

MINUTES OF THE COMMITTEE ON SENATE WAYS AND MEANS.

The meeting was called to order by Chairperson Stephen Morris at 10:40 a.m. on February 5, 2002 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
Deb Hollon, Kansas Legislative Research Department
Audrey Nogle, Kansas Legislative Research Department
Julian Efird, Kansas Legislative Research Department
Michael Corrigan, Assistant Revisor of Statutes
Judy Bromich, Assistant to the Chairman
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Jim Murphy, Fiscal Management, Kansas Department of Health and Environment
Dr. Duane Boline, Director, Kansas Health and Environmental Laboratory, Department of Health and Environment
Philip Bradley, Kansas Licensed Beverage Association
Bobbi Mariani, Director, Division of Personnel Services, Kansas Department of Administration
Janet Palmer, Personnel Director, Kansas Department of Human Resources
Allen Humphrey, Chief of the Bureau of Personnel Services, Kansas Department of Transportation
Betty M. Vines, President, Kansas Association of Public Employees (written)
Pat Saville, Chairperson, Employee Award Board (written)
Stephen S. Richards, Secretary, Kansas Department of Revenue

Others attending: See attached list

Chairman Morris announced that the Committee will proceed with consideration of the Governor's Budget since **SB 385** would not have enough votes to pass the Senate. Senator Salmans asked about flagging items in case something does happen or priority items in regard to the subcommittees. Chairman Morris mentioned that if there was something obvious, please call attention to it and explained that he will visit with each subcommittee chairperson about instructions. Committee questions and discussion followed.

Bill Introductions

Senator Salmans moved, with a second by Senator Jordan, to introduce a bill requested by the Department of Social and Rehabilitation Services regarding additions to the list of unclassified state employee positions (1rs1377). Motion carried on a voice vote.

Senator Salmans moved, with a second by Senator Jackson, to introduce a bill requested by the Emergency Medical Services Board concerning providing financial support; imposing a levy on certain home and automobile insurance business (1rs1932). Motion carried by a voice vote.

Chairman Morris introduced Alan Conroy, Chief Fiscal Analyst, Kansas Legislative Research Department, who updated the Committee on the State General Fund (SGF) Receipts, July through January, FY 2002 (Attachment 1). Mr. Conroy mentioned that this is the third month of experience under the revised estimate of SGF receipts in FY 2002 made by the Consensus Estimating Group on November 2, 2001. He also noted that receipts for January were negatively impacted by the ice storm, which closed state offices on January 29 and part of January 30. This caused tax remittance processing delays in the Department of Revenue. Information is detailed in Mr. Conroy's attachment. The next meeting of the Consensus Revenue Estimating Group to review, and if necessary, revise SGF estimates for FY 2002 and FY 2003 is scheduled for March 8, 2002. The regular consensus estimating dates have been moved from

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April and November to March and October. The Chairman thanked Mr. Conroy for the update on the State General Fund Receipts.

Chairman Morris opened the public hearing on:

SB 416 – Expenditures from the driving under the influence equipment fund

Staff briefed the Committee on the bill.

Jim Murphy, Fiscal Management, Department of Health and Environment, introduced Dr. Duane Boline, who testified regarding **SB 416**.

Dr. Duane Boline, Director, Kansas Health and Environmental Laboratory, Department of Health and Environment, spoke in support of **SB 416** (Attachment 2). Dr. Boline discussed and explained in his testimony the utilization of the Department of Health and Environment's Breath Alcohol Program fund.

Philip Bradley, Kansas Licensed Beverage Association, spoke regarding what appears to be the intent of the bill taking out any possibility of these funds or resources used for driver's safety programs. They are always concerned and prefer prevention and safety over enforcement. He was concerned that it appears that the intent is that these funds are strictly for the enforcement. (No written testimony was submitted.) Chairman Morris noted that the Department of Health and Environment indicated that they intend to also have separate training for prevention and safety.

Committee questions and discussion followed. Chairman Morris thanked the conferees for appearing before the Committee. There being no further conferees to come before the Committee, the hearing was closed on **SB 416**.

Chairman Morris opened the public hearing on:

SB 429 – Establishing an employee award and recognition program

Staff briefed the Committee on the bill.

Bobbi Mariani, Director, Division of Personnel Services, Department of Administration, spoke in favor of **SB 429** (Attachment 3). Ms. Mariani explained that the bill consolidates the existing award and recognition programs for state employees including length of service pin awards, Kansas Quality Management (KQM), the Employee Suggestion Program (ESP), and the bonus portion of the Kansas Savings Incentive Program (KSIP) into one statewide program.

Janet Palmer, Personnel Director, Kansas Department of Human Resources, spoke in favor of **SB 429** (Attachment 4). Ms. Palmer mentioned that the Department is constantly striving to recruit and then retain exceptional employees. She noted that a meaningful recognition program gives them a way to recognize the contribution employees make to the success of the agency and state government through excellence in performance and service.

Allen Humphrey, Chief of the Bureau of Personnel Services, Kansas Department of Transportation, spoke in favor of **SB 429** (Attachment 5). Mr. Humphrey explained that the Department is fortunate in having a committed workforce and it is for that reason that they support **SB 429** because it provides a means to reward state employees and to acknowledge and demonstrate their appreciation of employee efforts.

Betty M. Vines, President, Kansas Association of Public Employees, submitted written testimony regarding **SB 429** (Attachment 6).

Pat Saville, Chairperson, Employee Award Board, submitted written testimony regarding **SB 429** (Attachment 7).

Committee questions and discussion followed. The Chairman thanked all the conferees for their appearance before the Committee. There being no further conferees to come before the Committee, the Chairman closed the public hearing on **SB 429**.

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Chairman Morris called the Committee's attention to discussion of:

SB 416 – Expenditures from the driving under the influence equipment fund

Senator Feleciano moved, with a second by Senator Adkins, to recommend SB 416 favorably for passage. Motion carried on a roll call vote.

SB 416 – Establishing an employee award and recognition program

Senator Feleciano moved, with a second by Senator Adkins, to recommend SB 429 favorably for passage. Motion carried on a roll call vote.

Chairman Morris welcomed Stephen Richards, Secretary, Kansas Department of Revenue, who presented a briefing on:

- Progress that the Department of Revenue has made in its Collection Initiatives
- Corporate Income Tax Receipts not performing as expected
- Update regarding the Panhandle Eastern Pipeline Tax Court Case

Secretary Richards addressed the topics listed above in his written testimony (Attachment 8). Committee questions and discussion followed. The Chairman thanked Secretary Richards for his appearing before the Committee.

The meeting was adjourned at 12:00 noon. The next meeting is scheduled for February 6, 2002.