Approved: 1-28-97

Date

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on January 22, 1997 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Legislative Research Department

Kathy Porter, Legislative Research Department Mark Burenheide, Legislative Research Department

Norman Furse, Revisor of Statutes Michael Corrigan, Revisor of Statutes Judy Bromich, Administrative Assistant Janet Henning, Committee Secretary

Conferees appearing before the committee:

Randy Tongier, Audit Manager, Division of Post Audit

Others attending: See attached list

The Chairman noted that the Committee would review a Post Audit report of the Kansas Highway Patrol's motor vehicle program -- an issue which nearly extended the duration of the 1996 legislative session.

Mr. Randy Tongier, Audit Manager for the Division of Legislative Post Audit, distributed and reviewed a synopsis of the audit results reached by the audit firm of McBride Lock and Associates. He stated that the cost of the contracted audit was \$28,000.

Members asked questions of representatives from the Kansas Highway Patrol (KHP). Col. Lonnie McCollum, Superintendent, KHP, told members that for thirty days cars can be sold only to governmental entities and school districts. After thirty days, the cars can be sold to the general public.

There was discussion regarding the potential resale of vehicles with mileage greater than 49,500. Col. McCollum stated that the agency is trying to scientifically track the resale of vehicles with higher mileage, but added that the used car market is very volatile.

In answer to a question, Lt. Sam Grant, Fleet Manager for the KHP, stated that selling through a sealed bidding process might work, but only if the department retained the right of refusal. He noted that Surplus Property used to do that, but discontinued the practice.

In answer to the Chairman, it was noted that a bill in Senate Ways and Means repeals the annual audit of the KHP and was requested by Post Audit. Chairman Kerr added then when the Committee hears the bill, he will invite persons from VIPPS/KÅMA to be part of the hearing.

Senator Salmans asked if there was a possibility for other state agencies to use "retired" fleet vehicles. The Colonel stated that the Division of Purchases is studying that issue.

Mr. Darling, Fiscal Manager for the KHP, noted that a figure in the KHP Fleet Sales Database of the audit report under the title "Repl Vehicle" was a formatting error.

The Chairman encouraged the Department to fulfill the recommendations of the audit firm, especially in respect to conducting a scientific analysis of the resale of vehicles in the 50,000 to 70,000 mile range.

Chairman Kerr informed members that there will be a single appropriations bill this year. He adjourned the meeting at 11:45 A.M.