

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Kevin Yoder at 9:12 a.m. on March 10, 2009, in Room 143-N of the Capitol.

All members were present.

Representative Tom Sawyer, excused

Committee staff present:

Nobuko Folmsbee, 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.

- Attachment 1 Budget Committee Reports on Postsecondary Education Systemwide, Kansas Board of Regents, University of Kansas, University of Kansas Medical Center, Kansas State University, Kansas State University - ESARP, Kansas State University Veterinary Medical Center, Wichita State University, Emporia State University, Fort Hays State University and Pittsburg State University
- Attachment 2 Budget Committee Reports on Juvenile Justice Authority, Kansas Juvenile Correctional Complex, Larned Juvenile Correctional Facility, Atchison Juvenile Correctional Facility and Beloit Juvenile Correctional Facility.
- Attachment 3 Amendment - Juvenile Justice Authority
- Attachment 4 Juvenile Justice Authority - FY 2010 Governor's Recommended Budget Reductions

Representative McLeland made a motion to introduce legislation to reorganize the Joint Committee on Information Technology. The motion was seconded by Representative Mast. Motion carried.

Representative McLeland, Chair, Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Postsecondary Education Systemwide FY 2010 and moved for the adoption of the FY 2010 Budget Committee report. (Attachment 1). The motion was seconded by Representative Craft.

Discussion by Committee members followed regarding deferred maintenance, stimulus dollars and the request to review the Board of Regents KAN-ED funding at Omnibus.

Representative Burroughs made a motion to remove #5 from the Budget Committee Report. The motion was seconded by Representative Lane.

Representative Burroughs restated the motion to remove #5 from the Budget Committee Report and replace it with the Governor's GBA. The motion was seconded by Representative Lane. Motion failed.

Budget Committee members discussed the distribution of dollars for higher education facilities and the flexibility of using these dollars, stimulus money, one-time funding for deferred maintenance and tuition rates.

Diane Duffey, Vice-President of Finance, Board of Regents, provided her understanding of the Governor's proposal for the use of stimulus dollars for higher education.

CONTINUATION SHEET

Minutes of the House Appropriations Committee at 9:00 a.m. on March 10, 2009, in Room 143-N of the Capitol.

Committee members expressed concern that the federal rules and regulations have not been received, and the challenges of the Committee to meet the required guidelines. Budgets will be reviewed next week and items identified for discussion at Omnibus. Committee members were encouraged to make budget recommendations in their subcommittees, based on current information, for further Committee review.

Representative Tafanelli made a motion to amend the Budget Committee Report to request a Committee presentation from the Board of Regents on the use of funding for tuition and deferred maintenance. The motion was seconded by Representative Watkins. Motion carried.

Representative McLeland moved to adopt the Postsecondary Education Systemwide FY 2010 budget as amended. Motion carried.

Representative McLeland, Chair, Education Budget Committee, stated that the Budget Committee Reports on the Governor's budget recommendation for the Board of Regents, University of Kansas, University of Kansas Medical Center, Kansas State University, Kansas State University - ESARP, Kansas State University Veterinary Medical Center, Wichita State University, Emporia State University, Fort Hays State University, and Pittsburg State University for FY 2010 covers everything in the Postsecondary Education Systemwide FY 2010 Budget Committee Report, (Attachment 1). and moved for the adoption of the Budget Committee recommendations for all agencies for FY 2010. Motion carried.

Budget Committee members responded to questions from Committee members regarding Kan Ed funding, which under the current statute expires this year.

Audrey Dunkel, Legislative Research Department, discussed the KAN Ed funding, which has a declining KUSF balance. Each year the Governor places language in the House Appropriations bill that states, "notwithstanding statute funding of \$8 million with KUSF and \$2 million with SGF", this language remains the same for FY 2010 in the Board of Regents budget. Legislation is forthcoming to make this change official for one year.

Representative Gatewood, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee Report on the Governor's budget recommendations for the Juvenile Justice Authority for FY 2010, (Attachment 2) and moved for the adoption of the Budget Committee recommendations for FY 2010. The motion was seconded by Representative Tafanelli.

Budget Committee members responded to questions from Committee members regarding: concerns that state funding for Project S.O.A.R. does not serve the entire state only twelve judicial districts; relocation of the Juvenile Justice Authority, which is currently being reviewed.

Budget Committee members discussed an amendment for the Juvenile Justice Authority for FY 2010 budget. This amendment would remove \$841,216 for the purchase of service account for Medicaid services, and replace funds with a portion of the purchase of service budget from stimulus money for Medicaid services. A technical amendment in the operations line item would change the operations budget from \$2.7 million to \$3.6 million.

Representative Gatewood made a motion to amend the Budget Committee recommendation for the Juvenile Justice Authority for FY 2010 which would adopt the Governor's GBA, (Attachment 3) and include the technical correction. The motion was seconded by Representative Tafanelli. Motion carried.

Representative Gatewood, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee Report on the Governor's budget recommendations for the Kansas Juvenile Correctional Complex for FY 2010, (Attachment 2) and moved for the adoption of the Budget Committee recommendations for FY 2010. The motion was seconded by Representative Tafanelli. Motion carried.

Representative Gatewood, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee Report on the Governor's budget recommendations for the Larned Juvenile Correctional Facility for FY 2010, (Attachment 2) and moved for the adoption of the Budget Committee recommendations for FY 2010. The motion was seconded by Representative Tafanelli. Motion carried.

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Representative Gatewood, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's Budget recommendations for the Atchison Juvenile Correctional Facility for FY 2010, (Attachment 2) and moved for the adoption of the Budget Committee recommendations for FY 2010. The motion was seconded by Representative Tafanelli. Motion carried.

Representative Gatewood, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's Budget recommendations for the Beloit Juvenile Correctional Facility for FY2010, (Attachment 2) and moved for the adoption of the Budget Committee recommendations for FY 2010. The motion was seconded by Representative Tafanelli. Motion carried.

Budget Committee members responded to questions from Committee members regarding budget cuts and the possibility of facility closures, transfer of residents and employment issues, (Attachment 4).

J. Russell Jennings, Commissioner, Juvenile Justice Authority, responded to questions from Committee members regarding the Beloit Juvenile Correctional Facility. A study of this facility is currently underway. With the closure of the Atchison Juvenile Correctional Facility, employees have transferred to other correctional facilities. It was noted that policy would need to be in place, when considering combining male and female residents within the same facility.

Jerry Younger, Deputy Secretary, Kansas Department of Transportation, presented an overview of the distribution of stimulus funds have been received from the American Recovery Act, which totals \$347 million. Legislative requirements include the sub-allocation of 10 percent or \$38 million for two major urban areas for projects identified by planning organizations, and \$32 million to be divided within 6 districts for special city/county highway projects. The formal application process for identifying projects was reviewed. The application deadline is March 13, 2009. 3 % of this funding will be allocated for beautification and historic restoration projects, and \$268 million to KDOT for five major projects in excess of \$200 million, with the remainder of these funds would be allocated to the Riley County project.

The next meeting is scheduled for March 11, 2009.

The meeting was adjourned at 11:00 a.m.

Kevin Yoder, Chairman