

## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chair Sharon Schwartz at 9:00 A.M. on March 17, 2008, in Room 514-S of the Capitol.

All members were present except:

Representative Tom Sawyer - excused  
Representative Kevin Yoder - excused  
Representative Jason Watkins - excused  
Representative Ty Masterson - excused  
Representative JoAnn Pottorff - excused  
Representative Jerry Henry - excused

Committee staff present:

Alan Conroy, Legislative Research Department  
J. G. Scott, Legislative Research Department  
Reed Holwegner, Legislative Research Department  
Amy Deckard, Legislative Research Department  
Jim Wilson, Revisor of Statutes  
Nobuko Folmsbee, Revisor of Statutes  
Nikki Feuerborn, Chief of Staff  
Shirley Jepson, Committee Assistant

Conferees appearing before the committee:

Richard Morrissey, Interim Director of Health, Department of Health and Environment (KDHE)  
Linda Kinney, KDHE  
Paula Marmet, KDHE  
Lois Weeks, Director, Office Financial Management, Department of Social and Rehabilitation Services (SRS)  
Representative Steve Huebert  
Ron Gaches, Executive Director, Kansas Society for Professional Engineers  
Mark A. Burghart, Benchmark Industries, Inc.

Others attending:

See attached list.

- Attachment 1 Testimony on Block Grants by Richard J. Morrissey
- Attachment 2 Testimony on Block Grants by Lois Weeks
- Attachment 3 Fiscal Note on **SB 534**
- Attachment 4 Testimony on **SB 534** by Mark Burghart

### Hearing on Federal Block Grants

**Chair Schwartz opened the public hearing on the proposed use and distribution of funds required as a condition of receipt of funding for federal block grant programs administered by the following state agencies:**

**Department of Health and Environment-Health (KDHE)**  
**Department of Social and Rehabilitation Services (SRS)**

Richard J. Morrissey, Interim Director of Health, Department of Health and Environment (KDHE), provided testimony on the Preventive Health and Health Services Block Grant and the Maternal and Child Health Services Block Grant, both administered by the Department of Health and Environment-Health (Attachment 1).

Preventive Health and Health Services Block Grant:

- Supports preventive health programs that address preventable risk factors that contribute to the leading causes of premature death and disability. Objectives and activities must be consistent with the Year 2010 Health Objectives for the nation.

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- Total amount of grant is approximately \$900,000.

Maternal and Child Health (MCH) Services Block Grant:

- Authorized under Title V of the Social Security Act and intended to improve the health of all mothers and children consistent with the applicable health status goals and national health objectives established by the Secretary under the Public Health Service Act.
  - MCH block grant rules require that every 5 years each recipient State must conduct an assessment of State maternal and child health needs. Kansas has set priorities for the MCH block grant for 2005-1020.
  - Total funding for the grant is approximately \$5 million.
  - The grant moneys fund activities internal to the Department, such as staffing and purchased services for the Children Special Health Needs program. Some uses for the funds include approximately \$1.8 million distributed to local health departments to fund local programs, which are tied to state programs; approximately \$90,000 is directed to newborn screening; \$398,000 is directed at cardiovascular disease with smaller amounts directed at preventive grants - nutrition, fitness and injury through the safe kids program.
  - Extensive rules, regulations and objectives are set by the federal government.
- ◆ The Committee requested a break-down on the total funding for each grant.

Responding to questions from the Committee, Linda Kinney, KDHE, indicated that presently there are 10 local grantee agencies working with teen pregnancy preventive programs. Funding for these programs is available through Medicaid and other state funding but not through the block grant. Funding for those programs is distributed on a competitive application process.

Responding to another question, Paula Marmet, KDHE, stated that approximately \$65,000 is set aside for sexual offenses and transferred to the Governor's grants' office where it is used in conjunction with other funds for local grant programs.

Lois Weeks, Director, Office Financial Management, Department of Social and Rehabilitation Services (SRS), provided testimony on the 5 block grants administered by SRS (Attachment 2). These grants include:

- Social Services Block Grant (SSBF) - \$22.5 million
- Block Grant for the Prevention and Treatment of Substance Abuse - \$12.2 million
- Community Mental Health Services Block Grant - \$3.2 million
- Low Income Energy Assistance Program (LIEAP) Block Grant - \$13.5 million
- Block Grant for Projects for Assistance in Transition from Homelessness (PATH) - \$300,000

Ms. Weeks stated that the Department is concerned about the future funding of several of these block grants because of a possible 30 percent reduction by the federal government. This could reduce the state's allotment by over \$4.6 million for FFY 2009, as well as a possible cut of 14 percent in the LIEAP block grant. Responding to a question from the Committee concerning action being taken to address the concern, Ms. Weeks noted that the Department has not addressed the situation and is in a "wait and see" mode at this time.

- ◆ The Committee requested additional information on:
- (1) Federal application requirements for receiving weatherization assistance.
  - (2) Amount of funding allocated to each program under the Social Services Block Grant, number of individuals served and the success rate of each program.
  - (3) Treatment program for substance abuse that works best, individual cost of treatment program and who pays for cost - whether paid entirely from grant funds.

**Chair Schwartz closed the public hearing on the proposed use and distribution of funds required as a condition of receipt of funding for federal block grant programs administered by the following state agencies:**

**Department of Health and Environment-Health (KDHE)**

**Department of Social and Rehabilitation Services (SRS)**

## CONTINUATION SHEET

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### Hearing on SB 534

#### Hearing on SB 534 - Claims against the state.

Representative Steve Huebert, a member of the Joint Committee on Special Claims Against the State, presented testimony on SB 534. The fiscal note on SB 534 was distributed to the Committee (Attachment 3). Representative Huebert noted that 132 claims were presented to the Joint Committee with 123 of the claims against the Department of Corrections. SB 534 authorized expenditures for 23 of the claims, totaling \$193,982.63 with \$21,832.99 from the State General Fund (SGF). One claims approved by the Joint Committee pertains to payment to Eldon Ray for reimbursement of attorney's fees and associated expenses related to claimant's defense of a claim of practicing architecture or engineering without a license. The Senate Ways and Means Committee amended SB 534 to appropriate this awarded amount from the SGF.

Representative Huebert also brought the Committee's attention to the claim of Mark Jordan in the amount of \$9,500 for reimbursement of attorney's fees and associated expenses related to the claimant's defense with regard to child in need of care proceedings.

The Committee expressed concern pertaining to the claim regarding the child of the claimant, Mark Jordan, noting that an existing program provides tuition for a child who has "aged-out" of foster care, allowing the individual to continue with post-secondary education. It was also noted that the child had been returned to the family and not in foster care.

Ron Gaches, Executive Director, Kansas Society for Professional Engineers, stated that he appeared before the Senate Ways and Means Committee and requested the change of the payment to Eldon Ray from the SGF rather than the fee fund. Mr. Gaches indicated that his reasoning for this is because when the State Board of Technical Professions launched their investigation against Mr. Ray for practicing design work without a license, the Board was doing what the law requires them to do. Subsequent action by the Legislature in adding a proviso to the Omnibus Appropriations bill, blocked the Board from taking any further action against Mr. Ray. Mr. Gaches stated that the Kansas Society for Professional Engineer members did not oppose the reimbursement for Mr. Ray's expenses; however, felt that the professional licensees should not be held responsible for the reimbursement through their payment of fees into the fee fund.

Mark A. Burghart, Benchmark Industries, Inc. presented testimony on the claim of \$70,000 presented by Benchmark Industries, Inc. for overpayment of sales tax to Kansas that should have been paid to the state of Missouri (Attachment 4).

#### The hearing on SB 534 was closed.

The meeting was adjourned at 10:20 a.m. The next meeting of the Committee will be held at 9:00 a.m. on March 18, 2008.

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Sharon Schwartz, Chair