

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 A.M. on March 15, 2005, in Room 514-S of the Capitol.

All members were present except:

Representative J. Williams- excused

Committee staff present:

Alan Conroy, Legislative Research Department
J. G. Scott, Legislative Research Department
Reagan Cussimano, Legislative Research Department
Michele Alishahi, Legislative Research Department
Amy Deckard, Legislative Research Department
Julian Efird, Legislative Research Department
Leah Robinson, Legislative Research Department
Jim Wilson, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Nikki Feuerborn, Administrative Analyst
Shirley Jepson, Committee Secretary

Conferees appearing before the committee:

Representative Mario Goico
Representative John Grange

Others attending:

See attached list.

- Attachment 1 Testimony on **SB 225** by Representative Mario Goico
- Attachment 2 Testimony on **SB 225** by Representative John Grange
- Attachment 3 Amendment on **SB 225** on claim by Troy G. Stites
- Attachment 4 Amendment on **SB 225** on claim by Melissa Vinson
- Attachment 5 Amendment on **SB 225** on claim by Lopp Oil Co., Inc.
- Attachment 6 Information on Hanschu claim
- Attachment 7 Budget Committee Recommendation on **HB 2228**
- Attachment 8 Budget Committee Recommendation on **HB 2226**
- Attachment 9 Proposed Substitute for **HB 2226**
- Attachment 10 Information on Kansas Policy Conference on Offender Reentry

Hearing on SB 225 - Claims against the state.

Amy Deckard, Legislative Research Department, explain that **SB 225** addresses the claims against the state as heard during the interim by the Joint Committee on Claims Against the State. The bill presented by the Joint Committee recommends a total of \$260,786 of which \$111,721 are State General Fund (SGF) dollars. Several amendments by the Senate, recommends additional payments totaling \$229,055, for a grand total of \$489,841 which includes \$111,721 from operating accounts of the State General Fund (SGF), and \$378,120 from other sources.

Representative Mario Goico presented testimony to amend **SB 225** and allow for a payment to be re-issued to Troy Stites for a 1996 tax refund check dated May 7, 1997, in the amount of \$542.00 (Attachment 1).

Amy Deckard explained that the Joint Committee on Claims Against the State is prohibited from hearing claims that are more than five years old. Because the Stites' claim was beyond this time frame, it was not considered by the Interim Committee. Ms. Deckard stated that the Division of Accounts and Reports has verified that the check was written and was never cashed.

Representative John Grange presented testimony to amend **SB225** and allow a payment of \$1,588.25 to

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 15, 2005, in Room 514-S of the Capitol.

Melissa Vinson from El Dorado, for legal fees and a filing fee incurred because of an error by the Department of Revenue (Attachment 2).

Chair Neufeld closed the hearing on **SB 225** was closed.

Representative Feuerborn moved to amend SB 225 by recommending payment of the claim from Tony Sites in the amount of \$542 (Attachment 3). The motion was seconded by Representative Sawyer. Motion carried.

Representative Landwehr moved to amend SB 225 by recommending payment of the claim from Melissa Vinson in the amount of \$1,588.28 (Attachment 4). The motion was seconded by Representative Schwab. Motion carried.

Representative Gatewood moved to amend SB 225 by recommending payment of a claim from Lopp Oil Co., Inc. in the amount of \$774.80 for lost fuel (Attachment 5). The motion was seconded by Representative Lane. Motion carried.

Representative Weber moved to amend SB 225 by recommending payment of a claim from Lyle Hanschu in the amount of \$5,000 for action taken by the Kansas Animal Health Department with payment to be made from funds of the Kansas Animal Health Department (Attachment 6). The motion was seconded by Representative Powell. Motion carried.

With regard to the status of the Hanschu claim, Amy Deckard, Legislative Research Department, indicated that the claim was recommended for payment by the Joint Committee on Claims Against the State on December 5, 2002; however, was not approved by the 2003 Legislature. The claim was not re-filed before the Joint Committee on Claims Against the State.

Representative Feuerborn moved to strike Senate amendments to SB 225 on Page 14, Line 19 through Page 15, Line 11. The motion was seconded by Representative Landwehr. Motion carried.

Representative Landwehr moved to allow technical corrections to SB 225 and to recommend SB 225 favorable for passage as amended. The motion was seconded by Representative Feuerborn . Motion carried.

Discussion and Action on HB 2228 - Kansas use law procedures, establishing the state use law committee.

Leah Robinson, Legislative Research Department, explained that **HB 2228** amends statutes regarding the state use law, including the catalog of products and services manufactured by Kansans who are blind or severely disabled.

Representative Pottorff, Chair of the General Government and Commerce Budget Committee, presented the Budget Committee recommendation on HB 2228 and moved for the adoption of the Budget Committee report on HB 2228 (Attachment 7). The motion was seconded by Representative Lane.

The Committee voiced concern about what the bill actually changed in current statute. Because of this concern, Chair Neufeld requested the Revisor of Statutes to draft a balloon incorporating the Budget Committee amendments for the full Committee's consideration. Action on **HB 2228** was deferred until the balloon is available.

Discussion and Action on HB 2226 - Prescribing certain procedures for acquisition of land by the Department of Wildlife and Parks.

Representative Schwartz, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee recommendation on HB 2226 and moved for the adoption of the Budget Committee report to recommend HB 2226 favorable for passage as amended (Attachment 8). The motion was seconded by Representative Powell. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 15, 2005, in Room 514-S of the Capitol.

A copy of the proposed substitute for HB 2226 was distributed to the Committee (Attachment 9).

HB 2251 and **HB 2075** were referred to the Retirement Subcommittee.

HB 2521 and **HB 2487** were referred to the General Government and Commerce Budget Committee.

HB 2348 was referred to the Revenue, Judicial, Transportation and Retirement Budget Committee.

Information on the Kansas Policy Conference on Offender Reentry to be held in Wichita on April 18th was distributed to the Committee (Attachment 10).

The meeting was adjourned at 10:30 a.m. The next meeting will be held at 9:00 a.m. on March 16, 2005.



Melvin Neufeld, Chair

HOUSE APPROPRIATIONS COMMITTEE

March 15, 2005

9:00 A.M.

NAME	REPRESENTING
Dick Lipman Idlesel	Budget
Dick Kyeuth	KIDWP
Rob May	New Low Fun
Dan Seiber	New Low Fun
BRAD FARRERSON	KFB

STATE OF KANSAS



MARIO GOICO
REPRESENTATIVE 100TH DISTRICT
SEDGWICK COUNTY
1254 N PINE GROVE CT
WICHITA, KS 67212
316-721-3682

STATE CAPITOL—182-W
TOPEKA, KS 66612-1504
785-296-7667

TOLL FREE DURING SESSION: 1-800-432-3924
FAX: 785-368-6385
E-MAIL: goico@house.state.ks.us

TOPEKA

HOUSE OF
REPRESENTATIVES

COMMITTEE ASSIGNMENTS

MEMBER: FINANCIAL INSTITUTIONS
GOVERNMENTAL ORGANIZATION
AND ELECTIONS
HEALTH AND HUMAN SERVICES
TAXATION
KANSAS SECURITY

Chairman Newfeld and members from the Appropriations Committee

- Mr. Tony Sites found a 1996 Tax Refund check dated 5/7/1997.
- The State of Kansas has a five year statute of limitations on reissuing the check.
- I request that the committee reissue the check to Mr. Sites on the amount of \$547.00

HOUSE APPROPRIATIONS

DATE 3-15-2005
ATTACHMENT 1

JOHN C. GRANGE
 REPRESENTATIVE, 75TH DISTRICT
 BUTLER COUNTY



TOPEKA
 HOUSE OF
 REPRESENTATIVES

COMMITTEE ASSIGNMENTS

COMMERCE AND LABOR
 ECONOMIC DEVELOPMENT
 REVENUE, JUDICIAL TRANSPORTATION AND
 RETIREMENT BUDGET
 WILDLIFE, PARKS AND TOURISM

Chairman Neufeld and Members of the Committee

March 14, 2005

Thank-you for the opportunity to appear before you on a matter of significant interest to a constituent from El Dorado. This is an attempt to correct an injustice perpetrated upon an individual by the Kansas Department of Revenue.

You have before you three documents, the blue sheet is a time line explainer from the Research Department, the first white paper is a copy of a letter from Bill Mason, a retired House of Representatives Member and my predecessor, the third is a copy of my testimony.

As you have read in the other documents this travesty took years to unfold and when the injustice was discovered, the department acted as if they could not and would not make amends to a citizen and taxpayer of our great state.

By the information provided you could see Mrs. Vinson made several attempts to inform the department of the errors and correct the problem. When she did as she was told, and tried to file an appeal the same office told her an appeal was not possible, this is where she lost her first \$250.00. When she further instructed counsel to assist by preparing numerous communications with the Department of Revenue, all to no avail, she spent \$1,588.28 in attorney fees.

It was not until she appealed to then Representative Mason, did any type of positive resolution come forth. The Department of Revenue tax issue was dropped, personnel disciplined and a request through the Joint Committee on Special Claims Against the State for reimbursement of expenses of the BOTA fee was approved.

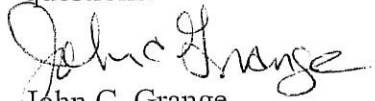
We are not asking for anymore than her out of pocket expenses she has incurred trying to keep from losing her house and clear her record of any tax liability. The state clearly went after the wrong person in an attempt to recover lost revenue. SB 225, page 11, sec. 5 line 31 thru 37 directs the board of tax appeals to repay the \$250.00 filing fee.

I would ask to amend SB 225 to direct additional reimbursement of \$1,588.28 in attorney fees, and with the previous described \$250.00 filing fee for a total reimbursement of \$1838.25. This amount should be made payable to Melissa Vinson, 1730 Candace Lane, El Dorado, Kansas 67042.

HOUSE APPROPRIATIONS

DATE 3-15-2004
 ATTACHMENT 2

Mr. Chairman I thank you and the committee for your attention and I will stand for your questions.

A handwritten signature in cursive script that reads "John C. Grange".

John C. Grange
Representative 75th District
State Capitol
Room 531N
Topeka, Kansas 66612

Timeline: Melissa Vinson Claim

- Ms. Vinson worked as bookkeeper for Golf Management International Inc.
- Golf Management International Inc., went defunct at the end of 1999.
- Department of Revenue determined that Ms. Vinson was liable for unpaid Kansas sales and withholding tax in her personal capacity as she was the individual responsible for collection or payment of the company's taxes.
- Mr. Samy, Chief Executive Officer of Golf Management International Inc., filed affidavits (September 1, 2000 and November 6, 2001) indicating that Ms. Vinson was not involved in the daily operations of the business nor was she responsible for payment of federal or state taxes.
- September 2003- Ms. Vinson filed a petition for abatement.
- October 29, 2003- Department of Revenue denied the petition.
- Ms. Vinson filed an appeal with BOTA, (upon recommendation of KDOR staff) along with a \$250 filing fee for the appeal.
- Appeal was not heard by BOTA, as it is precluded from hearing that specific appeal by statute.
- Ms. Vinson requested subordination agreement from KDOR to allow her to refinance her home; KDOR refused.
- KDOR subsequently (after discussions between Secretary Wagnon and Representative Bill Mason) made the decision that the tax warrant had been filed in error, the case was dismissed, and all liens were removed.
- October 26, 2004- Ms. Vinson files Claim #5630 against the Department of Revenue for \$250 in filing fees (BOTA) and \$1,588.28 in attorney fees incurred throughout the process.
- December 14, 2004- Joint Committee on Claims Against the State held hearing on Ms. Vinson's claim. Committee recommended payment of \$250 for filing fees, but that no payment be made for incurred attorney fees.

WILLIAM G. (BILL) MASON
 REPRESENTATIVE, 75TH DISTRICT
 BUTLER COUNTY



TOPEKA
 HOUSE OF
 REPRESENTATIVES

COMMITTEE ASSIGNMENTS
 CHAIRMAN: FEDERAL AND STATE AFFAIRS
 JOINT COMMITTEE ON TRIBAL AFFAIRS
 MEMBER: EDUCATION

Madame Chair and Members of the Committee

Thank you for the opportunity to tell you about the horrible experience of Melissa Vinson over the last four and one half years because of mistakes by the Department of Revenue and a seemingly vindictive and uncaring attitude.

Melissa was an employee of the ElDorado Country Club, starting as a waitress and working her way up to secretary. She worked for Mr. Amro Samy who operated Golf Management International. Mr Samy and one other individual owned all the stock in the corporation. Mr. Samy served as the Chief Executive Officer and Mr. Kaldoun Rahmah served as President. Melissa was never a stockholder or had any financial interest in the corporation.

The problems started when it was discovered that Mr. Samy did not pay his taxes. The Company went defunct at the end of 1999. Melissa was not aware of the problems until KDOR filed a lien against her home, seeking to collect the taxes from her. Mr. Rahmah, who was a stockholder and President of the Corporation was released from any obligation for the unpaid taxes by KDOR but for four and one half years continued to try to collect from Melissa. She was forced to hire an attorney to protect herself and her family from this unwarranted attack on her property.

On September 1, 2000 Mr. Samy filed an affidavit indicating that Melissa was not involved in the operation of the company, was not a principal or was she capable of making any decisions with regard to the business operations or the payment of creditors. That did not slow down KDOR. Again, Mr. Samy filed another affidavit on November 6, 2001 reaffirming that Melissa had no responsibility for business decisions or payment of creditors. Melissa's attorney continued to try to help her but KDOR had more attorneys and they were relentless in their efforts to collect from an innocent person.

WILLIAM G. (BILL) MASON
 REPRESENTATIVE, 75TH DISTRICT
 BUTLER COUNTY



TOPEKA
 HOUSE OF
 REPRESENTATIVES

COMMITTEE ASSIGNMENTS
 CHAIRMAN: FEDERAL AND STATE AFFAIRS
 JOINT COMMITTEE ON TRIBAL AFFAIRS
 MEMBER: EDUCATION

They turned down every appeal but their staff suggested that they should take it to the Board of Tax Appeals. The attorney filed a request for a hearing and paid the \$250 filing fee. That hearing was denied even though it was KDOR who suggested it.

Melissa had purchased her home with a balloon payment due in June of 2004. She could not refinance or save her home because KDOR had it completely blocked. They asked for a subordination agreement so they could refinance but KDOR refused. They were about to lose their home through no fault of their own.

Melissa called me to see if I could help. I was appalled at the treatment that they had received and called the attorneys to see what could be done. While they were courteous to me, there was nothing they could do. Two days later, I met with Secretary Joan Wagnon and two of the attorneys. After going through all of the documentation, the decision was made that the tax warrant had been filed in error, that the case be dismissed and that all liens be released. That order of dismissal was filed the following morning after our meeting. The employee that had originally filed the lien was suspended from her job and later offered a lesser position in another department.

*Michelle Johnson
 Field agent*

Melissa has not asked for any damages or any pain and suffering but only out of pocket expense caused by a multitude of errors by State Government. She is asking for actual attorney expense and for the Board of Tax Appeals filing fee which was an action suggested by staff.

I believe KDOR was completely off base from the very beginning but even when they were confronted with the facts along the way, they seemed to not care if they were hurting innocent people. Melissa and her family have gone through five years of agony and uncertainty. Payment of these expenses is the least that the State should do.

1 Harry Baxter
 2 HB Stereo Incorporated
 3 130 E. Poyntz Ave.
 4 Manhattan, KS 66502
 5 c/o Brenda J. Bell
 6 Attorney at Law
 7 P.O. Box 816
 8 Manhattan, KS \$10,218.10

9 *Sec. 8. (a) The department of administration is hereby authorized and*
 10 *directed to pay the following amount from the cancelled warrants pay-*
 11 *ment fund as reimbursement for a penalty deducted to issue a replace-*
 12 *ment warrant for a rent payment which was never received by the claim-*
 13 *ant, to the following claimant:*

14 G.D.C. Financial Group, L.L.C.
 15 Gateway Plaza ACEO 1, c/o
 16 Richard Ellis, Inc.
 17 P.O. Box 1450, NW #7785
 18 Minneapolis, MN 55485-7785 \$5,957.55

19 *(b) The department of administration is hereby authorized and*
 20 *directed to pay the following amount from the canceled warrants*
 21 *payment fund as reimbursement for an expired warrant, to the fol-*
 22 *lowing claimant:*

23 *John Seitz*
 24 *402 W. Carson St. #25*
 25 *Carson, CA 90745 \$3,660.27*

26 *(c) The department of administration is hereby authorized and*
 27 *directed to pay the following amount from the canceled warrants*
 28 *payment fund as reimbursement for an canceled warrant, to the*
 29 *following claimant:*

30 *University of Wisconsin - Madison*
 31 *400 A.W. Peterson Bldg.*
 32 *750 University Ave.*
 33 *Madison, WI 53706-1490 \$214,089.49*

34 *[(d) The department of administration is hereby authorized and*
 35 *directed to pay the following amount from the canceled warrants*
 36 *payment fund as reimbursement for an expired warrant, to the fol-*
 37 *lowing claimant:*

38 *[Randy Russell*
 39 *[502 West Ave.*
 40 *[Norton, KS 67654 \$435.89]*

41 *Sec. 9. The department of wildlife and parks is hereby authorized*
 42 *and directed to pay the following amount from the parks fee fund*
 43 *as reimbursement for damage to claimant's pasture caused by a fire*

Proposed Amendment
 For Consideration By
Committee on Appropriations

HOUSE APPROPRIATIONS
 DATE 3-15-2005
 ATTACHMENT 3

(e) The department of administration is hereby authorized and directed to pay the following amount from the canceled warrants payment fund as reimbursement for an expired warrant, to the following claimant:
 Troy G. Stites
 2337 North Parkridge Court
 Wichita, KS 67205..... \$542.00

Proposed Amendment
For Consideration By
Committee on Appropriations

HOUSE APPROPRIATIONS
DATE 3-15-2005
ATTACHMENT 4

1 Harry Baxter
 2 HB Stereo Incorporated
 3 130 E. Poyntz Ave.
 4 Manhattan, KS 66502
 5 c/o Brenda J. Bell
 6 Attorney at Law
 7 P.O. Box 816
 8 Manhattan, KS \$10,218.10

9 *Sec. 8. (a) The department of administration is hereby authorized and*
 10 *directed to pay the following amount from the cancelled warrants pay-*
 11 *ment fund as reimbursement for a penalty deducted to issue a replace-*
 12 *ment warrant for a rent payment which was never received by the claim-*
 13 *ant, to the following claimant:*

14 C.D.C. Financial Group, L.L.C.
 15 Gateway Plaza ACEO 1, c/o
 16 Richard Ellis, Inc.
 17 P.O. Box 1450, NW #7785
 18 Minneapolis, MN 55485-7785 \$5,957.55

19 *(b) The department of administration is hereby authorized and*
 20 *directed to pay the following amount from the canceled warrants*
 21 *payment fund as reimbursement for an expired warrant, to the fol-*
 22 *lowing claimant:*

23 *John Seitz*
 24 *402 W. Carson St. #25*
 25 *Carson, CA 90745 \$3,660.27*

26 *(c) The department of administration is hereby authorized and*
 27 *directed to pay the following amount from the canceled warrants*
 28 *payment fund as reimbursement for an canceled warrant, to the*
 29 *following claimant:*

30 *University of Wisconsin - Madison*
 31 *400 A.W. Peterson Bldg.*
 32 *750 University Ave.*
 33 *Madison, WI 53706-1490 \$214,089.49*

34 *(d) The department of administration is hereby authorized and*
 35 *directed to pay the following amount from the canceled warrants*
 36 *payment fund as reimbursement for an expired warrant, to the fol-*
 37 *lowing claimant:*

38 *[Randy Russell*
 39 *[502 West Ave.*
 40 *[Norton, KS 67654 \$435.89]*

41 *Sec. 9. The department of wildlife and parks is hereby authorized*
 42 *and directed to pay the following amount from the parks fee fund*
 43 *as reimbursement for damage to claimant's pasture caused by a fire*

(b) The department of revenue is hereby authorized and directed following amount from the sales tax refund fund as reimbursement for fees and associated expenses related to challenging a tax warrant and was dismissed, to the following claimant:

Melissa A. Vinson
 1730 Candance Lane
 El Dorado, KS 67042 \$1,588.28

Proposed Amendment
For Consideration By
Committee on Appropriations

HOUSE APPROPRIATIONS

DATE 3-15-2005

ATTACHMENT 5

1 Harry Baxter
 2 HB Stereo Incorporated
 3 130 E Poyntz Ave.
 4 Manhattan, KS 66502
 5 c/o Brenda J. Bell
 6 Attorney at Law
 7 P.O. Box 816
 8 Manhattan, KS \$10,218.10

9 Sec. 8. (a) The department of administration is hereby authorized and
 10 directed to pay the following amount from the cancelled warrants pay-
 11 ment fund as reimbursement for a penalty deducted to issue a replace-
 12 ment warrant for a rent payment which was never received by the claim-
 13 ant, to the following claimant:
 14 G.D.C. Financial Group, L.L.C.
 15 Gateway Plaza ACEO 1, c/o
 16 Richard Ellis, Inc.
 17 P.O. Box 1450, NW #7785
 18 Minneapolis, MN 55485-7785 \$5,957.55

19 (b) The department of administration is hereby authorized and
 20 directed to pay the following amount from the canceled warrants
 21 payment fund as reimbursement for an expired warrant, to the fol-
 22 lowing claimant:
 23 John Seitz
 24 402 W. Carson St. #25
 25 Carson, CA 90745 \$3,660.27

26 (c) The department of administration is hereby authorized and
 27 directed to pay the following amount from the canceled warrants
 28 payment fund as reimbursement for an canceled warrant, to the
 29 following claimant:
 30 University of Wisconsin - Madison
 31 400 A.W. Peterson Bldg.
 32 750 University Ave.
 33 Madison, WI 53706-1490 \$214,089.49

34 (d) The department of administration is hereby authorized and
 35 directed to pay the following amount from the canceled warrants
 36 payment fund as reimbursement for an expired warrant, to the fol-
 37 lowing claimant:
 38 [Randy Russell
 39 [502 West Ave.
 40 [Norton, KS 67654 \$435.89]

41 Sec. 9. The department of wildlife and parks is hereby authorized
 42 and directed to pay the following amount from the parks fee fund
 43 as reimbursement for damage to claimant's pasture caused by a fire

(b) The department of revenue is hereby authorized and directed
 following amount from the revenue administration fee fund as reimburse
 a claim for refund for lost or destroyed fuel which was filed in a
 manner, to the following claimant:

John Lopp
 Lopp Oil Co. Inc.
 P.O. Box 334
 Columbus, KS 66725..... \$774.80



COMMITTEE MEMBERS

HOUSE OF REPRESENTATIVES

DONALD DAHL, VICE CHAIRPERSON
MARTI CROW
BOB GRANT
DAVID HUFF
EBER PHELPS
TED POWERS
DALE SWENSON
DAN WILLIAMS

COMMITTEE MEMBERS

SENATE

EDWARD W PUGH, CHAIRPERSON
JAY SCOTT EMLER
MARK GILSTRAP
DAVE JACKSON
ROBERT TYSON

TOPEKA

JOINT COMMITTEE ON
SPECIAL CLAIMS AGAINST THE STATE

ROOM 545-N, STATEHOUSE
300 SW 10TH AVENUE
TOPEKA, KANSAS 66612-1504

December 9, 2002

Lyle Hanschu
3536 US Hwy. 56
Lost Springs, KS 66859

RE: Claim No. 5263

Dear Mr. Hanschu:

The Joint Committee on Special Claims Against the State met on December 5, 2002, and your claim filed against the Kansas Animal Health Department in the amount of \$39,528.00 was considered.

It was the decision of the Committee that \$5,000.00 be allowed on the claim and that it be paid from the State General Fund. This action represents only a recommendation to the 2003 Legislature. Legislation supporting our recommendation will be introduced, and if enacted, you should receive payment in the late spring of 2003.

It will be your responsibility to track the legislation through the legislative process and to keep us advised of any change of address which you might have.

Sincerely,

Senator Ed Pugh
Chairperson

EP/sh

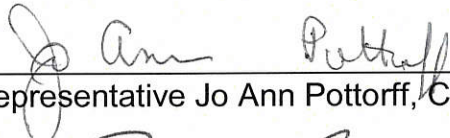
cc: Kansas Animal Health Department

HOUSE APPROPRIATIONS

DATE 3-05-2005
ATTACHMENT 6

**House General Government and Commerce Budget Committee Report on
House Bill 2228**

The House General Government and Commerce Budget Committee recommends House Bill 2228 be amended, and be reported favorably for passage as amended.



Representative Jo Ann Pottorff, Chairperson



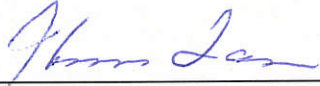
Representative Richard Carlson




Representative David Huff



Representative Annie Kuether



Representative Harold Lane



Representative Scott Schwab

Representative Clark Shultz

HOUSE APPROPRIATIONS

DATE 3-15-2005
ATTACHMENT 7

House General Government and Commerce Budget Committee

Recommendation on House Bill 2228

Brief

HB 2228 amends statutes regarding the state use law, including the catalog of products and services manufactured by Kansans who are blind or severely disabled (the "State Use Catalog")

The bill, as recommended by the Budget Committee, creates a "State Use Law" Committee with overall management responsibility for the State Use Catalog. The State Use Committee would be composed of nine members who would serve without compensation:

- one member appointed by the United School Superintendents;
- one member appointed by the State Board of Regents;
- one member appointed by the Director of Purchases of the Department of Administration;
- two members appointed by the Governor who are neutral private sector business persons;
- two members appointed by the Governor who are qualified vendors; and
- two legislators of differing political parties

The Committee would be responsible for advising the Director of Purchases on issues surrounding the provisions of the law, including:

- the development of waiver guidelines to be followed by qualifying agencies and unified school districts;
- the pricing process used by the director of purchases for eligible products and services;
- the product and service eligibility process used by the director of purchases for state use law products and services;
- review of the threshold dollar amount of purchases by state agencies or unified school districts for the state use law to apply;
- review of the provisions of the law on any bid for any purchase that is determined by the director of purchases to be a substantially higher cost than the purchase would have cost had it been competitively bid,
- the establishment of rules, regulations and policies to assure fair and effective implementation of the law, including appropriate rules and regulations relating to violations of the law,

- establishing procedures for setting fair market prices for items included on the procurement list and revision of products and prices in accordance with the changing market conditions to assure that the prices established are reflective of the market;
- assisting qualified vendors in identifying and improving marketing efforts of the products manufactured or processed and offered for sale and services offered under the law to state agencies and unified school districts;
- encouraging and assisting the director of purchases, state agencies and unified school districts to identify additional commodities and services that may be purchased from qualified nonprofit agencies not participating in the state use law catalog;
- Unified School District utilization of “services” provided by qualified vendors and
- any other issue identified by any interested party.

The Committee would be responsible for maintaining a registry of qualified vendors, as defined by the bill. The qualified vendors would be responsible for furnishing a list of products manufactured and processed by the qualified vendors. The list of products and services would be certified by the Director of Purchases.

The term “qualified vendor” is defined as:

- a not-for-profit entity incorporated in the state of Kansas that primarily employs the blind or disabled;
- is operated in the interest of and for the benefit of the blind or persons with severe disabilities, or both;
- the net income of such entity shall not, in whole or any part, financially benefit any shareholder or other individual; and
- the entity’s primary purpose is to provide employment for persons who are blind or have other severe disabilities.

The bill directs the Director of Purchases to approve prices of the products and services available. All of the products or services offered to state agencies are required to meet specifications of the Director of Purchases and all products and services offered to school districts are required to meet specifications of the Board of Education of the school district.

The qualified vendors would be responsible for publishing catalogs of products and services submitted by qualified vendors, but the products or services are not necessarily required to be included in the catalog for provisions of the law to apply.

The bill also provides that when a qualified vendor is unable to supply needed products or services, or unable to meet delivery requirements, the Director of Purchases shall immediately

issue a waiver to the appropriate procurement or purchasing officer, and that the waiver will exempt the purchaser from provisions of the law.

The bill also requires qualified vendors to submit an annual report to the Governor, Legislature, Director of Purchases, Board of Regents, and the Kansas Association of School Boards, regarding sales and waivers under the provisions of the bill.

Background

Representatives of Envision, InterHab, and the Coalition for Opportunity spoke in support of the bill, as did a parent on an Envision employee. Representatives of the United School Administrators, the Kansas Association of School Boards, and Unified School District (USD) 229 (Blue Valley), USD 259 (Wichita) and USD 500 (Kansas City) appeared in opposition to the bill. Written testimony in opposition to the bill was also provided by USD 233 (Olathe).

The Budget Committee recommendations include amendments to add two legislators (of differing political parties) to the State Use Law Committee, bringing total Committee membership to nine members, to delete the requirement that mandates Unified School District utilization of "services" provided by qualified vendors, and add this topic to the list of topics on which the Committee would advise the Director of Purchases, and to clarify that members of the Committee should serve without compensation. Other amendments recommended are technical in nature.


The fiscal note prepared by the Division of the Budget indicates that the bill would have a negligible effect on state agencies' purchasing procedures or costs.

HOUSE BUDGET COMMITTEE REPORT

Recommendation and Report on HB 2226

March 9, 2005

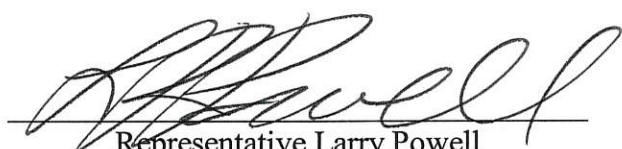
The Budget Committee recommends a substitute bill to replace the current provisions, and recommends the bill, as amended, favorable for passage in order to set requirements for the Secretary of Wildlife and Parks to follow when acquiring property.


Representative Sharon Schwartz Chairperson

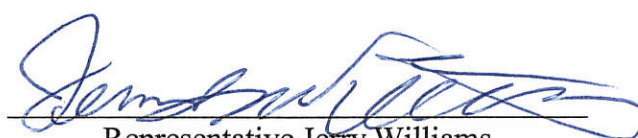
Representative Vaughn Flora


Representative Joann Freeborn


Representative Carl Holmes


Representative Larry Powell


Representative Tom Sloan


Representative Jerry Williams

HOUSE APPROPRIATIONS

DATE 3-15-2005

ATTACHMENT 8

Brief

HB 2226, as introduced, would prescribe new procedures to be followed when the Secretary of Wildlife and Parks acquires any land. The following procedures for the Secretary of Wildlife and Parks would be set in statute:

1. Conduct an economic impact study on the land proposed to be acquired.
2. Consult with the county weed supervisor and certify the land proposed to be acquired is in compliance with statutory requirements for control and management of noxious weeds.
3. Conform to statutory requirements when acquiring land through eminent domain.
4. Provide notice of proposed land acquisitions to the board of county commissioners and comply with statutory provisions created in this act regarding local procedures after notice is given.
5. Receive legislative approval for any land acquisition.
6. Enter into a contract for payment of moneys in lieu of taxes if the land proposed for acquisition is exempt from payment of ad valorem taxes after acquisition.

HB 2226, as introduced, would establish new statutory provisions regarding local procedures to be followed after the Secretary of Wildlife and Parks notifies county commissioners of a proposed land acquisition in their county or counties. The county commissions would be required to hold a public hearing on the proposed land acquisition. Notice of such meetings would be required to be published in the official county newspapers and paid by the Secretary of Wildlife and Parks. At the public hearing, the Secretary of Wildlife and Parks, or designee, would give a description of the land proposed to be acquired and the reasons for acquisition. After the hearing, county commissioners may adopt by resolution a recommendation approval of the acquisition. All resolutions would be published at least once a week for two consecutive weeks in the official county newspapers and the Secretary of Wildlife and Parks shall pay the costs of publication. A protest procedure would be provided, and if, within 30 days following the last publication date, a petition signed by at least five percent of the qualified electors is filed, no land shall be acquired unless the question is approved by a majority of voters during an election in the manner provided by the general bond law. The Secretary of Wildlife and Parks would pay for the costs on conducting an election.

Background

The bill was supported by a representative of the Kansas Farm Bureau. A representative of the County Weed Directors Association appeared in support of the new noxious weed provision in the bill. Opponents included the Secretary of Wildlife and Parks and a small manufacturing chief

executive officer who also serves on the Department of Wildlife and Parks Commission.

No fiscal note was available for HB 2226.

Budget Committee Recommended Amendments

The Budget Committee recommends a substitute bill that would require the Secretary of Wildlife and Parks shall comply with the following procedures when acquiring any property, regardless of whether acquired by purchase, donation, or gift. The Secretary shall:

1. Certify a plan for controlling and managing noxious weeds on the property to be acquired.
2. Make payments in lieu of taxes for the property to be acquired.
3. Develop a management plan for the new property, including five-year cost estimates for annual operating expenses, capital improvement expenditures, and staff requirements.

In addition to the first three requirements, the substitute bill would require acquisitions of land areas of greater than 480 acres to be approved by the Legislature, either as a specific item in an appropriations bill pertaining to the individual property to be acquired or as an item in other legislation that identifies the individual property to be acquired. For land of 480 acres or less, legislative approval for the acquisitions would be implicit in the Legislature's appropriation for acquisition and maintenance of public lands, including wetlands, that occurs annually for capital improvements funding.

Proposed Substitute for HOUSE BILL NO. 2226

By Committee on Appropriations

AN ACT concerning the department of wildlife and parks; prescribing certain procedures for acquisition of land by such department.

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

Section 1. (a) Notwithstanding the provisions of subsection (f) of K.S.A. 32-807, and amendments thereto, or any other provisions of law to the contrary, the secretary of wildlife and parks shall not acquire any land unless:

(1) The secretary of wildlife and parks has certified that the land proposed to be acquired is in compliance with the provisions of article 13 of chapter 2 of the Kansas Statutes Annotated, and amendments thereto, concerning control and management of noxious weeds after consultation with the county weed supervisor and has developed a written plan for controlling and managing noxious weeds on the land to be acquired;

(2) the secretary of wildlife and parks shall agree to make payment of moneys in lieu of taxes comparable to the ad valorem tax payments of surrounding lands for any land acquired which is exempt from the payment of ad valorem taxes under the laws of the state of Kansas; and

(3) the secretary of wildlife and parks has developed a management plan for the property proposed to be acquired, including five-year cost estimates for annual operating expenditures, capital improvement expenditures and staffing requirements.

(b) In addition to the requirements prescribed by this section and otherwise by law, any proposed acquisition of a tract or tracts of land which are greater than 480 acres in the aggregate shall be subject to approval by act of the legislature, either as a provision in an appropriation act pertaining to the specific property to be acquired or by any other act of the legislature that approves the acquisition of the specific property proposed to be acquired.

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

HOUSE APPROPRIATIONS

DATE 3-15-2005

ATTACHMENT 9

AFT AGENDA

April 18, 2005 Kansas Policy Conference on Offender Reentry

- 8:00-8:30 Meet/Greet/Registration
- 8:30 Master of Ceremonies: Secretary of Corrections Roger Werholtz
Welcome by Local Official
- 8:35 Brief remarks by District Attorney Paul Morrison
- 8:40 Brief comments by Rep. Ward Lloyd
- 8:45 Offender Comments Moderated by Secretary of Corrections Roger Werholtz
- 9:00 Introduction of Senator Sam Brownback by Rep. Ward Lloyd
- 9:00 Keynote by Senator Sam Brownback
- 9:30 Presentation by Council of State Governments - #1
10:10 *Break*
10:20 Presentation by Council of State Governments - #2
- 10:50 Presentation by Council of State Governments - #3
- 11:30 Brief overview of where we are in Kansas with offender reentry to highlight progress to date and remaining gaps/needs
11:45 *Break for Lunch*
12:00 Introduction of Governor Kathleen Sebelius Rep. Ward Lloyd
- Keynote by Governor Kathleen Sebelius
- 12:45 End Lunch and head to Exhibit Hall
- 12:45-2:00 Exhibit Hall
- 2:10 Breakout Session
- Assign participants by geographical region
 - Identify 5 key areas to address in terms of “next steps” for a plan for Kansas
 - Job Readiness
 - Mental health care/cognitive
 - Housing
 - Substance abuse treatment
 - Families/child support/financial (including identification, DL)
 - Neighborhoods, Victims, Law Enforcement & Community Safety
- 3:30 *Break*
3:40 Reconvene, Report Out & Close – Secretary of Corrections Roger Werholtz

HOUSE APPROPRIATIONS

DATE 3-15-2005
ATTACHMENT 10