

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Stephen Morris at 10:40 a.m. on January 23, 2002 in Room 313-S of the Capitol.

All members were present except: All present

Committee staff present:

Alan Conroy, Chief Fiscal Analyst, Kansas Legislative Research Department
Debra Hollon, Kansas Legislative Research Department
Audrey Nogle, Kansas Legislative Research Department
Michael Corrigan, Assistant Revisor of Statutes
Judy Bromich, Assistant to the Chairman
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Janet Schalansky, Secretary, Department of Social and Rehabilitation Services
Connie L. Hubbell, Secretary, Department on Aging
Jane Rhys, Executive Director, Kansas Council on Developmental Disabilities
Gina McDonald, President/CEO, Kansas Association of Centers for Independent Living
Kathy Lobb, Legislative Liaison, Self-Advocate Coalition of Kansas
Mark Tallman, Assistant Executive Director/Advocacy, Kansas Association of School Boards
Dr. Kim Wilcox, President and CEO, Kansas Board of Regents
Dr. Edward Hammond, President, Ft. Hays State University

Others attending: See attached list

Chairman Morris continued the public hearing on:

SB 385 – Supplemental appropriations and adjustments for FY 2002 for state agencies

Janet Schalansky, Secretary, Department of Social and Rehabilitation Services, spoke in opposition to **SB 385 (Attachment 1)**. Secretary Schalansky mentioned in testimony that a current year cut of this magnitude, this late in the State Fiscal Year, leaves them with only a few options:

- Pend targeted current year bills until next fiscal year, creating the need for deeper reductions in FY 2003.
- Make reductions in grants, contracts and provider payments where the Department has the flexibility and authority to do so. This would most likely eliminate individuals from services they are accustomed to receiving.

She mentioned that she believed that social services in Kansas are better off under the Governor's Plan because it specifically outlines targeted reductions and eliminations with accompanying changes in public policy.

Connie L. Hubbell, Secretary, Department on Aging, spoke in opposition to **SB 385 (Attachment 2)**. Secretary Hubbell testified that due to the severity of the options noted in her written testimony, that she does not believe that a current year recision is the best way to achieve a reduction in expenditures. She mentioned that while there is no easy option for reducing services to Kansas seniors, she would prefer to gradually reduce the number of clients served in the programs over the twelve month course of FY 2003 than to enact any of the measures necessary to make a 2 percent recision in the current year. Committee questions and discussion.

Jane Rhys, Executive Director, Kansas Council on Developmental Disabilities, spoke in opposition to **SB 385 (Attachment 3)**. Dr. Rhys expressed concern regarding the effect that cuts in this year's appropriations will have on individuals with disabilities. She mentioned that while the Council does not think that the Governor's plan is perfect, but he does protect their most vulnerable populations. Dr. Rhys

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asked that **SB 385** be revisited to determine a way to keep Kansans with disabilities and the elderly from losing services that they need to thrive and, in some cases, just to survive.

Gina McDonald, President/CEO, Kansas Association of Centers for Independent Living, spoke in opposition to **SB 385** (Attachment 4). Ms. McDonald mentioned that the answer cannot be to cut services, including hospitals, because people need them to live. Ninety percent of SRS's budget is direct service.

Kathy Lobb, Lawrence, South Advocate Coalition of Kansas, spoke in opposition to **SB 385** (Attachment 5). Ms. Lobb expressed that she receives state aid to live independently. She mentioned that she would not like to see herself, nor many other people who have disabilities and would be affected by this cut, moved from community services back into institutions.

Mark Tallman, Assistant Executive Director/Advocacy, Kansas Association of School Boards and others, et. al., spoke in opposition to **SB 385** (Attachment 6). Mr. Tallman expressed detailed concerns in his testimony regarding ways **SB 385** affects schools during the current year and also lists consequences.

Dr. Kim Wilcox, President and CEO, Kansas Board of Regents, spoke in opposition to **SB 385** (Attachment 7). Dr. Wilcox explained that neither the Kerr/Morris plan nor the Governor's plan address significant budget issues for higher education:

- Third year of **SB 345** not funded
- Funding salary annualization; health insurance; and death and disability – total of \$17 million for state universities
- Funding of \$2.7 million out-district tuition buy down

Dr. Edward Hammond, President, Fort Hays State University, spoke in opposition to **SB 385** (Attachment 8). Dr. Hammond mentioned that cuts will have circumstances for citizens in Kansas. He is concerned with the KPERS TIAA impact because a portion has already been paid in FY 2002.

Committee questions and discussion followed.

Chairman Morris informed the Committee that the hearing on **SB 385** will continue the following day, January 24, 2002.

Bill Introductions

Senator Feleciano moved, with a second by Senator Downey, to introduce three bills concerning the KPERS retirement benefit multiplier (1rs1550), KPERS vesting requirement reduced to five years (1rs1563) and parole officers in KPERS correctional officers class (1rs1563). Motion carried by a voice vote.

The meeting was adjourned at 12:15 p.m. The next meeting is scheduled for January 24, 2002.