

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:40 A.M. on February 20, 2008, in Room 123-S of the Capitol.

All members were present except:

Senator Jay Emler - excused
Senator Steve Morris - excused

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes
Alan Conroy, Director, Kansas Legislative Research Department
Kimbra Caywood McCarthy, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Cody Gorges, Kansas Legislative Research Department
Aaron Klaassen, Kansas Legislative Research
Heather O'Hara, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Jarod Waltner, Kansas Legislative Research Department
Melinda Gaul, Chief of Staff, Senate Ways & Means
Mary Shaw, Committee Assistant

Conferees appearing before the committee:

Roger Werholtz, Secretary, Kansas Department of Corrections
Mike Kearns, Riley County Board of Commissioners
Randall Allen, Executive Director, Kansas Association of Counties

Others attending:

See attached list.

Bill Introductions

Senator Schodorf moved, with a second by Senator Kelly, to introduce a conceptual bill regarding corporate income taxation changes relating to apportionment of net income, business income and surtax on corporations. Motion carried on a voice vote. (This bill was brought to the committee by Senator Janis Lee, Senate Assessment and Taxation Committee. She noted that the bill would be similar to **HB 2752**.)

Senator Schodorf moved, with a second by Senator Steineger, to introduce a conceptual bill concerning school districts; special education state aid. Motion carried on a voice vote. (Senator Schodorf mentioned that this bill is similar to **HB 2790**.)

Senator McGinn moved, with a second by Senator Taddiken, to introduce a conceptual bill regarding non-fuel flammable or combustible liquid aboveground storage tanks; duties of state fire marshal; civil penalties; non-fuel flammable or combustible liquid aboveground storage tank system fund. Motion carried on a voice vote.

Copies of the Kansas Legislative Research Department Budget Analysis Report for FY 2008 and FY 2009 were available to the committee.

Subcommittee reports on:

Abstracter's Board of Examiners (Attachment 1)

Accountancy Board

Office of the State Bank Commissioner

Board of Barbering

Behavioral Science Regulatory Board

Board of Healing Arts

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Board of Cosmetology
Department of Credit Unions
Kansas Dental Board
Board of Mortuary Arts
Hearing Aid Examiners
Board of Nursing
Board of Optometry
Board of Pharmacy
Kansas Real Estate Appraisal Board
Kansas Real Estate Commission
Securities Commissioner
Board of Technical Professions
Board of Veterinary Examiners

Subcommittee Chairwoman Ruth Teichman reported that the subcommittee on the Fee Boards concurs with the Governor's recommendation in FY 2008 and concurs with the Governor's recommendation in FY 2009.

Senator Teichman moved, with a second by Senator Schodorf, to amend the subcommittee budget report on the Securities Commissioner, FY 2008, to request a brief report during next year's session on the \$20,000 non-expense transfer to the Kansas Council on Economic Education. Motion carried on a voice vote.

Senator Teichman moved, with a second by Senator Kelly, to adopt the subcommittee budget reports on the Fee Boards as listed above in FY 2008 and FY 2009 as amended. Motion carried on a voice vote.

The Chairman opened the public hearing on:

SB 539—Community corrections grant determinations by the secretary not subject to judicial review

Staff briefed the committee on the bill.

The Chairman welcomed the following conferees:

Roger Werholtz, Secretary, Kansas Department of Corrections, testified as a proponent on **SB 539** (Attachment 2). Secretary Werholtz explained that the bill would amend two statutes that respectively provide for the distribution of appropriated funds to community corrections entities for annual operating expenses and programs to increase public safety by the reduction of recidivism. He noted that the bill would amend the statutes to provide that the grant determinations by the Secretary of Corrections would not be subject to judicial review.

Mike Kearns, Member of the Riley County Board of Commissioners, spoke in opposition to **SB 539** (Attachment 3). Mr. Kearns explained that the bill would be bad public policy for the state because it would be a bad precedent in the short term, because it would entirely deprive counties in the future of their ability to legally challenge Community Corrections funding decisions and long term because it would allow other state agencies to seek to shield decisions from scrutiny by the courts, through legal action by citizens in the state.

Randall Allen, Executive Director, Kansas Association of Counties, testified in opposition to **SB 539** (Attachment 4). Mr. Allen explained that their Association's Legislative Policy Committee took a position in opposition to the bill. They believe that removing the option for a county or group of counties to seek judicial review concerning the granting of funds for community correction services sets a dangerous precedent and is unwarranted. He noted that the Kansas Department of Corrections and current Secretary Werholtz have been incredibly good partners in working to improve the many corrections programs where state and county responsibilities intersect. Mr. Allen urged the Committee to kill the bill and have the parties involved develop better common understanding.

Following committee discussion and questions, Chairman Umbarger appointed a Senate Ways and Means

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Subcommittee to work on **SB 539**. He appointed Senator Taddiken, Chair, Senator Emler, Senator Kelly and Senator Goodwin as members and asked them to work with the parties involved.

The Chairman closed the public hearing on **SB 539**.

The meeting adjourned at 11:45 a.m. The next meeting is scheduled for February 21, 2008.