

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Julia Lynn at 8:30 am on Thursday, March 17, 2016, 548-S of the Capitol.

All members were present except:
Senator Jeff Melcher – Excused

Committee staff present:
Debbie Bartuccio, Kansas Legislative Committee Assistant
Reed Holwegner, Legislative Research Department
Edward Penner, Legislative Research Department
Chuck Reimer, Office of Revisor of Statutes

Conferees appearing before the Committee:
Josh Bell, Director of Legislative Affairs, Kansas Department of Commerce
Larry Karns, Workers Compensation Director, Kansas Department of Labor

Others in attendance:
[See Attached List](#)

Final action on: SB493 — Providing for community finance fees and other administrative cost recovery fees for the department of commerce.

Chairperson Lynn opened deliberations on **SB 493**.

Senator Wagle moved, seconded by Senator Longbine, to amend the bill. (Attachment 1)

Senator Pilcher-Cook stated she thought it was important the Secretary of Commerce have discretion concerning the assessment of an administrative fee, but noted with subjectivity comes the potential for cronyism. Senator Wagle stated establishing a cap on fees has been a standard method for handling fees assessed by agencies.

The motion passed.

Senator Longbine moved, seconded by Senator Baumgardner, to amend the bill. (Attachment 2)

Senator Pilcher-Cook inquired if there was any money currently in the Kan-Grow Engineering Fund. Senator Longbine said he did not know the answer to the question. He stated by striking Section 5, the program would continue in its current form.

The motion passed.

Senator Olson moved, seconded by Senator Baumgardner, to amend the bill. (Attachment 3)

CONTINUATION SHEET

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Senator Wagle said the bill stemmed from a recommendation from the efficiency study conducted by Alvarez and Marsal and suggested the Committee follow the recommendation. Josh Bell, Director of Legislative Affairs, Kansas Department of Commerce, stated Secretary Soave would appreciate the flexibility to assess a fee of up to 5%.

Division was requested. There were two yeas and eight nays. The motion failed.

Senator Holland requested Secretary Soave, Kansas Department of Commerce, provide the Committee, prior to the bill being worked on the Senate floor, with justification as to why it may be necessary to assess an administrative application fee of up to 5%.

*Senator Denning moved, seconded by Senator Longbine, to remove the contents of **HB 2509 -State agencies and information technology plans**, and to place the amended language of **SB 493** into a substitute bill **HB 2509**.*

The motion passed.

*Senator Denning moved, seconded by Senator Longbine, to approve **Substitute HB 2509**. The motion passed.*

Final action on: SB501 — Establishing a non-discretionary performance based bonus program for state employees.

Chairperson Lynn opened deliberations on **SB 501**.

Senator Holland moved, seconded by Senator Longbine, to amend the bill. (Attachment 4) The motion passed.

*Senator Denning moved, seconded by Senator Longbine, to approve **SB 501** as amended. The motion passed.*

Final action on: SB502 — Kansas ideas festival by state employees for efficiency savings in state government.

Chairperson Lynn opened deliberations on **SB 502**.

*Senator Longbine moved, seconded by Senator Wilborn, to approve **SB 502**.*

Senator Baumgardner said it is common in both the private and public sectors to expect employees to make suggestions year-round to improve efficiency and outcomes for their organization. She expressed concern about the dollar amount allocated for the awards, and that the pursuit of efficiency improvements was limited to an annual idea festival.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

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The motion passed. Senator Baumgardner voted nay.

Final action on: HB2617 — Workers compensation; medical administrator; electronic filing.
Chairperson Lynn opened deliberations on **HB 2617**.

Senator Pilcher-Cook moved, seconded by Senator Olson, to amend the bill. (Attachment 5) The motion passed.

Senator Baumgardner moved, seconded by Senator Olson, to amend the bill. (Attachment 6) The motion passed.

Chairperson Lynn recognized Larry Karns, Workers Compensation Director, Kansas Department of Labor, who submitted an amendment to the bill. [\(Attachment 7\)](#)

Senator Denning moved, seconded by Senator Longbine, to adopt the amendment submitted by the Kansas Department of Labor. (Attachment 7) The motion passed.

*Senator Denning moved, seconded by Senator Baumgardner, to approve **HB 2617** as amended. The motion passed.*

Chairperson Lynn expressed her appreciation to the Committee for their work this session.

The meeting was adjourned at 9:19 a.m. There are no Senate Commerce Committee meetings scheduled.