

Approved: May 8, 2009

Date

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Kevin Yoder at 5:25 p.m. on May 5, 2009, in Room 143-N of the Capitol.

All members were present except:

Representative Harold Lane- excused

Committee staff present:

Nobuko Folmsbee, Office of the Revisor of Statutes

Jason Long, Office of the Revisor of Statutes

Jim Wilson, Office of the Revisor of Statutes

Christina Butler, Kansas Legislative Research Department

Audrey Dunkel, Kansas Legislative Research Department

J.G. Scott, Kansas Legislative Research Department

Kelly Cure, Chief of Staff

Kathy Holscher, Committee Assistant

Conferees appearing before the Committee:

None

Others attending:

See attached list.

SB 205 - Prohibiting the development finance authority from refunding any bonds for any state agency unless specifically approved by an act of the legislature.

Representative Watkins made a motion to remove the contents of SB 205. The motion was seconded by Representative Feuerborn. Motion carried.

Representative Feuerborn made a motion for the addition of the recommended budget adjustments to the FY 2009 and FY 2010 budgets, (Attachment 1). The motion was seconded by Representative Sawyer.

Representative Feuerborn reviewed the adjustments which totaled \$363.7 million and an ending balance of \$35.3 million

Discussion followed by Committee members regarding the impact of decoupling and tax cuts included in the federal stimulus package. Accelerated appreciation would provide 50 percent tax credit in the first year and the remaining credits spread throughout additional years. It was noted that the tax proposals are included in the budget adjustments but would require a separate bill, and action by the Tax Committee. Agencies would have the flexibility to reduce budgets by 2.5 percent with this proposal. Revenue enhancements would require further Committee discussion.

Representative Feuerborn amended the motion to remove \$5.4 million cut to the Department of Correction. The amendment was seconded by Representative Sawyer.

Committee members continued discussion on the impact of tax cuts, the need to stimulate the economy and balance the state's budget.

Representative Light made a substitute motion to adopt the proposal with the removal of items # 10 and #11 which deletes the decoupling proposals from the budget adjustments. The motion was seconded by Representative Craft.

A review and further discussion by Committee members followed regarding Representative Feuerborn and Representative Light's motion and amendment. If adopted, a tax policy would be necessary in order to fill the \$141 million gap.

Representative Light renewed the motion. Motion failed.

CONTINUATION SHEET

Minutes of the House Appropriations Committee at 5:25 p.m. on May 5, 2009, in Room 143-N of the Capitol.

Representative Feuerborn renewed the motion. Motion failed.

Chairman Yoder called for recess at 6:48 p.m.

Committee reconvened at 7:00 p.m.

Representative Watkins made a motion to adopt modifications to House Sub for SB 22. (Attachment 2). The motion was seconded by Representative Whitman.

Representative Watkins reviewed the proposal and discussion followed by Committee members. The modification would result in an ending balance of a negative \$44.6 million. A correction was noted to item #7, which should have read Public Safety as opposed to Corrections. Revenue adjustments provided by the Tax Committee was suggested. It was noted that the modifications would not have a bearing on the American Recession and Recovery Act.

Chairman Yoder referred to the possible additional amendments to House Omnibus Bill, (Attachment 3). These recommendations were made on the House floor and may be considered with a substitute motion on Representative Watkins motion, it was noted.

Committee members discussed the impact of 5 percent across the board reductions, and comparison of this proposal with the bill that was presented and did not pass on the floor last week. WCGME and KTEC funding was reviewed.

Reagan Cussimano responded to Committee members questions regarding the 4.75 percent cut to education, which would reduce the BSAPP to \$4,188. This represents an additional 1 percent reduction or \$30.2 million.

Representative Watkins renewed the motion. Motion carried

The minutes reflect votes in opposition of Representative Watkins motion by Representative Burroughs and Sawyer, as they requested.

Committee members received a copy of the Amendments, (Attachment 4) and the Status of the State General Fund, (Attachment 5).

Representative Watkins made a motion to include Representative Kinzer's amendment regarding the KDHE - Health Title X Comprehensive planning preventative health services safety net clinics. The motion was seconded by Representative Mast. Motion carried.

Representative Watkins made a motion to include Representative Crum's amendment regarding the SRS proviso and PD home and community returning to the regular rate of reimbursement. The motion was seconded by Representative Crum. Motion carried.

Representative Watkins made a motion to include Representative Kleeb's amendment regarding the Transparency proviso and LCC oversight. The motion was seconded by Representative DeGraaf. Motion carried.

Representative Watkins made a motion to include Representative Siegfried's amendment regarding KHPA money to SRS legal representation and disability determination case management. The motion was seconded by representative Mast. Motion carried.

Representative Whitham made a motion to cut 4.75 percent to base salaries and increase budget cuts for K-12 to 1 percent. The motion was seconded by Representative Crum.

Representative Whitman withdrew the motion.

Representative Gatewood made a motion for a proviso that would shift unspent dollars for disaster relief to

CONTINUATION SHEET

Minutes of the House Appropriations Committee at 5:25 p.m. on May 5, 2009, in Room 143-N of the Capitol.

the FY 2010 budget. The motion was seconded by Representative Tafanelli. Motion carried.

Representative Gatewood made a motion to remove \$1 million from the Fair Fares program in Wichita and place the money in the highway fund. The motion was seconded by Representative Burroughs.

Discussion followed by Committee members regarding the communities that would be affected with this reduction. It was noted that this would only include the Wichita area. It was noted that the Manhattan airport was not included in this package.

Representative Gatewood made an amendment to the motion which would transfer the funds to the SGF as opposed to the highway fund, with the approval of the second of the motion.

Representative Gatewood closed the motion as amended. Motion failed.

Representative Faber made a motion to restore a .5 percent cut to the Public Safety budget, excluding the Department of Corrections. The motion was seconded by Representative Donohoe. Motion failed.

It was noted that Representative Faber's motion would not include cuts to the Department of Corrections and would reinstate the cuts to the JJA, Kansas Juvenile Corrections Complex in Atchison, Beloit Juvenile Correctional Facility, Larned Juvenile Correctional Facility, Adjutant General, Parole Board, Highway Patrol, KBI and State Banking Commissioners.

Representative Holmes made a motion to transfer approximately \$2.1 million from the stimulus package over a three year period, which has not been allocated to Pratt, Dodge City and Cowley Community Colleges. The motion was seconded by Representative DeGraaf. Motion failed.

Representative DeGraaf made a motion to include Representative Schwartz amendment which would require any state agency to be required to report to the director of budget and legislative research regarding federal dollars and programs with state funding levels. The motion was seconded by Representative Kelley. Motion carried.

Committee members discussed the provisions of item # 6 of Representative Watkins motion and discussed the overall impact of the recommended budget cuts.

Representative Watkins moved that SB 205 be passed favorably. Motion carried.

The minutes reflect votes in opposition of Representative Watkins motion by Representative Burroughs, Carlin and Sawyer, as they requested.

House Substitute for SB 205 favorable for passage.

The next meeting is on call of the Chair.

The meeting was adjourned at 8:05 p.m.

Kevin Yoder, Chairman