

Approved: February 8, 1994
Date

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson August Bogina at 11:00 a.m. on February 2, 1994 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Kathy Porter, Legislative Research Department
Norm Furse, Revisor of Statutes
Judy Bromich, Administrative Assistant
Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Orion Jordan, Director of Facilities Management, Department of Administration
Chuck Yunker, Kansas American Legion
Jerry Curtis, Vietnam Veterans of America
Arthur Solis, American GI Forum
Nancy Echols, Director, Division of Personnel Services
William Ervin, Division of Accounts and Reports

Others attending: See attached list

SB 529--VETERANS MEMORIAL; ADVISORY COMMITTEE

Orion Jordan, Director of Facilities Management, appeared before the Committee to testify in support of SB 529 and reviewed Attachment 1. He stated that the capitol area plaza authority was included in the bill because it has the responsibility for long-range planning in regards to landscaping and beautification. In answer to Senator Salisbury, he stated that the bill intentionally made no reference to expenses of the advisory council.

Mr. Chuck Yunker, Kansas American Legion, distributed and reviewed copies of Attachment 2, which contained proposed amendments to SB 529. In explaining the proposed amendment in Sec. 2, b (Attachment 2-4), Mr. Yunker clarified that each veteran's organization could submit a list of three nominees for the advisory committee and the Governor could select eight from that list.

Mr. Jerry Curtis, Chairman of the Kansas Veterans Memorial Committee, distributed copies of an artist's concept of the memorial (Attachment 3). He told members that the Committee had chosen the statehouse as the site for the memorial because of its permanency. In discussing fundraising for the memorial, Mr. Curtis stated that any amount above the cost of constructing and maintaining the memorial would be used to provide educational opportunities for veterans and their families. The Chairman reminded Mr. Curtis that once the money is deposited in a state fund, it cannot be used for education. In response to Senator Karr, Mr. Curtis concurred that the capitol area plaza authority would have total jurisdiction over decisions regarding the site and design of the memorial.

Mr. Arthur Solis, former State Commander of the American GI Forum, appeared on behalf of Mr. Antonio Falcon in support of SB 529 and reviewed Attachment 4. He informed Committee members that provisions for the proposed advisory committee and establishment of the fund is parallel language to the statutes regarding the law Enforcement Advisory Committee and Fund (K.S.A. 1993 Supp. 75-2250 and 75-2251).

Senator Salisbury moved and Senator Kerr seconded that proposed Sec. 2 (1) (b) of the balloon be amended to read "each veterans organization". The motion carried on a voice vote.

Senator Salisbury moved and Senator Kerr seconded that SB 529 be amended by adopting the amended balloon (Attachment 2, 4-5) with the exception of Sec. 3 (c). The motion carried on a voice vote.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 11:00 a.m. on February 2, 1994.

It was moved by Senator Salisbury and seconded by Senator Petty that SB 529 be further amended by the adoption of conceptual language paralleling K.S.A. 75-2250 regarding interest earned on monies. The motion carried on a voice vote.

It was moved by Senator Salisbury and seconded by Senator Kerr that SB 529 as amended be recommended favorable for passage. The motion carried on a roll call vote.

SB 536 -- STATE OFFICERS AND EMPLOYEES; QUALITY AWARD PROGRAM; LONGEVITY BENEFITS; FAMILY MEDICAL LEAVE

Nancy Echols, Division of Personnel Services, testified in support of SB 536 and reviewed Attachment 5. She stated that in determining longevity eligibility, attorneys for the Department of Administration had interpreted "anniversary date" as the date a person began any form of employment rather than the beginning of classified employment. It was the opinion of the Committee that lines 30-37 on page 3 of the bill specified that the employee's service anniversary date shall be the date the employee began employment under the Kansas civil service act. Ms. Echols concurred with Senator Salisbury that regulations desired by the Department regarding longevity should be put in statute rather than in rules and regulations.

Senator Vancrum expressed his opinion that the Quality Improvement Award Program should include language requiring exemplary performance. In answer to Senator Brady, Ms. Echols stated that guidelines for awards would be specific to the agency, but conceded that the proposal contained no language that would limit the amount of the award except by agency's existing budget.

The Chairman requested information on the differences between the Federal Family and Medical Leave Act and current state law.

SB 533 -- FEES FOR DEBT SETOFF COLLECTION; FEES FOR COPIES OF OPEN RECORDS

William Ervin, Division of Accounts and Reports, testified on behalf of Mr. Cobler in support of SB 533 and reviewed Attachment 6. He stated that the 15% statutorily set collection rate has been in place since the inception of the setoff program in 1982. The proposed amendment would base the fee on cost. In answer to questions, Mr. Ervin said that Human Resources and Employment Security Law have a \$300. maximum fee; other types of setoff have no match; SB 130 enacted in 1993 allowed municipalities into the fold for setoff with a two-tiered program. He told members that a study in FY 92 determined that collection costs were 16.5% of the collected debts so, in effect, the SGF subsidized the setoff program for the 1.5% difference.

In answer to a question, Mr. Ervin said that the biggest single debt is delinquent child support payments that are setoff against unemployment benefits. The fee is paid by SRS out of the state general fund.

Senator Karr moved, Senator Kerr seconded, that SB 533 be reported favorable for passage. The motion carried on a roll call vote.

It was moved by Senator Salisbury and seconded by Senator Kerr that the minutes of January 31 be amended and approved as amended. The motion carried on a voice vote.

The meeting was adjourned by the Chairman at 12:25 P.M.

The next meeting is scheduled for February 3, 1994.

GUEST LIST

COMMITTEE: SENATE WAYS AND MEANS

DATE: Feb. 2 1994

[illegible]

TESTIMONY: WAYS AND MEANS COMMITTEE
SB 529
February 2, 1994

Department of Administration
Division of Facilities Management

Orion M. Jordan, Director

Senate Bill 529 authorizes the construction of a veterans memorial on the statehouse grounds. Construction and subsequent modifications of the memorial would be in accordance with design and architectural drawings reviewed by the division of facilities management and approved by the capitol area plaza authority. The state preservation officer would serve in an advisory capacity to the capitol area plaza authority regarding the memorial. Construction would competitively bid pursuant to applicable statutes or regulations.

Selection of a memorial design architect would be made by the nine member veterans memorial advisory committee which is established in SB 529.

The nine member committee would:

- 1) serve in an advisory role to the secretary of administration and capitol area plaza authority concerning the veterans memorial;
- 2) solicit grants, gifts, contributions and bequests for the veterans memorial and deposit in the state treasury to the credit of the veterans memorial fund;
- 3) be appointed by the governor and serve at the pleasure of the governor.

The bill establishes the veterans memorial fund from which expenditures would be made for the purposes of constructing, updating and repairing the memorial. All expenditures would be authorized by the veterans memorial advisory committee and made upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of administration. Construction of the veterans memorial would not commence until the veterans memorial fund contains sufficient funds to complete the construction and to repair reasonably foreseeable damage to the memorial.

No public funds would be used to construct or maintain the veterans memorial.

SENATE WAYS AND MEANS COMMITTEE
TESTIMONY BY CHARLES M. YUNKER, ADJUTANT
KANSAS AMERICAN LEGION
ON SENATE BILL 529

1

Thank you for allowing me the opportunity and privilege this morning to testify on behalf of the more than 90,000 members of the Kansas American Legion, American Legion Auxiliary and Sons of The American Legion in favor of Senate Bill 529.

Several years ago representatives of The American Legion, Disabled American Veterans and Veterans of Foreign Wars met to discuss the construction of a memorial honoring all men and women from Kansas who have worn a military uniform. Our plan then, and now, is to avoid pitfalls experienced by others who have dedicated veterans memorials that honored only a specific group or era of veterans.

Our original plans were put on hold due to the size, cost and other factors which made such a project impractical at the time. Today, those organizations, and others, have joined forces with a simple plan for a memorial which can be constructed at a much lower cost while providing a more meaningful and appropriate recognition of those Kansas citizens who have served our state and nation in the Armed Forces.

I realize the final design for a veterans memorial is not the task of this Committee but I would like to briefly describe what we have in mind: The Memorial we propose would include designating the sidewalk from 10th Street north to the flag pole on the south side of the State Capitol as the "Kansas Veterans Memorial Walk." Featured in the center of the walkway, in the middle of the center flower bed, would be a seven foot-seven inch granite obelisk sitting on a ten

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Attachment 2*

foot by 20 foot granite floor thus providing total accessibility for physically challenged citizens to the memorial obelisk.

The obelisk itself would have attached to it a bronze rendition of the Great Seal of Kansas on one side and a bronze plaque on the opposite side stating the purpose of the memorial. The purpose of the memorial is to honor the men and women of the State of Kansas who have served in the Armed Forces of the United States of America and the State of Kansas. Such a simple statement, or one similar, would include military service during both peace and war while eliminating questions of gender, race, branch of service, active duty versus Reserve or National Guard service as all such service has proven to be equally important throughout our history.

Other plans include placing granite caps along the edge of the two remaining flower beds and the now divided center bed thereby changing their appearance of simple concrete to granite. The north and south flower beds would also include a small granite pedestal and properly sized bronze plaque identifying the area as the "Kansas Veterans Memorial Walk." The final design may also include providing a granite cap over the base of the Flag Pole on the north end of the walkway.

The Kansas Historical Society Building located on the northeast corner of Tenth and Jackson was erected by the State of Kansas "as a memorial to the Union Soldiers and Sailors of the War of the Rebellion 1861-1865." It remains as the only state memorial dedicated to veterans; our proposal would honor all veterans including those of the Civil War to which the aforementioned building was constructed to honor. We believe our design and plan would add

to the beauty of our State Capitol while honoring those who have served, those who are currently serving, and those who will serve in the Armed Forces.

We ask that you amend Senate Bill 529 by adopting the proposed revision as provided on the last two pages of my written testimony. These changes would allow the governor more flexibility in appointing members to serve on the Veterans Memorial Advisory Committee; allow the Advisory Committee to accept appropriate grants, gifts, contributions or bequests; provide that interest earned on funds deposited with the State Treasury for the construction, maintenance and repairing of the Memorial be credited to the Veterans Memorial Fund; and that Senate Bill 529 be in force as soon as it is published in the Kansas register.

Speaking on behalf of The American Legion, we will be ready to begin raising funds for this memorial. It is the intention of every veterans' organization to see that our proposed memorial is ready to be dedicated on Veterans Day, November 11, 1994 thus the reason we would ask that SB 529 go into effect as soon as it appears in the Kansas register.

In closing I urge your swift approval of Senate Bill 529 with our suggested amendments. Long after parades honoring veterans are over, long after the Kansas Veterans Memorial is constructed and dedicated, the Memorial itself will remain as a symbol of Kansas' gratitude of those who have served, are serving and who will serve to maintain our freedoms.

SENATE BILL No. 529

By Committee on Ways and Means

1-19

AN ACT relating to a veterans memorial; creating the veterans memorial advisory committee.

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

Section 1. (a) A memorial to veterans may be placed on the grounds of the statehouse. If constructed, the memorial shall be located south of the statehouse at a site to be selected by the capitol area plaza authority. The memorial shall be constructed in accordance with design and architectural drawings reviewed by the division of facilities management and approved by the capitol area plaza authority. Additions and modifications to the memorial shall be constructed in accordance with design and architectural drawings reviewed by the division of facilities management and approved by the capitol area plaza authority. The state preservation officer shall serve in an advisory capacity to the capitol area plaza authority regarding the memorial.

(b) The selection of an architect shall be made by the veterans memorial advisory committee and shall not be subject to the advertising and architectural selection provisions of K.S.A. 75-430a and 75-1250 *et seq.*, and amendments thereto. The construction of the project shall be competitively bid pursuant to applicable statutes or regulations in effect at that time.

Sec. 2. (a) There is hereby established the veterans memorial advisory committee which shall be composed of nine members as follows:

(1) Eight representatives of veterans organizations each appointed by the governor, with no more than one representative selected from a single veterans organization; and

(2) the secretary of administration, or the secretary's designee.

(b) The veterans memorial advisory committee shall serve in an advisory role to the secretary of administration and the capitol area plaza authority with regard to matters concerning the memorial to veterans on the statehouse grounds. The advisory committee may solicit grants, gifts, contributions and bequests for the memorial and shall remit all moneys so received for deposit in the state treasury to the credit of the veterans memorial fund in accordance with section

SB 529: PROPOSED REVISIONS

Sec. 2. (a) There is hereby established the veterans memorial advisory committee which shall be composed of nine members as follows:

(1) Eight representatives of veterans organizations each appointed by the governor, with no more than ~~one~~ **two** representative selected from a single veterans organization; and

(2) the secretary of administration, or the secretary's designee.

(b) Veterans organizations may submit a list of at least three names for consideration by the governor in making an appointment. The governor shall consider each such list if timely submitted and may appoint from among those listed.

(b)(c) The veterans memorial advisory committee shall serve in an advisory role to the secretary of administration and the capitol area plaza authority with regard to matters concerning the memorial to veterans on the statehouse grounds. The veterans memorial advisory committee may also make recommendations to the governor and legislature regarding appropriate activities memorializing or commemorating veterans. The advisory committee may solicit grants, gifts, contributions and bequests for the memorial and shall remit all moneys so received for deposit in the state treasury to the credit of the veterans memorial fund in accordance with section 3.

(e)(d) The members of the advisory committee shall organize annually by electing a chairperson and vice-chairperson. The advisory committee shall meet at least once each year upon call of the chairperson. The secretary of administration, or the secretary's designee, shall serve as secretary for the advisory committee. Members of the advisory committee appointed by the governor under this section shall serve at the pleasure of the governor.

1 3.

2 (c) The members of the advisory committee shall organize an-
3 nually by electing a chairperson and vice-chairperson. The advisory
4 committee shall meet at least once each year upon call of the chair-
5 person. The secretary of administration, or the secretary's designee,
6 shall serve as secretary for the advisory committee. Members of the
7 advisory committee appointed by the governor under this section
8 shall serve at the pleasure of the governor.

9 Sec. 3. (a) The secretary of administration is hereby authorized
10 to receive grants, gifts, contributions or bequests made for the pur-
11 pose of financing the construction of the veterans memorial and its
12 upkeep.

13 (b) There is hereby established in the state treasury the veterans
14 memorial fund. Expenditures from the fund may be made for the
15 purposes of constructing, updating and repairing the memorial. All
16 such expenditures shall be authorized by the veterans memorial
17 advisory committee and made upon warrants of the director of ac-
18 counts and reports issued pursuant to vouchers approved by the
19 secretary of administration. No public funds shall be used to construct
20 or maintain the veterans memorial. Construction of the veterans
21 memorial shall not commence until the veterans memorial fund con-
22 tains sufficient funds to complete the construction and to repair
23 reasonably foreseeable damage to the memorial.

24 (c) Moneys in the veterans memorial fund shall be invested in
25 the municipal investment pool.

26 Sec. 4. This act shall take effect and be in force from and after
27 its publication in the statute book.

SB 529: PROPOSED REVISIONS

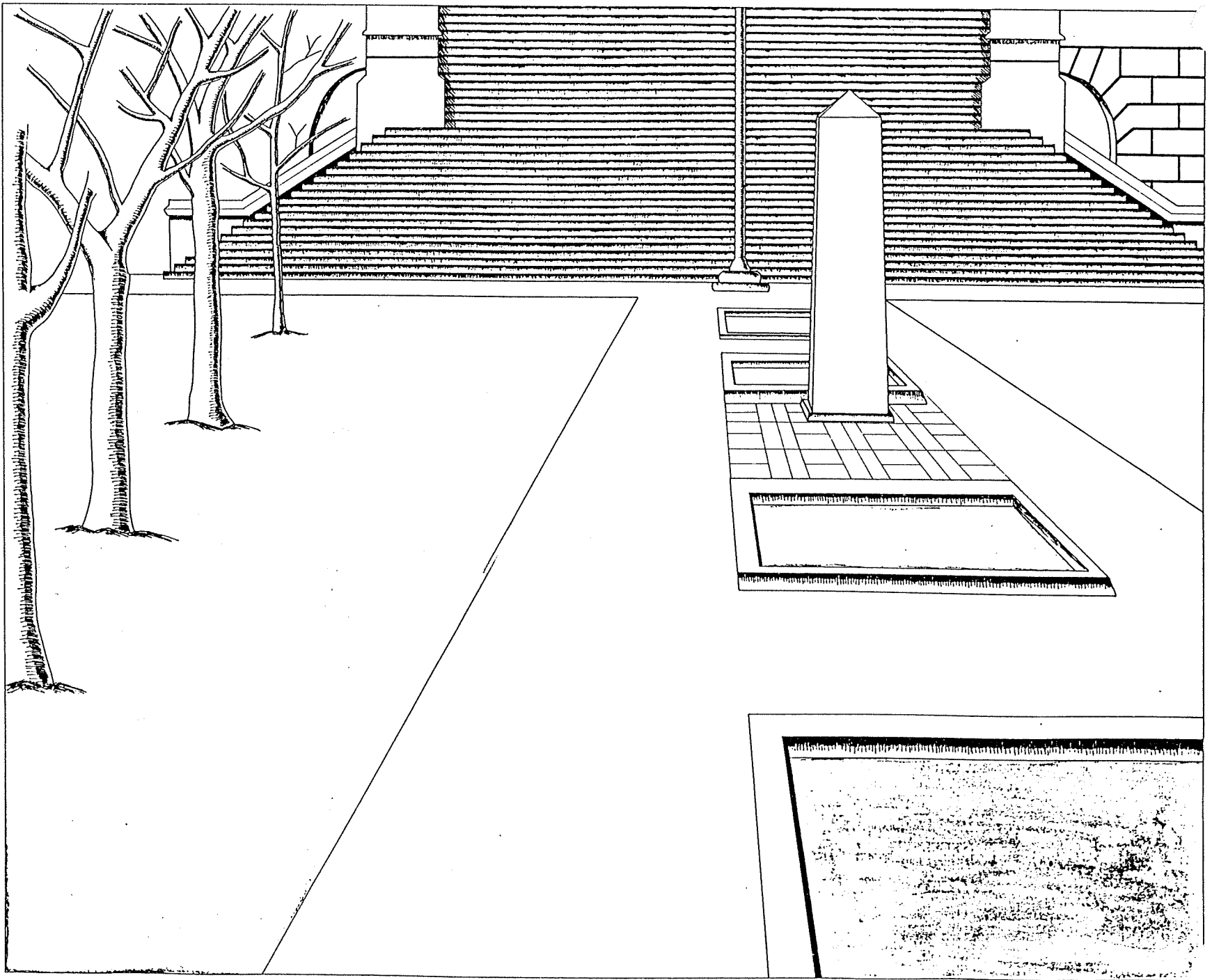
Sec. 3. (a) The secretary of administration is hereby authorized to receive grants, gifts, contributions or bequests made for the purpose of financing the construction of the veterans memorial and its upkeep.

(b) There is hereby established in the state treasury the veterans memorial fund. Expenditures from the fund may be made for the purposes of constructing, updating and repairing the memorial, for other purposes related to memorializing and honoring veterans and for such other purposes as may be specified with regard to any grant, gift, contribution or bequest. All such expenditures shall be authorized by the veterans memorial advisory committee and made upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of administration. No public funds shall be used to construct or maintain the veterans memorial. Construction of the veterans memorial shall not commence until the veterans memorial fund contains sufficient funds to complete the construction and to repair reasonably foreseeable damage to the memorial.

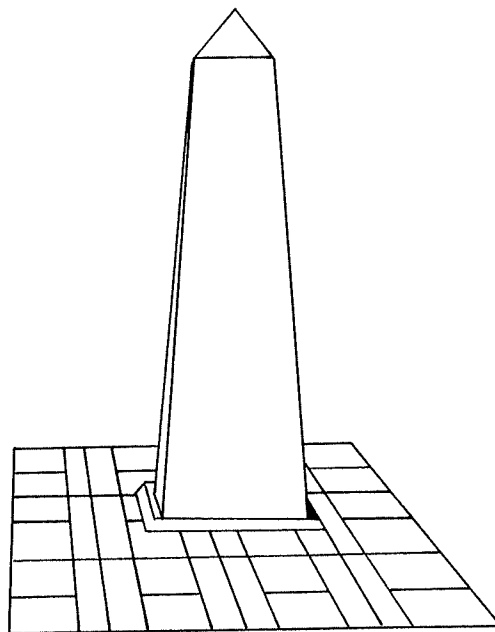
(c) Monies in the veterans memorial fund shall be invested in the municipal investment pool. Interest earned on monies in the veterans memorial fund shall be credited to the veterans memorial fund at least once each year.*

Sec. 4. This act shall effect and be in force from and after its publication in the statute book Kansas register.

* If this provision or a similar provision is not included, interest is credited to general fund, K.S.A. 75-4210a]

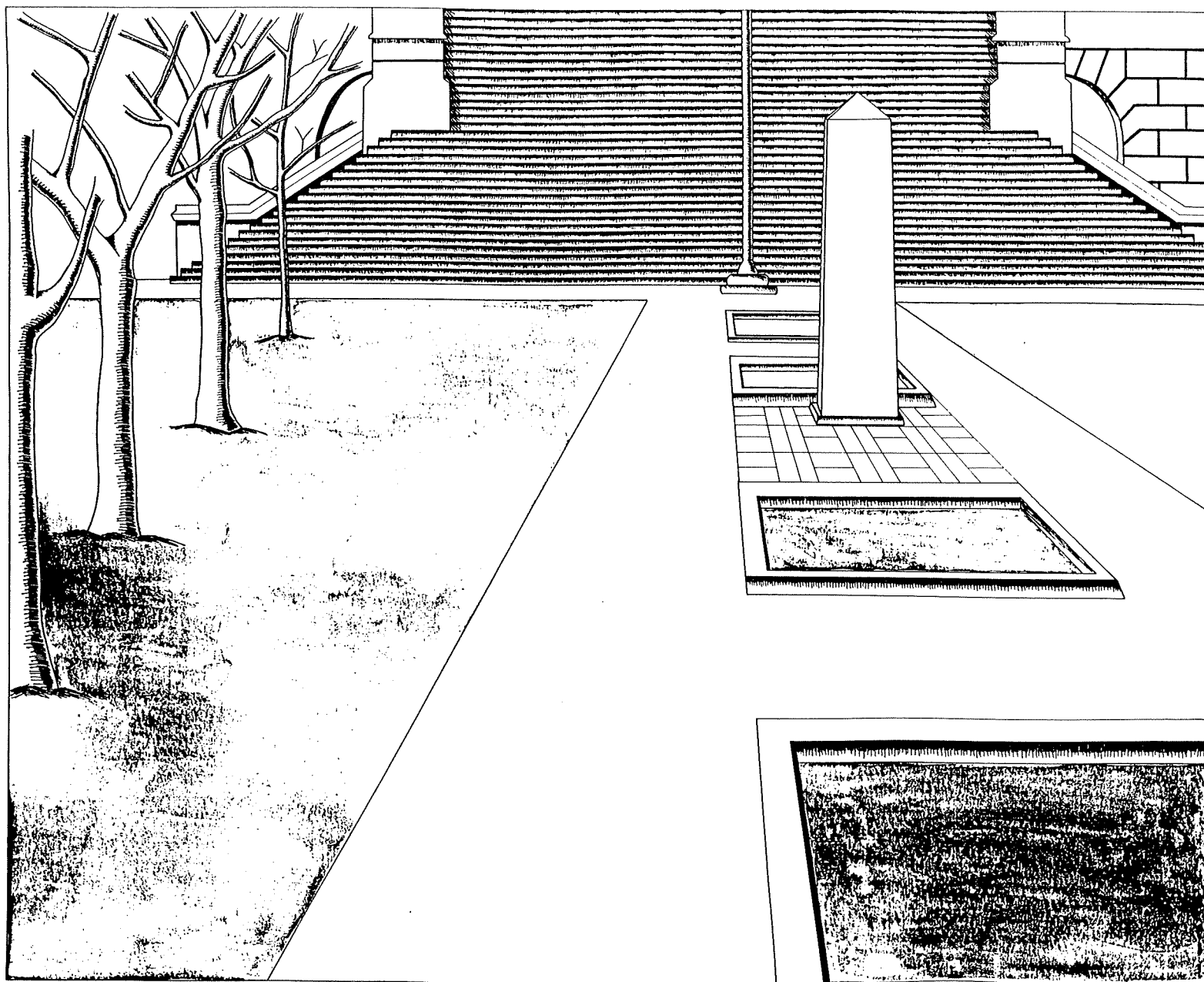


KANSAS VETERANS MEMORIAL COMMITTEE



Sponsoring
"Kansas Veterans Memorial Walk"
1314 S.W. Topeka Ave.
Topeka, KS 66612
(913) 232-9315

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Attachment 3



Christina A. Schmidt 93

KANSAS VETERANS MEMORIAL COMMITTEE

CHAIRMAN-GERALD D. CURTIS

HONORARY CO-CHAIRPERSON-THE HONORABLE JOAN FINNEY GOVERNOR OF KANSAS

AMERICAN LEGION-CHUCK YUNKER

AMERICAN EX-POW-JUANITE McCALL

AMVETS-JERRY L. WIGINGTON

AIRFORCE SGTS ASS.-FRANK CIAK

DISABLED AMERICAN VETERANS-LEON PICKING

GI FORUM-ANTONIO FALCON

HISPANIC VETERANS PROJECT-ARTHUR W. SOLIS

MARINE CORPS LEAGUE-DAVID SPIEGEL

PARALYZED VETERANS OF AMERICA-MIKE DYER

SURVIVORS OF PEARL HARBOR-CHARLES S. SENSEMAN

VETERANS OF FOREIGN WARS-DARRELL BENCKEN

VIETNAM VETERANS OF AMERICA-MICHAEL KUHN

ARCHITECT-FRAN HUG

ARTIST-PATRICIA A. SCHMIDT

SENATE BILL No. 529

Senate Ways and Means Committee

Room 123 S

February 2, 1994

Testimony by GERALD D. CURTIS Maj(Ret) CHAIRPERSON
KANSAS VETERANS MEMORIAL COMMITTEE

Thank you for allowing me the honor and opportunity this day to testify on behalf of some 287,000 veterans from the state of Kansas.

Today there is not a veterans memorial on the Capital Plaza grounds. We believe that all veterans need to be honored and remembered for their service to our state and our nation.

The memorial recognizes all veterans from Kansas who served, who are serving, and who will serve in any branch of our armed services, whether active, reserve, or national guard status.

The memorial will be called, **KANSAS VETERANS MEMORIAL WALK.**

We hope to dedicate it on Veterans Day, November 11, 1994.

We will be asking veterans, family and friends of veterans to give money for this worthy cause. No state moneys will be used for construction or upkeep.

Our own Kansas Army National Guard (891st Eng Bn) will be doing some of the construction as an annual training project.

We are asking for some changes to be made in Senate Bill No. 529.

Sec 2(a)(1) should read with no more than 2 representatives selected from a single veterans organization;

Sec 2(b) Add-Veterans organizations may submit a list of at least three names for consideration by the governor in making an appointment. The governor shall consider each such list if timely submitted and may appoint from those listed.

Sec 2(b) change to(c) Add-after statehouse grounds. The veterans memorial advisory committee may also make recommendations to the governor and legislature regarding appropriate activities memorializing or commemorating veterans.

Sec 2(c) change to (d)

Sec 3(b) Add-after updating and repairing the memorial, for other purposes related to memorializing and honoring veterans and for such other purposes as may be specified with regard to any grants, gift, contribution, or bequest.

Sec 3(c) Add-Interest earned on moneys in the veterans memorial fund shall be credited to the veterans memorial fund at least once each year.

Sec 4 Delete-statue book Add-Kansas register.

Passage of Senate Bill No. 529 would give us the opportunity to honor each and every Kansas veterans with a memorial that is on the Capital Plaza grounds.



Antonio Falcon
State Commander

2800 Meadowlark
Dodge City, Kansas 67801

WRITTEN TESTIMONY
OF THE
AMERICAN GI FORUM OF KANSAS
SUBMITTED BY
ANTONIO FALCON, STATE COMMANDER
TO THE
SENATE COMMITTEE ON WAYS AND MEANS
FEBRUARY 2, 1994

INTRODUCTION

The *AMERICAN GI FORUM OF KANSAS* is a duly chartered state chapter of the *American GI Forum of the United States*, a national veterans family organization. The Kansas American GI Forum organization has local chapters throughout the State of Kansas. Though predominately Hispanic, membership in the American GI Forum includes individuals of all ethnic and racial groups.

It is important to note that Hispanic Americans who are veterans have played an important role in every one of our Nations's conflicts. Indeed, Hispanic veterans have been awarded more *Medals of Honor* per capita than any other group represented in the veteran population. Moreover, Hispanic veterans have been consistently overrepresented as a percentage of wartime casualties.

SENATE BILL NO. 529

The *AMERICAN GI FORUM OF KANSAS* is proud and honored to be one of the veterans organizations participating in the activities of the Kansas Veterans Memorial Committee. Accordingly, the *AMERICAN GI FORUM OF KANSAS* unequivocally endorses and supports Senate Bill No. 529, an act authorizing the construction and placement of a "veterans memorial" on the grounds of our Statehouse and which also creates a Veterans Memorial Advisory Committee. This veterans memorial will commemorate all veterans whose sacrifices and bravery have kept our Nation free.

The *AMERICAN GI FORUM OF KANSAS* also supports the Kansas Veterans Memorial Committee's proposed amendments to Senate Bill No. 529.

The *AMERICAN GI FORUM OF KANSAS* respectfully requests this committee act favorably and promptly on Senate Bill No. 529.

"EDUCATION IS OUR FREEDOM AND FREEDOM SHOULD BE EVERYBODY'S BUSINESS"

SWAM
February 2, 1994
Attachment 4

Testimony To The
SENATE WAYS AND MEANS COMMITTEE

By
Nancy M. Echols
Division of Personnel Services
Department of Administration

Wednesday, February 2, 1994
RE: Senate Bill 536

Mr. Chairperson, members of the committee, thank you for this opportunity to appear before you today. My name is Nancy Echols, and I am the Director of the Division of Personnel Services in the Department of Administration. The Department of Administration supports Senate Bill 536.

Current law prohibits paying subsistence payments to state employees for expenses incurred within 30 miles of an employee's work station. The amendment to K.S.A. 75-3207 would allow the Secretary of Administration to approve exceptions to this prohibition. Exceptions may include times when an employee may need to stay overnight within 30 miles of the employee's work station because of the weather or other unusual circumstances. This change would allow flexibility for both agencies and employees in addressing these seldom occurring situations.

Kansas has an award-winning employee suggestion program. The proposed amendment to K.S.A. 75-37,106 would establish a Quality Improvement Award Program geared to recognizing employees for work process improvements in their agency operations. Agencies have requested a program that would allow employees and supervisors to work together to adopt and implement quality improvement ideas within the scope of their responsibilities. This program would not only compliment the existing suggestion program, but would compliment quality management efforts already being pursued by the State of Kansas. More employee participation and involvement in quality initiatives will greatly improve Kansas government's overall efficiency and effectiveness.

This quality award program will provide a mechanism to allow agencies to reward an employee or teams of employees with mementos, symbolic awards, small cash awards or other awards that are consistent with agency goals and objectives. The new quality award program would allow agencies to recognize employees in a number of meaningful but inexpensive ways for improving work procedures. Quality awards could be presented in a

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manner that would allow employees to achieve visibility among their peers. With this new program, recognition is given to employees who take the initiative to make work improvements. The people that know how to improve particular jobs or processes are the individuals or teams who are actually doing the jobs. This program would reward those employees for improving the work processes in their area, thus improving the overall quality of state government operations.

The proposed changes to K.S.A. 75-5541, longevity pay, will simplify the administration of the longevity program, eliminate the need for two methods of computing state service, and provide full credit for years of service for permanent, part-time employees for longevity pay. Longevity pay is intended to reward employees who give permanent, long-term service to the State of Kansas and encourage employees to remain in the service of the State.

Currently, agencies must use two different calculations for years of service. "Service credit" is calculated for longevity pay only. The other calculation is "length of service" which is for all other personnel matters where years of service are a factor such as increased leave accrual, service pins, probationary periods, step movement, KPERS eligibility and layoff scores. Computing time with one method would ensure that employees receive all recognition or benefits for reaching a "years of service" milestone at the same time.

"Service credit" is calculated for longevity pay only because of some distinctions for receiving longevity pay that do not apply to other employee benefits. By eliminating some of the unnecessary distinctions, calculating years of service for employees will become a more efficient process and be clearer and easier for employees to understand.

"Service credit" is currently calculated for part-time employees so that part-time service is converted to full-time equivalent. The proposed change would allow permanent, part-time employees to receive full credit for years of service for longevity pay purposes. Part-time service would be calculated on a one year for one year basis as it is for the length of service calculation used for all other personnel matters where years of service have an impact. Employees do not understand why they receive a ten year service pin and increased rates of leave accrual, but must wait to get longevity pay for those same ten years.

This bill would also eliminate the need for agencies to track and deduct small periods of unsatisfactory service. This is not currently done for the length of service calculation for service pins, leave accrual, KPERS eligibility, layoff scores, etc..

Additionally, the proposed changes would clarify that emergency and temporary employees are not eligible to receive longevity pay. Presently, emergency and temporary employees do not maintain the same rights or receive any of the same benefits, except for

longevity pay, as permanent employees. Emergency and temporary employees by definition are not intended to provide continuous, long-term service to the state, and should not receive longevity pay. With these changes to longevity pay, employees will be recognized and treated consistently for their continued state service.

The amendment to K.S.A. 1993 Supp. 75-6508 is intended to coordinate administration of the Group Health Insurance (GHI) continuation provisions of the current state statute with the continuation provisions of the Federal Family and Medical Leave Act in leave of absence without pay situations. Currently, there is confusion among agencies and employees as to which law, the federal or state, applies in some circumstances. In addition, some employees could qualify under both laws which would entitle them to double the amount of time away from work with employer paid GHI coverage than was intended by either legislation.

The current state law allows an employee to receive employer share GHI continuation coverage in the event of an illness or injury for three months following the exhaustion of his or her sick and annual leave. The Federal Family and Medical Leave Act covers the same serious illness and injury disability situations for 12 weeks (or three payroll periods for employees paid monthly); however, the federal benefit can also be used to care for a family member who suffers an illness or injury. An employee could possibly qualify for both the leave under the state statute and leave under FMLA in the same year, making the State responsible for the employer contribution of the employee's GHI for six months. This amendment would retain the original intent of covering three months of GHI contribution for the employee.

The Department of Administration would appreciate your support for passage of this bill.

Thank you for allowing me this time. I would be happy to answer any questions you may have.

STATE OF KANSAS



DEPARTMENT OF ADMINISTRATION
DIVISION OF ACCOUNTS AND REPORTS

JOAN FINNEY
Governor

JAMES R. COBLER
Director of Accounts and Reports

900 Jackson, Room 251
Landon State Office Building
Topeka, KS 66612-1220
(913) 296-2311
FAX (913) 296-6841

February 2, 1994

The Honorable August "Gus" Bogina, Jr., Chairman
Senate Ways and Means Committee
State Capitol - Room 120-S
Topeka, Kansas 66612

Dear Senator Bogina:

Senate Bill (SB) 533 has two distinct and unrelated topical sections: (1) fees for copies of public records; and (2) collection assistance fees for the debt setoff program. My comments for testimony regarding the topics in SB 533 are as follows:

Section 1. -- Relating to Fees for Copies of Records

K.S.A. 45-219 provides rules for public agencies when copies of, or access to, public records is requested. The statute allows each public agency to "prescribe reasonable fees" for these services with the fees approved by the Director of Accounts and Reports.

SB 533 eliminates the approval by the Director, for fees for copies of public records only, if the fees are equal to or less than \$.25 per page. The approval process will continue for fees for access to public records.

During fiscal year 1993, 17 copy cost rate applications were reviewed by the Division of Accounts and Reports. This amendment would eliminate the majority of the applications. Thus, the implementation of this amendment would have very little impact on the operations and responsibilities of the Division. The rate and revised procedure should be more efficient to both state agencies and to those who request copies of public records.

SWAM
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Attachment 6

Section 2. -- Relating to Fees for Debt Setoff Transactions

K.S.A. 1993 Supp. 75-6210 governs the collection assistance fee for debt setoff transactions including the rate, the method of collection of the fees from state agencies, foreign state agencies or municipalities, and the fund to which such fees are credited.

SB 533 replaces the statutorily-set collection assistance fee rate of 15% with language to allow the rate to be changed based upon "cost, as determined by generally accepted cost allocation techniques". This provides the flexibility for more timely rate changes, in accordance with changes in costs, rather than delaying changes until approval by subsequent Legislative Sessions.

The implementation of this legislation would allow the Division of Accounts and Reports to recover all costs, or a reasonable portion of the costs, related to the debt setoff program at the time the cost or volume variances occur. When costs are not fully recovered, the State General Fund or other funding sources must subsidize the program. Timely review and implementation of rate changes would insure minimal program subsidization.

Any change in the rate of collection assistance fee would directly impact the amount of revenues to the Accounting Services Recovery Fund. Correspondingly, any change in the rate will also directly impact the expenditures for collection assistance fees incurred by a users of the program. The statute allows a "reasonable" collection assistance fee so the effect of a rate change on all parties must be considered prior to any action.

It is unknown at this time what rate of fee may be appropriate. However, based upon fiscal year 1993 actual revenues for setoff collection assistance fees to the Accounting Services Recovery Fund, setoff revenues and user expenditures would increase by \$59,800 at a rate of 16%, by \$119,500 at a rate of 17% and by \$179,300 at a rate of 18%. The rate will not necessarily increase. If transaction volumes increase significantly, the rate would be decreased. The present rate of 15% has not been changed since the its creation by the 1981 Legislative Session.

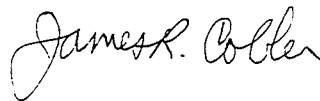
Senator Bogina
February 2, 1994
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In order to determine the rate of setoff collection assistance fees in accordance with the amendment, the Division plans to use the cost accounting firm of David M. Griffith and Associates, Ltd. (Griffith). The Division currently contracts with them for preparation of the annual Statewide Cost Allocation Plan. As a result of SB 130 passed in the 1993 Legislative Session, which allows municipalities to participate in the debt setoff program, Griffith established a format to determine the amount of collection assistance fees necessary to recover all costs. Since this format already exists, Griffith has agreed to provide annual updates of the rate calculation free of charge, as a part of our existing contract.

The programming costs to change the setoff collection assistance fee rate are expected to be immaterial.

If you need additional information, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "James R. Cobler".

James R. Cobler, Director
Division of Accounts and Reports

JRC:SLF:jw