

Approved

2-15-90

Date

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by Bill Bunten at
Chairperson

1:30 ~~am~~/p.m. on January 30, 1990 in room 514-S of the Capitol.

All members were present except: All present.

Committee staff present: Ellen Piekalkiewicz, Debra Duncan, Laura Howard,
Alan Conroy, Julian Efird, Legislative Research Dept.
Jim Wilson, Revisor of Statutes
Sharon Schwartz, Administrative Aide
Sue Krische, Committee Secretary

Conferees appearing before the committee:

Denise Apt, Governor's Education Advisor
Ed Martin, Director, Division of Architectural Services

Others attending: See attached list.

INTRODUCTION OF BILLS

Denise Apt, Governor's Education Advisor, requested introduction of a bill concerning the nursing student scholarship program clarifying that the limit on new scholarships each year is 250 (Attachment 1). The bill won't affect the total number of scholarships. Representative Solbach moved introduction of the bill. Representative Chronister seconded. Motion carried.

Chairman Bunten asked Representative Fuller's subcommittee to review and make a recommendation to the full Committee on HB 2669 requiring state agencies to report their space and storage requirements for periods of three and five years.

HB 2605 - Architectural services for state capital improvement projects, increasing maximum fees.

Chairman Bunten noted this bill was rereferred to the Committee on 1-24-90 for amendment. Ed Martin, State Architect, explained that Substitute for HB 2605 would raise the estimated project cost used to calculate the maximum fees which may be paid to project architects involved in state construction projects (Attachment 2). The bill also authorizes an additional fee of up to 4 percent of the estimated project cost in the case of complex projects and eliminates a mandatory percentage reduction in the maximum fee when another architect has performed work on the project. Representative Brady made a motion to amend HB 2605 by substituting a new bill to be designated as Substitute for HB 2605. Representative Kline seconded. Motion carried. Representative Brady moved that Sub for HB 2605 be passed. Representative Kline seconded. Motion carried.

SB 442 - Emergency Supplemental for FY90 and FY91

For consideration of SB 442, staff provided a write-up on the four sections included in the bill (Attachment 3).

Alan Conroy, Legislative Research Department, explained that SB 442 reinstates \$960,444 inadvertently lapsed in FY89 for the renovation of Sheridan Coliseum at Fort Hays State University.

Ellen Piekalkiewicz, Legislative Research Department, explained that Section 5 - Public Broadcasting Commission provides a supplemental

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,
 room 514-S, Statehouse, at 1:30 ~~xx~~/p.m. on January 30, 1990

appropriation of \$100,000 in FY90 for KOOD public television station. An FY89 appropriation for this purpose was inadvertently lapsed.

Julian Efird, Legislative Research Department, noted that Section 2 - Residential Circuit Breaker appropriates an additional \$7.29 million to finance additional cost of the residential circuit breaker authorized by the 1989 Legislature. Staff advised that there was \$12.8 million available in FY90 for the regular homestead program and \$10 million was appropriated for FY90 for the residential circuit breaker. Representative Shriver offered a conceptual motion to amend SB 442 to meld into one account--the Homestead Tax Refunds Account--the regular homestead funds and the residential circuit breaker funds for payout purposes, but to account for the funds separately by program. Representative Pottorff seconded. Motion carried.

Staff explained that Section 3 - State Board of Tax Appeals provides total financing of \$356,023 State General Fund for 19 FTE positions. This includes both wages and benefits and other operating expenses. Representatives Moomaw and Brady question if the 19 FTE approved by the State Finance Council are needed since the level of appeals is much lower than originally predicted. Representative Moomaw asked for an opportunity for his subcommittee to meet with the agency to review this matter. Representative Teagarden made a motion to delete Section 3 from SB 442. Representative Gatlin seconded. Chairman Bunten suggested that instead of deleting this section from the bill, the subcommittee meet with the agency as soon as possible and bring a report to the meeting at 8:00 a.m., Friday, February 2. Representative Teagarden withdrew his motion with the consent of his second, Representative Gatlin.

SB 413 - Appropriations for FY90 for SRS restoring the Medikan program.

Staff reviewed a write-up outlining on SB 413 the Governor's recommendations and the Senate adjustments (Attachment 4). It was noted the Senate adjustments fund all the programs through April 30, 1990 except the foster care rate increase which is funded through June 30, 1990. Chairman Bunten expressed concern that the funding provided in SB 413 is borrowed money and, therefore, continues programs with no stable funding source.

Representative Vancrum stated he would prefer to continue Medikan to be funded from a tobacco tax as he opposes funding through debt financing. Representative Helgerson suggested the funding source could be changed later in the session if a tax bill were passed.

Representative Heinemann moved to amend SB 413 by striking \$371,448 for attendant care for independent living and inserting \$50,000; deleting aid to dependent children funding of \$1,273,771; striking foster care funding of \$1,458,652 and inserting \$729,326 to fund a five percent increase in foster care rates for FY90 and fully funding the foster care rate increase of 10 percent for FY91 at the approximate cost of \$3,215,000. Representative Goossen seconded. Representative Heinemann noted his motion would leave the funding for the Medikan and general assistance programs in the bill intact. Representative Brady favors leaving SB 413 as approved by the Senate, as changes will delay passage of the bill. In response to a question, Representative Heinemann stated that the bonds for the prison would not have to be issued early or before April 30, due to the addition of \$12.5 million by this

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,

room 514-S, Statehouse, at 1:30 ~~am~~/p.m. on January 30, 1990.

bill. Representative Vancrum asked Representative Heinemann if he would favor including in his amendment a provision that the bond financing would not be effective before April 30, 1990 allowing time to revisit the issue later in the session. Representative Heinemann stated he would not favor this limit as it might present a problem for the Department of Corrections.

Representative Chronister expressed concern at approving the \$12.2 million in spending in SB 413 citing needs in other areas such as special education, transportation, the hold-harmless issue for school districts, community colleges, Regents' enrollment adjustment, mental health, and mental retardation etc. Representative Chronister emphasized the need for the State to live within its means in fairness to Kansas taxpayers. Representatives Helgerson and Hensley feel the needs of the Kansans addressed in this bill are of highest priority.

On a show of hands on Representative Heinemann's motion to amend SB 413, the motion failed.

Representative Helgerson moved to recommend SB 413 favorably for passage. Representative Brady seconded. Motion carried.

Chairman Buntun announced the next meeting will be at 8:00 a.m., Friday, February 2. The meeting was adjourned at 3:45 p.m.

GUEST LIST

COMMITTEE: HOUSE APPROPRIATIONS

DATE: 1-30-90

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Inna Robertson	810 4th Street Wamego KS	3 RIVERS, INC.
Lewis + Vicki Tyler	3503 STONEHENGE CT	—
Michael Donnelly	Box 175 Wamego KS	Ks. Assoc. of Cntrs. For And h/d
Don M. Breda	Topeka	Observed
George A. Dugger	Topeka	Dept - Aging
Kevin Robertson	Topeka	HA Consulting Eng
STAN JONES	TOPEKA	KS DEPT. OF REVENUE
Gene Miller	"	SRS/ADAs
Martha Gabehart	Topeka	KS Commission on Disability Concerns
Michael Lechner	"	"
Lucille Reynolds	"	"
JOANN WISBOM	KC, KS	<u>CONCERNED</u>
Phoebe Mae	KCK	
DOT GERKOVICH	KCKS	
DUKE GERKOVICH	KC, KS	
John Kelly	Topeka	DD Council
Rhonda HARSH	Lawrence	Rep Charlton's office
Doug Bowman	Topeka	Children & Youth Adv. Comm
Gloria Timmer	Topeka	DOB
May Ellis Lima	Topeka	KG of Women VPTem
Katherine Basom	—	Interim

BILL NO. _____

AN ACT concerning the nursing student scholarship program; relating to limits on the number of scholarships; amending K.S.A. 1989 Supp. 74-3293 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 1989 Supp. 74-3293 is hereby amended to read as follows: 74-3293. (a) There is hereby established the nursing student scholarship program. A scholarship may be awarded under the nursing student scholarship program to any qualified nursing student enrolled in or admitted to a school of nursing in a course of instruction leading to licensure as a licensed professional nurse or licensed practical nurse. The number of new scholarships awarded under the nursing student scholarship program in any each year shall not exceed 250. Of this number, 100 scholarships shall be awarded to nursing students whose sponsors are located in rural areas and who are enrolled in a course of instruction leading to licensure as a registered professional nurse, 50 scholarships shall be awarded for nursing students enrolled in or admitted to a school of nursing operated by a community college, area vocational-technical school or area vocational school in a course of instruction leading to licensure as a licensed practical nurse and the remaining 100 scholarships shall be awarded to any nursing students who have a sponsor and who are enrolled in a course of instruction leading to licensure as a registered professional nurse. The determination of the individuals qualified for such scholarships shall be made by the executive officer after seeking advice from the committee. Within each scholarship category prescribed by this subsection, scholarships

HA
1-30-90
Attachment 1

shall be awarded on a priority basis to qualified applicants who have the greatest financial need for such scholarships. To the extent practicable and consistent with the other provisions of this section, consideration shall be given to minority applicants.

(b) Scholarships awarded under the nursing student scholarship program shall be awarded for the length of the course of instruction leading to licensure as a licensed professional nurse or licensure as a licensed practical nurse in which the student is enrolled in or admitted to unless otherwise terminated before such period of time. Such scholarships shall provide to the nursing student receiving the scholarship the payment of tuition, fees, books, room and board in an amount to not exceed the total of \$3,500 annually. The amount of each scholarship shall be established annually by the executive officer and shall be financed equally by the sponsor of the nursing student and by the state of Kansas.

Sec. 2. K.S.A. 1989 Supp. 74-3293 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

Substitute for HOUSE BILL NO. 2605

By Committee on Appropriations

AN ACT concerning architectural services for capital improvement projects for state agencies; relating to fees of project architects; amending K.S.A. 75-1263 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 75-1263 is hereby amended to read as follows: 75-1263. (a) Except as otherwise provided in subsection (c), fees paid to firms employed as project architect to provide architectural services shall not exceed the following:

(1) When the firm provides preliminary design services, construction documents, bidding services and the construction administration services specified in K.S.A. 75-1260 and amendments thereto the maximum shall be: Seven percent of that portion of the estimated cost of the project not exceeding ~~\$1,000,000~~ \$2,250,000; 6.25% of that portion of the estimated cost of the project exceeding ~~\$1,000,000~~ \$2,250,000 but not exceeding ~~\$2,000,000~~ \$4,500,000; 5.5% of that portion of the estimated cost of the project exceeding ~~\$2,000,000~~ \$4,500,000 but not exceeding ~~\$3,000,000~~ \$6,750,000. The fees to be paid for any project for which the estimate of cost exceeds ~~\$3,000,000~~ \$6,750,000 shall be negotiated between the firm selected and the negotiating committee, but shall not exceed 5% on that portion of the estimated cost of the project exceeding ~~\$3,000,000~~ \$6,750,000.

(2) When a prior project architect, the secretary of administration or any agency architect as provided in K.S.A. 75-1254 and amendments thereto provides preliminary design services and the project architect provides construction documents, bidding services and construction administration

HA
1-30-90
Attachment 2

services, the maximum established under subsection (a)(1) shall be reduced by 25% the negotiating committee which shall determine the value of the services to be performed and shall adjust the fee accordingly.

(3) When a prior project architect, the secretary of administration or an agency architect as provided in K.S.A. 75-1254 and amendments thereto provides preliminary design services, bidding services and construction administration services, the maximum established under subsection (a)(1) shall be reduced by 45% the negotiating committee which shall determine the value of the services to be performed and shall adjust the fee accordingly.

~~(b) If the proposed project includes remodeling of existing construction,~~ A fee of not to exceed 4% ~~of that part of the estimated cost of the project, which is designated as remodeling~~ shall be determined by the negotiating committee and which shall be proportional to the relative complexity of the project, may be added to the fees otherwise authorized under this section.

(c) For purposes of computing the project architect's maximum fees, the estimated cost of the project shall be that provided in the original program cost estimate for the project. The estimated cost of the project shall not be reduced or increased without the prior approval of the negotiating committee which approved the project description under K.S.A. 75-1255 and amendments thereto. The project architect's maximum fee shall not be reduced or increased except that the project architect may be paid additional fees as a result of change orders initiated by the state or for additional services which are the result of changes in the scope or program of the project or construction circumstances beyond the control of the project architect or the state. Any increase in the fees paid to a project architect above the previously established maximum for the project shall receive the prior approval of the negotiating committee which approved the project description under K.S.A. 75-1255 and amendments thereto and, upon such approval, shall constitute a revised

maximum fee under this section.

(d) Fees of project architects shall be paid from appropriations for the particular project for which the project architect is employed and in no case shall the amount appropriated for a project be exceeded for any increase in a project architect's fees. The secretary of administration shall report to the joint committee on state building construction all actions relating to any increase under subsection (c) in the fees paid to a project architect above the previously established maximum for the project.

Sec. 2. K.S.A. 75-1263 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.

SENATE BILL NO. 442

**Section 2 – Residential Circuit Breaker
Department of Revenue – Homestead Property Tax Refunds**

Governor's Recommendation

The Governor recommends an FY 1990 State General Fund supplemental appropriation of \$7,290,000 to finance the estimated additional cost of the residential circuit breaker program authorized by the 1989 Legislature. The new funding would be in addition to \$10.0 million appropriated last session based on an earlier estimate of FY 1990 payments.

Senate Committee Recommendation

The Committee concurs with the Governor's recommendation.

Senate Recommendation

The Senate concurs with the Senate Committee's recommendation.

Section 3 – State Board of Tax Appeals

Governor's Recommendation

A supplemental appropriation of \$191,404 is recommended by the Governor in FY 1990 to finance additional salary and wage costs attributed to adding 19.0 new FTE positions authorized by the State Finance Council on January 3, 1990. The additional staffing was approved to handle reappraisal appeals. Financing of \$206,087 would be required for five full months of salaries and benefits for all new positions. No funding is included in this bill for other operating expenses relative to new staff, such as rents, moving expenses, or capital outlay.

Senate Committee Recommendation

The Committee recommends adding \$164,619 for other operating expenses for total financing of \$356,023 from the State General Fund.

Senate Recommendation

The Senate concurs with the Senate Committee's recommendation.

HA
1-30-90
Attachment 3

Section 4 – Fort Hays State University

Governor's Recommendation

The Governor recommends a State General Fund supplemental appropriation of \$960,444 in FY 1990 for the renovation of Sheridan Coliseum. Through a technical error the unencumbered balance of the State General Fund appropriation in FY 1989 was lapsed. The amount lapsed at the end of FY 1989 is the exact same dollar amount that the Governor has recommended for the supplemental appropriation in FY 1990 or \$960,444. The total cost for the renovation of Sheridan Coliseum remains as approved by the 1989 Legislature at \$8,412,000.

The 1989 Legislature appropriated from the State General Fund \$3,900,000 in FY 1989 and \$2,162,000 in FY 1990 for the Sheridan renovation project. However, the State General Fund appropriations could not be expended until \$387,000 in FY 1989 and \$863,000 in FY 1990 was raised in private gift funds. S.B. 442 permits that any expenditures from the Sheridan Coliseum Gift Fund above the \$387,000 in FY 1989 as required by the 1989 appropriation would count toward the requirement of \$863,000 in gift fund expenditures in FY 1990. Finally, the bill provides that any payments to the Fort Hays State University Endowment Association for interest on the Sheridan Coliseum Gift Fund in FY 1989 or FY 1990 shall not be counted toward satisfying the expenditures requirements for the gift fund in FY 1989 or FY 1990.

Senate Committee Recommendation

The Senate Committee concurs with the Governor's recommendation.

Senate Recommendation

The Senate concurs with the Senate Committee's recommendation.

Section 5 – Public Broadcasting Commission

Governor's Recommendation

The Governor recommends a State General Fund supplemental appropriation of \$100,000 in FY 1990 for a grant to KOOD public television station (Bunker Hill) to expand public television into northwest Kansas. The supplemental appropriation is required due to an inadvertent lapse of \$120,000 which the 1989 Legislature appropriated for FY 1989 and had intended to reappropriate for FY 1990 to match an anticipated federal grant of \$448,000 for the project (total project cost, \$623,000). As actually awarded, the total project cost was scaled down to \$392,350 of which \$282,492 is federal funds and the Governor recommends \$100,000 for the state's portion of the project. KOOD has already received \$30,000 from the Economic Development Initiatives Fund, appropriated by the 1989 Legislature, for costs associated with the project, which are ineligible for federal matching.

Senate Committee Recommendation

The Senate Committee concurs with the Governor's recommendation.

Senate Recommendation

The Senate concurs with the Senate Committee's recommendation.

Agency Request/Governor's RecommendationSenate AdjustmentsHouse Committee Adjustments**Sec. 2 – Department of Social and Rehabilitation Services**

1. The Governor recommends that the MediKan program be eliminated effective January 1, 1990.
2. The Governor recommends that the General Assistance program be reduced by \$9 per person per month effective January 1, 1990 and that the program be eliminated effective February 1, 1990.
3. The Governor recommends that Aid to Families with Dependent Children (AFDC) grants be reduced by \$9 per person per month effective January 1, 1990.
4. The Governor recommends the elimination of the ten percent foster care rate increase approved by the 1989 Legislature to take effect for January 1, 1990.
5. The Governor recommends that the Attendant Care for Independent Living program be eliminated effective January 1, 1990.

1. Add \$4,702,996 from the State General Fund to continue the MediKan program through April 30, 1990.
2. Add \$3,543,712 from the State General Fund (\$3,803,493 All Funds) to continue the General Assistance program through April 30, 1990, including the restoration of the \$9 per person per month reduction.
3. Add \$1,273,771 from the State General Fund (\$1,691,472 All Funds) to restore the \$9 per person per month AFDC grant reduction through April 30, 1990.
4. Add \$1,458,652 from the State General Fund (\$1,691,472 All Funds) to provide an additional ten percent foster care rate increase through June 30, 1990 as recommended by the 1989 Legislature.
5. Add \$371,448 from the State General Fund (\$840,000 All Funds) to continue the Attendant Care for Independent Living program through April 30, 1990.

Sec. 3 – Department of Corrections

1. The Governor recommends expenditures from the State General Fund of \$3,176,501 in FY 1990 for planning and \$9,500,000 in FY 1990 to construct and equip a new correctional facility and mental health facilities.

1. Lapse of the \$9.5 million (SGF) appropriated to construct and equip a new correctional facility and mental health facilities and the remaining balance of the planning funds. Also, authorize the Secretary of Corrections to provide for bond financing for debt service on a new correctional facility and mental health facilities, not to exceed \$68.8 million, including reimbursement of amounts expended for planning such facilities.

Attachment 4
1-30-90
7/A