

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairperson Carolyn McGinn at 10:30 a.m. on March 7, 2011, in Room 548-S of the Capitol.

All members were present

Committee staff present:

Jill Wolters, Office of the Revisor of Statutes
Daniel Yoza, Office of the Revisor of Statutes
David Wiese, Office of the Revisor of Statutes
Alan Conroy, Director, Legislative Research Department
J. G. Scott, Chief Fiscal Analyst, Legislative Research Department
Aaron Klaassen, Senior Fiscal Analyst, Legislative Research Department
Dorothy Hughes, Fiscal Analyst, Legislative Research Department
Brea Short, Intern, Senator McGinn's Office
Jan Lunn, Committee Assistant
Josh Lewis, Chief of Staff

Bill Introductions

Senator McGinn moved introduction of the Mega and Capital Improvements bills for FY 2012. The motion was seconded by Senator Vratil and carried on a voice vote

Announcements

Senator McGinn announced that committee work will continue through next week. She reviewed several outstanding issues scheduled for discussion and encouraged committee members to contact her should agenda items be required.

Information that was requested during the February 18, 2011, Senate Ways and Means Committee meeting was distributed (Attachment 1). This was requested by Senator Schmidt and related to fee funded agencies that have special litigation reserve funds.

Subcommittee Hearing

Kansas Department of Transportation (KDOT)

Senator Umbarger was recognized to present the Kansas Department of Transportation Subcommittee report (Attachment 2). Senator Umbarger expressed appreciation to Senators Kultala, Masterson and Teichman for their work in the Subcommittee.

Senator Umbarger informed committee members that the Subcommittee concurred with the Governor's recommendation in FY 2011. He discussed the agency's request and the Governor's recommendation for FY 2012. Senator Umbarger reported the Subcommittee concurred with the Governor's recommendation with the following adjustments and notations:

1. Added \$875,000, all from the State Highway Fund, to provide half of the remaining \$1.75 million to complete the KDOT Communications System Project for FY 2012.
2. Noted the transfer of approximately \$1.4 billion out of the State Highway Fund since the beginning of the Comprehensive Transportation Program in FY 2000, which concerned the Subcommittee. In addition, the agency's current outstanding debt was noted.
3. Noted that previous legislation provided for the reduction of sales and compensating use tax from 6.3 percent to 5.3 percent beginning in FY 2014.
4. Noted the importance of transportation in sustaining any economic growth and recovery.

Senator Vratil requested clarification on the differences between reportable and non-reportable expenditures. Senator Umbarger provided examples of non-reportable expenditures and noted that if reported, they could be duplicated in another agency's expenditure report. Discussion ensued and Senator McGinn suggested that a briefing be scheduled in the next several weeks to provide committee members additional information on terms such as "off budget," demand transfers," "revenue transfers," and "non-reportable expenditures." These terms have been used in the past and result in limited public and legislative access to information.

Senator Emler commented that a secondary review of the Kansas Highway Patrol and Kansas Bureau of Investigation Subcommittee reports concerning the state forfeiture and seizure

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monies required to complete the 800 Mhz communications interoperability project could be required in light of KDOT's addition of \$875,000 for the project.

In response to Senator Huntington's question concerning criteria for vehicle replacement, Jerry Younger, Deputy Secretary of Engineering at KDOT, indicated vehicle replacement criteria are:
140,000 miles and/or 9 years old for pickup trucks, and
100,000 miles and/or 7 years old for light passenger vehicles.

Mr. Younger indicated all vehicles included in the budget have met or exceeded the replacement criteria.

Senator Umbarger moved adoption of the Kansas Department of Transportation Subcommittee report. Senator Teichman seconded the motion, which carried on a voice vote.

The meeting was adjourned at 10:57 a.m.