Approved: 2-7-97

Date

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 3, 1997 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 Mark Burenheide, Legislative Research Department

Norman Furse, Revisor of Statutes Michael Corrigan, Revisor of Statutes Judy Bromich, Administrative Assistant Janet Henning, Committee Secretary

Conferees appearing before the committee: Dale Brunton, Deputy Director, Accounts and

Reports

Others attending: See attached list

It was moved by Senator Lawrence and seconded by Senator Jordan that the minutes of the January 24 meeting be approved. The motion carried on a voice vote.

Senator Lawrence moved, Senator Salmans seconded, that bill draft 7 RS 0493 be introduced as requested by Department of Administration. The motion carried on a voice vote.

Senator Ranson moved, Senator Salmans seconded, that bill draft 7 RS 0243 be introduced as requested by SRS. The motion carried on a voice vote.

Senator Morris moved, Senator Jordan seconded, that bill draft 7 RS 0593 be introduced as requested by KU Medical Center. The motion carried on a voice vote.

Senator Kerr informed the Committee of the two volume budget analysis books.

SB 43: Appropriations for FY97, supplemental appropriations for Department of Wildlife and Parks

Committee members held a brief discussion regarding the payment structure of <u>SB43</u>. <u>Senator Ranson moved</u>, <u>Senator Salisbury seconded</u>, that <u>SB 43</u> be recommended favorably for passage. <u>The motion carried on a roll call vote</u>.

SB 100: Concerning canceled state warrants

Dale Brunton, Deputy Director of Accounts and Reports, appeared before the Committee in support of statutory changes in <u>SB 100 (Attachment 1)</u>. The bill proposes to implement a fee structure which assesses to claimants the administrative and processing costs incurred to re-issue warrants not cashed within one year from the date of issuance. <u>Senator Feleciano moved, Senator Morris seconded, that SB 100 be recommended favorably for passage</u>. The motion carried on a roll call vote.

SB 103: Concerning state officers and employees, relating to certain payroll deductions

Dale Brunton, Deputy Director of Accounts and Reports, told Committee members that <u>SB 103</u> amends the definition of "state employee" for the purpose of participation eligibility in the United Way and United States savings bond payroll deduction plans (<u>Attachment 1</u>). The changes would allow many more employees to participate. This is possible because the SHaRP system can handle more data than the previous system. <u>Senator Feleciano moved, Senator Salisbury seconded, that SB103</u> be recommended favorably for passage. The motion carried on a roll call vote.

The meeting was adjourned at 11:40 a.m. The next meeting is scheduled for February 4, 1997.

SENATE WAYS AND MEANS COMMITTEE GUEST LIST

DATE: 2-3-97

NAME	REPRESENTING
Amelia McIntyru Greve WILLIAMS	Intern-Sen Salmans K5 Dept. of Wildlife & Parks KTWP
Dick Koerth Wala Brutan	KDWP DOFA
Carol & Brague Betsy homes	Treasurer Ses
Ken Behr Afre Do	1/3. Governmental Comsulting
David Ehlund Serrie Wedel Jeff Wasaman	Kwo Kwo
Stan Clark Sen Tin Swel Sicer	Sent
their Rand () Chris Startield	KDHE
MEGGAN GRIGGS	KSTA

TESTIMONY REGARDING SENATE BILLS 100 and 103 SENATE WAYS AND MEANS COMMITTEE February 3, 1997, 11:00 a.m., Room 123-S

Presented by Dale Brunton Deputy Director of Accounts and Reports

Mr. Chairman, Members of the Committee:

I am testifying today on behalf of the Department of Administration in support of SB's 100 and 103. These bills represent two measures proposed by the Department to provide more flexible, efficient central services of value to those served. I will briefly summarize each separately in today's testimony.

SB 100 - Concerning Canceled State Warrants

The amendments in SB 100 are proposed to implement a fee structure which more fairly assesses to claimants the administrative and processing costs incurred to re-issue warrants not cashed within one year from the date of issuance. These warrants are automatically canceled one year from issuance date. However, if the payee subsequently discovers that the warrant was not cashed, a claim may be filed to allow the warrant to be re-issued. The proposed statutory amendment will reduce the fee for processing such claims from the greater of \$15 or ten percent, to the greater of \$15 or five percent. The present fee structure of ten percent, commensurate with warrant amounts over \$150, can become very excessive. Claimants have voiced their displeasure with this policy, with some expressing their concerns to the Office of the Governor and to members of the Legislature. A more equitable fee structure should provide the intangible benefits of improved customer relations and a reduction in administrative time spent on claimant complaints. State agencies do not pay these fees and will not be affected by the amendment.

SB 103 - Concerning State Officers and Employees; Relating to Certain Payroll Deductions

Senate Bill 103 amends the definition of "state employee" for the purpose of participation eligibility in the United Way and United States savings bond payroll deduction plans. The current restrictive definition was enacted as a means to limit participation in these programs. Initially, the associated record keeping functions were more manual and labor intensive. More recent system technologies, and the implementation of the Statewide Human Resource and Payroll System (SHARP), have automated the process to the point that volume of participants is no longer a relevant factor.

Senate Ways and Means Committee

Date 2-3-97

Attachment # /

Senate Ways and Means Committee Testimony on SB's 100 and 103 Page 2

The current definition of employee is not consistent with SHARP and prohibits participation by employees who are either seasonal, temporary, or who work less than 1,000 hours. These restrictions are obsolete under SHARP and are eliminated with this amendment.

Thank you for the opportunity to appear before the Committee today. I would be happy to answer any questions the Committee may have.