

MINUTES OF THE E-GOVERNMENT COMMITTEE.

The meeting was called to order by Chairperson Deena Horst at 3:35 p.m. on February 14, 2002, in Room 526-S of the Capitol.

All members were present except Representative Levinson, who was excused.

Committee staff present:

Robert Chapman, Kansas Legislative Research Department
Jim Wilson, Revisor of Statutes' Office
Lisa Montgomery, Revisor of Statutes' Office
Gary Deeter, Committee Secretary
Dean Samuelson, Assistant Secretary

Others attending: See attached sheet.

The Chair recognized four special guests in the audience: Jade Beverly from Salina Central High School, and Titus Lane and Matt Smith, members of the Salina Central High School 5A State Championship football team, all of whom paged for Representative Horst. She also introduced their sponsor, David James, President of the Salina Chapter of the NAACP. The Vice-Chair announced Representative Horst's birthday to the applause of the committee.

The minutes for the February 12, 2002, meeting were amended by Representative McLeland (second, Representative Williams) and then approved as amended (Motion, Representative Gatewood, second Representative Lane)

The Chair opened the hearing for **HB 2719**. John Houlihan, Director of Purchasing, Division of the Budget, testified in support of the bill. (Attachment 1) He said the reason for the bill was expressed on page 6, where the terms "sealed bids," "bulletin boards" and "mail" were amended to include electronic bids, electronic bulletin boards, and electronic mail. He said other changes were primarily clean-up of language referring to items that no longer exist or had never been done, such as reports on grant funds; raising the threshold for reporting requirements from \$5000 to \$10,000 (noncompetitive purchases) and from \$0 to \$10,000 (interagency agreements); and allowing an agency to cancel bids if all bids exceed available funds.

Answering questions, Mr. Houlihan assured members that the changed language includes web forms and Internet transactions. Representative Holmes expressed concern that raising the reporting limits could allow agencies more easily to by-pass established bidding procedures. He requested copies of the 2 reports required by the original law. Answering further questions, Mr. Houlihan said that although individual agencies can easily track their grant moneys and funding sources, Purchasing does not receive information from agencies to be able to track these sources. He replied that "lowest responsible bidder" means the same thing as lowest qualified bidder. (P. 5, l. 23) He noted that Purchasing exercises control over the bidding process through a policy that requires any agency who wishes to purchase an item over \$2000 must allow Purchasing to buy it.

The Division of the Budget provided a fiscal note estimating some modest savings which may be realized from passage of **HB 2719**. (Attachment 2)

There were no opponents to the bill.

A letter regarding Internet access from one of Representative Goering's constituents was distributed as background information for possible sub-committee consideration. (Attachment 3) The meeting was adjourned at 4:20 p.m. to allow further meetings by sub-committees.

The next meeting is scheduled for Tuesday, February 19, 2002, in Room 526-S.