(10 Motorcycles not included)	

Projected Revenue SB572 \$3,375,000*

Estimated Expenditure for FY 93

Fuel	\$690,000	(Based on 10,000,000 miles, 13.4 m.p.g. and \$.92 per gallon)
Maintenance	\$330,000	
Parts and Supplies	\$210,000	
Total	\$1,230,000	(Other Operating Expense)

Capitol Outlay Remaining for New Vehicle Purchase \$2,145,000

148 vehicles @\$14,400 ea. = \$2,131,000

(Parts and supplies and maintenance costs may exceed these projections due to the large number of high mileage vehicles which will be on the road for the major portion of this year. This is due to the delay from approval of appropriations to the actual delivery of the vehicles.)

Due to shortages of capitol outlay for vehicle purchases in Fiscal Years 91 and 92, the fleet will have 248 vehicles in FY93 exceeding 85,000 miles. SB572 will not fund replacement of all of those vehicles. It will, however, provide for a tiered program of replacement which will permit the Patrol to provide fuel and maintain the fleet without general fund assistance.

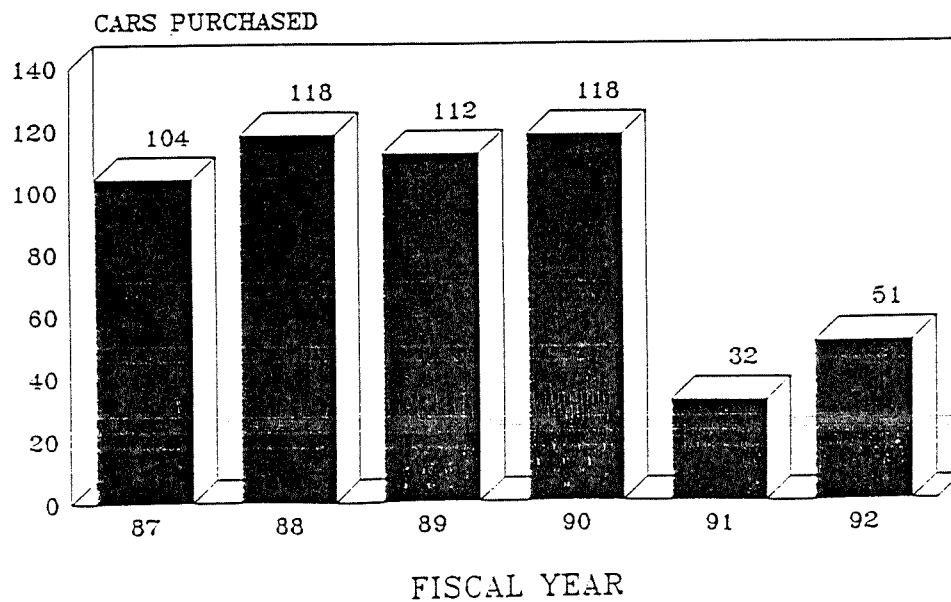
*Revenue Estimation based on 750,000 title transactions annually with \$4.50 per transaction deposited in the Highway Patrol "Vehicle Fee Fund".

KHP VEHICLE PURCHASE HISTORY

YEAR	CARS PURCHASED	COST PER UNIT	TOTAL EXPENSE
1987	104	\$ 11,466.00	\$ 1,192,464.00
1988	118	\$ 11,999.00	\$ 1,415,899.00
1989*	93	\$ 11,438.00	\$ 1,063,734.00
	19	\$ 13,030.00	\$ 247,570.00
1990	118	\$ 13,623.00	\$ 1,607,514.00
1991	32	\$ 13,311.00	\$ 425,952.00
1992	51	\$ 14,400.00	\$ 734,400.00

* There were a total of 112 vehicles purchased in FY 1989

KANSAS HIGHWAY PATROL VEHICLE PURCHASES



Two purchases in FY 1989

**MILEAGE STATUS OF VEHICLES IN SERVICE
BY TROOP
As of October 1, 1991**

MILES

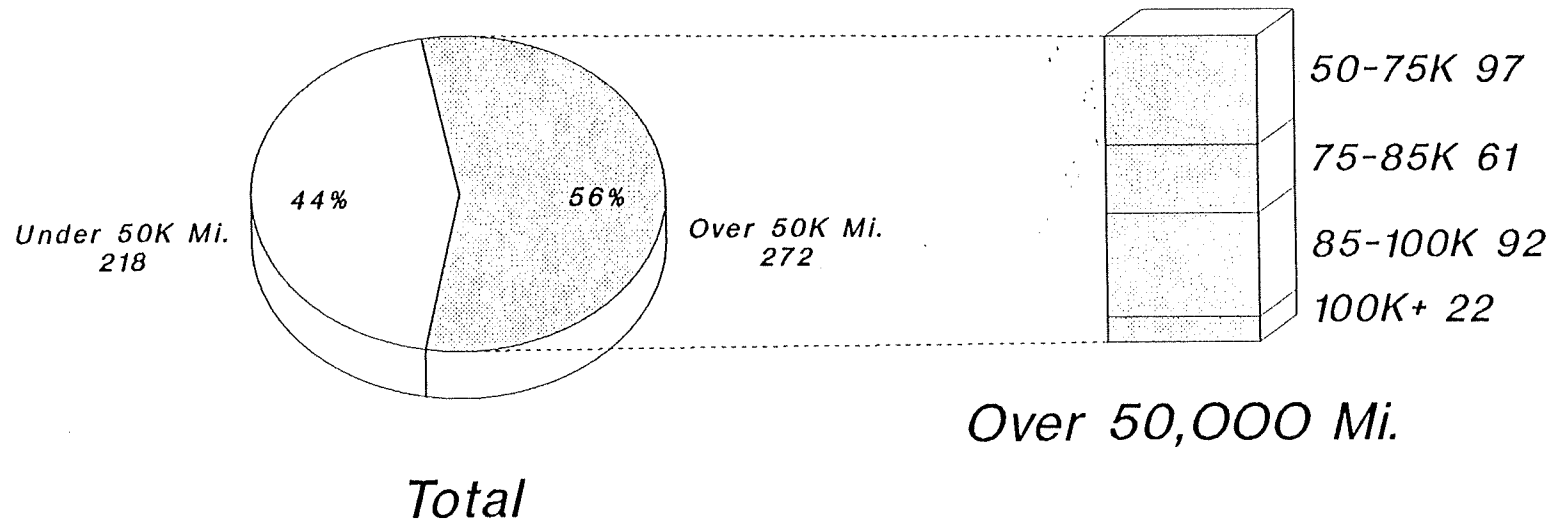
Troop	100K+	85-100K	75-85K	50-75K	Total	% of Fleet
A	5	13	8	6	55	58%
B	1	10	5	12	54	52%
C	4	13	7	9	51	65%
D	1	9	4	10	42	57%
E	0	4	4	11	39	49%
F	1	13	7	12	65	51%
G	————— Turnpike Vehicles Are Privately Owned —————					
H	2	8	7	7	43	56%
I MVE	0	7	2	5	17	82%
MCSAP	0	3	4	4	21	52%
J	3	0	4	3	13	77%
L	0	4	3	2	10	90%
M	4	3	6	7	42	48%
T	0	2	0	4	19	32%
CASP	1	1	0	3	7	71%
GHQ	0	2	0	2	12	33%
TOTAL	22	92	61	97	272/490	56%

These figures do not include 44 retired marked units which exceed 90,000 miles which have not yet been sold or rebuilt nor does it include 22 additional units with radios installed for immediate issue which also exceed 90,000 miles. These vehicles have been retained in the event a marked unit is damaged and cannot be rebuilt or one of the high mileage units needs an engine, transmission or other major drive train component.

KHP FLEET CONDITION

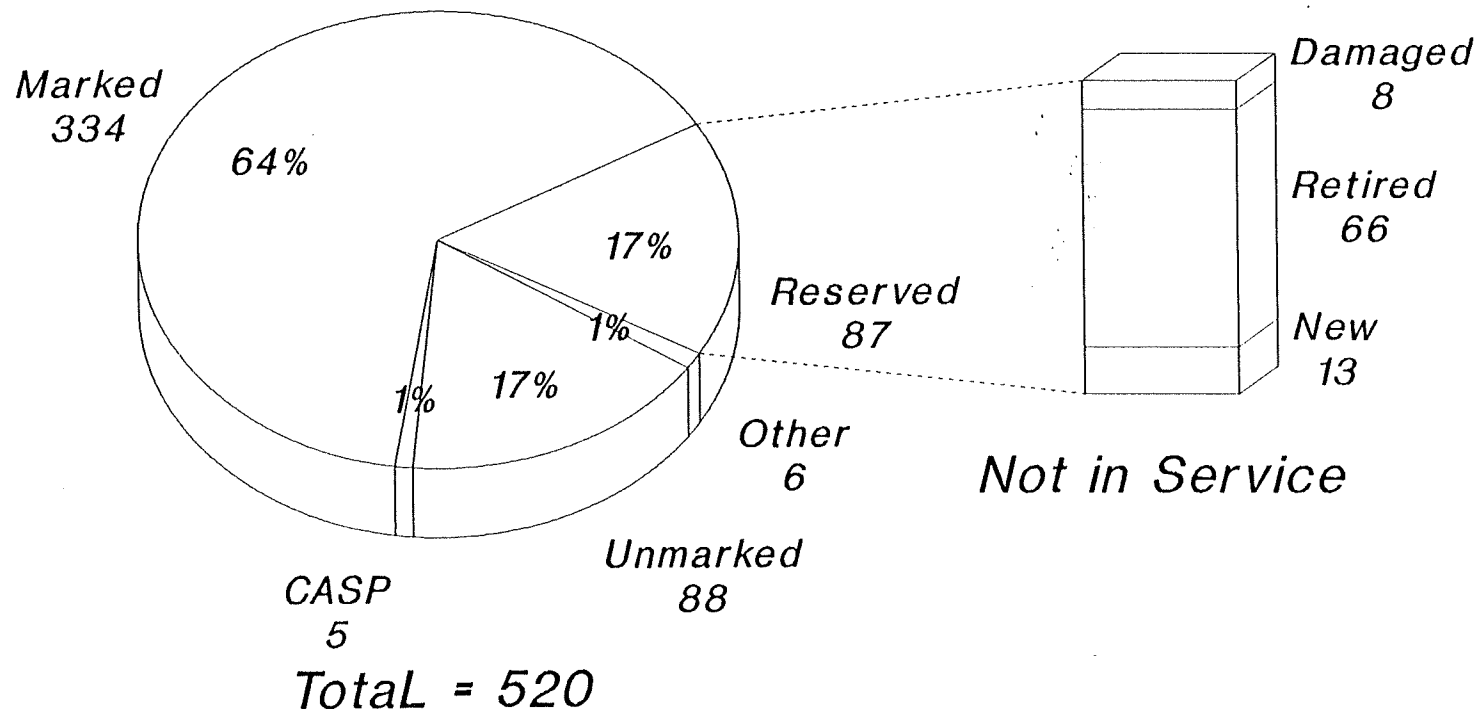
490 Vehicles in Service

As of October 1, 1991



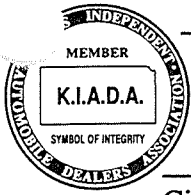
General Fund Vehicles

As of October 1, 1991

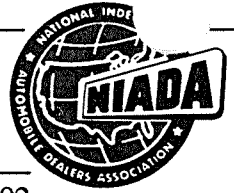


KANSAS HIGHWAY PATROL
MOTOR VEHICLE TITLE FEE COMPARISON
FEBRUARY, 1992

TITLE FEE	TEMPORARY REGISTRATION FEE	TITLE FEE DISPOSITION
COLORADO		
Department of Revenue		
\$5.50 - Title	\$2.00 for 30-45 day	Dept. of Revenue
\$3.50 - Duplicate		
\$5.00 - To add lienholder		
ILLINOIS		
Secretary of State		
\$5.00 - Title	No charge	Unknown
\$5.00 - Duplicate		
\$5.00 - To add lienholder		
MISSOURI		
Missouri State Highway Patrol		
\$8.50 - Title	No charge for 30 day	Gen. Revenue Fund
\$8.50 - Duplicate (includes lienholder)		
NEBRASKA		
Nebraska State Patrol		
Titles are issued by counties		
\$ 6.00 - Title	Free 15 day in transit if	Respective County
\$10.00 - Duplicate	purchased from dealer	
\$ 3.00 - Additional charge for lienholder		
NEW MEXICO		
Motor Vehicle Titles & Registration		
\$ 5.30 - \$2.30 Administrative \$3.00 Transaction	Fee unknown; sold by dealers only	State Gen. Fund
\$15.00 - Duplicate		
\$ 4.00 - For lien on title already issued		



KANSAS INDEPENDENT AUTOMOBILE DEALERS ASSOCIATION



Citizens Bank & Trust Building • 6th & Humboldt • Manhattan, Kansas 66502
Phone: 913-776-0044 FAX: 913-776-7085

February 17, 1992

TO: SENATE COMMITTEE ON WAYS AND MEANS

SUBJECT: SB 572--INCREASING THE FEE FOR CERTIFICATES OF TITLE

FROM: KANSAS INDEPENDENT AUTOMOBILE DEALERS ASSOCIATION

Mr. Chairman and Members of the Committee:

I am Tommy McGeeney, an independent used car dealer in Topeka, and I am also President of the Kansas Independent Automobile Dealers Association.

Thank you for allowing me to appear in opposition to SB 572.

Let me say that the Association of over 200 used car dealers that I represent want to be on record that in no way does our opposition mean that we do not want our Highway Patrol troopers in reliable vehicles. If they are going to serve and protect, they need the best equipment available.

Having said that, we believe that the timing on this raise in title fees is not in the best interest of the consumer or the dealer. In 1991, approximately 700,000 titles were processed through the Motor Vehicle Department--60% were processed by individuals, 30% by used car dealers and 10% by new car dealers.

The public is already having enough problems with a bad economy and high property taxes on vehicles. The addition of another tax of \$5.50 to each title will continue to have a negative impact for the public as well as another expense for the used car dealer in an already depressed market place.

Please do whatever you can to hold down costs relative to the purchase of automobiles for our fellow Kansans and my fellow dealers.

Thank you for your time and consideration.

SWAM
February 17, 1992
Attachment 5

Individually we struggle to be heard—Collectively we cannot be ignored.

House Bill No. 2784
Senate Ways and Means Committee
February 17, 1992

Testimony of Paul Shelby
Assistant Judicial Administrator
Office of Judicial Administration

Mr. Chairman and members of the committee:

I thank you for the opportunity to discuss with you House Bill No. 2784 which relates to annual audits of district court financial affairs.

This bill makes several technical corrections to delete obsolete material and make its provisions current. The principal changes are to clarify the scope of the audit required under present law and to require that reports of discrepancies and noncompliance with law be made to the judicial administrator of the courts as well as to the board of county commissioners.

We have had instances in the past where auditors hired by a board of county commissioners have overlooked one or another aspect of the financial affairs of a district court. By clarifying the statutory directive we hope to keep these instances to a minimum. The requirement to notify the judicial administrator of the courts is so that our office can take prompt action to insure that the corrective action taken by our trial court is sufficient.

Boards of county commissioners have no responsibility for correcting managerial or legal discrepancies discovered in a district court, so that the notification requirement will materially speed up any corrective action found necessary by an audit.

This proposal does not require any state funding and the additional cost to an annual county audit for notification to our office should be minimal.

Thank you again for the opportunity to appear before this committee. We recommend that HB 2784 be passed favorably.

SWAM
February 17, 1992
Attachment 6