

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairperson Ty Masterson at 10:30 am on Tuesday, February 24, 2015, 548-S of the Capitol.

All members were present

Committee staff present:

Jill Wolters, Office of Revisor of Statutes
Daniel Yoza, Office of Revisor of Statutes
David Wiese, Office of Revisor of Statutes
J G Scott, Legislative Research
Justin Carroll, Legislative Research
Bobbi Mariani, Legislative Research
Ben Wilhelm, Legislative Research
Shirley Morrow, Legislative Research
Mark Savoy, Legislative Research
David Fye, Legislative Research
Mark Dapp, Legislative Research
Debbie Luper, Legislative Research
Dee Heideman, Legislative Research

Conferees appearing before the Committee:

Dave Trabert, President, Kansas Policy Institute
Jeff Melcher, Kansas Senator
Andy Tompkins, President and CEO, Kansas Board of Regents
John Milburn, Legislative and Public Affairs, Kansas Department of Administration

Others in attendance:

[See Attached List](#)

On a point of personal privilege, Senator Masterson introduced his Pages, Deborah, Faith, and Paul Cook from Andover, Nathan Hayden from Wichita, and Elaine and Peter Cook from Andover were his Shadows for the day at the Capitol.

Senator Francisco introduced her Page, Emma Bingham from Herington Middle School.

Bill introductions

There were no bill introductions.

Hearing on: SB193 — Requiring a degree prospectus for postsecondary degree programs.

Chairperson Masterson opened the hearing on **SB193**.

David Wiese, Assistant Revisor, explained if **SB193** becomes law, it will require a degree prospectus for postsecondary degree programs ([Attachment 1](#)).

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PROPONENTS:

Dave Trabert, President Kansas Policy Institute, spoke in favor of the bill. He said a prospectus would allow students and their parents to make informed decisions about the cost of the degree and their investment in higher education ([Attachment 2](#)).

Jeff Melcher, Kansas Senator, spoke in favor of the bill and distributed a sample prospectus template that showed the information that would be included in the prospectus. He said the information included in the sample provided is correct, however, it was only intended as a sample template. Senator Melcher did not provide written testimony ([Attachment 3](#)).

Senator Francisco asked if the student continued on to graduate school rather than being employed, would the outcome numbers be skewed, i.e., percent employed and percent employed within field of study.

Senator Melcher said if a student did continue on to graduate school, they would be eliminated from the calculation since they are still attending a higher educational institution.

David Wiese said the bill allows the Board of Regents to adopt the rules and regulations.

Senator Francisco said she felt the calculations wouldn't be correct if some worked while going to school and many students don't borrow the full amount.

Senator Melcher said the prospectus was strictly to compare one institution against the other. The information would be identical for all universities so an accurate comparison can be made. He added that many students do borrow the full amount.

Senator Kelly said she was not sure most students do borrow the full amount because most students have a myriad of revenue sources to pay for their educational costs. She said the numbers on the sample were somewhat frightening.

Senator Powell asked if this bill would include a prospectus for community colleges. Senator Melcher said community colleges would be included for the various degrees offered.

OPPONENTS:

There were no opponents who came before the committee.

NEUTRAL:

Andy Tompkins, President and CEO of the Board of Regents, stated he was neutral on the bill. He said the scope of the bill will require a major investment of human capital at each of the 32 higher education institutions. He asked that the Board of Regents be allowed to work with the authors and legislative

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staff to revise the bill so the information is accurately presented ([Attachment 4](#)).

Senator Tyson referred to the data that Mr Tompkins alluded to and asked him how they collect the student data after they graduate. Mr Tompkins replied that the data is collected through the Department of Labor. Senator Tyson requested to have the data provided to the committee ([Attachment 4A](#)).

The chairperson closed the hearing on **SB193**.

Hearing on: SB249 — Purchasing; competitive bids; vehicle repairs.

The Chairperson opened the hearing on **SB249**.

Daniel Yoza, Assistant Revisor, explained that **SB249** makes four changes to the statute that deals with the competitive bidding process for state agencies ([Attachment 5](#)).

PROPOSERS:

John Milburn, Director of Legislative and Public Affairs for the Department of Administration testified before the committee to support **SB249** ([Attachment 6](#)).

Senator Francisco asked if this bill just raises the limits for purchases, and if that is the case, she felt this should be more clearly stated in the bill.

Tracy Diel, Department of Administration Officer of Procurement and Contracts, said if an agency is going to procure something within the guidelines of this bill, they have to go through this procurement process. He said in some instances where they have adequate personnel to do the types of procurement under the dollar amount set out in this bill, then the Office of Procurement and Contracts would become involved.

Senator Melcher asked when the present limits were initiated. Mr Diel said as far as they could ascertain, it was in the late 1990s.

Senator Tyson asked who actually monitors the checks that are written and paid. Mr Diel said for a purchase under \$5,000 a purchasing card is used and the audits at year-end should catch illegal purchases.

OPPOSERS:

There were no opposers to come before the committee.

NEUTRAL:

There were no neutral parties to come before the committee.

The Chairperson closed the hearing on **SB249**.

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Subcommittee report signature page:

All of the members of the General Government, Legislative, and Elected Officials signed the Signature Page for the Department of Commerce, Secretary of State, Insurance Commissioner, and KPERS ([Attachment 7](#)).

Subcommittee reports on:

Senator Kerschen, Chairperson of the General Government, Legislative, and Elected Officials, gave the Subcommittee for the Department of Commerce ([Attachment 8](#)).

After Senator Kerschen gave the Subcommittee Report, he made a motion to include the proportionate share of the total of \$4 million for the Garden City Airport. The motion was seconded by Senator Powell.

Jill Wolters, First Assistant Revisor, was called upon to explain a proviso that was inserted for FY2014 and FY2015 that proportionally divided the grant for the Affordable Airfare Act in the same amount that was granted in FY2013. She said this was an effort to protect the smaller airports; however, this language was taken out of this year's budget. She said to reinsert it, a sentence would be added with the amount changed from \$5 million to \$4 million, noting that the Garden City airport would get their proportional share.

Senator Powell made a substitute motion to increase the amount to \$5 million with \$250,000 being designated for the Garden City Airport and \$4.75 million to the Wichita Airport for FY2016. The motion was seconded by Senator Tyson.

Senator Kerschen asked if this would be for one year and the program would end. Powell said that is correct.

Senator Melcher said in light of the budgetary issues we dealing with, he would be reluctant to support the substitute motion.

Senator Fitzgerald asked if there contractual obligations associated with this provision. Senator Powell said he didn't know if there was a written contract with American at Garden City and Southwest at Wichita.

Senator Masterson added there seems to be some items that need to be investigated and he said to note this is a Subcommittee Report recommendation and as long as the Senate differs from the House, this item in the budget can be handled through a conference committee.

The substitute motion was recalled and the substitute motion failed.

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The original motion was recalled and the motion passed on a voice vote.

Senator Kerschen made a motion to adopt the Subcommittee Report for the Department of Commerce for FY2015, FY2016 and FY2017 as amended. Senator Arpke seconded the motion and the Subcommittee Report was adopted.

Senator Kerschen, Chairperson of the General Government, Legislative, and Elected Officials, gave the Subcommittee Report for the Secretary of State ([Attachment 9](#)).

Senator Kerschen made a motion to reconsider and review at Omnibus, the transfer of an additional 10 percent as recommended by the Governor from the agency's Uniform Commercial Code Fee Fund for FY 2016. The motion was seconded by Senator Kelly and the motion carried on a voice vote.

Senator Kerschen made a motion to reconsider and review at Omnibus, the transfer of an additional 10 percent as recommended by the Governor from the agency's Uniform Commercial Code Fee Fund for FY 2017. The motion was seconded by Senator Kelly and the motion carried on a voice vote.

Senator Kerschen made a motion to adopt the Subcommittee Report for the Secretary of State for FY2015, FY2016, and FY2017 as amended. The motion was seconded by Senator Kelly and the Subcommittee Report was adopted.

Senator Kerschen, Chairperson of the General Government, Legislative, Elected Officials, gave the Subcommittee Report for the Kansas Insurance Department ([Attachment 10](#)).

Senator Kerschen made a motion to adopt the Subcommittee Report for the Kansas Insurance Department for FY2015, FY2016, and FY2017. Senator Kelly seconded the motion and the Subcommittee Report was adopted.

Senator Kerschen, Chairperson of the General Government, Legislative, and Elected Officials, gave the Subcommittee Report for the Kansas Public Employees Retirement System Department ([Attachment 11](#)).

Senator Kerschen made a motion to adopt the Subcommittee Report for the Kansas Public Employees Retirement System for FY2015, FY2016 and FY2017. The motion was seconded by Senator Kelly and the Subcommittee Report was adopted.

Possible action on bills previously heard

There was not any action taken on bill previously heard.

The next Ways and Means Committee meeting is scheduled for Wednesday, March 3, 2015, at 11:00 am, in Room 548-S at the Capitol.

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.

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Chairperson Masterson adjourned the meeting at 11:43 am.