

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Steve Morris at 10:40 a.m. on March 21, 2001 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  
Debra Hollon, Kansas Legislative Research Department  
Amory Lovin, Kansas Legislative Research Department  
Leah Robinson, Kansas Legislative Research Department  
Paul West, Kansas Legislative Research Department  
Stuart Little, Kansas Legislative Research Department  
Amy Kramer, Kansas Legislative Research Department  
Rae Anne Davis, Kansas Legislative Research Department  
Julian Efird, Kansas Legislative Research Department  
Kathie Sparks, Kansas Legislative Research Department  
Tom Severn, Kansas Legislative Research Department  
Robert Chapman, Kansas Legislative Research Department  
Norman Furse, Revisor of Statutes  
Mike Corrigan, Assistant Revisor, Revisor of Statutes Office  
Gordon Self, Revisor of Statutes Office  
Julie Weber, Administrative Assistant to the Chairman  
Mary Shaw, Committee Secretary

Conferees appearing before the committee: None

Others attending: See attached guest list

Subcommittee budget report on:

**Kansas Public Employees Retirement System (KPERs) Issues - Reported by Senator Kerr**  
(Attachment 1)

Senator Kerr explained that the pensions and benefits provided or administrated by KPERs Issues Subcommittee primarily looks at bills that have been introduced on the issue of KPERs, often times requested by the Board of KPERs.

Senator Kerr reported that the Subcommittee on KPERs issues reviewed six Senate bills assigned for study and also heard from KPERs staff about specific requests for legislation. Conferees appeared in support of four Senate bills assigned: **SB 12**, **SB 17**, **SB 46** and **SB 340**. No one appeared in support of **SB 267** and **SB 268** during public hearings on KPERs Issues.

Senator Kerr reported that the Subcommittee recommendations generally do not include bills (**SB 17**, **SB 267**, **SB 268** or **HB 2536**) with a fiscal impact on the State General Fund. The Subcommittee recommends proposals for favorable consideration by the Senate Ways and Means Committee as listed in the Subcommittee report beginning on page 2 (**SB 12**, **SB 46**, **SB 340**, **HB 2538**, and **HB 2542**). Senator Kerr reported details regarding each bill.

Senator Kerr explained that the most efficient way to move these issues rapidly through the legislative system is to amend them into a Senate substitute for a House bill (refer to Item 6). Chairman Morris expressed his thanks to Senator Kerr and the Subcommittee for their work in hearing the bills that were assigned to them. Committee questions and discussion followed.

Senator Feleciano moved, with a second by Senator Kerr, to adopt the Subcommittee budget report on KPERs Issues. Motion carried by a voice vote.

Senator Feleciano moved, with a second by Senator Kerr, to strike the contents in **HB 2040** and move the provisions of the Subcommittee budget report on KPERS Issues which recommends bills assigned to the subcommittee favorably into a **Senate Substitute for HB 2040**. Motion carried by a roll call vote.

Senator Barone moved, with a second by Senator Kerr, to re-consider action on the Subcommittee budget report on the Department of Education. Motion carried by a voice vote.

Senator Kerr explained that when the Committee adopted the Subcommittee report on the Department of Education the day before, the committee proposed \$1 million dollars for the mentor teachers program, but the change was not made reducing eligibility to only first year teachers.

Senator Kerr moved, with a second by Senator Schodorf, to add a proviso with language to reflect that the \$1 million dollar appropriation that, notwithstanding the provisions of KSA 2000 72-1412 et. sec., expenditures shall be made from this account with the grants for beginning teachers in their first year of teaching and that it is not permanent in Kansas to make it eligible only to first year teachers. Motion carried by a voice vote.

Senator Kerr moved, with a second by Senator Downey, to amend in a proviso to the Subcommittee budget report on the Department of Education for a Proposed Amendment to **SB 348** and technically correct the amendment in two places where second grade should be listed and not third grade (Attachment 2). Motion carried by a voice vote.

Senator Kerr moved, with a second by Senator Downey, to approve the Subcommittee budget committee report on the Department of Education as amended.

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

**SB 342—Appropriations for FY 2001 and FY 2002, supplemental appropriations for various state agencies and FY 2002 for department of administration**

**SB 348—Appropriations for FY 2002 and FY 2003 for state agencies and for biennially-budgeted state agencies**

Chairman Morris asked Alan Conroy, Chief Fiscal Analyst, Kansas Legislative Research Department to give the Committee a status on all funds.

Staff distributed and spoke regarding the following information:

- FY 2001 and FY 2002 Children's Initiative Fund (Tobacco) (Attachment 3)
- Economic Development Initiatives Fund FY 2001 and FY 2002 (Attachment 4)
- State Water Plan Fund, FY 2001 (Attachment 5)
- Recommended Expenditures By Function of Government FY 2001 and FY 2002, Reflects Committee Action as of March 20, 2001 (Attachment 6)
- Senate Adjustments to Governor's Recommendation (Reflects Senate Committee Adjustments for FY 2001, 2002 and FY 2003) (Attachment 7)
- Items for Omnibus Consideration (Senate Committee Recommendations) (Attachment 8)
- House Adjustments to Governor's Recommendation (Reflects House Committee Adjustments for FY 2001, FY 2002 and FY 2003) (Attachment 9)
- Items Noted or Deferred for Omnibus Consideration by House Committee Action (Attachment 10)
- State General Fund Profile, FY 2000 - FY 2005 (Senate Ways and Means Recommendations with KLRD Adjustment to FY 2000 Receipts – Downward Adjustment of \$14.9 million (Attachment 11))
- State General Fund Profile, FY 2000 - FY 2005 (House Appropriations Committee Recommendation with KLRD Adjustment to FY 2000 Receipts – Downward Adjustment of \$14.9 million (Attachment 12))

Committee questions and discussion followed in regard to the Children's Initiatives Fund and the House Education Plan:

Senator Adkins mentioned that the full impact of the House Education Plan, if enacted, is not reflected on

the FY 2001 and FY 2002 Children's Initiatives Fund (Tobacco) report at this point in time.

Senator Kerr called the committee's attention to the fact that the House is not nearly as committed to the Children's Cabinet and the Governor's recommendations as the Senate has been. He noted that it puts the Senate at a great disadvantage because the Senate has no position on spending that money. The Senate is trying to carry out what it thought the legislative intent was regarding those funds. If the House spends the funds, it has the only position at conference. The Committee needs to give it some thought before the Senate Conference committee is sent forth with no position.

Senator Adkins mentioned that he would like to explore in Committee what options are available given the House's plan to fund their Education Program which he sees as directly contrary to the intent of the original legislation. He is willing to protect the Senate position to consider perhaps removing all children's Initiative Funds from this until education finance education finance issues have been resolved. He feels that there is some merit to consider all Children's Initiative Fund money as a separate item and he is very concerned about where the House is headed on education in regards to the use of that money.

Senator Barone asked if staff could provide a list to see the source of all State General Funds.

The meeting was adjourned at 11:50 a.m. The next meeting is scheduled for March 22, 2001.