

Approved: March 13, 2012

(Date)

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairperson Marc Rhoades at 9:05 AM on Tuesday, March 6, 2012 in Room 346-S of the Capitol.

All members were present

Committee staff present:

J.G. Scott, Chief Fiscal Analyst, Legislative Research Department
Dylan Dear, Senior Fiscal Analyst, Legislative Research Department
Michael Wales, Fiscal Analyst, Legislative Research Department
Jim Wilson, First Assistant, Office of Revisor of Statutes
Jill Wolters, Senior Assistant Revisor, Office of Revisor of Statutes
Nobuko Folmsbee, Senior Assistant Revisor, Office of Revisor of Statutes
Cindy O'Neal, Administrative Assistant
Kathy Holscher, Committee Assistant

Others in attendance:

See attached list.

Chairman Rhoades called the meeting to order.

Representative Crum stated that the *Performance Audit Report for Larned State Hospital reviewing the Growth in the Sexual Predator Program* as prepared by the Legislative Division of Post Audit was distributed to committee members.

Representative Crum, Chair, Social Services Budget Committee, presented the FY 2013 Department on Aging Budget Committee Report ([Attachment 1](#)). The Budget Committee concurred with the Governor's recommendation with the following notations: significant opportunities for improvement of the Home and Community Based Services were noted and requested a presentation of an audit for the Independent Living Center prior to Omnibus; supports the Medicaid Home and Community Based Services reforms to the system and requested that the agencies report back prior to Omnibus with specific savings information and information on other states implementing the Financial Management System; noted 3,573 clients

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with physical disabilities waiting list for Home and Community Based Services waiver; noted that 245 children with autism are waiting for Home and Community Based Services waiver; and expressed concern regarding funding for the Family Centered System of Care deleted from the Governor's Budget recommendation and requested further review at Omnibus of the Children's Initiative Fund expenditures.

Representative Crum made a motion to approve the FY 2013 Department on Aging Budget Committee Report. The motion was seconded by Representative Mast.

Representative Henry read the Minority Report, which was attached to the Budget Committee Report for the Department of Social and Rehabilitation Services and the Kansas Department on Aging (Attachment 1).

Discussion followed by committee members. It was noted that additional information on policy changes for payroll agents was recommended for review at Omnibus. As requested, additional information regarding federal legislation regarding expansion of programs, eligibility, and expenditures at the state level will be forthcoming.

Representative Ballard made a substitute motion to restore funding to the contractual rate for Foster Care Rate and Foster Parent training.

Representative Ballard withdrew the motion for further discussion during the Department of Social and Rehabilitation Budget Committee Report.

Representative Henry made a substitute motion to add \$1.8 million from State General Fund to restore funding for mental health screening for non-Medicaid eligible individuals by the Community Mental Health Centers for FY 2013. The motion was seconded by Representative Feuerborn.

Discussion followed by committee members regarding funding, caseloads and Medicaid rates. Committee members received a copy of the Health Reform Report (Attachment 2) and the History of Mental Health Funding (Attachment 3). The impact of tobacco settlement dollars was reviewed.

Representative Henry renewed the substitute motion. The motion failed.

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Discussion followed by committee members regarding on-going Medicaid fraud investigations. Audit reports completed to date were reviewed and additional audit reports will be forthcoming, it was noted. Discussion continued regarding clients on waiting lists.

Representative Crum renewed the motion to approve the Budget Committee Report. The motion carried.

Representative Crum, Chair, Social Services Budget Committee, presented the FY 2013 Social and Rehabilitation Services Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendation with the following notations: noted policy changes to the Supplemental Nutrition Assistance Program and requested additional information prior to Omnibus regarding the impact of the policy changes; and commended the foster care contractors for their efforts and noted recent audits are close to being finalized.

Representative Crum made a motion to approve the FY 2013 Social and Rehabilitation Services Budget Committee Report. The motion was seconded by Representative Mast.

Representative Henry referred to information contained in the Minority Report as related to the Social and Rehabilitation Services Budget Committee Report.

Discussion followed by committee members regarding staffing issues.

Representative Ballard made a substitute motion to add \$2,763,070, including \$2,370,085 from SGF, to restore funding for the foster care program for FY 2013. This amount includes \$2.6 million, including \$2.3 million from SGF, to restore foster care rates to the contracted amount for FY 2013 and \$121,810, including \$11,808 from SGF to restore funding for foster parent training. The motion was seconded by Representative Feuerborn.

Discussion followed by committee members regarding reforms in the foster care system.

Representative Ballard withdrew the substitute motion with the approval of the second to the motion, in order to separate the Foster Care Program and Foster Parent Training Program contained in the original substitute motion.

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Representative Ballard made a substitute motion to add \$2,763,070, including \$2,370,085 from the SGF to restore funding for the foster care program for FY 2013. This amount includes \$2.6 million, including \$2.3 million for the SGF to restore foster care rates to the contracted amount for FY 2013. The motion was seconded by Representative Feuerborn.

Discussion followed by committee members regarding funding for foster parent training classes.

Gary Hallmark, Legislative Director, Department of Social and Rehabilitation Services, responded to questions from committee members. He reviewed the mileage and outside trainers' compensation for foster parent training classes.

Representative Ballard renewed the substitute motion. The motion failed.

Representative Ballard made a substitute motion to add \$121,810 including \$111,808 from the SGF to restore funding for foster parent training. The motion was seconded by Representative Feuerborn. The motion failed.

Discussion continued by committee members regarding the Children's Imitative Fund.

Representative Feuerborn made a motion for an amendment to revisit the Children's Initiative Fund at Omnibus. The motion was seconded by Representative Henry. The motion carried.

Chairman Rhoades stated that the committee will reconvene upon adjournment of the House.

Representative Crum renewed the motion to approve the Budget Committee Report as amended. The motion carried.

Representative Feuerborn made a motion to introduce legislation regarding Special Education and related services to the School for the Deaf and the School for the Blind. The motion was seconded by Representative Ballard. The motion carried.

Chairman Rhoades stated that the committee will reconvene upon adjournment of the House and lunch will be provided.

The meeting adjourned at 11:00 a.m.

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Chairman Rhoades reconvened the committee meeting at 12:25 p.m. It was noted that additional information, as requested by the committee, regarding vacancy rates in the Capitol complex (Attachment 4) has been distributed. He opened discussion on **HB 2574**.

HB 2574 – Highway patrol; charging certain fees.

Aaron Klaassen, Legislative Research Department, provided an overview of the bill.

Representative Peck, Chair, Transportation and Public Safety Budget Committee, presented information regarding the Budget Committee's hearing on the bill and recommended amendments (Attachment 5). He responded to questions from committee members.

Discussion followed by committee members regarding negotiations between the Highway Patrol and the Kansas Speedway Corporation. It was noted that there has been no compensation received from the Kansas Speedway Corporation for the Highway Patrol at events by private entities for security purposes.

Representative Carlin made a motion to table discussion on the bill. The motion was seconded by Representative Feuerborn. The motion carried.

Chairman Rhoades opened discussion on **HB 2755**.

HB 2755 – Allowing the Kansas fairgrounds foundation to construct a building on the state fairgrounds, using private moneys; requires state fair board approval.

Jill Wolters, Office of the Revisor of Statutes, provided an overview of the bill and responded to questions from committee members. Under the proposal there would be no bonding authority, ticket sales would be used for building maintenance and up-keep of the building.

Discussion followed by committee members regarding future funding for maintenance costs.

Representative Schwartz, Chair, Agriculture and Natural Resources Budget Committee, presented information regarding the Budget Committee recommendation on the bill (Attachment 6).

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Representative Schwartz made a motion for favorable passage of the bill. The motion was seconded by Representative Lane.

Discussion continued by committee members regarding new building construction funded by foundation dollars and private funds.

Representative McLeland made a substitute motion that no SGF dollars would be used for maintenance and furnishings for buildings constructed on the state fairgrounds. The motion was seconded by Representative Carlin.

Discussion continued by committee members regarding long-term maintenance funding. Concern was expressed that future expense for property maintenance does not become the responsibility of state taxpayers. The need for procedures in place prior to construction was emphasized.

Lori Mulch-Hart, Kansas State Fair, provided an overview of the construction and renovation projects, and funding sources.

Jill Wolters, Office of the Revisor of Statutes, reviewed privately financed buildings for the Board of Regents. Private funds over 51% the state board will not request any state money from the SGF to pay for costs of maintenance and operation of improvements. A report to the board on plans for annual maintenance and improvements is required for board approval.

Representative McLeland withdrew the substitute motion as approved by the second to the motion.

Discussion continued by committee members. It was noted that such project plans do not require prior approval by the Secretary of Administration or the Director of Architectural Services, but does required approval of the Joint Committee on State Building Construction.

Representative McLeland made a substitute motion that no SGF could be used now or in the future for maintenance, upkeep or repairs of the facility. The motion was seconded by Representative Kelley. The motion carried.

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Representative Schwartz renewed the motion as amended for favorable passage of the bill. The motion carried.

The meeting adjourned at: 1:18

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