

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairperson Ron Ryckman at 1:30pm on Friday, June 24, 2016, 112-N of the Capitol.

All members were present

Committee staff present:

Jennifer Ouellette, Legislative Research Department  
Kathy Holscher, Kansas Legislative Committee Assistant  
Jill Wolters, Office of Revisor of Statutes  
David Fye, Legislative Research Department  
J.G. Scott, Legislative Research Department  
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 at 1:34 p.m. The committee will be working **HB 2001** this afternoon, he stated. The meeting will reconvene at approximately 2:30 p.m.

The meeting recessed at: 1:36 p.m.

Chairman Ryckman called the meeting to order at 2:41 p.m. He stated that the committee will be in recess until 3:30 p.m.

The meeting recessed at: 2:42 p.m.

Chairman Ryckman called the meeting to order at 3:45 p.m.

**Discussion & possible action on: HB 2001**

Chairman Ryckman opened discussion on **HB 2001**.

Jill Wolters, Office of the Revisor of Statutes, provided overview of the bill brief for **Sub HB 2001(Attachment 1)**. Changes included the deletion of Sub Section B as related to all USD school districts' General State Aid at 99.5 percent; the amount of the Block Grant lapse was \$15.8 million and was changed to \$2.8 million. A review of the three provisos, that refer to the proceeds from the sale of the Kansas BioScience Authority (KBA), followed. The bill has the authority, if needed, for the State

CONTINUATION SHEET

MINUTES of the Committee on Appropriations at 1:30pm on Friday, June 24, 2016 in Room 112-N of the Capitol.

---

General Funds (SGF) to be back-filled from the Extraordinary Needs Fund.

Eddie Penner, Legislative Research Staff, reviewed the New School Finance Proposal- Sources of Funds ([Attachment 2](#)) . The revision includes the KBA sale proceeds of \$13 million. He noted that if the sale of KBA generates less than \$38 million, up to \$8 million of Extraordinary Need Fund will be reduced.

Eddie Penner, Legislative Research Staff, reviewed the State Aid Adjustments from the Block Grant for School Districts ([Attachment 3](#)) . The General State Aid column has been eliminated, he noted. The Capital Outlay Adjustment reflects **HB2655**, and the LOB State Aid and Virtual Aid Adjustments reflect **HB 2001**. He stated that a typing correction was needed regarding the Current LOB State Aid Appropriation FY 2017 (See att. 2). This amount should have been \$367.6 million as opposed to \$376.6 million, and this error did not effect the total estimated cost of \$467 million, he added.

Representative Schwartz made a motion for an amendment to combine the contents of **HB 2001** in to **Sub HB 2001**. Representative Barker seconded the motion.

Discussion followed by committee members regarding the motion. Chairman Ryckman discussed the proceeds from the sale of KBA. He noted that the \$13 million has already been lapsed. The proceeds exceed \$25 million, the first priority would be to back-fill the loss to the State budget. Otherwise, the Extraordinary Needs Fund would be used to supplement the difference. The certainty of this bill provides joint stipulation of constitutional compliance that the plaintiffs and Attorney General would go to the Supreme Court, with the Governor's signature, to assure that the schools in our State will stay open, the Chairman stated.

The motion to amend was renewed. Motion carried.

Chairman Ryckman made a motion for an amendment regarding the proceeds from the sale of KBA and school budget preparation. If the money does not come before the schools' budgeting period, the schools would not be able to use the funds this fiscal year. The Department of Education could authorize funds contingent upon the sale and school districts could budget for these funds, without waiting until the following year to use the funds. Representative Schwartz seconded the motion.

Discussion followed by committee members, regarding the amendment. Chairman Ryckman stated that this amendment is currently being drafted and would be made available to committee members. The amendment, if approved, will be included in the bill, and would allow school districts to spend the money this fiscal year, if budgeted.

The motion was renewed. Motion carried.

Representative Schwartz made a motion for favorable passage of **Sub HB 2001** as amended. Representative Hutton seconded the motion. Motion carried.

---

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES of the Committee on Appropriations at 1:30pm on Friday, June 24, 2016 in Room 112-N of the Capitol.

---

Meeting adjourned at: 4:03 p.m.

**Continued Discussion on: House Substitute for HB 2001**

Chairman Ryckman called the meeting to order at 4:55 p.m.

*Representative Schwartz made a motion to reconsider **Sub HB 2001**. Representative Barker seconded the motion. Motion carried.*

*Chairman Ryckman made a motion for an amendment that would direct \$5 million from the Vehicle Modernization Fee Fund to the Extraordinary Needs Fund. Representative Grosserode seconded the motion.*

Chairman Ryckman noted that this amendment raises the Extraordinary Needs Fund from \$8 million to \$13 million.

*The motion to amend was renewed. Motion carried.*

*Representative Schwartz made a motion for favorable passage of **Sub.HB 2001** as amended. Representative Hutton seconded the motion. Motion carried.*

The complete transcript of the proceedings of this meeting, recorded by Lora Appino, Certified Court Reporter, Appino and Biggs Reporting Service, Inc., is included ([Attachment 4](#)), ([Attachment 4a](#)).

Meeting adjourned at: 4:57 p.m.

-