

MINUTES OF THE HOUSE COMMITTEE ON	WAYS AND MEANS	
The meeting was called to order by	BILL BUNTEN Chairperson	at
12:10 XXXX./p.m. on Wednesday, April 6	, 1983 in room <u>514-</u> S of	the Capitol.
All members were present except: Representative Wi	sdom excused	

Committee staff present: Marlin Rein -- Legislative Research

Lyn Entrikin Goering -- Legislative Research

Bill Gilmore -- Legislative Research Jim Wilson -- Office of the Revisor LewJene Schneider -- Administrative Assistant Charlene Wilson -- Committee Secretary

Conferees appearing before the committee:

Jerry Slaughter, Kansas Hospital Association Rebecca Kupper, Kansas Hospital Association Dick Brock, Insurance Department Representative Shelor on HCR 5034 Representative Johnson on HCR 5034 Representative Meacham on HCR 5047

Others present: (Attachment I).

The meeting was called to order by Chairman Bunten at 12:10 p.m.

Attention of the committee was turned to a hearing on HCR 5034.

House Concurrent Resolution No. 5034 -- "A Concurrent Resolution urging a moratorium on foreclosures of mortgages and other liens on real estate and the extention of the redemption period."

Representative Shelor was recognized by the Chairman to appear in support of the bill and to explain the provisions of it to the committee. reference to a document which had been prepared by the Legislative Research Department. (Attachment II). Due to the economic times, this resolution would delay foreclosures on mortgages and other liens on real estate. It would also extend the redemption period until the legislature declares that the state of current economic conditions have ended. He also stated that without such legislation, there may be an impact on public peace.

Representative Johnson also appeared in support of HCR 5034.

Senate Bill No. 284 -- "An Act relating to the health care provider insurance availability act; amending K.S.A. 40-3403, 40-3404 and 40-3411 and repealing the existing sections."

The Chairman referred to Jim Wilson to review the provisions of the bill for the committee.

Jerry Slaughter was recognized by the Chairman to appear in support of the He indicated that the sole purpose of the bill is to guarantee the solvancy of the Health Care Stabilization Fund which is a fund of approximately \$10,000,000.00 made up entirely of contributions paid by hospitals, physicians or health care providers who are required to carry insurance pursuato the law enacted by the legislature in 1976. The key point of this bill would be that it would increase the surcharge to 25% and make it a minimum of 25% from this year hereafter. As the number of claims and awards increases, the need arises to make sure there is plenty of money in the fund to pay the claims against it.

He further added that the reason the enactment date has been changed to the Kansas Register is to allow insurance companies to begin accessing the 25%.

Rebecca Kupper also appeared in support of SB 284. (Attachment III).

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON WAYS AND MEANS

room 514-S, Statehouse, at 12:10 xxxn/p.m. on Wednesday, April 6 , 1983.

Mr. Dick Brock of the Insurance Commissioners Office appeared on SB 284. He indicated that the bill had been introduced at their request. He stated that the balances in the fund are decreasing as the number of claims is increasing. It is for this reason that the bill has been developed.

Representative Mainey moved that SB 284 be reported favorable for passage. Seconded by Representative Hoy. The motion carried.

Representative Rolfs was recognized by the Chairman with a bill that he was requesting for introduction. (Attachment IV). Representative Rolfs explained to the committee that this bill states that if the state dismisses charges without prejudice and refiles, that upon the refiling date another 180 days would be granted to bring the case to trial. This would only be renewable one time. He indicated that there was a drafting error in the bill on the 4th line, section (e) after the word "time". Striking all of the new language and put "provided for in subsections 1 and 2."

Representative Rolfs moved the adoption of the amendment to the bill and the introduction of the bill. Seconded by Representative Meacham. The motion carried.

House Concurrent Resolution 5047 -- "A Concurrent Resolution directing the State Board of Education to conduct a study on the duplication of associate degree programs at community colleges and to submit a plan to lessen the duplication of these degree programs to the Legislative Educational Planning Committee to review and to report thereon to the Legislature."

Representative Meacham explained the provisions of this resolution for the committee. He indicated that this resolution was introduced as a follow-up to HCR 5040 and was introduced at the request of this committee. It would call for the State Board of Education to conduct a study on the duplication of associate degree programs at community colleges and submit a plan to the LEPC for their review.

Representative Meacham moved that HCR 5047 be adopted. Seconded by Representative Shriver. The motion carried.

Consideration of final action on SB 412 was taken up next on the agenda. Hearing on the bill was held yesterday.

Senate Bill No. 412 -- "An Act relating to the state fire marshal; concerning the levy paid by fire insurance companies for maintaining the department of state fire marshal; amending K.S.A. 75-1508 and repealing the existing section."

The committee had been given time to review an amendment which had been proposed by Mr. Cowan. Representative Solbach moved to amend SB 412 with the concept proposed by Mr. Cowan which had been written into legislative language. (Attachment V). The motion was seconded by Representative Rolfs.

Mr. Cowan was recognized by the Chairman to make further comment on the amendment. Mr. Cowan indicated that since the time he had originally made the proposal he had found out that the other industries could not administratively handle what was being proposed by this amendment. He felt it would not be fair to penalize the other industries in the state so he suggested that this was not the appropriate way to deal with the problem at this time. He added his expressed thanks to the committee for it's consideration of their situation.

Representative Louis made a substitute motion to recommend SB 412 favorable for passage as amended previously be this committee. Seconded by Representative Solbach. The motion carried.

House Bill No. 2540 -- "An Act concerning state capital improvements; prescribing procedures for legislative review; changing the name of the joint committee on state building construction; amending K.S.A. 46-1701, as amended by 1983 Senate Bill No. 128, and 46-1702 and K.S.A. 1982 Supp. 75-3717b, 75-5411 and 75-5414 and repealing the existing sections."

CONTINUATION SHEET

MINUTES (OF THEE	HOUSE	COMMITTEE O	VWZ	YS AND	O MEANS	,
room _514	=S Statehous	se, at <u>12:</u> 1	L O_xxx /p.m. on _	Wednesdav.	April	6	198.3.

This bill had been heard previously in the committee. Proposed amendments were distributed to the members of the committee. (Attachment VI). The amendments were explained by Representative Farrar.

Representative Shriver commended Representative Farrar and the subcommittee that had been assigned to look into this bill. He expressed continued concern with the fact that this bill would change the Committee on State Building Construction to include also looking at capital improvements. He felt that it would put more work on the committee and in turn put more delay on getting the reports to the legislature on time. Further committee discussion on this issue followed.

Representative Meacham made a conceptual motion to take out all of the language relating to capital improvements and re-insert state building construction, or other appropriate language. Seconded by Representative Dyck.

Representative Mainey opposed the motion. He stated that he did not feel that this committee would be imposing on anyone elses responsibilities. He also stated that with the amendments as they appear and with the time frame that has been set in, that it didn't appear to him that a committee was being set up that would have to function year around or be overburdened as long as they are authorized to meet in December to finalize their report to the legislature.

Representative Dyck spoke in support of his second to the motion. He feels that the area of capital improvements could be rather broad and he feels that it should be kept as the Building Construction Committee only and if the Legislative Coordinating Council wants to assign a project to this committee, then let that be the way that it is handled.

Representative Hoy moved that the bill be tabled. Representative Lowther seconded the motion.

Representative Shriver requested that Representative Hoy recind his motion to allow the committee to vote on the motion made by Representative Meacham in order to give Representative Farrar some indication as to the feeling of the House committee to take back to conference committee.

Representative Hoy agreed to withdraw his motion. Representative Lowther withdrew his second.

Representative Farrar expressed that he had some concern with the Building Construction Committee having recommendations before the Governor comes out with his recommendation. He expressed that he feels they ought to have the opportunity to make final recommendations to the legislature after the Governor's recommendations have been presented. Therefore both the preliminary and follow-up recommendations would be made.

On the original motion by Representative Meacham, the motion carried.

Representative Shriver moved to further amend the bill by changing the "37th calendar day," as indicated in the second balloon on page 3, to the "30th calendar day." Seconded by Representative Arbuthnot.

Representative Farrar spoke in opposition to the motion. He indicated that it is difficult to get everyone together and depending upon certain situations it might be difficult to do it within that time frame. The 37th day has been set as a target and many times the report has been ready long before that deadline, but he doesn't feel that it would benefit the Building Construction Committee to change this date.

Marlin Rein raised the value of having a preliminary report. A preliminary report would seem to require the committee to do most of it's work before the session even begins. He further commented that it would appear that the second report would reflect the degree to which there was influence from the Executive Budget report on their first recommendations. If the intent is to have the preliminary report, then the amount of time required to access what the Executive Budget report contained would be minimal and perhaps an alternative might be to trigger a date within so many days after the Executive Page ____ of ____

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CONTINUATION SHEET

MINUTES OF THEHC	OUSE COMMITTEE ON	WAYS AND MEANS	,
room <u>514-S</u> , Statehouse, a	at 12:10 xxx/p.m. on _	Wednesday, April 6	

Budget report as the time for the Building Committee's follow-up report.

On the motion made by Representative Shriver, the motion lost.

The Chairman indicated that no action would be taken on this bill today.

House Bill No. 2561 -- "An Act repealing K.S.A 65-198, 65-199, 65-1,100, 65-1,101, 65-1,102, 65-1,103 and 65-1,104; relating to assistance for persons with chronic renal diseases."

Representative Duncan moved that HB 2561 be reported favorable for passage. Seconded by Representative Shriver. The motion carried.

House Bill No. 2562 -- "An Act concerning the department of revenue; relating to attorneys therefor; amending K.S.A. 75-5121 and repealing the existing section."

Representative Duncan moved that HB 2562 be reported favorable for passage. Seconded by Representative Shriver. The motion carried.

A bill was requested for introduction relating to the Crippled Children's Program. Representative Duncan moved that the bill be introduced. Seconded by Representative Holderman. The motion carried.

The Chairman announced that the meetings for the rest of the week would be On Call of the Chairman.

The meeting was adjourned at 1:45 p.m.

NAME ADDRESS REPRESENTING Pot Sussell what Dusion Ks. Hospital assoc, 12s Dealla Cao Cisa Bryan Krantz Topeka Take 1 Homason HALL Fire Mustal Le Course 8. KETTH K LANDIS 9. Denne Williams Div. of Budget meho KSLL 11 KDHLE 11 4 U 17. Dick Buch 18. LM CORNIS # 26 20. Ma/v W INDEP. INS. AGENTS 21. LARRY MAGILE u 22. 23. 25.

GUESTS

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DATE 5-6-83

KANSAS LEGISLATIVE RESEARCH DEPARTMENT

Room 545-N - Statehouse

Phone 296-3181

		Date <u>March 14, 1983</u>
TO:	REPRESENTATIVE DEAN SHELOR	Office No. 279-W
RE:	MORTGAGE MORATORIUM LEGISLATION	

In 1933, the Kansas Legislature approved House Joint Resolution No. 18. The Resolution provided a moratorium upon all periods of redemption from judicial sales resulting from foreclosures of mortgages and other liens upon real estate. The moratorium was to initially last for six months from the 4th day of March, 1933. The Governor under this Resolution was permitted to extend this period for an amount of time not to exceed six months. Governor Landon extended this by proclamation, dated August 22, 1933.

The Kansas Legislature, during its Special Session of 1934, adopted House Bill No. 14. This bill permitted the court to determine if the period of redemption was to be extended. The court was permitted to extend the time up to March 1, 1935.

Under this legislation, owners in possession were required to pay to the clerk of the district court amounts which represented the income from the property or rental value. These payments were then directed toward the payment of taxes, insurance, interest, mortgage or judgement indebtedness as determined by the court. Failure of owners to meet court-ordered payments resulted in a termination of the owners right to redeem property.

This legislation suspended every law then in force which was inconsistent with its provisions. These were suspended until March 1, 1935, as well.

The Legislature again addressed this issue in the Session of 1935. House Bill No. 299 permitted the court to extend the period of exemption granted in the 1934 legislation until January 15, 1937. This legislation continued the suspension of every other law in this area until January 15, 1937.

Several court cases arose out of the passage of these pieces of legislation. Two cases ($\underbrace{Oakland\ State\ Bank\ v}$. \underbrace{Bolin} , 141 K. 126 and $\underbrace{Langworthy\ v}$. \underbrace{Kadel} , $\underbrace{141\ K}$. 250) held that that portion of the $\underbrace{1933\ Legislation\ which\ authorized\ the\ extension}$ of the redemption period by the Governor to be an unconstitutional delegation of legislative power. These cases ruled that portion to be void and inoperative.

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One other case in this area is <u>Kansas City Life Insurance Company v. Anthony</u> (142 K. 670). This case describes the decision of an unconstitutional grant of legislative power to the Governor to extend the redemption period. It also cites several earlier cases which held that Kansas courts had assumed responsibility for extending the periods of redemptions under existing statutory authority (Quinton v. Adams, 87 K. 112). In the opinion of <u>Kansas City Life Insurance Company v. Anthony</u>, Justice Hutchison questioned the need for legislative authority for courts to grant extensions of periods of redemption given prior case history.

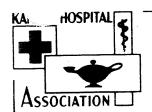
Further, the case ruled that once a foreclosure judgement has been made prior to the enactment of moratorium legislation, then the legislature has no authority to annul or set aside a prior judicial ruling, even on the theory of the existence of an emergency.

The mortgage moratorium legislation remained in the Kansas Statutes until 1947, even though the last bill enacted only extended the moratorium until January 15, 1937.

If I can be of any further assistance to you in this matter, please let me know.

Raney Gilliland Research Analyst

RG/jsf



TESTIMONY OF THE KANSAS HOSPITAL ASSOCIATION HOUSE WAYS AND MEANS COMMITTEE April 6, 1983

Donald A. Wilson

President

Senate Bill 284

The Kansas Hospital Association appreciates the opportunity to testify in support of Senate Bill 284, relating to the Health Care Stabilization Fund.

We have no problem with the amendment in Section 1(b) which makes the Fund liable for the Insurance Department's expenses incurred through administration of the Fund. Historically, these expenses have been paid by the State as part of the budget of the Insurance Department. There is no reason why the Fund should not pay for itself.

The bill amends Section 1(c) to require payments of \$300,000 or 10% of the judgment, whichever is greater, per fiscal year. We support this language, as it guarantees continuity and promptness in the payment of claims. It benefits no one to have the Fund's annual payment limit so low that it is, in effect, only paying off the interest, and not the principal, of a claim.

We support the 25% annual surcharge, as long as the Fund equals or exceeds the \$10,000,000 Fund limit, set out in Section 2(c). Our members would prefer to pay a reasonable annual surcharge which assures the viability of the Fund, rather than be assessed an extremely large surcharge in a year when the Fund has paid out many large claims.

We also support the 45% surcharge on new providers for the first two years. There are numerous providers who have been paying into the Fund since its inception, and it seems only equitable that new providers pay a larger amount in the first two years to add to the amount established providers have already paid into the Fund.

We, therefore, urge this committee to recommend Senate Bill 284 favorably for passage.

Aso III

HOUSE BILL NO. _____

Ву

AN ACT concerning criminal procedure; relating to discharge of persons not brought promptly to trial; amending K.S.A. 22-3402 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 22-3402 is hereby amended to read as follows: 22-3402. (1) If any person charged with a crime and held in jail solely by reason thereof shall-net-be is not brought to trial within ninety-(90) 90 days after such the person's arraignment on the charge, such the person shall be entitled to be discharged from further liability to be tried for the crime charged, unless the delay shall-happen happens as a result of the application or fault of the defendant, or a continuance shall-be is ordered by the court under subsection (3).

- (2) If any person charged with a crime and held to answer on an appearance bond shall-net-be is not brought to trial within ene--hundred--eighty--(180) 180 days after arraignment on the charge, such the person shall be entitled to be discharged from further liability to be tried for the crime charged, unless the delay shall-happen happens as a result of the application or fault of the defendant, or a continuance shall-be is ordered by the court under subsection (3).
- (3) The time for trial may be extended beyond the limitations of subsections (1) and (2) ef-this-section for any of the following reasons:
 - (a) The defendant is incompetent to stand trial?.
- (b) A proceeding to determine the defendant's competency to stand trial is pending and a determination thereof may not be completed within the time limitations fixed for trial fixed by this section.

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- if reasonable efforts have been made to procure such evidence; and that there are reasonable grounds to believe that such the evidence can be obtained and trial commenced within the next succeeding ninety--(90) 90 days. Not more than one continuance may be granted the state on this ground, unless for good cause shown, where the original continuance was for less than ninety (90) 90 days, and the trial is commenced within ene-hundred twenty-(120) 120 days from the original trial date;
- (d) Because of other cases pending for trial, the court does not have sufficient time to commence the trial of the case within the time fixed for trial by this section. Not more than one continuance of not more than $\frac{1}{2} \frac{1}{2} \frac{1}{2} = \frac{1}{2} = \frac{1}{2} \frac{$
- (e) The case has been dismissed without prejudice and charges are subsequently refiled. Not more than one continuance may be granted the state on this ground and the continuance shall not exceed the amount of time that lapsed between the person's first arraignment and the time of dismissal of the charges.
- (4) #n-the-event If a mistrial is declared or a conviction is reversed on appeal to the supreme court or court of appeals, the time limitations previded-fer-herein imposed by this section shall commence to run from the date the mistrial is declared or the date the mandate of the supreme court or court of appeals is filed in the district court.
 - Sec. 2. K.S.A. 22-3402 is hereby repealed.
- Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

Proposed Committee Amendments to Senate Bill No. 412

AN ACT relating to the state fire marshal; concerning the levy paid by fire insurance companies for maintaining the department of state fire marshal; amending K.S.A. 75-1508 and repealing the existing section.

On page 1, in line 25, by inserting after "shall" the following: "collect and"; in line 28, by striking all after comma; by striking all of lines 29 through 34 and inserting in lieu thereof the following: "an amount as determined by the state fire marshal of not more than 1.25% of the premiums, assessments or other charges collected from the policyholders of such fire insurance company. Each fire insurance company shall collect the amount as determined by the state fire marshal as a surcharge of premium assessments or other charges made by it for insurance coverage provided to its policyholders on risks located made or designated as in this state whether such charges are The surcharge of premium premiums, assessments or otherwise. shall be collected by the insuror from its policyholders at the same time and in the same manner that its premium or other charge for the insurance coverage is collected. No insuror or its agent shall be entitled to any portion of any surcharge of premium as a fee or commission for its collection.";

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HOUSE BILL No. 2540

By Committee on Ways and Means

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ON ACT concerning state capital improvements; prescribing procedures for legislative review; changing the name of the joint committee on state building construction; amending K.S.A. 46-1701, as amended by 1983 Senate Bill No. 128, and 46-1702 and K.S.A. 1982 Supp. 75-3717b, 75-5411 and 75-5414 and repealing the existing sections.

0023 Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 46-1701, as amended by 1983 Senate Bill No. 128, is hereby amended to read as follows: 46-1701. (a) There is hereby ereated. The joint committee on state building composed of three senators and three members of the house of representatives. The three senate members shall be the chairperson of the ways and means committee, or a member of the ways and means committee appointed by the chairperson, a senator appointed by the president and a senator appointed by the minority leader.

The three representative members shall be the chairperson of the ways and means committee, or a member of the ways and means committee, or a member of the ways and means committee, or a member of the ways and means committee, or a member of the ways and means committee appointed by the chairperson, a representative appointed by the minority leader.

(b) All members of the joint committee on state building construction capital improvements shall serve for terms ending on the first day of the regular legislative session in odd-numbered years. In even-numbered years, the chairperson shall be one of the representative members of the joint committee clected by the members of the joint committee and the vice-

0045 members of the joint committee. In odd-numbered years, the 0046 chairperson shall be one of the senate members of the joint

DRAFT OF AMENDMENTS
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Shall be within the legislative branch of state government and

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committee elected by the members of the joint committee and the vice-chairperson shall be one of the representative members of the joint committee elected by the members of the joint committee. The vice-chairperson shall exercise all of the powers of the chairperson in the absence of the chairperson.

- 6052 (c) A quorum of the joint committee on state building eon-6053 struction capital improvements shall be four. All actions of the 6054 joint committee shall be taken by a majority of all of the members 6055 of the joint committee.
- 0056 (d) The joint committee on state building construction capi-0057 tal improvements may meet at any time and at any place within 0058 the state on the call of the chairperson.
- 0059 (e) The provisions of the acts contained in article 12 of 0060 chapter 46 of the Kansas Statutes Annotated, and amendments 0061 thereto, applicable to special committees shall apply to the joint 0062 committee on state building construction capital improvements 0063 to the extent that the same do not conflict with the specific 0064 provisions of this act applicable to the joint committee.
- 0065 (f) In accordance with K.S.A. 46-1204, the legislative coordi-0066 nating council may provide for such professional services as may 0067 be requested by the joint committee on state building construc-0068 tion capital improvements.
- 0069 (g) The joint committee on state capital improvements may 0070 introduce such legislation as it deems necessary in performing 0071 its functions.
- (h) The name of the joint committee on state building conor struction is hereby changed to the joint committee on state or capital improvements. All powers, duties and functions now or vested with the joint committee on state building construction or shall be vested with the joint committee on state capital improvements. Whenever the joint committee on state building construction, or words of like effect, is referred to by any statute, contract or other document, such reference or designation shall be deemed to apply to the joint committee on state
- O082 Sec. 2. K.S.A. 46-1702 is hereby amended to read as follows: 0083 46-1702. In addition to other powers and duties authorized or

3081 capital improvements.

r prescribed by law or by the legislative coordinating council, the joint committee on state building construction capital improve-0086 ments shall:

(a) Study all five-year capital improvement and facilities plans and capital improvement budget estimates which are submitted to the joint committee by state agencies in accordance with K.S.A. 1978 Supp. 75-3717b and amendments thereto and the reports on such capital improvement budget estimates submitted to the joint committee by the state building advisory commission in accordance with that statute:

(b) Make/recommendations on all such five-year capital im-0095 provement and facilities plans and capital improvement budget 0096 estimates to the ways and means committees of the house of 0097 representatives and the senate;

0098 (c) Study the progress and results of all capital improvement 0099 projects for the construction of buildings or for major repairs or 0100 improvements to buildings for of state agencies; and

olo1 (d) Make an annual report to the legislative coordinating olo2 council as provided in K.S.A. 46-1207, and amendments thereto, olo3 and such special reports to committees of the house of repreolo4 sentatives and senate as are deemed appropriate by the joint olo5 committee. \(\frac{1}{2} \cap \alpha \dots \dots \)

0106 (e) As used in this section, "capital improvement project"
0107 means any such project conducted or administered for or by one
0108 or more state agencies, but shall not include any project for the
0109 construction, reconstruction, improvement or maintenance of
0110 highways.

O111 Sec. 3. K.S.A. 1982 Supp. 75-3717b is hereby amended to O112 read as follows: 75-3717b. (a) Whenever a state agency proposes O113 a capital improvement project for the construction of a building O114 or for major repairs or improvements to a building such state O115 agency shall prepare a capital improvement budget estimate to O116 be submitted to the division of the budget in such form as may be O117 required by the director of the budget and this section. Such state agency shall prepare and include as a part of such capital improvement budget estimate a written program statement de-O120 scribing the project. As used in this section, "capital improve-

preliminary

on or before the date that the governor's budget report is required to be submitted to the legislature by KS.A. 75-3721 and amendments thereto and make final recommendations on such plans and budget estimates to such committees on or before the 37th calendar day of each regular legislative session

For the construction of buildings or for major repairs or improvements to buildings for state agencies and other capital improvements budgeted for under K.S.A. 75-37176 and amendments thereto for

Have authority to request any state agency to provide the joint committee with any information relating to any proposed, current or past capital improvement project, whether or not it was budgited for under KSA.75-3717b and amundments thereto

for the construction of a building or for major repairs or improvements to a building or any other capital improvement project, which cannot be financed from other budgeted funds of the State agency

ois. .ent project means any such project conducted or administered oise for or by one or more state agencies, but shall not include any project for the construction, reconstruction, improvement or maintenance of highways:

(b) Where such capital improvement project is for the conolical struction of a building or for major repairs or improvements to a
olical building such program statement shall: (1) Include a detailed
olical justification for the project including an analysis of the programs,
olical activities and other needs and intended uses for the additional or
olical improved space and an analysis of the alternative means by
olical which such space needs and uses could be satisfied; (2) request
olical appropriations for the project in the three phases of preliminary
olical planning and construction; (3) describe in detail
olical each such phase of the project; and (4) include cost estimates for
olical land, site surveys, soil investigations, equipment, buildings or
olical major repairs or improvements to buildings and other items
olical recessary for the project.

otas (b) (c) Not later than July 1 of each year, such state agency shall submit to the division of the budget a copy of such capital improvement budget estimate, and all amendments and revious sions thereof, and at the same time such state agency shall submit copies of such capital improvement budget estimate, and all amendments and revisions thereof, directly to the state of building advisory commission and to the joint committee on state building construction capital improvements. At the same time of such state agency shall submit copies of each such capital improvement budget estimate which is for the construction of a building or for major repairs or improvements to a building, and all amendments and revisions thereof, directly to the state obtailing advisory commission.

(e) (d) On or before November 15 each year, the state build152 ing advisory commission shall report and make recommenda156 ing advisory commission shall report and make recommenda157 ions on each capital improvement budget estimate received insulated insulation in the project costs, projected 155 scheduling of funding for such costs, and such other matters as 156 are deemed appropriate by the state building advisory commis157 sion, to: (1) The division of the budget; (2) the joint committee on

State building advisory commission and to the

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building construction capital improvements; and (3) the 158 159 legislative research department.

0160 (d) (e) Not later than July 1 of each year, each state agency 0161 submitting such capital improvement budget estimates under 0162 this section for the construction of buildings or for major re 0163 pairs or improvements to buildings shall prepare and submit to 0164 the division of the budget, to the state building advisory com-0165 mission and to the joint committee on state building construction 0166 capital improvements copies of a five-year capital improvement 0167 program and facilities plan which shall set forth the current and 0168 future space needs and utilization plans for the next five ensuing 0169 fiscal years for that state agency in such form and containing such 0170 additional information as prescribed by the secretary of admin-0171 istration.

- Sec. 4. K.S.A. 1982 Supp. 75-5411 is hereby amended to read 0173 as follows: 75-5411. (a) The secretary of administration shall 0174 issue monthly reports of progress and advise, consult with and 0175 cooperate with the joint committee on state building construc-0176 tion capital improvements.
- (b) Change orders or changes in plans involving costs of less 0178 than twenty-five thousand dollars (\$25,000) \$25,000 may be 0179 authorized or approved by the secretary of administration with-0180 out prior consultation with the joint committee on state building 0181 construction capital improvements. The secretary of administra-0182 tion shall report to the joint committee on state building eon-0183 struction capital improvements all action relating to such change 0184 orders.
- (c) No change order or change in plans involving costs of 0185 0186 twenty-five thousand dollars (\$25,000) \$25,000 or more, and no 0187 change in the proposed use of any new or remodeled building shall be authorized or approved by the secretary of administration without having first advised and consulted with the joint 0190 committee on state building construction capital improvements.
- ec. 5. K.S.A. 1982 Supp. 75-5414 is hereby amended to read 019 0192 no follows: 75-5414. (a) The secretary of administration shall 0193 obtain and maintain copies of all drawings, specifications, con-0194 tracts, change orders, field orders, warranties and other docu-

Capital improvement and facilities

- o. ents relating to all capital improvement projects for the conor struction of buildings or for major repairs or improvements to buildings for state agencies. It is the responsibility of the secretary of administration to prepare all of the necessary documentation to support claims by the state against any project architect, ocontractor, manufacturer, supplier or other person regarding any ocontractor and capital improvement project.
- (b) It is the responsibility of each state agency for which such o203 a capital improvement project was completed to initially refer all o204 claims on behalf of the state arising from the project to the secretary of administration. The secretary of administration shall o206 attempt to effect an informal or formal resolution of all such o207 claims in a manner satisfactory to the interests of the state. O208 Failing such a resolution, the secretary of administration shall o209 refer and the state agency for which the project was completed may refer all such claims to the attorney general for action. Written notice of each such referral to the attorney general shall o212 be given to the governor by the secretary of administration and o213 the state agency making such referral. Upon each such referral, the attorney general shall institute and prosecute all appropriate o215 legal proceedings regarding such claims.
- 0216 (c) On or before November 15 each year, the secretary of 0217 administration shall report to the joint committee on state build-0218 ing construction capital improvements as to the nature and status 0219 of all claims made on behalf of the state arising from state 0220 projects for the construction of buildings or major repairs or 0221 improvements to buildings which are referred to or acted on by 0222 the secretary of administration under this section, and shall 0223 include in such report any recommendations deemed appro-0224 priate by the secretary of administration.
- Sec. 6. K.S.A. 46-1701, as amended by 1983 Senate Bill No.
 128, and 46-1702 and K.S.A. 1982 Supp. 75-3717b, 75-5411 and
 75-5414 are hereby repealed.
- Sec. 7. This act shall take effect and be in force from and 022. Ater its publication in the statute book.