

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairperson Ron Ryckman at 9:00 am on Thursday, February 12, 2015, 112-N of the Capitol.

All members were present

Representative Pete DeGraaf – Excused

Committee staff present:

Andy Chiamopoulos, Legislative Research Department

J.G. Scott, Legislative Research Department

Dylan Dear, Legislative Research Department

Nobuko Folmsbee, Office of Revisor of Statutes

Kathy Holscher, Kansas Legislative Committee Assistant

Jill Wolters, Office of Revisor of Statutes

Melinda Gaul, Administrative Assistant

Conferees appearing before the Committee:

No conferees present

Others in attendance:

[See Attached List](#)

Budget Report on:

Representative Hoffman, Chair, Agriculture and Natural Resources Budget Committee, presented the FY 2015 Budget Report for the Kansas Water Office ([Attachment 1](#)). The Governor recommend not to fund the agency's supplemental request for construction costs of \$71,650 from State General Funds (SGF); reduction of \$14,294 as a result of the Governor's allotment plan to reduce Kansas Public Employer Retirement System (KPERs) contribution rate, a reduction of \$23,862 as a result of the Governor's SGF allotment of 4 percent, and a reduction of \$1,030 from SGF for lapsing the FY 2015 appropriation. The Budget Committee concurred with the Governor's recommendation.

Discussion followed regarding the possibility of moving from having some SGF financing to a fee fund agency. It was noted that additional information would be provided for further review and discussion.

Representative Hoffman made a motion to approve the FY 2015 Budget Report for the Kansas Water Office. Representative Carlin seconded the motion. Motion carried.

Representative Hoffman, Chair, Agriculture and Natural Resources Budget Committee, presented the FY 2016 Kansas Water Office Budget Report ([See Attachment 1](#)). The Governor recommended a reduction of \$52,792 from SGF due to not funding the enhancement requests, a reduction of \$11,126 to reduce employer contributions for health insurance, and a reduction of \$47,567 from SGF for the Governor's 4 percent allotment plan. The Budget Committee concurred with the Governor's recommendation.

Discussion followed by committee members regarding the importance of protecting our water supply

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for safe consumption. It was noted that the Blue Ribbon Commission will be meeting after the Legislative Session and a report of the commission's findings and recommendations will be presented during the next Legislative Session.

Representative Hoffman made a motion to approve the FY 2016 Kansas Water Office Budget Report. Representative Carlin seconded the motion. Motion carried.

Representative Hoffman, Chair, Agriculture and Natural Resources Budget Committee presented the FY 2017 Kansas Water Office Budget Report (See Attachment 1). The Budget Committee concurred with the Governor's recommendation to reduce SGF by \$52,792 due to not recommending enhancement requests, reduction of \$1,126 for reduced employer contributions for health insurance, and a reduction of \$47,567 from SGF for the Governor's 4 percent allotment plan. The Budget Committee concurred with the Governor's recommendation.

Discussion followed by committee members regarding stream bank stabilization. Representative Hoffman reviewed bond issues, which are as follows: \$1.2 million for land ownership compensation; \$3 million for stream bank stabilization; \$15.8 million for dredging; and \$4.8 million for bond and interest fees.

Representative Hoffman made a motion to approve the FY 2017 Kansas Water Office Budget Report. Representative Carpenter seconded the motion. Motion carried.

Briefing on:

J.G. Scott, Legislative Research Department, provided an explanation of the \$4.5 million deletion to the approved Disaster Relief Fund budget (Attachment 2), which was in the rescission bill. He stated it was a reduction for the amount of money they were going to spend that was not taken out of the account but that moved forward for future disaster funding.

Chairman Ryckman introduced Angee Morgan, Kansas Department of Emergency Management.

Angee Morgan Deputy Director, Kansas Department of Emergency Management, provided an overview of the department (Attachment 3). She stated that monies appropriated from the legislature or State Finance Council provides a 25 percent non-federal share that the state is required to match with a federal disaster declaration. These funds are used for eligible projects, which are projects basically owned by the government, she noted. Presently, there are five open projects, and one soon to be closed, she said. The 25 percent non-share is 10% from state funds and 15 percent from eligible applicants, i.e. rural electric co-op, city or county township.

Discussion followed by committee members regarding localities that had previously been identified as non-insured or over insured. She stated that there are federal initiatives and auditing procedures in place. State reimbursement would not apply to localities that could have been insured, but were not

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covered. A review of the open disasters followed.

Briefing by staff on:

Dylan Dear, Legislative Research Department, stated that there is a request for the Department of Administration for a list of all state employees, vacant positions and the number of days vacant identified, employee classifications, and funding status.

Chairman Ryckman stated that when this information is available, material will be distributed to committee members for discussion and possible amendments to the Budget Committee Reports.

Jill Wolters, Office of Revisor of Statutes, stated that yesterday the Governor's proposal would require three bills that addresses funded vacant FTE positions.

Budget Committee Report on:

Representative Carpenter, Chair, Social Services Budget Committee, presented the Kansas Neurological Institute (KNI) Budget Report for FY 2015 ([Attachment 4](#)). The Governor recommended \$26.7 million for operating expenditures, and SGF decrease of \$98,571 from the reduction to employer KPERS contributions and recommended capital improvement expenditures of \$210,121. The Budget Committee concurred with the Governor's recommendation.

Representative Carpenter made a motion to approve the FY 2015 KNI Budget Report. Representative Ballard seconded the motion. Motion carried.

Representative Carpenter, Chair, Social Services Budget Committee, presented the FY 2016 KNI Budget Report ([See Attachment 4](#)). The Governor recommended total expenditures of \$25.5 million for operating expenditures and capital improvements. This is an all funds decrease of \$403,696 and a SGF decrease of \$201,741 below the agency's request attributable to reduced employer contributions for health insurance. The Governor recommended reduced resource submissions to replace expenditures from SGF with State Institutions Building Fund (SIBF) for capital improvements. The Budget Committee concurred with the Governor's recommendation.

Discussion followed by committee members regarding resident housing. It was noted that the total budget is for a 160 bed count. Performance measures support employment in the gift shop.

Representative Carpenter made a motion to approve the FY 2016 KNI Budget Report (See Attachment 4). Representative Ballard seconded the motion. Motion carried.

Representative Carpenter, Chair, Social Services Budget Committee, presented the FY 2017 Budget Report for KNI ([See Attachment 4](#)). The Governor recommended an all funds decrease of \$410,365 below the agency's request attributable to the reduced employer contribution for health insurance. The Governor recommended a reduced resource submissions option to substitute SGF funds from the SIBF

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for capital improvements. The Budget Committee concurred with the Governor's recommendation with the notation that the increase expenditures was for the 27th payroll period in all state agencies.

Discussion followed by committee members regarding staffing issues.

Representative Carpenter made a motion to approve the FY 2017 KNI Budget Report. Representative Ballard seconded the motion. Motion carried.

Budget Committee Report on:

Representative Carpenter, Chair, Social Services Budget Committee, presented the FY 2015 Larned State Hospital Budget Report (See Attachment 4). The Governor recommended a \$5.9 million decrease below the agency's revised estimate attributable to the Governor's allotment which delayed the opening of the Meyer Building and the reduced KPERS employee contribution rate. The Budget Committee concurred with the Governor's recommendation with the notation of concern regarding the state mental hospitals be at or over census and the need for alternative options.

Discussion followed by committee members regarding the Sexual Predator Treatment Program. The concern was expressed for long-range facility needs. It was noted that the Legislative Post Audit audit of the program should be completed this spring.

Jill Wolters, Office of Revisor of Statutes, noted that laws established in FY 2010, for aggravated habitual violator sentencing guide lines, implemented longer sentencing for correctional facilities than the Sexual Treatment Programs.

Representative Carpenter made a motion to approve the FY 2015 Budget Report. Representative Ballard seconded the motion. Motion carried.

Representative Carpenter, Chair, Social Services Budget Committee, presented the FY 2016 Larned State Hospital Budget Report (See Attachment 4). The Governor recommended an all funds decrease of \$2.8 million below the agency's request attributable to the reduced resource option to delay opening of the SPTP Meyer Building and the reduced employer contributions for health insurance. The Budget Committee concurred with the Governor's recommendation.

Representative Carpenter made a motion to approve the FY 2016 Larned State Hospital Budget Report. Representative Ballard seconded the motion. Motion carried.

Representative Carpenter, Chair, Social Services Budget committee, presented the FY 2017 Larned State Hospital Budget Report (See Attachment 4). The Governor recommended an all funds decrease of \$655,101 attributable to reduced employer contributions for health insurance. The Budget Committee concurred with the Governor's recommendation with the notation that increased expenditures will occur with the 27th payroll period which occurs for all state agencies.

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Representative Carpenter made a motion to approve the FY 2017 Larned State Hospital Budget Report. Representative Ballard seconded the motion. Motion carried.

Budget Committee Report on:

Representative Carpenter, chair, Social Services Budget Committee, presented the FY 2015 Osawatomie State Hospital Budget Report (See Attachment 4). The Governor recommended an all funds decrease of \$269,106 attributable to reduced employer contribution rate for KPERS. The Budget Committee concurred with the Governor's recommendation with the notation that concerns were expressed with the At or over census in the state hospitals and used alternative options for providing care for this situation in the future.

Representative Carpenter made a motion to approve the FY 2015 Osawatomie State Hospital Budget. representative Ballard seconded the motion. Motion carried.

Representative Carpenter, Chair, Social Services Budget Committee, presented the FY 2016 Osawatomie State Hospital Budget Report (See Attachment 4). The Governor recommended an all funds decrease of \$513,358, which was attributable to the reduced resource options and reduced employer contributions for health care. The Budget Committee concurred with the Governor's recommendation.

Representative carpenter made a motion to approve the FY 2016 Osawatomie State Hospital Budget Report. Representative Ballard seconded the motion. Motion carried.

Representative Carpenter, Chair, Social Services Budget Committee, presented the FY 2017 Osawatomie State Hospital Budget Report (See Attachment 4). The Governor recommended an all funds decrease of \$518,690 attributable to reduced resource options and reduction to employer health insurance contributions. The Budget Committee concurred with the Governor's recommendation with the notation that all agencies will experience increased expenditures with the occurrence of the 27th payroll period.

Representative Carpenter made a motion to approve the FY 2017 Osawatomie State Hospital Budget Report. Representative Ballard seconded the motion. Motion carried.

Budget Committee Report on:

Representative Carpenter, Chair, Social Services Budget Committee, presented the FY 2015 Parsons State Hospital Budget Report (See Attachment 4). The Governor recommended an all funds decrease of \$205,908 attributable to reduced employer contributions for KPERS. The Budget Committee concurred with the Governor's Recommendations.

Representative Carpenter made a motion to approve the FY 2015 Budget Report for Parsons State.

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Hospital. Representative Ballard seconded the motion. Motion Carried.

Representative Carpenter, Chair, Social Services Budget Committee, presented the FY 2016 Parsons State Hospital Budget Report (See Attachment 4). The Governor recommended an all funds decrease of \$299,232 attributable to reduced employer contributions for health insurance, and the SGF decrease for capital improvements would be changed to the State Institutions Building Fund. The Budget Committee concurred with the Governor's recommendation.

Discussion followed by committee members regarding the State Institutions Building Fund, and it was noted that there is no residual balance in the fund. A request for the total cost and demographics for all three of the Sexual Predator Treatment facilities, will be forthcoming, it was noted. Additional information may be helpful from the Legislative Post Audit Phase Two audit that is currently underway, it was noted.

Jill Wolters, Office of Revisor of Statutes, reviewed the process for sexual predator prison release and treatment programs.

Representative Carpenter made a motion to approve the FY 2016 Budget Committee Report for Parsons State Hospital. Representative Ballard seconded the motion. Motion carried.

Representative Carpenter, Chair, Social Services Budget Committee, presented the FY 2017 Parsons State Hospital Budget Report (See Attachment 4). The Governor recommended an all funds decrease of \$305,226 attributable to reduced employer health insurance contribution rate and recommended the capital improvements expenditures be changed from the SGF to the State Institutions Building Fund. The Budget Committee concurred with the Governor's recommendation with the notation that increased expenditures occurs with the 27th payroll period for all state agencies.

Representative Carpenter made a motion to approve the FY 2017 Budget Report for Parsons State Hospital. Representative Ballard seconded the motion. Motion carried.

Closing Remarks

Chairman Ryckman stated that both chambers have passed **SB4**, which has been signed in to law. The Budget Committee Reports will include **House Sub. for Senate Bill 4** recommendations.

Dylan Dear, Legislative Research Department, reviewed the sample Budget Report, which amends the existing law (Attachment 5) . **House Sub. for SB 4** reflects deviations from the Governor's recommendation. If the Budget Committee goes back to the original Governor's recommendation, the add backs will be detailed, which does not include additional money and can reflect further committee discussion. There have been no impacts to the SGF in reports already adopted, he stated.

Meeting adjourned at: 10:26 a.m.

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