

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Steve Morris at 10:40 a.m. on January 24, 2001, in Room 123-S of the Capitol.

All members were present except: All present

Committee staff present:

Alan Conroy, Chief Fiscal Analyst, Kansas Legislative Research Department  
Leah Robinson, Kansas Legislative Research Department  
Amory Lovin, Kansas Legislative Research Department  
Robert Waller, Kansas Legislative Research Department  
Michael Corrigan, Assistant Revisor, Revisor of Statutes Office  
Julie Weber, Administrative Assistant to the Chairman  
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Barbara Hinton, Legislative Post Auditor, Legislative Division of Post Audit  
Kyle Smith, Kansas Bureau of Investigation  
Col. Donald W. Brownlee, Superintendent, Kansas Highway Patrol

Others attending: See attached guest list

**Bill Introduction**

Senator Barone moved, with a second by Senator Feleciano, to introduce a bill (1rs0524) regarding how the Board of Accountancy collects and pays fees. Motion carried by a voice vote.

Chairman Morris mentioned that there will be hearings on **SB 33** and **SB 57**.

The Chairman opened the public hearing on:

**SB 33 – Law enforcement, seized property forfeitures and certain tax assessment and penalty collection proceeds, authorized uses, reports and accounting**

Staff briefed the Committee on the bill.

Chairman Morris welcomed Barbara Hinton, Legislative Post Auditor, Legislative Division of Post Audit, who testified in favor of **SB 33** (Attachment 1). Ms. Hinton mentioned in her testimony that the bill addresses issues raised in their audit in the following three ways:

- it requires State and local law enforcement agencies to separately account for any proceeds they receive from different types of forfeitures.
- it creates a mechanism for State and local governmental units to reallocate a portion of any “windfall” forfeiture proceeds.
- it requires State law enforcement agencies to report information about the forfeitures they receive under federal law, not just State law, and it identifies the KBI as the agency responsible for collecting this information and submitting it to the Legislature.

Committee questions and discussion followed.

Chairman Morris welcomed Kyle Smith, Director of Public and Governmental Policy, Kansas Bureau of Investigation, neutral conferee (Attachment 2). In his testimony, Mr. Smith mentioned that on behalf of the KBI, they have no objection to the amendments as set out in **SB 33**. He noted that the need for

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legislation is not overwhelming: The reporting failings seemed to have been acts of ignorance and they have been addressed. The “windfall provision” is designed to address a situation that has happened only once in the history of Kansas. Committee questions and discussion followed.

Written testimony was received from Col. Donald W. Brownlee, Superintendent, Kansas Highway Patrol, neutral (Attachment 3).

The Chairman thanked the conferees for appearing before the Committee.

The Chairman closed the public hearing on **SB 33**.

The Chairman opened the public hearing on:

### **SB 57 – Claims Against the State**

Chairman Morris welcomed Dr. Bill Wolff, Kansas Legislative Research Department, who detailed **SB 57** by Section in detail. Committee questions and discussion followed.

There being no further conferees on the bill, the Chairman closed the public hearing on **SB 57**.

Chairman Morris requested that Staff contact the Kansas Department of Revenue to ask that they come before the Committee and explain how motor vehicle tax refunds are processed.

Senator Kerr expressed concern regarding Section 11, subsection (a) and the standard that was utilized to arrive at the amount for Coffey County. The Senator asked Dr. Wolff if the State might be liable for considerable money to other local governments because people were not transferred in a timely way.

Dr. Wolff responded that there is a potential for that, however, this is the first time anyone has ever made this type of claim during his time with the Committee. Dr. Wolff mentioned that the Department of Corrections did not contest it.

Senator Kerr moved, with a second by Senator Downey, to remove Section 11, subsection (a) from the bill. Senator Kerr mentioned that, if concluded it is appropriate when the bill is debated on the floor, it can be added back in at that time. Senator Kerr expressed concern that this would set a precedent. Motion carried by a voice vote.

Chairman Morris expressed concern regarding the \$32,525.34 claim against SRS and if more time might need to spent on it because it could also set a precedent.

Mr. Wolff mentioned that he has received several claims since the Claims Committees met:

- Claim by Dr. Michael Weber, a local dentist, who has provided some services to SRS clients where his billing was not received in the proper fiscal year and the agency recommends that he be paid in the amount of \$220.00, and
- three small claims from motor fuel tax refunds that will added to the list under Section 2 and were received by the Department of Revenue and the agency has verified the payments.

Senator Feleciano moved, with a second by Senator Schodorf, to add the SRS claim regarding Dr. Weber and the three claims from motor fuel tax refunds. Motion carried by a voice vote.

The Chairman thanked Dr. Wolff for his presentation before the Committee.

A letter dated January 23, 2001, was distributed to the Committee from Ed Van Petten, Executive Director, Kansas Lottery, regarding Carribean Stud Poker Advertising (Attachment 4).

The meeting was adjourned at 11:45 a.m. The next meeting is scheduled for January 25, 2001.