

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:40 A.M. on January 25, 2007, in Room 123-S of the Capitol.

All members were present except:

Senator Mark Taddiken- excused

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes  
Alan Conroy, Director, Kansas Legislative Research Department  
J. G. Scott, Kansas Legislative Research Department  
Michele Alishahi, Kansas Legislative Research Department  
Audrey Dunkel, Kansas Legislative Research Department  
Julian Efird, Kansas Legislative Research Department  
Michael Steiner, Kansas Legislative Research Department  
Melinda Gaul, Chief of Staff, Senate Ways & Means  
Mary Shaw, Committee Assistant

Conferees appearing before the committee:

Glenn Deck, Executive Director, Kansas Public Employees Retirement System (KPERS)  
Rochelle Chronister, Chair, 2010 Commission

Others attending:

See attached list.

Chairman Umbarger mentioned that there will be a joint meeting with the Senate Judiciary committee regarding the SB 123 study/consultant to be held in Room 123-S from 11:45 a.m. to 1:15 p.m. There will not be a Senate Ways and Means meeting on Tuesday, February 27, 2007, so that time will be available for subcommittees to meet. Information was distributed from Helen Pedigo, Executive Director, Kansas Sentencing Commission, in response to requests from the Committee from the January 16, 2007, meeting (Attachment 1).

The Chairman welcomed Glenn Deck, Executive Director, Kansas Public Employees Retirement System (KPERS) who presented an overview of KPERS (Attachment 2). Mr. Deck addressed KPERS funding and initiatives. He noted that with recent funding improvements, KPERS is in actuarial balance but significant challenges remain and that KPERS funding outlook is volatile because of investment markets. This was detailed in his written presentation. As the final piece of the long-term funding plan for KPERS, Mr. Deck explained that the Joint Committee on Pensions, Investments and Benefits has been considering plan design changes for future members during the last several years. He explained the recommended plan design objectives and features. In closing, Mr. Deck addressed other legislative issues. They are deferred compensation plan administration, tax-free insurance premium deduction for public safety officers and minor legislative amendments. Committee questions and discussion followed. Additional information was distributed regarding Issue Briefing, Kansas Public Employees Retirement System (Attachment 3).

Chairman Umbarger welcomed back Rochelle Chronister, Chair, 2010 Commission, who was invited to appear before the Committee to respond to additional questions (Attachment 4). Ms. Chronister explained that questions regarding the Minority Report that was attached to the 2010 Commission Report should be directed to Mr. Stephen Iliff, author. The Committee discussed the definition of the free lunch program (addressed in the minority report) and their concern with the reporting structure. It was noted that there is a problem with the ability of school districts to get information from the federal government regarding income levels in order to verify qualifications for the free lunches.

The hearing on **SB 21** that was scheduled for this meeting will be re-scheduled for a future meeting.

The meeting adjourned at 11:55 a.m. The next meeting is scheduled for January 26, 2007.