

Approved:

March 7, 2000

Date

## MINUTES OF THE SENATE WAYS & MEANS COMMITTEE.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on March 3, 2000 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Chief Fiscal Analyst, KLRD  
Rae Anne Davis, KS Legislative Research Department  
Debra Hollon, KS Legislative Research Department  
Norman Furse, Revisor of Statutes  
Michael Corrigan, Asst. Revisor of Statutes  
Judy Bromich, Administrative Assistant to the Chairman  
Ronda Miller, Committee Secretary

Conferees appearing before the committee:

T.C. Anderson, Kansas Society of Certified Public Accountants  
Randy Allen, Executive Director, Kansas Association of Counties  
Commissioner Lonie Addis, Labette County Commissioner & President of the County Commissioners Association  
Rebecca Bossemeyer, Geary County Clerk and Chairman of the County Clerks' Association Legislative Committee  
Ken Davis, City of Countryside, Johnson County  
Don Moler, League of Kansas Municipalities  
Pat Lehman, Kansas Parks and Recreation  
Diane Smith, Dietician from the Kansas City area  
Angela Prettyman, Dietician from the Kansas City area

Others attending: See attached list

### **Sn. Sub for HB 2476: Kansas partnership for faculty of distinction program, state educational institutions**

Two informational documents on **Sn. Sub. For HB 2476** prepared by the Kansas Legislative Department were distributed to members (Attachment 1 and Attachment 2). Members expressed support for the concept proposed in the bill, but expressed concern about potential budgetary constraints in FY 2002. Senator Salisbury moved, Senator Morris seconded that Sn. Sub. For HB 2476 be recommended favorably for passage. Senator Ranson offered a substitute motion which was seconded by Senator Lawrence that the effective date in Sn. Sub for HB 2476 be changed to July 1, 2001. The substitute motion carried on a show of hands.

Senator Ranson moved, Senator Jordan seconded, that Sn. Sub for HB 2476 as amended be recommended favorably for passage. The motion carried on a roll call vote.

### **SB 635: Municipal accounting training program abolished**

Paul West, Kansas Legislative Research Department, explained that **SB 635** implements one of the Governor's recommendations to eliminate the Municipal Accounting and Training Services Office in the Division of Accounts and Reports within the Department of Administration. He added that it strikes statutory references to duties for that group: the forms and procedures that were the responsibility of the Office would become the responsibility of local units of government and the Board of Regents.

Mr. T.C. Anderson, Executive Director of the Kansas Society of Certified Public Accountants, appeared before the Committee to request that if **SB 635** is recommended favorably for passage that the Committee consider not repealing K.S.A. 75-1123 which provides statutory authority for the Kansas Municipal Audit

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Guide. Mr. Anderson provided a copy of his proposed amendment (Attachment 3) and stated that since 1997 the Kansas Society of CPAs has edited and printed the Kansas Municipal Audit Guide although it is prescribed by the Director of Accounts and Reports.

Mr. Randy Allen, Executive Director of the Kansas Association of Counties, appeared before the Committee in opposition to **SB 635** and reviewed his written testimony (Attachment 4). Mr. Allen commended the work of the Municipal Accounting section and stated that if the Office is abolished, entities who have questions about budget preparations will have to go to county clerks, CPA firms, etc.

Mr. Lonie R. Addis, Labette County Commissioner and President of Kansas County Commissioners Association, presented written testimony in opposition to **SB 635** (Attachment 5), and told members that every municipality uses this service and it helps elected officials perform in a fiscally responsible manner. Commissioner Addis included a letter of appreciation written in 1995 to the Municipal Accounting section to indicate that his interest has not developed in reaction to the threat of its abolishment.

Ms. Rebecca Bossemeyer, Geary County Clerk, testified in opposition to **SB 635** and distributed copies of her written testimony (Attachment 6). She stated that local units of government depend on the municipal accounting team to keep them up to date on changes made by the Legislature.

Ken Davis, Mayor, City of Countryside, Kansas, presented and reviewed written testimony in opposition to **SB 635** (Attachment 7).

Mr. Don Moler, Executive Director of the League of Kansas Municipalities, provided written testimony in opposition to **SB 635** (Attachment 8). He told members that, while the overall line item is about \$250,000 for the Municipal Accounting Section, the actual amount of savings to the SGF is \$155,454. He stated that \$100,000 is paid through fees generated by services. Senator Ranson inquired whether the entities who use the services provided by the Municipal Accounting Section would be willing to pay higher fees. Mr. Moler and Mr. Allen stated that the suggestion had not been made before, and they would be happy to talk about it.

Pat Lehman, representing the Kansas Recreation and Park Association, reviewed written testimony in opposition to **SB 635** (Attachment 9).

Written testimony in opposition to **SB 635** was distributed to members on behalf of Pottberg, Gassman and Hoffman, Chartered CPAs (Attachment 10).

Chairman Kerr stated that because there seemed to be an interest in increasing fees in order to sustain the Municipal Accounting Section, he would have an amendment drawn up and requested that conferees call him with any suggestions.

Senator Morris moved, Senator Salmans seconded, that bill draft 9rs 2274 be introduced as requested by Senator Morris. The motion carried on a voice vote.

#### **Sub HB 2323: State agencies; methods of payment of fees, tuition and other charges**

Paul West, Kansas Legislative Research Department, reviewed the supplemental note on **Sub HB 2323**. There was some conversation about the history of this bill, and it was noted that the policy issue is how to impose fees to recover costs incurred because of the method of payment.

Diane Smith, a licensed dietician from the Kansas City area, appeared before the Committee in support of **Sub HB 2323**. She reviewed her written testimony (Attachment 11).

Angela Prettyman, a licensed dietician from Overland Park, Kansas, presented written testimony in support of **Sub HB 2323** (Attachment 12).

Sabrina Wells submitted written testimony on behalf of the Kansas Insurance Department, noting that the agency's concerns about the original bill had been addressed by the House Committee (Attachment 13).

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Written testimony submitted by Thomas M. Rawson, Chairman of the Board of Regents' Council of Business Officers, was distributed to members ([Attachment 14](#)). Mr. Rawson's letter expressed support of the ability to accept payment by credit card and to impose additional fees to recover actual costs associated with the method of payment. Committee members expressed concern, however, about being out of compliance with the Universal Consumer Credit Code.

The Chairman noted that he believed there was an interest on the part of the Committee to provide a means to allow professionals to pay license fees with personal checks. He stated that the Committee would try to address the issue after further research involving compliance with the UCCC.

Senator Feleciano distributed copies of a memorandum from Barbara Tombs, Executive Director of the Kansas Sentencing Commission, regarding possible actions that could be taken by the Legislature to address the need for additional prison bed construction ([Attachment 15](#)).

The Chairman adjourned the meeting at 12:05 p.m. The next meeting is scheduled for March 6, 2000.