

Approved 2-7-89
Date

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by _____ at
Chairperson

1:30 ~~am~~/p.m. on January 24, 1989 in room 514-S of the Capitol.

All members were present except: all present

Committee staff present: Ellen Piekalkiewicz, Legislative Research
Laura Howard, Legislative Research
Jim Wilson, Revisor of Statutes
Sharon Schwartz, Administrative Aide
Sue Krische, Committee Secretary

Conferees appearing before the committee:

Michael O'Keefe, Director of the Budget

Chairman Bunten distributed a Summary of Expenditures Necessary to Implement the State Water Plan prepared by the Kansas Water Office (Attachment 1).

Michael O'Keefe, Director of the Budget, presented an overview of the Natural Resources initiatives in the Governor's budget for FY 1989 and FY 1990. He noted that all of the initiatives recommended by the Governor are not in the State Water Plan. Approximately 54 percent of the Natural Resources initiatives for FY 1990 are funded from the State General Fund. Approximately 32 percent is from the Economic Development Initiatives Fund (EDIF).

Three Natural Resources initiatives not included in the State Water Plan are the Recreational Access Program, Cooperative Habitat Districts and Land Acquisition. Under the Recreational Access Program funded at \$1.2 million from the EDIF, landowners will submit bids and the state will lease those accepted and issue permits for hunting on the land.

Mr. O'Keefe stated the Governor's budget recommends that the Legislature identify permanent funding of \$6.2 million for Natural Resources initiatives aimed at prevention of water contamination and management of wastes. Chairman Bunten announced that tomorrow the Water Authority will appear before the Committee to discuss the various Water Plan initiatives.

Regarding the new hospital reimbursement system proposed by the Governor, Mr. O'Keefe explained that currently the state reimburses hospitals on the basis of cost per day, regardless of the procedure performed, calculated for each individual hospital in the state. SRS worked with the hospitals to arrive at a system based on diagnosis-related groups (DRG). The DRG system will reimburse hospitals for the cost of performing a specific operation or service and address the problem of rural and urban hospitals. Kansas has three hospital groupings: (1) 200 beds or more and all hospitals within ten miles of these hospitals; (2) 100-199 beds and those within ten miles; and (3) under 100 beds. There are 15-18 hospitals in the first grouping. The cost of implementing this system is approximately \$9.8 million. The total request for FY 1990 is \$101 million.

The change to this system may be done administratively through rules and regulations. In response to a question, Mr. O'Keefe stated SRS has not considered using this system for reimbursing doctors. Chairman Bunten asked if this proposed appropriation anticipates we will not need a supplemental next year for medical

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,
room 514-S Statehouse, at 1:30 ~~am~~/p.m. on January 24, 1989

assistance. Mr. O'Keefe stated the outcome is dependent on the accuracy of the caseload estimates which must be made now.

The meeting was adjourned at 2:35 p.m.

GUEST LIST

COMMITTEE: HOUSE APPROPRIATIONS

DATE: 1-24-89

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
BRENDA MANSKE	P.O. BOX 100 GATES CENTER 66173	SEK TOURISM REGION
John Albert	DSOB	SRS
Melvin Rosacker	DSOB	SRS
Kathryn Klassen	DSOB	SRS
Gerhard Metz		KCCI
Alan Steppat	Topeka	Pete McBill & Associates
Jerry Stephens	Emporia	ESD
Debra D. Lewis	Emporia	Chamber of Commerce
ED DE SOIGNIE	TOPEKA	KS. CONTRACTORS ASSOC.
Ann Allsburg	Topeka	SRS
Harry Hunter	Topeka	SRS
Joe HARKINS	TOPEKA	KS WATER OFFICE JA FEW
Lowell Abeidt	Abilene	KWA DWR. KSBA
Wayland Anderson	Topeka	
Lick McKee	Topeka	KS Livestock Assoc
Kathy Vonachen	"	Division of Budget
Arthur Schuman	"	KDHE
Ann Ralston		SRS
Don Mainey	"	McBill & Assoc.
Chas Starfield	"	SRS
Phil Anderson	"	"
Jennie Kriech	Topeka	KWO
Marty Kennedy	Topeka	Budget
Ken Kern	Topeka	SCC
John Striabler	"	Governor's Office
Anne Smith KEVIN SPARKS (OVER)	Topeka LAWRENCE	Hein + Ebert - Mass K.U. (OVER)

Malcolm Jasper
Mary Ellen Collee
Tim Kicher

Topoka
Miduta
Overland
Park

AARP

ST Francis Regional
Medical Center
Antem for Rep. Wensley

KANSAS WATER OFFICE
January 12, 1989

Summary of Expenditures (All Funds) Necessary to Implement the State Water Plan and Other Water-Related Programs for FY 1990			Summary of Governor's Recommendation for Expenditures by Source of Revenue for Financing the State Water Plan and Other Water-Related Programs for FY 1990				
Item	Agency	Total	SGF	EDIF	Other Funds	Total	New Source
1. Aid to Local Units	KDHE						
Aid to Local Units		\$2,500,000					
Tech. Assis. & Training		249,416					
Subtotal		\$2,749,416	\$0	\$0	\$0	\$0	\$1,575,124
2. Public Water Supply Protection	KDHE	\$124,876	\$0	\$0	\$0	\$0	\$124,876
3. Non-Point Source Pollution	KDHE						
Water Assessments		\$60,000					
Best Management Practices		30,000					
Well Testing		1,200,000					
Pollution Control at Hillsdale		150,000					
Subtotal		\$1,440,000	\$0	\$0	\$0	\$0	\$1,500,000
4. Contamination Remediation	KDHE						
Pre-Nat Priority List		\$169,447			\$87,800	\$87,800	
Contamination Cleanup		3,000,000		\$1,500,000		1,500,000	
Arkansas City Superfund Match		100,000		100,000		100,000	
Leaking Underground Storage Tanks		537,000				0	
Hazardous Waste Cleanup		300,000	\$300,000			300,000	
Subtotal		\$4,106,447	\$300,000	\$1,600,000	\$87,800	\$1,987,800	\$1,000,000
5. Targeted Cost Share	SCC	\$2,056,000	\$3,220,000	\$0	\$0	\$3,220,000	\$1,000,000
6. Targeted Watershed	SCC	\$1,500,000	\$770,000	\$0	\$0	\$770,000	\$1,000,000
7. Watershed Planning	SCC	\$100,000	\$0	\$0	\$0	\$0	\$0
8. Water Project Coordination (includes field staff)	BOA	\$219,059	\$147,482	\$0	\$0	\$147,482	\$0
9. Minimum Streamflow	KDHE	\$39,078	\$0	\$0	\$0	\$0	\$0
10. Fish, Wildlife & Recreation							
Mined Land Canoe Trail Evaluation	KDWP	\$35,000	\$36,642			\$36,642	
Mined Land Canoe Trail Linking	KDHE	19,358				0	
Cheyenne Bottoms Management Project	KDWP	1,717,502	1,570,000		\$70,000	1,640,000	
Recreation Facilities at Hillsdale	KDWP	1,000,000		\$1,000,000		1,000,000	
Subtotal		\$2,771,860	\$1,606,642	\$1,000,000	\$70,000	\$2,676,642	\$0
11. Jetmore Multipurpose Small Lake	SCC	\$1,301,250	\$0	\$451,250	\$850,000	\$1,301,250	\$0
12. Geographic Information System	Various	\$1,902,358	\$0	\$0	\$0	\$0	\$0
13. Water Use Reporting	BOA	\$128,448	\$0	\$0	\$77,870	\$77,870	\$0
14. Education	KWO						
Public Education Program		\$34,036	\$32,529			\$32,529	
Conservation Education Program		50,000				-	
Subtotal		\$84,038	\$32,529	\$0	\$0	\$32,529	\$0
15. Research							
Stream Aquifer Interaction Studies	KWO	\$216,250				\$0	
Interbasin Transfer Study	KWO	35,000	\$35,000			35,000	
Dakota Study	KU	200,000			\$200,000	200,000	
Subtotal		\$451,250	\$35,000	\$0	\$200,000	\$235,000	\$0
TOTAL		\$18,974,080	\$6,111,653	\$3,051,250	\$1,285,670	\$10,448,573	\$6,200,000

STATE AGENCIES

KDHE = Kansas Department of Health and Environment
 SCC = State Conservation Commission
 BOA = Board of Agriculture
 KWO = Kansas Water Office
 KU = University of Kansas
 KDWP = Kansas Department of Wildlife and Parks

SOURCES OF REVENUE

SGF = State General Fund
 EDIF = Economic Development Initiative Fund
 Other = Other Funds
 New Source = The Governor recommends consideration of a new source of funding to be used exclusively to implement Kansas Water Plan projects. These are not included in his budget recommendations consistent with current law, which states that he may not include funds from legislation not yet passed.

HA
1-24-89
Attachment 1