

Approved: March 4, 2008
Date

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:40A.M. on January 23, 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
Kristen Clarke Kellems, Assistant Revisor of Statutes
Audrey Dunkel, Kansas Legislative Research Department
Aaron Klaassen, Kansas Legislative Research
Jarod Waltner, Kansas Legislative Research Department
Melinda Gaul, Chief of Staff, Senate Ways & Means
Mary Shaw, Committee Assistant

Conferees appearing before the committee:
Neville Kenning, National Director, State Government Consulting Practice, Hay Group
Carol Foreman, Deputy Secretary, Kansas Department of Administration
Senator John Vratil
Tom Krebs, Governmental Relations Specialist, Kansas Association of School Boards
Diane Gjerstad, Wichita Public Schools

Others attending:
See attached list.

Bill Introductions

Senator Steineger moved, with a second by Senator Wysong, to introduce a conceptual bill regarding KACIR and intergovernmental relations. Motion carried on a voice vote.

Senator Wysong moved, with a second by Senator Kelly, to introduce a conceptual bill on behalf of AARP regarding personal identification protection for senior citizens. Motion carried on a voice vote.

Senator Wysong moved, with a second by Senator Schodorf, to introduce a conceptual bill regarding an AARP version of amber alert. Motion carried on a voice vote.

Chairman Umbarger welcomed Neville Kenning, National Director, State Government Consulting Practice, who presented a briefing on the State Employee Pay Plan Study (Attachment 1). Mr. Kenning noted that this was the largest group he had ever worked with in all the years he had been doing these studies. They looked into the pay where the employee was in regarding to the step process. In some cases the employee pay was behind the market place. Kansas was on the average about ten percent below the market.

The Chairman welcomed Carol Foreman, Deputy Secretary, Kansas Department of Administration, who spoke concerning the State Employed Compensation Oversight Committee. She explained that the Commission started with the pay plan study. Two groups were created, a task force and a commission. Ms. Foreman noted that the recommendations for today are just for classified employees. The task force came out with a philosophy to have a fair and flexible system to attract best and brightest in Kansas within the marketplace.

Ms. Foreman further explained that the commission was created with legislative, executive, judicial and Board of Regents on the commission. They reviewed the current system, compared the Kansas system with comparable states. They took testimony from many areas as to current, what was not working, what was working, and suggestions. The commission provided the Hay Group with guidelines on what a new pay plan should look like for the State of Kansas. The recommendations submitted by the Hay Group were adopted immediately. The Joint Committee also adopted them and was sent immediately to the Legislature. They

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on January 23, 2008 in Room 123-S of the Capitol.

came up with a plan that would address the future in Kansas. Recommendations were detailed in the written testimony. In closing, Ms. Foreman noted that she was proud to be involved in the process.

The Chairman acknowledged Mr. Kenning who concentrated on five pay plans that are listed on on page two of his testimony: Management Pay Plan, Professional Individual Contributor Pay Plan, Protective Services Pay Plan, Basic Vocational Pay Plan and General Classified Pay Plan. He noted that they kept the steps because of the transition to the new system and explained that it is a possibly could do away with steps down the road. He explained that none of the five plans will work without a Performance Management Process. Mr. Kenning noted that It is about managing, coaching, feed back in a cycle, not a form. Their hopes are to have a plan in place by July 1, 2008.

Attachment IV is the proposed implementation schedule (Attachment 2). Chairman Umbarger expressed his thanks for all the work from both Carol and Neville. He also expressed his thanks to those that served on the commission.

The Chairman opened the public hearing on:

SB 425–Direct investments by school districts

Staff briefed the Committee on the bill.

Chairman Umbarger welcomed the following conferees:

Senator John Vratil explained that the language in **SB 425** would enable Kansas school districts to invest idle funds in securities issued by federal agencies (Attachment 3). A Kansas school district would be able to invest idle funds in securities issued by federal agencies if and only if the school district has a written investment policy that was previously approved by the local municipal pooled money investment board.

Tom Krebs, Governmental Relations Specialist, Kansas Association of School Boards, reported that **SB 425** broadens the ability of school districts to better invest their idle funds (Attachment 4).

Diane Gjerstad, Wichita Public Schools, explained that **SB 425** would give school districts investment authority similar to that granted to cities and counties (Attachment 5).

The Chairman closed the public hearing on **SB 425**.

Senator Wysong moved, with a second by Senator Teichman, to recommend SB 425 favorable for passage. Motion carried on a roll call vote.

The meeting adjourned at 11:55 a.m. The next meeting was scheduled for January 24,2008.