

MINUTES OF THE SENATE WAYS & MEANS COMMITTEE.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on March 27, 2000 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Chief Fiscal Analyst, KLRD
Rae Anne Davis, KS Legislative Research Department
Debra Hollon, KS Legislative Research Department
Norman Furse, Revisor of Statutes
Michael Corrigan, Asst. Revisor of Statutes
Judy Bromich, Administrative Assistant to the Chairman
Ronda Miller, Committee Secretary

Conferees appearing before the committee:
Randy Hearrell, Judicial Council

Others attending: See attached list

HB 2323: State agencies; methods of payment of fees, tuition and other charges

The revisor explained that new subsection (c) in the balloon version of the bill responds to a Kansas State University concern regarding a conflict with the Consumer Credit Code, new subsection (d) was written in response to a concern expressed by the legal staff of the Department of Corrections, and new subsection (e) would allow Washburn University, community colleges and vocational-technical schools to accept payment of fees in the form of a credit card (Attachment 1).

Senator Salisbury offered a motion which was seconded by Senator Morris to amend HB 2323 with new subsections (c), (d), and (e). The motion carried on a voice vote.

It was moved by Senator Salisbury and seconded by Senator Lawrence that HB 2323 as amended be recommended favorably for passage. The motion carried on a roll call vote.

HB 2570: Creating a task force on consolidation of public safety agencies

Members concurred that there should be greater involvement on the part of local law enforcement in the study of consolidation of public safety agencies. It was moved by Senator Morris and seconded by Senator Jordan that the bill be amended to indicate that the task force would consist of up to 11 members including those mentioned in the bill with the exception that five persons would be appointed by the Governor, at least two of which would be representative of local law enforcement and the balance could not be members of the Legislature and that the effective reporting date be changed to January 1, 2001. The motion to amend carried on a voice vote.

Senator Lawrence moved, Senator Jordan seconded, that HB 2570 as amended be recommended favorably for passage. The motion carried on a roll call vote.

SB 3009: Establishing the publications fee fund in the judicial council

Randy Hearrell, Executive Director of the Kansas Judicial Council appeared before the Committee in support of **SB 3009** and reviewed his written testimony (Attachment 2). Mr. Hearrell, in answer to the Chairman, stated that he was hoping the fees would pay for all the staff time it takes to prepare and distribute the various legal publications. The Chairman noted that one advantage of passing the bill is that it eliminates a proviso and the Legislature would still have access to the Publications Fee Fund if the money was needed.

CONTINUATION SHEET

SENATE WAYS & MEANS COMMITTEE MINUTES

Senator Feleciano moved, Senator Petty seconded, that **HB 3009** be recommended favorably for passage. The motion carried on a roll call vote.

The Chairman adjourned the meeting at 11:45 a.m. The next meeting is March 28, 2000.

SENATE WAYS & MEANS COMMITTEE GUEST LIST

DATE: March 27, 2000

NAME	REPRESENTING
Bill Brady	KS Gov't Consulting
BILL HENRY	KS Ct. Reporters
Marc Hamann	D-B
Danielle Nøe	D of K
ERIC sexton	W su
STEVE KEARNEY	KS. STATE TRADES/FOP
DAVID LAKE	Bo. of Emer. Med. Servs.
Pat Lehman	KS Fire Service Alliance
Don Rezac	S. E. A. K.
Bob Long	KDOR
Jon Josseland	
Kathy Porter	OJA
MARK WODE	
Jeff Bottenberg	KSA / KPOA
Kevin Barone	Hein/weir Chrt'd.

SUBSTITUTE FOR HOUSE BILL NO. 2323

9rs2230

By Committee on Governmental Organization and Elections

Proposed Amendment for Consideration by
Senate Committee on Ways and Means

AN ACT concerning state agencies; relating to the
payment of fees, tuition and other charges.

Be it enacted by the Legislature of the State of
Kansas:

Section 1. (a) Any state agency which imposes
or collects fees, tuition or other charges shall
accept payment thereof in the form of a personal,
certified or cashier's check or money order. A
state agency may accept payment by credit card or
other method designated by the agency. A state
agency may impose an additional fee to recover the
actual amount of any cost incurred by reason of the
method of payment used by the payee.

(b) In addition to the methods specified in
subsection (a), after June 30, 2001, a state agency
shall accept payment of fees, tuition or other
charges in the form of a credit card.

Sec. 2. This act shall take effect and be in
force from and after its publication in the statute
book.

(c) This section shall not be subject to the
provisions of K.S.A. 16a-2-403, and amendments
thereto.

(d) The provisions of this section shall not
apply to any fees, fines or charges imposed by
the secretary of corrections on offenders under
the jurisdiction of the secretary of corrections.

(e) Any municipal university or post-secondary
educational institution accepting payment
of fees, tuition or other charges in the
form of a credit card shall not be subject
to the provisions of K.S.A. 16a-2-403
and amendments thereto.

**JUDICIAL COUNCIL TESTIMONY
BEFORE SENATE WAYS AND MEANS COMMITTEE
ON 2000 HB 3009**

Introduction

My name is Randy M. Hearrell. I am the Executive Director of the Kansas Judicial Council and I am here to support passage of 2000 HB 3009. The bill was introduced at the request of the Tax, Judicial and Transportation Subcommittee of the House Appropriations Committee. (A copy of the subcommittee's recommendation is attached as Appendix A at page 3.)

Background

The Judicial Council is a statutory agency created in 1927 to continuously survey and study the Judicial Branch of government and to make recommendations that improve the administration of justice. One of the ways the Judicial Council improves the administration of justice is by publishing materials. The first Judicial Council publication was in 1927, and publications have continued since that time. Current Judicial Council Publications are: Kansas Municipal Court Manual; Kansas Judicial Council Probate Forms; Pattern Instructions for Kansas - Criminal (3d Edition); and Pattern Instructions for Kansas - Civil (3d Edition).

For many years the publications of the Judicial Council were distributed without charge on the theory that they improved the administration of justice and should be circulated as widely as possible. In the 1970's and 1980's grants were often available to pay for the publications, but by the late 1980's few grants were available. By this time, the four current publications had evolved into works that were relied upon by judges, lawyers and others. At that time, the Legislature appropriated money on a yearly basis for publications, but each year whether these books were published depended on the condition of the state treasury and that did not always work well for legal publications, which require regular supplements.

In 1992, I worked with the Legislature to establish the Judicial Council Publications Fee Fund, which was established by proviso. (See Appendix B at page 4.) The Legislature decided that publications that were widely used by the legal profession should be self-supporting. The Legislature made it clear that if these publications were to continue they needed to be self-sufficient. One of the reasons I am here today is that selling these publications has been successful.

Beginning immediately after the creation of the Publications Fee Fund the Judicial Council republished and sold the books and published and sold regular supplements. From FY 1993 through FY 1998 the Judicial Council Publications Fee Fund generated approximately \$394,000 with expenses of about \$197,000, leaving a balance of slightly less than \$200,000 in the fund at the end of FY 1998. (See Appendix C at page 5.)

Beginning in FY 1999, the Legislature began to use balances in the Publications Fee Fund to offset SGF expenditures. To facilitate the shifting, the proviso limiting expenditures to publication expenses was removed. The lack of the limitation on expenditures which had been contained in the proviso left the Publications Fee Fund open to use for other than publications in FY 2000 and FY 2001. In FY 1999 to FY 2001 approximately \$139,000 has been lapsed or will be spent on non-publication expenses.

I am here to respectfully request passage of 2000 HB 3009.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendation of the Governor, with the following exception:

1. Legislation should be introduced to create the Publications Fee Fund to be used by the Judicial Council for operating expenditures related to the preparation, publication, and distribution of the Council's legal publications. The legislation would be effective FY 2002.

The legislation would create in the statutes a fee fund that already exists by proviso and traditionally has been used by the Judicial Council to pay costs associated with preparation and distribution of various legal publications the Council prepares. Revenue from the sale of these publications is credited to the Publications Fee Fund and the proviso limits expenditures to publications activities.

Beginning in FY 1999, the Legislature began to use balances in the Publications Fee Fund to offset State General Fund expenditures. To facilitate the shifting, the proviso limiting expenditures to publications expenses was removed in FY 1999 and FY 2000. Based on the Governor's recommendations for FY 2001, expenditures from the Fund will be \$116,670, of which only \$62,965 would be directly related to publications activities.

The Executive Director of the Council expressed concern that expenditures unrelated to publications would be paid for from the Publications Fee Fund under the Governor's recommendation and asked the Budget Committee to rectify the situation. The Budget Committee agrees with the Governor that State General Fund expenditures should be offset by other resources in FY 2001, but believes that, henceforth, the traditional use of the Publications Fee Fund should be adhered to. By recommending the introduction of legislation, the Budget Committee is codifying the practice in statute and not in a proviso that is effective for only one year.

FY 1993 - FY 1999

Publications fee fund No limit
Provided, That expenditures may be made from the publications fee fund for operating expenditures related to preparation, publication and distribution of legal publications: *Provided further*, That the judicial council is hereby authorized to fix, charge and collect fees for sale and distribution of legal publications in order to recover direct and indirect costs incurred for preparation, publication and distribution of legal publications: *And provided further*, That such fees may be fixed in order to recover all or part of such costs: *And provided further*, That all moneys received from such fees shall be deposited in the state treasury and credited to the publications fee fund: *And provided further*, That all moneys received as gifts, grants or donations for the preparation, publication or distribution of legal publications shall be deposited in the state treasury to the credit of the publications fee fund.

FY 2000

Publications fee fund No limit
Provided, That the judicial council is hereby authorized to fix, charge and collect fees for sale and distribution of legal publications in order to recover direct and indirect costs incurred for preparation, publication and distribution of legal publications: *Provided further*, That such fees may be fixed in order to recover all or part of such costs: *And provided further*, That all moneys received from such fees shall be deposited in the state treasury and credited to the publications fee fund: *And provided further*, That all moneys received as gifts, grants or donations for the preparation, publication or distribution of legal publications shall be deposited in the state treasury to the credit of the publications fee fund.

(c) On June 30, 2000, the director of accounts and reports shall transfer the amount of any unencumbered balance in the publications fee fund as of June 30, 2000, in excess of \$175,000 from the publications fee fund to the state general fund.

PUBLICATIONS FEE FUND

	<u>Revenue</u>	<u>Publication Expenses</u>	<u>Non-Publication Expenses</u>	<u>Balance</u>
FY 1993	38,402	18,846	0	19,556
FY 1994	90,255	7,170	0	102,641
FY 1995	45,696	32,207	0	116,130
FY 1996	89,832	66,020	0	139,942
FY 1997	57,543	28,871	0	168,614
FY 1998	72,340	44,568	0	196,386
FY 1999	87,384	51,444	50,000	182,326
FY 2000(est)	92,973	61,993	37,401	175,905
FY 2001(est)	85,650	65,313	51,397	144,845

**OPERATING EXPENDITURES
FY 1992 - FY 2001**

<u>Fiscal Year</u>	<u>SGF</u>	<u>PFF</u>	<u>All Funds</u>
1992	213,562	0	213,562
1993	240,374	18,846	259,220
1994	222,128	7,170	229,298
1995	222,732	32,207	254,939
1996	230,839	66,020	296,859
1997	231,700	28,821	260,521
1998	239,293	44,568	283,861
1999	199,652	101,444	301,096
2000(est)	208,051	99,394	307,445
2001(est)	199,050	116,670	315,720

Appendix C

PUBLICATIONS FEE FUND
SOURCE OF REVENUE - FY 1999 - ACTUAL

<u>FY 1999 - Actual</u>	
Sale of 7 copies of <u>Kansas Municipal Court Manual</u> @ \$30.00	\$210.00
Sale of 172 copies of <u>Kansas Municipal Court Manual</u> 1998 Supplement @ \$15.00	\$2,580.00
Sale of 5 copies of <u>Kansas Municipal Court Manual</u> 1997 Supplement @ \$15.00	\$75.00
15% royalty from sale of <u>PIK-Civil 3d</u> by West Publishing Co.	\$1,880.00
Royalty for 226 CD-ROM's with <u>PIK-Civil 3d</u> @ \$1.00	\$226.00
Royalty for 4 CD-ROM's with <u>PIK-Civil 3d</u> @ \$20.00	\$80.00
Sale of 91 copies of <u>PIK-Criminal 3d</u> @ \$75.00	\$6,825.00
Sale of 1069 copies of <u>PIK-Criminal 3d</u> 1998 Supplement @ \$30.00	\$32,070.00
Sale of 174 copies of <u>PIK-Criminal 3d</u> 1997 Supplement @ \$30.00	\$5,220.00
Sale of 4 copies of <u>PIK-Criminal 3d</u> 1996 Supplement @ \$30.00	\$120.00
Royalty for 226 CD-ROM's with <u>PIK-Criminal 3d</u> @ \$1.00	\$226.00
Royalty for 4 CD-ROM's with <u>PIK-Criminal 3d</u> @ \$20.00	\$80.00
Sale of 1062 copies of <u>Kansas Probate Forms</u> 1998 Supplement @ \$32.97	\$35,014.00
Sale of 54 <u>Kansas Probate Forms</u> binders @ \$9.42	\$509.00
Sales tax collected	\$2,269.00
TOTAL	\$87,384.00

Appendix D