

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 A.M. on March 17, 2006 in Room 514-S of the Capitol.

All members were present except:
Representative Jerry Henry- excused

Committee staff present:
J. G. Scott, Legislative Research Department
Becky Krahl, Legislative Research Department
Matt Spurgin, Legislative Research Department
Audrey Dunkel, Legislative Research Department
Susan Kannarr, Legislative Research Department
Amy VanHouse, Legislative Research Department
Jim Wilson, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Nikki Feuerborn, Administrative Assistant
Shirley Jepson, Committee Secretary

Conferees appearing before the committee:
Andy Schlapp, Sedgwick County

Others attending:

- Attachment 1 Budget Committee Report on **HB 2520**
- Attachment 2 Budget Committee Report on **HB 2762**
- Attachment 3 Budget Committee Report on **HB 2861**
- Attachment 4 Amendment to **SB 475**
- Attachment 5 Amendment to **SB 475**
- Attachment 6 Budget Committee Report on **SB 503**
- Attachment 7 Budget Committee Report on **HCR 5042**

Discussion and Action on HB 2520 - Community mental health center licensure.

Representative Landwehr, Chair of the Social Services Budget Committee, presented the Budget Committee report on **HB 2520** and moved for the adoption of the Budget Committee report (Attachment 1). The motion was seconded by Representative Bethell. Motion carried.

Discussion and Action on HB 2762 - Adult care home administrators, grounds for licensure action, board membership.

Representative Landwehr, Chair of the Social Services Budget Committee, presented the Budget Committee report on **HB 2762** and moved for the adoption of the Budget Committee report (Attachment 2). The motion was seconded by Representative Bethell. Motion carried.

The Budget Committee noted that two amendments were added to the bill.

Discussion and Action on HB 2861 - Exercising the state's option to provide an exemption to disqualification for public assistance to certain drug offenders.

Representative Landwehr, Chair of the Social Services Budget Committee, presented the Budget Committee report on **HB 2861** and moved for the adoption of the Budget Committee report (Attachment 3). The motion was seconded by Representative Bethell. Motion carried.

Discussion and Action on HB 2814/SB 475 - Creating the state affordable airfare fund; moneys from the economic development initiatives fund; implementing a program to provide more flight options, more competition and affordable airfares.

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 17, 2006 in Room 514-S of the Capitol.

Representative Pottorff moved for the Committee to work **SB 475**, a similar bill, in place of **HB 2814**. The motion was seconded by Representative Landwehr. Motion carried.

Representative Bethell moved to amend **SB 475** by adding language on Page 3, Line 11, "as a condition of receiving assistance from the state affordable airfare fund, each airport receiving such assistance shall provide free parking for passenger motor vehicles that are designed and used for transporting 10 passengers or less and that are registered in Kansas" (Attachment 4). The motion was seconded by Representative Powell. Motion failed.

Responding to questions from the Committee, Andy Schlapp, Sedgwick County, indicated that the Wichita airport currently has short-term parking, with free parking for 30 minutes, and long-term parking offering a free shuttle to the terminal. The amendment would cause the airport to revise security and parking procedures. Mr. Schlapp stated that the annual income from the parking lots is approximately \$4.5 million, noting that providing free parking for 80-90 percent of the passengers could pose a serious issue for the airport.

The Committee noted that it is important to consider the cost of airport parking when working to provide affordable airfare within the State.

Representative Landwehr moved to amend **SB 475** by adding language "Commencing with the regular session in 2008, the regional economic area partnership (REAP) shall prepare and submit a report on the expenditures of the state annual grant and local matching moneys under the program and the results obtained for such expenditures to the legislature at the beginning of each regular session. The motion was seconded by Representative Pottorff. Motion carried.

Representative Landwehr moved to amend **SB 475** by adding language "During the interim between regular sessions of the legislature, commencing with the 2006 legislative interim period, the legislative budget committee shall study and review the activities of the regional economic area partnership (REAP) under the program to provide more air flight options, more competition for air travel and affordable air fares for Kansas, including a regional airport in western Kansas." The motion was seconded by Representative McCreary. Motion carried.

Representative Feuerborn moved to amend **SB 475** by adding language "to establish the state affordable airfare fund for the same purposes and to be administered by the secretary of commerce. In accordance with the provisions of appropriation acts, moneys shall be transferred to the state affordable airfare fund from the state general fund or one or more special revenue funds in the state treasury as specified by appropriation acts. That the annual grant from the fund to the regional economic area partnership (REAP) shall be matched on the basis of 75% from the state affordable airfare fund to 25 percent from local units of government or private entities." The motion was seconded by Representative Schwartz. Motion carried.

Representative Powell moved to amend **SB 475** by adding language to Page 3, Line 11, after the word "Kansas" which reads "including a regional airport in western Kansas" (Attachment 5). The motion was seconded by Representative Schwartz. Motion carried.

Representative Pottorff moved to recommend **SB 475** as amended favorable for passage and to report as **House Substitute for SB 475**. The motion was seconded by Representative Landwehr. Motion carried.

Discussion and Action on SB 503 - Establishing the water supply storage assurance fund.

Representative Schwartz, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on **SB 503** and moved for the adoption of the Budget Committee report (Attachment 6). The motion was seconded by Representative Powell. Motion carried.

Representative Powell moved to amend the Budget Committee report on **SB 503** to correct language in the description of placement of the stream gauge on the Smoky Hill River to read "57"

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 17, 2006 in Room 514-S of the Capitol.

instead of "27" and add language after "30" below the dam" stating "or as near as practical as determined by USGS". The motion was seconded by Representative Schwartz. Motion carried.

Representative McLeland moved to amend **SB 503** by adding the language in Section (b) of **HB 2862** concerning the use of the stream gauge measurements of water leakage from the dam to calculate the amount of water in the artificial recharge pool. The motion was seconded by Representative Powell. Motion carried.

Representative Schwartz moved to recommend **SB 503** favorable for passage as amended. The motion was seconded by Representative Powell. Motion carried.

Discussion and Action on HCR 5042 - Urging support of the "25 x '25" initiative.

Representative Schwartz, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on **HCR 5042** and moved for the adoption of the Budget Committee report (Attachment 7). The motion was seconded by Representative Williams. Motion carried.

The Budget Committee noted that their report includes two amendments to **HCR 5042**.


Representative Schwartz moved to recommend **HCR 5042** favorable for passage as amended. The motion was seconded by Representative Powell. Motion carried.

Representative Sharp moved to approve the Committee minutes, as written, of March 6, March 7, March 8, March 9 and March 10. The motion was seconded by Representative Landwehr. Motion carried.

SB 549 was referred to Education Budget Committee.

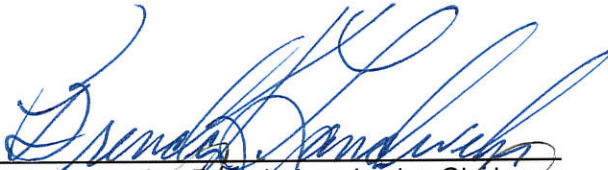
SB 382 was referred to General Government and Commerce Budget Committee.

The meeting was adjourned at 10:30 a.m. The next meeting of the Committee will be held at 9:00 a.m. on March 20, 2006.


Melvin Neufeld, Chairman

House Social Services Budget Committee

Recommendations on House Bill 2520



Representative Brenda Landwehr, Chairperson



Representative Bob Bethell



Representative Barbara Ballard



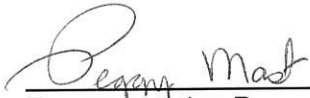
Representative Jerry Henry



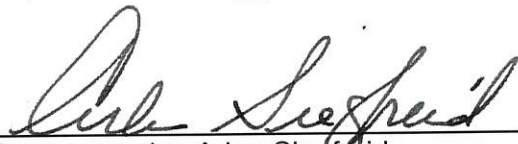
Representative Willa DeCastro



Representative John Edmonds



Representative Peggy Mast



Representative Arlen Siegfried



Representative Louis Ruiz

HOUSE APPROPRIATIONS

DATE 3-17-2006

ATTACHMENT 1

House Social Services Budget Committee

Recommendation on House Bill 2520

Brief

HB 2520 would amend current law regarding the licensure of Community Mental Health Centers (CMHCs) by the Department of Social and Rehabilitation Services (SRS) and allow deemed status. The bill would allow a currently licensed CMHC that also is accredited by the Commission on Accreditation of Rehabilitation Facilities or the Joint Commission on Accreditation of Health Care Organizations to have deemed status and be granted a license renewal by SRS based on such accreditation. Currently, SRS performs an annual licensing visit for each CMHC.

Background

The Department of Social and Rehabilitation Services appeared as a neutral party at the hearing on the bill. Proponents of the bill included Representative Lana Gordon, the Association of Community Mental Health Centers of Kansas, Inc., Valeo Behavioral Health Care, the Kansas Mental Health Coalition, and the Depression and Bipolar Support Alliance. The Kansas Chapter of the National Association of Social Workers was the only opponent to provide testimony at the bill hearing.

The fiscal note for the bill indicates that although the bill would eliminate the need for SRS to annually inspect CMHCs who have this accreditation, the fiscal impact would be negligible as there are currently only two CMHCs that meet this criteria.

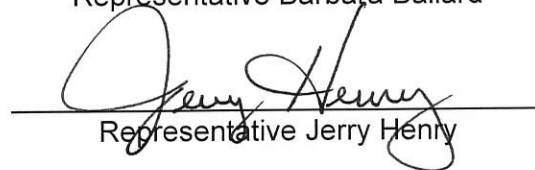
HOUSE SOCIAL SERVICES BUDGET COMMITTEE

HB 2762

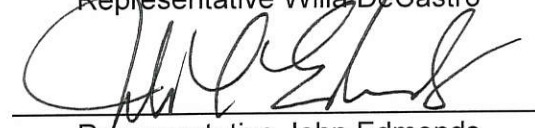

Representative Brenda Landwehr, Chair


Representative Bob Bethell

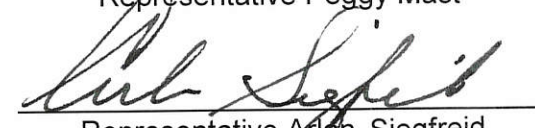

Representative Barbara Ballard

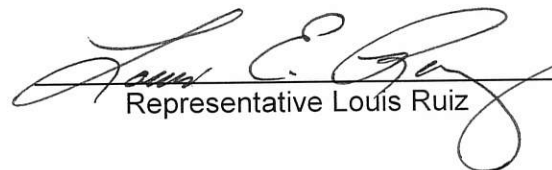

Representative Jerry Henry


Representative Willa De Castro


Representative John Edmonds


Representative Peggy Mast


Representative Arlan Siegfried


Representative Louis Ruiz

HOUSE APPROPRIATIONS

DATE 3-17-2006

ATTACHMENT 2

House Social Services Budget Committee

Recommendation on House Bill 2762

The Budget Committee recommends the bill favorably for passage with the following amendments:

1. Page 1, line 36 by inserting the words "are currently and" before "actively"; and
2. Page 1, line 38 by striking the words "which are either long-term care facilities or nursing facilities."

Brief

HB 2762 changes the composition of the Board of Adult Care Home Administrators. The number of board members representing professions and institutions concerning the care and treatment of chronically ill or infirm elderly patients would decrease to two members. The number of board members who are adult care home administrators would increase to three members. In addition, the adult care home administrators serving on the board would be required to have been actively engaged in the administration of adult care homes for the three years immediately preceding the appointment to the board.

The bill also clarifies that the license of an adult care home administrator may be denied, revoked or suspended for failure to provide overall management of the nutrition, medications, and treatment of residents.

Background


Representatives from the Kansas Adult Care Executives Association, the Kansas Health Care Association, the Kansas Association of Homes and Services for the Aging, and the attorney for the Board of Adult Care Home Administrators testified favorably on the bill.

The fiscal note prepared by the Division of the Budget indicates that this bill would have no fiscal impact.

House Social Services Budget Committee

Recommendations on House Bill 2861


Representative Brenda Landwehr, Chairperson

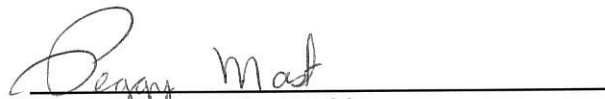

Representative Bob Bethell


Representative Barbara Ballard

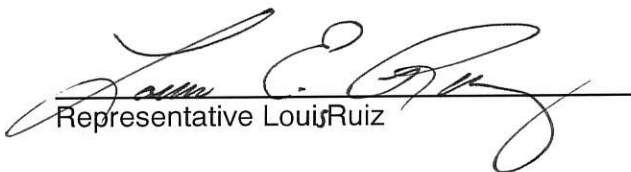

Representative Jerry Henry


Representative Willa DeCastro


Representative John Edmonds


Representative Peggy Mast


Representative Arlen Siegfried


Representative Louis Ruiz

HOUSE APPROPRIATIONS

DATE 3-17-2006

ATTACHMENT 3

House Social Services Budget Committee

Recommendation on House Bill 2861

Brief

HB 2861 would exercise the state's option under federal law to allow convicted drug felons to receive public assistance upon release from prison if they meet the established eligibility criteria for such programs. To meet the requirements of the bill, the person must either be participating in a treatment program, have successfully completed a treatment program or have a determination by a licensed substance abuse treatment provider that they do not require treatment. The individual could be disqualified if drug use is confirmed but could reapply for assistance after 30 days has elapsed.

Background

The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (welfare reform) prohibits persons convicted of a drug felony from receiving Temporary Assistance to Needy Families (cash and employment) and Food Stamp services. The federal law (21 U.S.C. §862a, subsection (s)(1)(A)) allows states to opt out of this prohibition. HB 2861 would exercise this option.

Proponents appearing on the bill included the Department of Social and Rehabilitation Services and the Kansas Catholic Conference. Written testimony in support of the bill was submitted by the Department of Corrections. No opponents provided testimony on the bill.

The fiscal note for the bill indicates that increased costs totaling \$380,640 from the State General Fund and \$730,236 all funds could be experienced by the Department of Social and Rehabilitation Services in FY 2007. The increased costs would result from additional persons receiving benefits from the Temporary Assistance for Families (cash assistance), Food Stamp, and Child Care Assistance programs. As adults participate in employment services, their children become eligible for child care services.

[As Amended by Senate Committee of the Whole]

As Amended by Senate Committee

Session of 2006

SENATE BILL No. 475

By Committee on Ways and Means

1-30

PROPOSED AMENDMENT

For Consideration by Committee on Appropriations

March 7, 2006

12 AN ACT concerning economic development: relating to the economic
13 development initiatives fund; creating the state affordable airfare fund
14 to support certain programs: amending K.S.A. 2005 Supp. 79-4804 and
15 repealing the existing section.

16
17 *Be it enacted by the Legislature of the State of Kansas:*

18 Section 1. K.S.A. 2005 Supp. 79-4804 is hereby amended to read as
19 follows: 79-4804. (a) After the transfer of moneys pursuant to K.S.A. 2005
20 Supp. 79-4806, and amendments thereto, an amount equal to 85% of the
21 balance of all moneys credited to the state gaming revenues fund shall
22 be transferred and credited to the state economic development initiatives
23 fund. Expenditures from the state economic development initiatives fund
24 shall be made in accordance with appropriations acts for the financing of
25 such programs supporting and enhancing the existing economic founda-
26 tion of the state and fostering growth through the expansion of current
27 and the establishment and attraction of new, commercial and industrial
28 enterprises as provided by this section and as may be authorized by law
29 and not less than 1/2 of such money shall be distributed equally among
30 the congressional districts of the state. Except as provided by subsection
31 (g), all moneys credited to the state economic development initiatives
32 fund shall be credited within the fund, as provided by law, to an account
33 or accounts of the fund which are created by this section.

34 (b) There is hereby created the Kansas capital formation account in
35 the state economic development initiatives fund. All moneys credited to
36 the Kansas capital formation account shall be used to provide, encourage
37 and implement capital development and formation in Kansas.

38 (c) There is hereby created the Kansas economic development re-
39 search and development account in the state economic development in-
40 itiatives fund. All moneys credited to the Kansas economic development
41 research and development account shall be used to promote, encourage
42 and implement research and development programs and activities in Kan-
43 sas and technical assistance funded through state educational institutions

HOUSE APPROPRIATIONS

DATE 3-17-2006
ATTACHMENT 4

H-2

1 under the supervision and control of the state board of regents or other
2 Kansas colleges and universities.

3 (d) There is hereby created the Kansas economic development en-
4 dowment account in the state economic development initiatives fund. All
5 moneys credited to the Kansas economic development endowment ac-
6 count shall be accumulated and invested as provided in this section to
7 provide an ongoing source of funds which shall be used for economic
8 development activities in Kansas, including but not limited to continuing
9 appropriations or demand transfers for programs and projects which shall
10 include, but are not limited to, specific community infrastructure projects
11 in Kansas that stimulate economic growth.

12 (e) Except as provided in subsection (f), the director of investments
13 may invest and reinvest moneys credited to the state economic develop-
14 ment initiatives fund in accordance with investment policies established
15 by the pooled money investment board under K.S.A. 75-4232, and
16 amendments thereto, in the pooled money investment portfolio. All mon-
17 eys received as interest earned by the investment of the moneys credited
18 to the state economic development initiatives fund shall be deposited in
19 the state treasury and credited to the Kansas economic development en-
20 dowment account of such fund.

21 (f) Moneys credited to the Kansas economic development endow-
22 ment account of the state economic development initiatives fund may be
23 invested in government guaranteed loans and debentures as provided by
24 law in addition to the investments authorized by subsection (e) or in lieu
25 of such investments. All moneys received as interest earned by the in-
26 vestment under this subsection of the moneys credited to the Kansas
27 economic development endowment account shall be deposited in the
28 state treasury and credited to the Kansas economic development endow-
29 ment account of the state economic development initiatives fund.

30 (g) In each fiscal year, the director of accounts and reports shall make
31 transfers in equal amounts on July 15 and January 15 which in the aggre-
32 gate equal \$2,000,000 from the state economic development initiatives
33 fund to the state water plan fund created by K.S.A. §2a-951, and amend-
34 ments thereto, except that the aggregate amount of the transfers on such
35 dates during state fiscal year 2004 shall not exceed \$1,900,000. No other
36 moneys credited to the state economic development initiatives fund shall
37 be used for: (1) Water-related projects or programs, or related technical
assistance; or (2) any other projects or programs, or related technical
assistance, which meet one or more of the long-range goals, objectives
and considerations set forth in the state water resource planning act.

40 (h) In each fiscal year, commencing in ~~2006~~ [the fiscal year ending
41 June 30, 2007.] and ending in ~~2010~~ [the fiscal year ending June 30,
42 2011], the director of accounts and reports shall make a transfer on July
43

1 15 of \$5,000,000 from the state economic development initiatives fund to
 2 the state affordable airfare fund which is hereby created. If sufficient
 3 moneys from the state economic development initiatives fund are not
 4 available, the director of accounts and reports on such date or as soon
 5 thereafter as moneys become available, shall transfer an amount equal to
 6 such insufficiency from the state general fund to the state affordable air-
 7 fare fund in accordance with appropriation acts. The moneys credited to
 8 the state affordable airfare fund shall be used by REAP, regional economic
 9 area partnership, for the development and implementation of a program
 10 to provide more air flight options, more competition for air travel and
 11 affordable air fares for Kansas. **Annually, beginning January 15, 2008,**
 12 **REAP, regional economic area partnership, shall evaluate and re-**
 13 **port on the effectiveness of this program to the house of represen-**
 14 **tatives committee on appropriations and the senate committee on**
 15 **ways and means. In order to receive such funding, REAP, regional ec-**
 16 **onomic area partnership, shall have received at least ~~\$1,000,000~~**
 17 **\$1,666,667** annually from local units of government or private entities.
 18 The state affordable airfare fund shall be administered by the secretary
 19 of commerce.

20 Sec. 2. K.S.A. 2005 Supp. 79-4804 is hereby repealed.

21 Sec. 3. This act shall take effect and be in force from and after its
 22 publication in the statute book.

As a condition of receiving assistance from the state affordable airfare fund, each airport receiving such assistance shall provide free parking for passenger motor vehicles that are designed and used for transporting 10 passengers or less and that are registered in Kansas.

1 15 of \$5,000,000 from the state economic development initiatives fund to
 2 the state affordable airfare fund which is hereby created. If sufficient
 3 moneys from the state economic development initiatives fund are not
 4 available, the director of accounts and reports on such date or as soon
 5 thereafter as moneys become available, shall transfer an amount equal to
 6 such insufficiency from the state general fund to the state affordable air-
 7 fare fund in accordance with appropriation acts. The moneys credited to
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 9 area partnership, for the development and implementation of a program
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 14 **tatives committee on appropriations and the senate committee on**
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 17 **\$1,666,667 annually from local units of government or private entities.**
 18 *The state affordable airfare fund shall be administered by the secretary*
 19 *of commerce.*

20 Sec. 2. K.S.A. 2005 Supp. 79-4804 is hereby repealed.

21 Sec. 3. This act shall take effect and be in force from and after its
 22 publication in the statute book.

PROPOSED AMENDMENT

For Consideration by Committee on Appropriation

March 7, 2006

, including a regional airport in western Kansas

HOUSE APPROPRIATIONS

DATE 3-17-2006

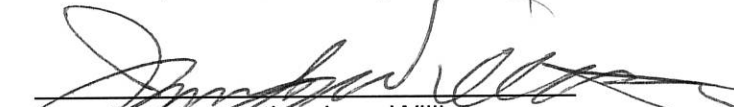
ATTACHMENT 5

HOUSE AGRICULTURE AND NATURAL RESOURCES BUDGET COMMITTEE


SB 503



Representative Sharon Schwartz, Chair


Representative Larry Powell


Representative Jerry Williams


Representative Carl Holmes


Representative Joann Freeborn


Representative Tom Sloan

Representative Vaughn Flora

HOUSE APPROPRIATIONS

DATE 3-17-2006
ATTACHMENT 6

House Agriculture and Natural Resources Budget Committee

Recommendation on SB 503

The Budget Committee recommends the bill favorably for passage with an amendment that the Kansas Water Office shall place a stream gauge on the Smoky Hill River at a latitude of 38°, 47' and 27" and a longitude of 99°, 41' and 30" below the dam on Cedar Bluff Reservoir. The intent of the stream gauge would be to monitor the amount of water leaking from the dam. This language is contained in Section 1, subsection (a) of 2006 HB 2862.

Brief

SB 503 would create the Water Supply Storage Assurance Fund in the Kansas Water Office. The Fund was created in 1986; however, it was inadvertently abolished in 1998. Since that time, the Fund has been established by proviso in the appropriations bill to allow the agency to pay its bills from the Water Supply Storage Assurance Fund. The bill would allow for expenditures from the Fund for the following purposes:

1. Payment to the federal government for the annual capital costs of water storage in federal reservoirs;
2. Payment and reimbursement to the Water Marketing Fund, State General Fund, or the State Water Plan Fund for water supply storage space previously paid for;
3. Payment to the federal government of annual operations, maintenance and repair costs associated with water supply storage space; and
4. Payment and reimbursement to the Water Marketing Fund and the State General Fund for costs incurred by the state for the administration of the Water Assurance Program.

Background

The bill was introduced by the Senate Committee on Ways and Means. A representative of the Kansas Water Office appeared as a proponent of the bill. The fiscal note prepared by the Division of the Budget states that the bill would have no fiscal impact.

HOUSE AGRICULTURE AND NATURAL RESOURCES BUDGET COMMITTEE

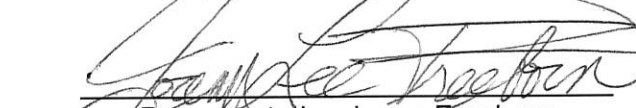
HCR 5042


Representative Sharon Schwartz, Chair


Representative Larry Powell


Representative Jerry Williams


Representative Carl Holmes


Representative Joann Freeborn


Representative Tom Sloan


Representative Vaughn Flora

HOUSE APPROPRIATIONS

DATE 3-17-2006
ATTACHMENT 7

House Agriculture and Natural Resources Budget Committee

Recommendation on HCR 5042

The Budget Committee recommends HCR 5042 favorably for passage with the following amendments:

1. On page 1, line 21, by inserting "but not limited to" following "including."
2. On page 2, starting in line 12, by adding the United States Department of Energy and the United States Department of Agriculture as recipients of the resolution.

Brief

HCR 5042 urges support of the "25 by '25" vision. This vision is that agriculture will provide 25 percent of the total energy consumed in the United States by the year 2025, while continuing to provide safe, abundant, and affordable food and fiber.

Background

This resolution was introduced by the House Committee on Appropriations. At the hearing, the Secretary of Agriculture and representatives from the Kansas Soybean Association, the Kansas Chapter of the Sierra Club, and E3 Biofuels testified in favor of the resolution. Written testimony in support of the resolution was submitted by Kansas Farm Bureau.