

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:40 A.M. on January 18, 2007, in Room 123-S of the Capitol.

All members were present.

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Julian Efird, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Melinda Gaul, Chief of Staff, Senate Ways & Means
Mary Shaw, Committee Assistant

Conferees appearing before the committee:

Marilyn Jacobson, Interim Director, Division of Facilities Management, Kansas Department of Administration
Joan Wagon, Secretary, Kansas Department of Revenue

Others attending:

See attached list.

Bill Introductions

Senator McGinn moved, with a second by Senator Emler, to introduce a bill concerning establishment of upper Arkansas river conservation reserve enhancement program (7rs0580). Motion carried on a voice vote.

Senator Barone moved, with a second by Senator Emler, to introduce a bill concerning insurance; subsidence insurance (7rs0560). Motion carried on a voice vote.

Chairman Umbarger welcomed Marilyn Jacobson, Interim Director, Division of Facilities Management, Kansas Department of Administration, who presented an update on the state building assessment (Attachment 1). Ms. Jacobson addressed the most significant building assets managed, their respective gross square footages and construction dates in her testimony. She noted that using the current Building Condition Index (BCI) scores, there is little doubt that the majority of the existing State owned/managed office space in the capitol complex is either in or near a very critical condition of disrepair. Ms. Jacobson provided details in her written and oral testimony regarding several options:

- Reconstruction of Docking (Attachment A)
 - Phased Reconstruction of Docking
- Build a new Building (Attachment B)
 - Demolish Docking
 - Parking Garage
- Repair Docking (Attachment C)
- Reconstruction of Landon (Attachment D)
- Repair Landon (Attachment E)
- Renovation of Dillon House (Attachment F)

There was committee discussion with questions.

Chairman Umbarger welcomed Joan Wagon, Secretary, Kansas Department of Revenue, who provided an overview of the agency (Attachment 2). Secretary Wagon explained that the agency has been engaged in numerous compliance initiatives which have dramatically increased revenue collections in the past several years. She noted that some of the higher profile initiatives include tax clearances for all state employees, appointees to boards and commissions and licensees holding state licenses; expansion of collection staff and

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enhanced collections processes; and the mis-classification of workers project. Secretary Wagnon mentioned that they have requested membership lists for discovery matching from 20 of the 29 licensing agencies to date. All have provided complete information including Social Security Numbers except the Kansas State Board of Technical Professions with their 14,494 licenses. Secretary Wagnon noted that cooperation has been great. Without the Social Security Number it is difficult to complete the match and she explained that currently a bill is pending in the Senate Taxation Committee that would require all licensing agencies to obtain Social Security Numbers on their licenses and to transmit that information to the Kansas Department of Revenue on request. Secretary Wagnon noted that it was important to note that the department does not have the authority to withhold the license if a delinquency exists.

Committee questions and discussion followed. Due to time constraint, Chairman Umbarger asked that Secretary Wagnon return to the Committee for the remainder of her overview of the Kansas Department of Revenue.

The meeting adjourned at 12:00 p.m. The next meeting is scheduled for January 19, 2007.