

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:30 A.M. on February 18, 2008, in Room 123-S of the Capitol.

All members were present except:
Senator Jay Emler - excused

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes
Alan Conroy, Director, Kansas Legislative Research Department
Mike Corrigan, Assistant Revisor of Statutes
Amy Deckard, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Aaron Klaassen, Kansas Legislative Research
J. G. Scott, 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:

Senator Phillip Journey, Vice Chair, Joint Committee on Special Claims Against the State
Representative Steve Huebert, Chairman, Joint Committee on Special Claims Against the State
Ron Gaches, Executive Director, Kansas Society of Professional Engineers
Mark Burghart, Benchmark Industries

Others attending:
See attached list.

Bill Introductions

Senator Morris moved, with a second by Senator Schodorf, to introduce a conceptual bill concerning the Regents block grant appropriations. Motion carried on a voice vote.

The Chairman opened the public hearing on:

SB 534--Claims against the state

Staff briefed the committee on the bill.

The Chairman welcomed the following conferees:

Senator Phillip Journey. Senator Journey addressed the Department of Social and Rehabilitation Services decision, but was limited on what could be discussed outside of the executive session in the Committee. (No written testimony was provided.)

Representative Steve Huebert, Chair of the Committee on Claims Against the State. Representative Huebert explained that the Jordan case was very emotional. In the beginning they had very little information, but at the second meeting they had more details. He noted that there always are two sides to the situation. Due to the executive session, he was also limited on what was discussed, but mentioned that it is a complicated situation. (No written testimony was provided.)

Ron Gaches, Executive Director, Kansas Society of Professional Engineers, addressed the claim in Section 6, Eldon Ray case (Attachment 1). Mr. Gaches explained that Mr. Ray is a church volunteer, and the facility was up to code and standards. He noted that the Board of Technical Professions respectfully requests that any reimbursement be paid to Mr. Ray be paid out of the State General Fund. Mr. Gaches mentioned that he felt it seems inappropriate that the fees of licensees should be used to reimburse the legal expenses of a gentleman who had openly acknowledged he performed design work without a license.

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Mr. Mark Burghart, Legal Counsel for Benchmark Industries (Attachment 2). Mr. Burghart explained that Benchmark has in no way attempted to avoid the payment of tax on the sales tax transactions listed in his written testimony. He noted that, unfortunately, it now finds itself paying tax twice on the same sales - once to Kansas and once to Missouri. In closing, Mr. Burghart respectfully requested that the Committee remedy the inequitable situation for the taxpayer by reimbursing Benchmark of \$70,000, which represented a portion of the sales tax inadvertently paid to Kansas for the months of September and October of 2002.

The Chairman closed the hearing on **SB 534**.

Senator Kelly moved, with a second by Senator Teichman, to amend SB 534 regarding the Eldon Ray case and pay the claim from the State General Fund. Motion carried on a voice vote.

Senator Schodorf moved, with a second by Senator Steineger, to amend SB 534 to add language to reimburse postsecondary education expenditures for Brittany Jordan for books, fees, and tuition for eight semesters or completion of a bachelors degree whichever comes first at an accredited Kansas public postsecondary institution in addition to payment to Mark Jordan. Motion carried on a voice vote.

Senator Steineger moved, with a second by Senator Schodorf, to recommend SB 534 favorable for passage as amended. Motion carried on a roll call 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:

School for the Blind (Attachment 3)

Subcommittee Chairman David Wysong reported that the subcommittee on the School for the Blind concurs with the Governor's recommendation in FY 2008 with adjustments and concurs with the Governor's FY 2009 recommendation adjustments.

Senator Wysong moved, with a second by Senator Schodorf, to adopt the subcommittee budget report on the School of the Blind in FY 2008 and FY 2009. Motion carried on a voice vote.

School for the Deaf

Subcommittee Chairman David Wysong reported that the subcommittee on the School for the Deaf concurs with the Governor's recommendation in FY 2008 and concurs with the Governor's FY 2009 recommendation with adjustments.

Senator Morris moved, with a second by Senator Teichman, to amend the subcommittee report on the School for the Deaf to add \$5,000 in FY 2008 and \$20,000 in FY 2009 for transportation for the children to and from school.

Senator Morris made a substitute motion, with a second by Senator Betts, to have supervision of the children at the School for the Deaf on weekends, and that the school district would split the cost. Motion carried as amended on a voice vote.

Senator Wysong moved, with a second by Senator Teichman, to adopt the subcommittee budget report on the School for the Deaf in FY 2008 and FY 2009 as amended. Motion carried on a voice vote.

State Historical Society

Subcommittee Chairman David Wysong reported that the subcommittee on the State Historical Society concurs with the Governor's recommendation in FY 2008 and concurs with the Governor's FY 2009 recommendation with adjustments.

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Senator Wysong moved, with a second by Senator Teichman, to adopt the subcommittee budget report on the State Historical Society in FY 2008 and FY 2009. Motion carried on a voice vote.

Kansas Arts Commission

Subcommittee Chairman David Wysong reported that the subcommittee on the Kansas Arts Commission concurs with the Governor's recommendation in FY 2008 and concurs with the Governor's FY 2009 recommendation with adjustment.

Senator Wysong moved, with a second by Senator Teichman, to adopt the subcommittee budget report on the State Historical Society in FY 2008 and FY 2009. Motion carried on a voice vote.

State Library

Subcommittee Chairman David Wysong reported that the subcommittee on the State Library concurs with the Governor's recommendation in FY 2008 and concurs with the Governor's FY 2009 recommendation with adjustments.

Senator Taddiken moved, with a second by Senator Wysong, to amend the subcommittee report on the State Library in FY 2009 and delete Item No. 3, \$76,500 for Talking Books Service promotion from the State General Fund and review at Omnibus and to delete \$250,000 from the State General Fund for the establishment of a statewide courier system, and review at Omnibus. Motion carried on a voice vote.

Senator Wysong moved, with a second by Senator Kelly, to adopt the subcommittee budget report on the State Library in FY 2008 and FY 2009 as amended. Motion carried on a voice vote.

The meeting adjourned at 11:55 a.m. The next meeting was scheduled for February 19, 2008.