

## MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Jay Emler at 10:30 a.m. on February 2, 2009, in Room 545-N of the Capitol.

All members were present.

### Committee staff present:

Alan Conroy, Kansas Legislative Research Department  
J. G. Scott, Kansas Legislative Research Department  
Michael Steiner, Kansas Legislative Research Department  
Estelle Montgomery, Kansas Legislative Research Department  
Jill Wolters, Office of the Revisor of Statutes  
Daniel Yoza, Office of the Revisor of Statutes  
Melinda Gaul, Chief of Staff  
Shirley Jepson, Committee Assistant

### Conferees appearing before the committee:

Andy Allison, Kansas Health Policy Authority (KHPA)  
Jim Hall, American Council of Life Insurers

### Others attending:

See attached list.

## Introduction of Legislation

Andy Allison, Kansas Health Policy Authority (KHPA), appeared before the Committee to request the introduction of legislation to change current statute relating to medication for medicaid recipients.

Senator Teichman moved to introduce legislation relating to medication for medicaid recipients (9rs0624). The motion was seconded by Senator Taddiken. Motion carried on a voice vote.

Jim Hall, American Council of Life Insurers, appeared before the Committee to request the introduction of legislation to revise current statute relating to life insurance.

Senator Teichman moved to introduce legislation to revise current statute pertaining to life insurance (9rs0628). The motion was seconded by Senator Schodorf. Motion carried on a voice vote.

Senator Schmidt moved to introduce legislation pertaining to electronic transmission of electronic signatures (9rs0588). The motion was seconded by Senator Kelly. Motion carried on a voice vote.

Senator Schmidt moved to introduce legislation concerning state retirees and health care plan (9rs0623). The motion was seconded by Senator Lee. Motion carried on a voice vote.

Senator Vratil moved to introduce legislation concerning hospitals and enforcement of liens (9rs0476). The motion was seconded by Senator Schmidt. Motion carried on a voice vote.

Senator Vratil moved to introduce legislation concerning publication of official notices (9rs0366). The motion was seconded by Senator McGinn. Motion carried on a voice vote.

Senator Emler moved to introduce legislation concerning credit scores in determining insurance premiums (9rs0559). The motion was seconded by Senator Lee. Motion carried on a voice vote.

## Approval of Minutes

Senator Schodorf moved to approve the minutes of January 23, January 26 and January 27. The motion was seconded by Senator Kelly. Motion carried on a voice vote.

## Referral of Legislation

## CONTINUATION SHEET

Minutes of the Senate Ways And Means Committee at 10:30 a.m. on February 2, 2009, in Room 545-N of the Capitol.

**SB 146** is referred to the KPERS Issues Sub-Committee.

### **Update on FY 2009 Budget**

J. G. Scott, Legislative Research Department, presented a comparison of the FY 2009 budget between the Governor's Budget Recommendations (GBR), actions adopted by the Senate in **Sub for SB 23** and recommendations of the House Appropriations Committee to **Sub for SB 23**, including adjustments on revenues, transfers and expenditures (Attachment 1). Mr. Scott also reviewed the GBR for FY 2010.

Responding to a question from the Committee regarding the possibility of a negative ending balance on June 30, 2009, Mr. Scott indicated that the Governor has the authority to make allotments without input from the State Finance Council to have a zero balance in the State General Fund. However, if the Governor chooses to bring the ending balance to \$100 million, it would need the approval of the State Finance Council. The Governor also has the authority to request that the State Finance Council approve issuance of certificates of indebtedness.

Alan Conroy, Legislative Research Department, presented tax information and a summary of the ending balances for the SGF for the period FY 2009 through FY 2011 as recommended in the GBR, Senate's recommendations as adopted in **Sub for SB 23** and House recommendations to **Sub for SB 23** (Attachment 3). Mr. Conroy noted that actual SGF receipts through December 31, 2008, were \$44.6 million below the November Consensus Revenue Estimate (CRE). Preliminary results for January 2009, indicate that tax collections are approximately \$21 million below the estimate, almost all in corporate income tax, with personal income tax and retail sales tax slightly below the CRE. Mr. Conroy noted that the GBR for FY 2010 proposes \$60 million in tax policy changes. Mr. Conroy indicated that legislation has been introduced to incorporate the Governor's tax policy changes.

Jill Wolters, Office of the Revisor of Statutes, provided an explanation of the Governor's Executive Order 09-01 as requested by the Committee (Attachment 3).

Chairman Emler reviewed Senate Subcommittee Instructions for FY 2010 and Senate Subcommittee Reminders (Attachment 4). A document, prepared by Legislative Research Department, on subcommittee fiscal analyst assignments and dates for final committee action was distributed to the Committee (Attachment 5).

The next meeting is scheduled for February 3, 2009.

The meeting was adjourned at 11:50 a.m.