

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on February 28, 1996 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Legislative Research Department
Kathy Porter, Legislative Research Department
Eric Milstead, Legislative Research Department
Don Cawby, Legislative Research Department
Laura Howard, Legislative Research Department
Russell Mills, Legislative Research Department
Norman Furse, Revisor of Statutes
Michael Corrigan, Revisor of Statutes
Judy Bromich, Administrative Assistant
Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

HB 2595: Grain inspection fee fund retain interest earned on fund balances

The Chairman noted that during the February 27 hearing on **HB 2595** the Committee had chosen to use SGF funding rather than set a precedent of allowing agencies to retain interest on fee funds. However, subsequent to that meeting, he was made aware of a letter from the Federal Grain Inspection Service dated May 17, 1995 which clearly indicates that "interest accruing to grain inspection and weighing revenue accounts must be used to support the grain inspection and weight programs." (Attachment 1). Senator Morris moved, Senator Salisbury seconded, that **HB 2595** be recommended favorably for passage. The motion carried on a roll call vote.

SB 492: Reimbursement of moving expenses for state officers and employees

The Chairman noted that the bill had been amended in Committee with provisions for direct payments to lodging establishments and with technical adjustments as suggested by the Secretary of Transportation on February 26.

It was moved by Senator Karr that **SB 492** be conceptually amended by inclusion of the policy to pay overtime for state employees after 40 hours of work per week. The Chair ruled that the motion was out of order because the subject was not germane. Senator Karr stated that he would yield, but added that he desires to place this issue before the Committee.

Members discussed how the proposed bill would change current policy. A representative from the Department of Transportation stated that it would allow payment of moving expenses for moves of more than 25 miles instead of 50 miles and would allow for reimbursement of up to 30 days of subsistence while the employee seeks a residence. He noted that a key word in the bill is "may." Senator Salisbury noted that, as now written, the bill could apply to any employees affected by the closure of a state institution who may be transferred and would require payment of subsistence. It was moved by Senator Salisbury and seconded by Senator Rock that **SB 492** be amended by substituting the word "may" for the word "shall" in line 31, page 1. The motion carried on a voice vote.

The revisor explained a technical amendment that would have to be made because of two sections which are repealed in **SB 492**. Senator Burke moved, Senator Salisbury seconded, that **SB 492** be technically amended. The motion carried on a voice vote.

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MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 11:00 a.m. on February 28, 1996.

Senator Brady moved, Senator Petty seconded, that the bill be amended to provide that the agencies report to the Senate Ways and Means and House Appropriations Committees as part of the budget review process for the next two years. Senator Salisbury noted that she would not support the amendment because she was not certain that there should be a standard policy among all agencies. The motion carried on a voice vote.

Senator Salisbury moved, Senator Rock seconded, that SB 492 as amended be recommended favorably for passage. The motion carried on a roll call vote.

SB 580: Law enforcement officers, educational benefits for dependents

The Chairman noted that a request to include correctional officers and parole officers had been made during the hearing on the bill (February 26). He reviewed current year tuition rates of state educational institutions. Senator Rock moved, Senator Lawrence seconded that the University of Kansas Medical Center be excluded from the definition of state educational institutions in the bill. Senator Moran noted that KUMC offers undergraduate programs and inquired why those should be excluded. Senator Rock noted that he was trying to implement the intent of the bill, which would not include allowing a student to select a waiver for postgraduate rather than undergraduate expenses. Senator Rock, with the approval of Senator Lawrence, amended his motion to limit the waivers to undergraduate programs, up to receipt of a B.A. degree, at any of the Kansas educational institutions as defined in the bill. The motion carried on a voice vote.

It was the consensus of the Committee that the State General Fund would be the funding source of the tuition waivers.

Members questioned why non-Regents institutions should submit their claims for reimbursement to the Board of Regents. Senator Karr moved, Senator Brady seconded that SB 580 be conceptually amended by providing that the entities defined as Kansas educational institutions apply to their respective governing bodies (either the Board of Regents or the State Board of Education) for reimbursement of tuition and fees. The motion carried on a voice vote.

Senator Vancrum requested that Steve Kearney, lobbyist for the Fraternal Order of Police, provide information on the number of dependents of law enforcement officers who would be affected by this bill.

Senator Vancrum moved, Senator Moran seconded, that the bill be further amended to clarify that the reimbursements are subject to appropriations by the Legislature. The motion carried on a voice vote.

Senator Karr moved, Senator Salisbury seconded, that SB 580 be amended to include correctional officers and parole officers of the Department of Corrections in the definition of law enforcement officers. The motion carried on a voice vote.

It was moved by Senator Moran and seconded by Senator Karr that SB 580 as amended be recommended favorably for passage. The motion carried on a roll call vote.

SB 662: Certificate of title fees, disposition

The Chairman noted that during the hearing on the bill, the County Treasurers Association had recommended that the sunset on the title fee be removed and that a portion of the receipts be credited to the VIPS technology and hardware fund. He reviewed the projected ending balances in the Highway Patrol Motor Vehicle Fund for fiscal years 1997 - 2000 and stated that he would like to address the needs of the Fleet Acquisition Program prior to consideration of the VIPS program .

Senator Karr stated that he did not believe the Fleet Acquisition Program and the proposal to maintain and upgrade the VIPS program could be achieved if the sunset were not removed.

Senator Moran observed that the VIPS proposal would reduce the amount the KHP would receive in the first year but would make it up by extending the receipt of revenue forever. He asked if the dollars under the Treasurer's proposal would be adequate for the Fleet Acquisition Program. Mr. Darling, fiscal manager for the KHP, stated that the Treasurer's proposal would reduce revenues for the purchase of fleet vehicles by half in the first year, and would also reduce the revenue stream in subsequent years by \$.75 per title.

Senator Salisbury stated that she believed the decision should be based on the needs of the KHP because this fund was established for the purpose of purchasing patrol vehicles, and, although the VIPS program is an issue, the Department of Revenue is investigating other sources to fund it.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 11:00 a.m. on February 28, 1996.

Senator Kerr concurred, but expressed reservations about the large cash flow that would be generated without knowing some of the changes that are under consideration. He suggested that the two agencies provide a unified plan showing the cash flows that are generated and their distribution, and if that is not possible, they should let the Committee know.

Senator Rock expressed concern that the VIPS program was sidetracking the Fleet Acquisition Program. In answer to Senator Rock, it was stated that \$1. in title fees generates approximately \$900,000 annually. Senator Rock moved, Senator Morris seconded, that the KHP proposal be left in tact but in the second year, the sunset would be removed (the \$7.00 fee would remain) and \$1. from each title fee in FY 98 and FY 99 would be dedicated to the VIPS program. He explained that this would provide \$1.8 million additional funding in the second and third years of the program, but would not provide additional funding in the first year (FY 97). Senator Morris commented that he believed that this was an issue that the Joint Committee on Computers and Telecommunications should review. The motion failed on a show of hands.

The Chairman stated that the bill would be held in Committee until the two agencies could provide a plan of what might be done to address both needs.

Senator Vancrum moved, Senator Burke seconded, that a resolution to appoint a task force on the regulation of residential building contractors be introduced as requested by Senator Vancrum. Senator Vancrum noted that he had a copy of the draft (5 RS 2441) which he would provide to the Chairman. The motion carried on a voice vote.

The Chairman announced that **SB 727** would be referred to the SRS Community MR/DD subcommittee for a hearing and adjourned the meeting at 12:25 P.M.

The next meeting is scheduled for March 4, 1996.

SENATE WAYS AND MEANS COMMITTEE GUEST LIST

DATE: FEBRUARY 28, 1996

NAME	REPRESENTING
PAUL STURMILLER	KS AUTO DEALERS
Ken Fehr	Ks. Governmental Consulting
Lynn McGinn	PMA
Jamie Clover Adams	KS Grain & Feed Assn
Gary M. Bothwell	Drain Inspection
Jacquie Oaker	Ks. Ind. Auto Dealer
Elaine Frisbie	Division of the Budget
Robert Haley	KDOT
DAVE JOST	KDOT
WALT DARLING	HIGHWAY PATROL
DEL WELER	KHP
Don Brownlee	KHP
STEVE KEARNEY	FOP, KS STATE LODGE
Meggen Griggs	FOP, "
Kenneth McCall	KANSAS HIGHWAY PATROL



United States
Department of
Agriculture

Federal Grain
Inspection
Service

P.O. Box 96454
Washington, DC
20090-6454

Gary M. Bothwell, Director
The State of Kansas, Grain Inspection Department
700 Jackson, Suite 800
P.O. Box 1918
Topeka, Kansas 66601-1918

May 17, 1995

Dear Mr. Bothwell:

Your letter of March 2, 1995, raised question regarding interest accruing to inspection monies. We believe that the interest accruing to inspection monies should be used to support the grain inspection and weighing programs. Upon finding that some States had been depositing the interest earned on these accounts in their general revenue account we informed all State agencies that interest accruing to grain inspection and weighing revenue accounts must be used to support the grain inspection and weighing programs. We want all official agencies to retain the interest on all inspection monies.

Sincerely,

E. James Williams

E. James Williams
Senior Program Analyst
Review Branch, Compliance Division



Post-it* Fax Note	7671	Date	# of pages
To	<i>DON CAWBT</i>	From	<i>Tom Majer</i>
Co./Dept		Co.	
Phone #		Phone #	<i>6-3451</i>
Fax #	<i>63824</i>	Fax #	



The Federal Grain Inspection Service
is an agency of the
United States Department of Agriculture

*Senate Ways & Means
February 28, 1996
Attachment 1*