

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairperson Ron Ryckman at 9:00 am on Tuesday, March 17, 2015, 112-N of the Capitol.

All members were present

Committee staff present:

Andy Chiamopoulos, Legislative Research Department
J.G. Scott, Legislative Research Department
Dylan Dear, Legislative Research Department
Nobuko Folmsbee, Office of Revisor of Statutes
Kathy Holscher, Kansas Legislative Committee Assistant
Jill Wolters, Office of Revisor of Statutes
Melinda Gaul, Administrative Assistant

Conferees appearing before the Committee:

No conferees present

Others in attendance:

[See Attached List](#)

Opening Remarks

Chairman Ryckman called the meeting to order.

Discussion & possible action on:

Representative Schwartz made a motion to move the contents of **HB 2365** and **HB 2366** into **HB 2370**. Representative Barker seconded the motion. Motion carried.

Discussion & possible action on: Substitute for HB 2370 by Committee on Appropriations - Appropriations for FY 2015, FY 2016, FY 2017, FY 2018 and FY 2019 for various state

Chairman Ryckman opened discussion on **HB 2370**.

Representative Claeys made a motion for an amendment to restore funding to the Alcohol and Beverage Control, in the Department of Revenue's budget, to the previous funding level for FY 2016 and FY 2017. Representative Suellentrop seconded the motion. Motion carried.

Representative KleeB made a motion for an amendment to maintain the transfer from special revenue funds to SGF at 10 percent. Representative Schwartz seconded the motion. Motion carried.

Representative Suellentrop made a motion for an amendment to that would restore \$1 million to the Kansas Bio Science Authority, for the Wichita State University for the Center of Innovation for BioMaterial in Orthopedic Research, for FY 2016. Representative Schwartz seconded the motion.

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Discussion followed by committee members regarding the motion.

Representative Suellentrop renewed the motion. Motion carried.

Representative Carpenter made a motion for an amendment to eliminate the \$2 million transfer from the KEY fund to the SGF in FY 2015. Representative Schwartz seconded the motion. Motion carried.

Representative Carpenter made a motion for an amendment to transfer \$200,000 from the KEY fund to the Judicial Branch special revenue fund for CASA for FY 2016 and FY 2017. Representative Suellentrop seconded the motion.

Discussion followed by committee members regarding the motion.

Representative Carpenter renewed the motion. Motion carried.

Representative Suellentrop made a motion for an amendment to delete \$200,000 from the SGF that was allocated to CASA. Representative Schwartz seconded the motion. Motion carried.

Representative KleeB made a motion for an amendment that would add up to \$3 million for an efficiency study, with the authority for the Legislative Budget Committee to develop a scope statement, draft a Request for Proposal (RFP) and solicit contract bids. The contract would be approved and signed by the Legislative Coordinating Committee with the oversight of the Legislative Budget Committee. Representative Schwartz seconded the motion.

Discussion followed by committee members regarding the cost and benefit of this study. It was noted that upon approval, results of the study would be provided to both the Appropriations Committee and Senate Ways and Means.

Representative KleeB renewed the motion. Motion carried.

Representative Claeys discussed an error on the State Fire Marshal's Budget Report. The cost for federal certification is \$50,000, which was included in the fiscal note, but the dollar amount was not included in the report.

Representative Claeys made a motion for an amendment to restore the Budget Committee's intent to change the State Fire Marshal's fee fund amount from \$200,000 to \$250,000, if HB 2097 passes for FY 2017. Representative Finney seconded the motion. Motion carried.

Representative Claeys made a motion for an amendment that adds \$3.8 million in FY 2015, \$15 million in FY 2016 and \$15 million in FY 2017 in order to match the savings in the Governor's.

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recommendations for the Department of Administration and cabinet level agencies in order to make the expenditure reductions intended. Representative Schwartz seconded the motion.

As requested, the motion was reviewed. It was noted that this motion is a decrease in funding not additional money.

Representative Claeys renewed the motion. Motion carried.

Representative Hutton made a motion for an amendment that would allocate \$60 million in bonding authority for FY 2016, of which the debt service would come out of the Kansas Educational Building Fund (EBF) for FY 2017, for the Kansas State University School of Architecture. Representative Suellentrop seconded the motion.

A review of the amendment, and discussion followed by committee members ([Attachment 1](#)). Committee members received a copy of the EBF as allocated by the Kansas Board of Regents for rehabilitation and repair projects for the universities ([Attachment 2](#)). Fort Hays State University was recognized for the ability to save and utilize funds from existing resources, therefore no bonding authority has been requested. Discussion continued regarding the possibility of utilizing funds from the university's portion of the EBF allotment, as opposed to a reduction from the \$20.4 million allocated to the universities.

J.G. Scott provided clarification on the discussion, stating that instead of distributing \$20.4 million to all of the Regent universities, the \$3.7 million for debt service would be taken and then the remaining balance distributed. He noted that the balance in the EBF funds for FY 2016 is \$29 million, and for FY 2017 the balance is \$32 million.

Representative Grosserode made a substitute motion that removes \$3.7 million for debt service from the Kansas State University building fund prior to distribution of EBF funds to the universities. The debt service would be deducted from the Kansas State University building fund. Representative Peck seconded the motion.

Discussion followed by committee members regarding the substitute motion. It was noted that the EBF is funded from a one mill tax levy across the state.

Representative Grosserode renewed the motion. Motion failed.

Discussion continued by committee members regarding the the project cost and cost for issuing bonds.

Jill Wolters, Office of Revisor of Statutes, responded that there is a \$60 million bond limit for construction and the bond costs would be an additional cost. She stated that funds would be used from EBF, or other appropriate funds as determined by future legislators. She referred to the statute

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regarding buildings located on the university would also require building cost maintenance dollars, and how they will be funded.

Representative Hutton renewed the motion. Motion carried.

Representative Carpenter made a motion for proviso language in a committee report advising KDADS to continue the existing contract with the National Alliance on Mental Illness for \$150,000 for FY 2016 and FY 2017 within existing resources. Representative Ballard seconded the motion.

Discussion followed by committee members regarding the motion, and the importance of the programs and services provided by the agency. There would be no impact to SGF with this recommendation.

Representative Carpenter renewed the motion. Motion carried.

Representative Grosserode reviewed an amendment for Fort Hays State University, Kansas University Medical Center and Wichita State University ([Attachment 3](#)).

Representative Grosserode made a motion for an amendment that would add \$16.5 million for FY 2016, \$13.85 million in FY 2017, from special revenue fund, for two new buildings and parking lots, and add \$1.58 million to raze West Hall B in FY 2017 for Fort Hays State University. And, add language for reporting purposes from Kansas University Medical Center and Wichita State University for FY 2016 and FY 2017. Representative Hutton seconded the motion. Motion carried.

Representative Grosserode made a motion for proviso adding language that for FY 2015 the current technical education incentive would be distributed proportionately based on the number of certificates and money available. Representative Claeys seconded the motion. Motion carried.

Representative Hoffman made a motion for an amendment regarding the hold harmless provision in the Kansas Board of Regents for review at Omnibus. Representative Suellentrop seconded the motion. Motion carried.

Representative Hoffman made a motion for an amendment to add \$1 million from EDIF for the Rural Opportunity Zone for FY 2015. Representative Carlin seconded the motion. Motion carried.

Representative Hoffman made a motion for an amendment that would consolidate the Administration, Tourism Division and Parks programs into an operating grant for the Department of Wildlife, Parks and Tourism. Representative Schwartz seconded the motion.

Discussion followed by committee members regarding the motion. It was noted the consolidation would enhance efficiencies within the department.

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Representative Hoffman renewed the motion. Motion carried.

Representative Carpenter provided an overview of a proviso for the Reading Program within the Department for Children and Families. The requirements include the creation of a learning path for students, criteria of research that is peer reviewed and published in reading journals, provides teachers with executable, norm-referenced performance data, provides regular and accurate predictive scores for K-3 graders and indicators of reading grade level by the end of the school year, and correlates with common reading assessments aligned with the Common Core Standards.

Representative Carpenter made a motion for a proviso requesting a review of the Reading Program at Omnibus in FY 2016 and FY 2017. Representative Ballard seconded. Motion carried.

Representative Hutton made a motion for a proviso requesting the Kansas Department of Labor meet and discuss with local businesses and industries and the possibility of organizing a state-run OSHA Program. A joint report prepared by the Kansas Department of Labor and the Kansas Department of Commerce, would be submitted to the Speaker of the House and Senate President by November 1, 2015. Motion carried.

It was noted that there is funding for this in the Kansas Department of Commerce.

Representative Schwartz made a motion for favorable passage of HB 2370, and to substitute the bill, including previsions and amendments and grant the Office of the Revisor of Statutes permission to make technical amendments. Representative Hutton seconded the motion. Motion carried.

Discussion followed by committee members regarding revenue and expenditures.