

Approved: May 22, 2012

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(Date)

## MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairperson Carolyn McGinn at 10:45 a.m. on May 8, 2012, in 548-S of the Capitol.

All members were present except Senator Emler, who was absent.

Committee staff present:

Jan Lunn, Committee Assistant

Melinda Gaul, Chief of Staff, Senator McGinn's Office

J. G. Scott, Chief Fiscal Analyst, Legislative Research Department

Michael Steiner, Senior Analyst, Legislative Research Department

Bobbi Mariani, Fiscal Analyst, Legislative Research Department

Jill Wolters, Office of the Revisor of Statutes

David Wiese, Office of the Revisor of Statutes

Daniel Yoza, Office of the Revisor of Statutes

Conferees:

Mark Dugan, Office of the Lieutenant Governor

Jason Glasrud, Department of Commerce

Continued discussion on **SB 444--Relating to employment of disabled individuals and competitive bids for state contracts**

Katherine McBride, Office of the Revisor of Statutes, distributed and reviewed a balloon amendment, which had been requested on May 7. Ms. McBride confirmed she had worked with Senator Francisco on particular language and that she had incorporated the suggested revisions from the previous day's discussions. (Attachment 1)

Mark Dugan, Office of the Lieutenant Governor, distributed another balloon amendment that was requested by the Department of Commerce. Attached to the amendment is a "Summary of the Kansas Disability Employment Incentive Program," which provides information related to the administration of the incentive program. (Attachment 2) Jason Glasrud, Department of Commerce, explained that a \$500,000 allocation exists in the Department of Commerce budget which establishes the pilot program and fund for the incentive for persons with a disability, grants, and donations. Mr. Glasrud explained the pilot program, its purpose and goals, as well as the agency's accountability and responsibility for program administration.

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In response to a question concerning the incentive payment, Mr. Dugan explained the incentive is proposed to be paid to the certified business in two installments, which varies depending on whether the disabled individual is employed part-time or full-time. The bill, as currently written, contains no language specifying the amount of neither the incentive payment nor when it would be paid. Concerns were expressed regarding the bill, as currently written, because according to the Department of Commerce's summary, it could be possible to receive more incentive payments for employing an individual on a part-time basis when the bill's intent is to encourage companies to hire individuals with disabilities for the long term. Mr. Dugan indicated there would be interest in revising incentive payment language in the Department of Commerce summary on operational plans for the pilot program, even though that language is not included in **SB 444**.

Mr. Dugan explained the bill is related to disability employment, a committee member indicated the definition of a qualified individual (in one section of the bill) is one who receives vocational rehabilitation services and Home and Community Based Services (HCBS) under Medicaid while the definition of a qualified individual in remaining parts of the bill are different. Mr. Dugan suggested that vocational rehabilitation services provides training for various individuals who are outside of Medicaid services; the interest of the bill was to encourage engagement of business partners in hiring individuals with disabilities and who receive Medicaid services. Mr. Dugan indicated, in his opinion, there was no conflict with definitions.

A committee member requested clarification between the "Employment First" statute and **SB 444**. Mr. Dugan responded the Employment First Oversight Commission was established during the 2011 Kansas Legislative Session and became law on July 1, 2011. The Employment First law (**HB 2336**) details the duties and responsibilities of the oversight commission and sets as the official policy of the State of Kansas that competitive and integrated employment is the first option when serving people with disabilities. Mr. Dugan reported that during Medicaid town hall meetings conducted last summer, people expressed desire to work. Unfortunately, there are few opportunities; **SB 444** creates opportunities to engage employers in hiring individuals with disabilities. The bill does not stipulate how an employer is to expend any incentive payments.

A committee member noted the bill originally had been heard on March 9; **SB 444** has been discussed on May 4, May 7, and today, May 8. The question asked was why the Department of Commerce amendment had just come to committee at the meeting today. Mr. Dugan responded he had intended to present the Department of Commerce amendment earlier; there was no intentional delay. A committee member expressed concern that the language in the Commerce

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amendment provides latitude to the Secretary of Commerce to contract administration of the program to other entities or state agencies.

Chairperson McGinn requested that the Revisor work with the committee members to include appropriate language concerning the Department of Commerce's request for amendment.

*Senator Schodorf moved to adopt the amendments submitted by Katherine McBride and reviewed by committee members on May 8, 2012; Senator Teichman seconded the motion, which passed on a voice vote.*

Possible final action on **HB 2650 –Establishing the office of information technology services and the executive chief information technology officer; powers and duties**

Chairperson McGinn summarized the previous hearing on **HB 2650** noting the complexity and interaction with various agencies and entities; she suggested dividing **HB 2650** into two parts:

- The GIS (one-map) portion would advance within **HB 2650**, and
- The establishment of the Executive Branch Chief Information Technology Officer (CITO) would be recommended for interim study.

*Senator Teichman moved to strike the portions of the bill relating to the establishment of the Executive Branch CITO leaving the portion of the bill related to the one-map act; Senator Huntington seconded the motion, which carried on a voice vote.*

*Senator Francisco moved to add the following on line 14, page 4: "Board members shall not receive compensation, subsistence allowance, mileage or associated expenses **from the state.**"*  
*Senator Schmidt seconded the motion, which carried on a voice vote.*

*Senator Teichman moved to recommend favorably for passage **Senate Substitute for HB 2650**; Senator Huntington seconded the motion, which passed on a voice vote.*

The meeting was adjourned at 11:42 a.m.