Approved: May 9, 2012

(Date)

## MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Vice-Chair John Vratil at 9:30 AM on Thursday, March 29 in 548-S of the Capitol.

All members were present except Senator Emler, who was absent

Committee staff present:

Jan Lunn, Committee Assistant Melinda Gaul, Chief of Staff, Senator McGinn's Office Eli Johns, Intern, Senator McGinn's Office J. G. Scott, Chief Fiscal Analyst, Legislative Research Department Michael Steiner, Senior Analyst, Legislative Research Department Bobbi Mariani, Fiscal Analyst, Legislative Research Department Jill Wolters, Office of the Revisor of Statutes David Wiese, Office of the Revisor of Statutes Daniel Yoza, Office of the Revisor of Statutes

Conferees appearing before the Committee:

Tuck Duncan, private citizen Laurie Mulch-Hart, Kansas State Fair Trudy Aaron, Executive Director, AIA Kansas Barbara Schilling, R.A., Architect—Space and Document Management, Division of Facilities Services Susan Somers, Executive Director, Board of Accountancy Representative Sharon Schwartz

Hearings on: HB 2743—Abstracter's license fees

Shirley Morrow, Legislative Research Department, briefed committee members on <u>HB 2743</u>, which would authorize the Abstracter's Board of Examiners to increase the annual fee for each person, firm, partnership, corporation, or association licensed to make, compile, and sell abstracts of title to real estate in Kansas, to an amount not to exceed \$75 each year.

Senator Vratil closed the hearing on HB 2743.

## HB 2755 - State Fair, capital improvements

Jill Wolters, Office of the Revisor of Statutes, indicated <u>HB 2755</u> allows the Kansas State Fair Foundation to raze any existing building and to construct a new building on state-owned property of the fairgrounds from private monies of the foundation. (<u>Attachment 1</u>)

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Written testimony in support of <u>HB 2755</u> was submitted by: Denny Stoecklein, General Manager, Kansas State Fair (<u>Attachment 2</u>) Dr. Becky Klingler, Chair, Kansas Fairgrounds Foundation (<u>Attachment 3</u>)

Trudy Aron, Executive Director, AIA Kansas spoke in opposition to the bill (<u>Attachment 4</u>). She indicated the Office of Facilities and Property Management (OFPM), through the Department of Administration, uses a building code review process; <u>HB 2755</u> removes the building code inspection process.

In response to questions, Ms. Aron responded:

The bill exempts capital improvements projects of the Kansas Fairgrounds Foundation from approval by the Secretary of Administration or the Director of Architectural Services; she emphasized the involvement of Architectural Services in such projects due to their responsibilities for contract management, for statutory authority (through rules and regulations) for state buildings, and for code compliance review.

It is not a normal process for municipalities to conduct its own code review of state properties although that authority can be delegated by the state to the local municipality.

Tuck Duncan, private citizen and a vendor at the State Fair, spoke in support of the bill. He indicated it was his understanding the bill is directed to the razing and construction of the White House on the fairgrounds property. He supported <u>HB 2755</u> and discussed: the condition of the building named, the fundraising done by the Foundation, and the possibility of the Foundation's future fundraising efforts for other construction projects (<u>no written testimony</u>).

Mr. Duncan could not respond to questions pertaining to revising the bill.

Representative Sharon Schwartz spoke in support of <u>HB 2755</u>, indicating the House Agriculture and Natural Resources Committee heard this bill on February 29. She reported that testimony was heard from members of the Foundation and others; all concerns were answered and the bill passed out favorably (<u>no written testimony</u>).

Laurie Mulch-Hart, Assistant Manager, Kansas State Fair, was in the audience and requested to speak on the issue. She noted the reason for the bill was to reduce costs associated with projects while providing facilities. The Foundation has every intention to abide by all regulations, ADA requirements, and municipalities' requirements while using private funds for various construction and renovation projects (no written testimony).

Considerable discussion was heard relating to potential impact on public safety, state rules and regulations concerning state construction projects, applicable codes for state property if an

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exemption from the Department of Administration is enacted, and responsibilities of the Division of Architectural Services for non-state funded construction projects on campuses under the State Board of Regents authority.

Barbara Schilling, R.A., Architect—Space and Document Management, Division of Facilities Management, was recognized from the audience. Ms. Schilling indicated the fee charged for code review by the Architectural Services Division is typically 1 percent of the design and construction budget for the project.

Vice-Chair Vratil closed the hearing on HB 2755.

# <u>HB 2758--</u> <u>Board of accountancy, special litigation reserve fund, expenditures, transfers</u> <u>from fee fund</u>

Senator McGinn assumed the chair and opened the hearing on HB 2758

Jill Wolters, Office of the Revisor of Statutes, indicated <u>HB 2758</u> would create in statute a Special Litigation Reserve Fund for the Board of Accountancy. She further clarified and distributed a balloon amendment (<u>Attachment 5</u>) for consideration that would correct a citation error in legislation passed in 2009 to KSA 1-322(m).

Susan Somers, Executive Director of the Board of Accountancy, spoke in support of the bill indicating the Board had a special litigation fund in place since 2005, but the language was contained in a proviso. This bill eliminates the need for proviso language each year. (<u>Attachment 6</u>)

Senator McGinn closed the hearing on HB 2758.

Senator Vratil moved to amend **HB 2758** as described in the balloon presented; Senator Schmidt seconded the motion, which passed on a voice vote.

Senator Vratil moved to pass out favorably **HB 2758**, as amended; Senator Teichman seconded the motion, which carried on a voice vote.

Senator Teichman moved to pass out favorably **HB 2743**; Senator Kelly seconded the motion, which passed on a voice vote.

<u>Senator Schmidt moved to amend HB 2755</u> by removing language on line 16 beginning at "Notwithstanding any other statute, the plans and specifications for such projects are not required to have prior approval by the Secretary of Administration or the Director of Architectural Services.</u>" The motion was seconded by Senator Huntington.

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During discussion, Jill Woltors, Office of the Revisor of Statutes, suggested further language; several committee members expressed the desire to postpone consideration until the amendments discussed could be further reviewed.

With the permission of Senator Huntington, who seconded the motion on **HB 2755**, Senator Schmidt withdrew her original motion.

Chairperson McGinn adjourned the meeting at 10:04 a.m.

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