

M I N U T E S

LEGISLATIVE BUDGET COMMITTEE

September 9, 1976

The Legislative Budget Committee convened at 10:00 a.m. on September 9, 1976, in Room 510-S of the State House. All members were present except Representative Bunten and Senator Doyen. Speaker McGill, vice-chairman of the Committee, presided. Staff in attendance all or part of the time were R. W. Ryan, Arden Ensley, James Bibb, Phill Jones, Marlin Rein, and James Wilson.

Morning SessionMinutes of Last Meeting

The minutes of the meeting held on August 5 were approved without change.

Proposal No. 47 - State General Fund

The staff presented and discussed the following items, all of which are in the Committee notebook: a memorandum on state general fund receipts in July and August of FY 1977; a table showing actual general fund receipts in fiscal years 1974, 1975, and 1976 and estimated receipts in FY 1977; a revised table on combined general fund and retail sales tax fund receipts, expenditures, and ending balances, fiscal years 1955-1977; and a table showing the amounts by which general fund receipts and expenditures differed from the revised estimates in fiscal years 1966 through 1976.

Proposal No. 49 - Local Government Investment Authority

Mr. Ensley distributed and discussed drafts of three bills. The first one was prepared to carry out the Committee's instructions at the August 5 meeting, namely, amend K.S.A. 1976 Supp. 12-1675 to allow investments by local units of government which do not have authority to levy taxes on their own behalf. Staff of the Committee had reviewed this bill with John Martin of the Attorney General's office. No changes in the draft were suggested by the Committee and the bill was approved for reference to the Legislative Coordinating Council for introduction in 1977.

The other two bills amend a number of local government investment statutes which seem to be inconsistent with section 12-1675, the apparent intent of which is to govern short-term investments of operational idle or inactive moneys. After discussion of both technical and policy matters, the staff was requested to obtain reactions to the policy issues presented in both bills by interested parties, including representatives of counties, cities, hospital districts, and financial institutions.

Proposal No. 50 - Legal Defense of Public Employees

The Committee reviewed the minutes of the meeting held on August 5 with regard to testimony and recommendations of the Attorney General's office and of representatives of local governments. The staff was instructed to request that the Attorney General's office submit its recommendations to the Committee in written form. (The League of Kansas Municipalities has already done so.)

Other matters discussed by the Committee related to the cost of providing legal defense of public employees and of paying judgments, whether the state and local units should be required to pay for judgments as well as for defense, and the constitutionality of giving local governing bodies the discretion to pay all, part, or none of a judgment against a local employee as was proposed in the recommendations of the League of Kansas Municipalities. It was suggested that the Committee on Surety Bonds and Insurance be contacted concerning cost estimates.

Afternoon Session

Proposal No. 54 - State Personnel System

Conferees were Keith Weltmer, Secretary of Administration, Norman Hanson, Director of the Civil Service System Study Group, and the three research analysts on Mr. Hanson's staff.

Mr. Hanson presented and discussed a memorandum which outlined the Study Group's activities through September 6. This outline covered work completed, work in process, activities planned in September and October, problem areas encountered to date, and policy issues which have been raised to date. During presentation of the memorandum, Mr. Hanson and Secretary Weltmer responded to a number of questions asked by members of the Committee.

One of the activities planned in September or October is a conference with personnel officers of state agencies. It was suggested by Speaker McGill that Mr. Hanson notify members of the Committee when the conference will be held, that they be authorized to attend if possible, and that a written summary of the conference be prepared for the Committee by Mr. Hanson.

In response to a question by the Speaker, Mr. Hanson said that he had reviewed previous studies of the Kansas personnel system made by the Public Administration Service, Council of State Governments, and the Legislative Post Audit Division.

With regard to the relationship of the executive Study Group to the Committee, Representative Lady said that the Study Group should prepare a written report setting forth its findings, conclusions, and recommendations and that the Committee should consider and act upon such report. Senator Steineger indicated that the main policy question seems to be centralization as opposed to decentralization of personnel management, assuming that the state will have either a total or partial merit system.

Architectural Services Advisory Committee

No change order of \$25,000 or more was submitted by the Division of Architectural Services.

Plans for Next Meeting

The Committee scheduled its next meeting on September 30, beginning at 10:00 a.m. Among other items, the agenda should include a report by Mr. Kunkel of the Telecommunications Office on the workings and cost of the KANS-A-N system and a progress report by Mr. Hanson on Proposal No. 54 - State Personnel System.

Prepared by Richard W. Ryan

Approved by Committee on:

11-4-76

Date