

02/09/2012

Approved: _____

(Date)

MINUTES OF THE HOUSE GOVERNMENT EFFICIENCY COMMITTEE

The meeting was called to order by Chairperson Mike Burgess at 3:40 p.m. on Wednesday, January 25, 2012 in Room 546-S of the Capitol.

All members were present except:
Rep. Charles Roth - Excused

All Committee staff was present except:
Jim Wilson, Revisor

Conferees appearing before the Committee:
Dennis Taylor, Secretary, Department of Administration

Kraig Knowlton, Director, Office of Human Services

Others in attendance:
See attached list.

Dennis Taylor, Secretary of Administration, presented to the Committee an update on the Office of Repealer ([Attachment 1](#)). A chart with the reorganizational structure of the Department of Administration was distributed showing offices under his responsibility. Also distributed was a restructuring chart that indicated reporting structure as of January 2011, and after restructuring, where each function has been placed in January 2012. Secretary Taylor also provided a first draft of the Department of Administration's Strategic Planning and Performance Measurement Process for 2012-2014. Staff will be working on customer outreach, performance management, and management training and development. They will also be working on saving office space costs and will develop budget reduction targets for 2014 while still maintaining service levels.

Kraig Knowlton, Director of Human Resources, reported on Human Resources efficiencies, voluntary retirement, and the employee reward program ([Attachment 2](#)). Human Resources has reduced 40 positions amounting to \$975,000 as of January 2012. The total annual savings amounts to \$1.8 million. Part of this is a result of combining Human Resources into one division for all agencies rather than each state agency having its own.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the Committee for editing or corrections.

CONTINUATION SHEET

Minutes of the HOUSE GOVERNMENT EFFICIENCY Committee at 3:30 p.m. on Wednesday, January 25, in Room 546-S of the Capitol.

Mr. Knowlton then reported on the Voluntary Retirement Incentive Program (VRIP). Eligible employees could choose between two incentives: 1) Retire and provide 60 months of health insurance at the single rate or until age 65, or 42 months of health insurance for member plus dependent coverage; or 2) provide a one-time lump sum of \$6,500 at the time of retirement.

In response to questions, Mr. Knowlton noted:

- The lump sum payment was selected by 213 of 1,027 retirees.
- Retirees were informed in writing that the health insurance option would be adjusted to receive the equal amount paid to active employees as health insurance rates were increased.
- Estimated 2012 savings as a result of the VRIP is approximately \$8.5 million depending on the exact number and timing for replacements.
- For 2013, the estimated savings will be approximately \$23 million.
- The statewide VRIP savings of \$42 million for 1,027 employees represent leave payout, health insurance, and salary.

Mr. Knowlton also reported that although a State of Kansas Employee Suggestion Program was implemented, there have been no suggestions for cost savings submitted to the Secretary of Administration, thus no reward money paid. It was noted that some confusion resulted in determining who was qualified to make suggestions and receive a monetary amount. The program states any person elected or appointed should not be allowed to participate. Should it exclude all unclassified or agency heads? Mr. Knowlton asked for some clarification of the intention of the suggestion program, and committee staff will review last year's committee discussion.

Secretary Taylor then gave a report on the Office of Repealer. Recommended to the Governor were 51 obsolete statutes. This is a draft list and Secretary Taylor asked if this Committee was willing to serve as the vehicle for introduction of a bill (handled in bulk) or bills (handled by subject) to repeal the statutes involved. A copy of this list was distributed to the Committee (Attachment 3).

Chair Burgess thanked Secretary Taylor and Mr. Knowlton for their presentations. He asked the Committee how they felt about introducing such a bill.

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It was moved by Representative Hoffman that the bill or bills be introduced for repealing the statutes listed and that the Revisors and Repealer's office should work together on grouping the statutes. Representative Johnson seconded the motion. There was no discussion. The Committee unanimously voted to approve the motion.

The Chair asked if there were any other requests for introduction of bills. There were none.

There being no other business, the meeting adjourned at 4:35 p.m.

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