

Approved: 4-25-97
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 March 19, 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: Jeff Wagaman, Deputy Secretary,
Department of Administration

Others attending: See attached list

SB 383: State officers and employees salaries and compensation.

Jeff Wagaman, Deputy Secretary, Department of Administrations, appeared before Committee members in support of **SB 383 (Attachment 1)**. Mr. Wagaman told Committee members the Governor has proposed salary adjustments associated with a 2.5% step movement on the classified pay matrix and a 1% cost of living adjustment (COLA) for classified state employees. An equivalent 3.5% salary increase is funded for the unclassified employee merit pool. These adjustments would be effective with the pay period beginning June 15, 1997. The bill also increases the salaries for those employees whose salaries are determined by statute. Mr. Wagaman also acknowledged the Governor's budget continues funding for longevity bonus payments to recognize the service of long-term employees.

In response to Senator Ranson's inquiry as to the percentage increase, Mr. Wagaman advised the longevity bonus plan would cost approximately \$11.9 million. He also stated he was advised the total package was approximately \$61 million. Staff members of Department of Administration advised the average longevity bonus payment is \$795 and the average salary is approximately \$24,000 per year.

Senator Jordan inquired if the State of Kansas has contacted other states for a salary and benefit comparison and if a comparison is done with the private sector. Deputy Secretary Wagaman advised that generally speaking, Kansas is in the middle with other states for salary and benefits. Last year, the Governor analyzed the current fiscal condition of the state and in previous years, analyzed the base salary and increases.

In response to Senator Salmans inquiry regarding the reason for step increases versus movement of range, staff members of Department of Administration advised the step pay plan has been in operation since the Civil Service Act. Senator Kerr advised a major pay study is currently underway and a consulting firm has been hired to review the pay system. It is believed the study will be completed in early summer (1997) and this will be phase one of a three phase program.

Other questions regarding state officers and employees salaries and compensation asked by Committee members were answered by staff members of the Legislative Research Department and Department of Administration.

The meeting was adjourned at 11:55 a.m. The next meeting is scheduled for March 20, 1997.

SENATE WAYS AND MEANS COMMITTEE GUEST LIST

DATE: 3-19-97

NAME	REPRESENTING
ERIC SOSTER	WSU
Ken Bekt	Ks. Governmental Consulting
Ellen Pickallicewicz	Assoc. of CMHCs
Meggen Griggs	Kearney Law Office
Nancy Bryant	SOS
Jereca Bean	SOS

Testimony To The
SENATE WAYS AND MEANS COMMITTEE

By
Jeff Wagaman, Deputy Secretary
Department of Administration

March 19, 1997
RE: Senate Bill 383

Mr. Chairperson and members of the committee, thank you for the opportunity to appear before you today in support of Senate Bill 383. The bill before you represents Governor Bill Graves' pay proposal for state employees for Fiscal Year 1998. The Governor recognizes the need to acknowledge state employees who are truly committed to serving our customers--the people of Kansas--and his budget includes a pay increase to reward our employees.

The Governor has proposed salary adjustments associated with a 2.5% step movement on the classified pay matrix and a 1% cost of living adjustment for classified state employees. An equivalent 3.5% salary increase is funded for the unclassified employee merit pool. These adjustments would be effective with the pay period beginning June 15, 1997. The bill also increases the salaries for those employees whose salaries are determined by statute. Finally, the Governor's budget continues funding for longevity bonus payments to acknowledge the service of long-term employees.

I encourage you to support the Governor's recommendation and pass Senate Bill 383.

Senate Ways and Means Committee

Date 3-19-97

Attachment # /