2006 Legislative Interim Topics Proposal

As Recommended by the Subcommittee on Administration of the Legislative Coordinating Council

I. Special Committees

Committee: Agriculture and Natural Resources

Committee Membership: 11 members:
- 7 from the House (5 majority and 2 minority)
- 4 members from the Senate (3 majority and 1 minority)

Chairperson: Senate Chair

Meeting Days: 4 days

Topics:

1. **Regulation of County Fairs** - Review 2006 SB 532 which relates to the repeal of the limitation of tax levies for fair association buildings and grounds. The current law limits the amount of money that a county commission can raise for the purpose of purchasing grounds and the erection and maintenance of buildings of certain fair associations. The maintenance of a list of “officially recognized” fair associations is not current and will require study to determine the current fair associations. In addition, study other statutes related to fair associations to determine if such statutes are out-dated.

2. **Licensing and Bonding Requirements for Biodiesel Fuel Production** - Study the current statutory requirements for certain individuals to have a license and bond for the production or blending of small quantities of biodiesel fuel. Determine if the current requirements are a barrier to those individuals who might want to produce or blend small quantities of biodiesel fuel. Review the current enforcement practices of the Department of Revenue related to biodiesel fuel and determine the possibility of providing certain exemptions to the licensing and bonding of small quantity biodiesel fuel production or blending.

3. **Dam Inspections** - Study the classification and reclassification of dams, the liability of landowners on which a dam is located, and development practices in watershed districts.

4. **Monitor Colorado Water Litigation** - Review the current status of the Colorado water litigation case. Review the remediation efforts as a result of the litigation and the monitoring of those efforts.
Committee: Assessment and Taxation

Membership: 18 members:
- 11 from the House (7 majority and 4 minority)
- 7 from the Senate (5 majority and 2 minority)

Chairperson: House Chair

Meeting Days: 6 days

Topics:

1. **Further Expansion of Homestead Program** - Review the need to further expand the Homestead Property Tax Refund Program. In particular, do fixed-income seniors need additional property tax relief as a result of property tax shifts which might result from faster annual residential valuation increases attributed to a rapid economic growth as a result of the recent machinery and equipment tax exemption.

2. **"Truth in Taxation" Local Government Budget Law** - Study the current "truth in taxation" law that local governments have operated under since the 1990's. Determine if local governments are complying with the "truth in taxation" provisions and if the provisions should be modified or should portions of the previous local government tax lid be revived.

3. **Residential Property Tax Valuation Cap** - Review the policy implications of 2006 HCR 5027 regarding limiting the annual valuation increases for most residential parcels to the rate of inflation. Make whatever recommendations are deemed appropriate to the 2007 Legislature, including whether the proposed constitutional amendment should be reintroduced for consideration.

4. **City Development Excise Taxes** - Study whether the development excise tax authority should be expanded to all cities. 2006 SB 55 (law) allows those cities levying development excise taxes as of January 1 to retain them while prohibiting any other cities from imposing them. While it is believed that all cities currently imposing the taxes are located in Johnson County, a number of other cities in fast-growing areas could potentially benefit from having this tax option at their disposal.

5. **State and Local Tax Policy** - Study and project the future of Kansas tax policy for the next 10 to 20 years. As a follow-up to a 2005 interim study, review the current state and local tax structure, focusing on the shifts in reliance on sales, property, and income taxes since 1990. Review which tax structure components would be most equitable to the taxpayers of Kansas; and would improve Kansas' competitiveness with other states.

6. **Qualifications and Employment of State Board of Tax Appeals (SBOTA) Members** - Review the existing statutory requirements regarding qualifications of State Board of Tax Appeals (SBOTA) members; and the appropriateness of allowing SBOTA
members to retain other employment in areas that could create the potential for conflicts of interest.

7. **Tax Incidence** - Review the latest research by Dr. John Wong of Wichita State University on tax incidence of the major tax sources, including the policy considerations of moving to a flat-rate income tax. Also, study erosion of sales and property tax bases as part of the review of tax incidence.

8. **County Local Sales Tax** - Review the role of local sales taxes play in financing county governments and make any recommendations deemed appropriate.

9. **Motor Fuel Taxation Along the Kansas Border** - Review the concept for those retailers or communities along the state border of imposing a motor fuels tax that is no more than $0.01 above the motor fuels tax in the adjoining state. Study recent similar legislation in Arkansas and 2006 HB 2822. Study the economic impact of encouraging the purchase of motor fuels in Kansas as opposed to those purchases being made in adjoining states.

**Committee:** Judiciary

**Membership:** 13 members:
- 8 from the House (5 majority and 3 minority)
- 5 from the Senate (4 majority and 1 minority)

**Chairperson:** House Chair

**Meeting Days:** 4 days

**Topics:**

1. **Court Docket Fees** - Review the amount of each docket fee; how Kansas docket fees compare to those of other states; the impact on litigants and our judicial system of increasing or decreasing docket fees; whether docket fee revenue should be used solely for funding the Judicial Branch, whether non-judicial recipients of docket fee revenue should be required to annually justify their receipt of that revenue; and the impact on non-judicial docket fee recipients of submitting their annual revenue request to the appropriations process.

2. **Residency and Proximity Restrictions for Sex Offenders** - Study actions by other states and local jurisdictions regarding residency and proximity restrictions for sex offenders to discover any serious unintended consequences and identify actions Kansas might take that actually achieve the intended outcome of increasing public safety.

3. **The Uniform Child Abduction Prevention Act (UCAPA)** - This uniform law was adopted this year by the National Conference of Commissioners on Uniform State Laws. An interim study of this new uniform law is important to acquaint legislators with its provisions.
4. **The Revised Uniform Anatomical Gift Act (RUAGA)** - The National Conference of Commissioners on Uniform State Laws this year approved an updated Uniform Anatomical Gift Act first adopted in 1968 and subsequently passed in Kansas. An interim study of this updated uniform law is important to acquaint legislators with its provisions.

5. **Guardians and Conservators** - Study possible conflicts of interest and need for oversight and training with regard to guardians or conservators.


**Committee: Utilities**

**Membership:** 9 members:
- 6 from the House (4 majority and 2 minority)
- 3 from the Senate (2 majority and 1 minority)

**Chairperson:** Senate Chair

**Meeting Days:** 3 days

**Topics:**

1. **Regulation of Gas Gathering Facilities** - Study 2006 SB 576 which relates to regulation of gas gathering facilities. Study access to gas gathering lines. Review the Kansas Corporation Commission’s jurisdiction related to natural gas customers on gathering lines.

2. **Expanding the "Call Before You Dig" Program** – Study 2006 SB 464 which relates to the Kansas Corporation Commission authority to adopt rules and regulations necessary to carry out the provisions of the Kansas Underground Utility Damage Prevention Act. In particular, review whether water utilities should be required to participate in the "Call Before You Dig" Program. The "Call Before You Dig" Program provides excavators with location of buried utilities prior to working in a particular designated area.

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**II. Statutory Joint Committees**

**NOTE:** Joint committees generally have their own specific statutory charges or have the flexibility to select their own topics. In addition to their respective statutory charges, the Legislative Coordinating Council has referred the following additional topics for study:
Committee: Legislative Budget Committee

Topics:

1. **Public Mental Health System** - Study the public mental health system, both state hospital and community services. Review what has taken place since the original Mental Health Reform legislation was passed and the need for a process to be in place to address census increases at the state hospitals. Finally, study the adequacy of using the Diagnostically Related Group (DRG) methodology to reimburse community hospitals as opposed to a per diem reimbursement system.

2. **State’s Developmental Disabilities Program** - Study the Kansas’ developmental disabilities programs. The review would include: an up-date of the Department of Social and Rehabilitation Services strategic plan for developmental disabilities; quality assurance and enhancement activities of service providers; exploration of current and proposed models to meet the demand for in-home and consumer and family based services.

3. **Kansas University Medical Center, Kansas University Hospital and Missouri-Based Hospitals** - Review ongoing discussions of joint life sciences programs between Kansas University Medical Center, Kansas University Hospital and Missouri-Based Health Systems.

4. **Monitor Colorado Water Litigation** - Review the current status of the Colorado water litigation case. Review how the settlement proceeds from Colorado are being expended and will be expended in the future.

5. **Impaired Provider Services Offered by Regulatory Boards** - Review the current impaired provider services offered by various regulatory boards. Also, review the outcomes associated with the impaired provider services, the number of individuals served and the costs for providing these services.

6. **Expenditure of Federal Homeland Security Funds** - Study the expenditure of federal Homeland Security funding across all state agencies. (Some positions within the Adjutant General and the Kansas Highway Patrol which had been funded with federal Homeland Security funds have been proposed to be shifted to the State General Fund due to anticipated cuts in federal funding.) Review the projected federal Homeland Security funds that Kansas might receive in the near future.

7. **Veterans’ Funding Issues** - Study the funding of veterans issues, especially funding for veterans service representatives.

8. **Regents Deferred Maintenance** - Review current deferred maintenance needs of Regents institutions, especially for needed life safety improvement. Study possible funding mechanisms to provide for a long term program to address the deferred maintenance at the institutions.

9. **State Inspector General** - Study the need for substantive legislation to create an inspector general position in Kansas similar to the one proposed in 2006 SB 327.
Review the need for the inspector general position to have authority for oversight responsibilities over Medicaid, MediKan, etc.

Committee: At-Risk Education Council

Topics:

1. **New At-Risk Weightings Added by the 2006 Legislature.** Review the recommendations of the Legislative Division of Post Audit on a new local school weighting within the school finance formula, the “high density at-risk weighting,” which is for school districts with high percentages of students who receive free lunches and for school districts with high percentages of students per-square-mile who receive free lunches (weightings vary). In addition, review the “non-proficient at-risk weighting,” which is based on students who do not qualify for free lunches who are non-proficient in reading or math, based on state assessments. (This new weighting expires June 30, 2007.)

Committee: 2010 Commission (K-12 Education Finance)

Topics:

1. **School Transportation Weighting Formula** - Study the current school transportation weighting formula. Review the recent recommendations of the Legislative Division of Post Audit transportation weighting analysis. Consider child transportation safety issues, especially if the current 2.5 miles’ mileage reimbursement is adequate.

Committee: Legislative Educational Planning Committee

Topics:

1. **Length of Service Obligations for Kansas Higher Education Scholarships** - Study the various service obligations of scholarships administered by the Kansas Board of Regents. Review the length of service obligation and the appropriateness of differences in that length of service. The review of service scholarships would include those administered by the University of Kansas Medical Center and the Kansas State University Veterinary Medical Center.

2. **Early Childhood Programs, Including Therapy for Autistic Children** - Study early childhood programs, especially for those children from birth to three years of age, and other preschool programs. Review the existing therapy programs for autistic children and the need to improve or expand such services to achieve early intensive intervention for children with autism.

3. **School Accreditation and Student Performance** - Review 2006 SB 596 which deals with state educational performance standards for students. Also, study the consequences on receiving federal education funds, if the state educational performance standards are modified.
Committee: Joint Committee on Children’s Issues

Topics:

1. **Early Childhood Programs** - Study the current programs and funding sources for early childhood (birth to five years old). Review the existing early childhood programs for any potential duplications or deficiencies. Suggest the most efficient use of the current resources dedicated to early childhood programs to have the greatest benefit to very young Kansans.

2. **Addressing the Needs of Families Who have Infants and Toddlers Identified with Hearing Loss** - Study the need to develop a coordinated system for serving infants and toddlers with hearing loss, and their families. Determine if the coordinated system should include regional consultants with specialized training and experience of hearing loss and its impact upon children and their families; parent-to-parent support; all coordinated through a state-wide director.

Committee: Joint Committee on Economic Development

Topics:

1. **Rural Business Development Tax Credit Program** - Review the effectiveness of Rural Business Development Tax Credit Program. Study whether the current expiration date of June 30, 2007, for the Rural Business Development Tax Credit Program should be extended.

2. **Sales Tax and Revenue (STAR) Bonds** - Review effectiveness of Sales Tax and Revenue (STAR) Bonds. Study whether the current expiration date of June 30, 2007 for STAR Bonds should be extended. Study Department of Commerce review of STAR bond applications to-date for compliance with the requirement for feasibility studies and other related topics.

3. **Workforce Development** - Review the current Kansas workforce development activities and expenditures. Review the Legislative Post Audit report on workforce development, once the report is completed. Study the Kansas First program and if the program has improved workforce development in Kansas.

Committee: Joint Committee on Pensions, Investments and Benefits

Topics:

1. **State’s Deferred Compensation Plan** - Review the current status of the State’s deferred compensation plan. Review if any changes need to be made in the plan.

2. **Review a proposed alternative retirement plan** - The plan is being developed by the KPERS Board of Trustees to address a long-term funding issue for the KPERS plan that covers state, school and local public employees. The KPERS Board has
undertaken a study of the funding status, changing demographics and plan design options for future members and will report on development of alternative plans during the 2006 Interim period.

Committee: Joint Committee on Corrections and Juvenile Justice Oversight

Topics:

1. Johnson County Therapeutic Community - Review the Johnson County Therapeutic Community programs and services. In addition, review the recent unanticipated billings from the Johnson County Therapeutic Community to the Kansas Sentencing Commission for community services provided under 2005 SB 123.

2. Monitoring Activities of Offenders - Review the Total Offender Activity Documentation System and Kansas Adult Supervised Population Electronic Repository and funding of these programs.

3. Driving Under the Influence (DUI) Treatment Services - Review the driving under the influence (DUI) treatment services and funding sources.

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III. Other

Other: Kansas Health Policy Authority

Topics:

Appoint the Kansas Health Policy Authority as a special interim committee to undertake the following study:

1. Human Cloning - Study the characteristics of the different types of cloning and the various terms used for these types of research (cell cloning, therapeutic cloning, and reproductive cloning). Study the status of current, generally accepted scientific terminology, using as a foundation the Report of the President's Council on Bioethics, Human Cloning, and Human Dignity: An Ethical Inquiry, Washington, D.C., July 2002, as well as terminology used by the National Academies of Sciences and National Institutes of Health. Also, study the national guidelines for stem cell research recommended by the National Academies of Sciences.