

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:35 A.M. on March 21, 2006, in Room 123-S of the Capitol.

All members were present.

Committee staff present:

Jill Wolters, Revisor of Statutes Office
Michael Corrigan, Revisor of Statutes Office
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Reagan Cussimano, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Debra Hollon, Kansas Legislative Research Department
Judy Bromich, Chief of Staff
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Reginald Robinson, President and CEO, Kansas Board of Regents
Ed Heptig, Director of Maintenance, Kansas State University
Trudy Aron, Executive Director, American Institute of Architects
Karl Peterjohn, Executive Director, Kansas Taxpayers Network
Alan Cobb, Americans for Prosperity Kansas
Rich Hoffman, President, Kaw Area Technical School Director
Mary Ellen Conlee, Wichita Area Technical College
Mark Desetti, Kansas National Education Association
Kenneth A. Clouse, President, Northwest Kansas Technical College (written)

Others attending:

See attached list.

Bill Introductions

Senator Wysong moved, with a second by Senator Morris, to introduce a bill concerning additional property, income and sales and use taxes (5rs2334). Motion carried on a voice vote. Senator Morris explained that this is the tax bill for the Senate Leadership School Plan.

Senator Schmidt moved, with a second by Senator Betts, to introduce a bill concerning creating the joint committee on bioscience oversight (5rs2332). Motion carried on a voice vote.

Chairman Umbarger opened the public hearing on:

SB 586--Statewide mill levy increase and sales tax increase for building and facility maintenance at state educational institutions

Staff briefed the Committee on the bill and information was provided on the Regent's Proposal on the Deferred Maintenance (Attachment 1).

The Chairman welcomed the following conferees:

Reginald Robinson, President and CEO, Kansas Board of Regents, testified in support of **SB 586** (Attachment 2). Mr. Robinson distributed information regarding Deferred Maintenance/Annual Maintenance Funding Plan (Attachment 3). He explained that the state university deferred maintenance is a growing and dangerous problem on the six state university campuses. Mr. Robinson addressed the issue of deferred maintenance, the Crumbling Classrooms Initiative of 1996, the Board's Comprehensive Facilities Audit (Summer 2004), Legislative Post Audit (July 2005) and the Board's Comprehensive Funding Plan (**SB 586**). In closing, Mr. Robinson mentioned that the Board certainly appreciates the Committee's serious consideration of this issue

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that only grows more expensive the longer it is ignored.

Ed Heptig, Director of Maintenance, Kansas State University, testified in support of **SB 586** (Attachment 4). Mr. Heptig provided information on Kansas State University and photos that were taken from the 2002 Legislative Biennial Tour. He noted that this is a constant maintenance struggle and that new buildings also need maintenance.

Trudy Aron, Executive Director, American Institute of Architects, spoke in support of **SB 586** (Attachment 5). Ms. Aron explained that the Board of Regents is in need of funding for the maintenance, modernization and increased energy efficiency of their buildings. She noted that this bill could keep the Regent's buildings in good repair, help reduce the cost of energy and modernize them to meet today's needs as well as tomorrow's.

Karl Peterjohn, Executive Director, Kansas Taxpayers Network, testified in opposition to **SB 586** (Attachment 6). Mr. Peterjohn mentioned that the bill would create a sales tax temporary rate that would never go down. He also provided information regarding various comparisons with other states in his written testimony.

Alan Cobb, Americans for Prosperity, spoke in opposition to **SB 586** (Attachment 7). Mr. Cobb explained that the overall tax burden in Kansas is already relatively high and continues to place Kansas in an uncompetitive position, particularly compared to the region and neighbor states. In his written testimony, Mr. Cobb provided detailed information regarding Kansas Property Tax, Kansas Higher Education spending and the Kansas Economy.

There being no further conferees to come before the Committee, the Chairman closed the public hearing on **SB 586**.

The Chairman opened the public hearing on:

SB 588--Establishing the Kansas technical college and vocational education school commission

Staff briefed the Committee on the bill.

Chairman Umbarger welcomed the following conferees:

Reginald Robinson, President and CEO, Kansas Board of Regents, testified in support of **SB 588** (Attachment 8). Mr. Robinson explained that the bill would establish a seven-member Kansas Technical College and Vocational Education School Commission. He noted that this Commission would provide an important opportunity for the Board of Regents to advance its effort to produce meaningful reforms to the state's post-secondary technical education sector and they are pleased to support this proposal.

Rich Hoffman, President, Kaw Area Technical School Director, spoke in support of **SB 588** (Attachment 9). Mr. Hoffman explained that the Kansas Association of Technical Schools and Colleges supports the bill and the appointment of a commission to study the governance and funding of technical education in Kansas. He noted that their Board asks for consideration of two amendments to the bill:

- *(5) two members of the commission shall be appointed by The Kansas Association of Technical Schools and Colleges. One member shall be a Technical School Director and one member shall be a Technical College President; and,*
- *(3) one member represented by business and industry, shall be a person selected by the Governor who shall serve as chairperson of the committee; and*

Mary Ellen Conlee, representing the Wichita Area Technical College (WATC), testified in support of **SB 588** (Attachment 10). Ms. Conlee explained that they support the creation of the Kansas Technical College and Vocational Education School Commission as proposed in the bill, and supports the additional members proposed by the Kansas Association of Technical Schools and Colleges. Ms. Conlee noted that if WATC is to be successful as an independently governed and North Central accredited technical college, it needs

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answers to funding issues and other governance issues as soon as possible. In closing, she noted that they fully support **SB 588** and believe that its two reporting periods of January 2007 and January 2008 are essential.

Mark Desetti, Kansas National Education Association, testified as a neutral conferee on **SB 588** (Attachment 11). Mr. Desetti explained that technical schools and colleges have issues they have to contend with and noted that there has been a serious lack of communication among all the stakeholder groups and the one group most left in the dark has been the instructional staff. He noted that the KNEA asks consideration of adding a representative of the instructional staff to serve on the Commission.

Written testimony was submitted by Kenneth A. Clouse, President of Northwest Technical College (Attachment 12).

There being no further conferees to appear before the Committee, the Chairman closed the public hearing on **SB 588**.

Senator Emler moved, with a second by Senator Kelly, to amend **SB 588** to add that staffing of the Commission would include Legislative Administrative Services and others as directed by Legislative Coordinating Council. Motion carried on a voice vote.

The Chairman asked the Committee to consider the amendments proposed by Mr. Hoffman and that he would consider working **SB 588** at a future date.

The meeting adjourned at 12:10 p.m. The next meeting was scheduled for March 22, 2006.