

## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:30 A.M. on March 10, 2006 in Room 514-S of the Capitol.

All members were present except:

Representative Shari Weber- excused

Committee staff present:

Alan Conroy, Legislative Research Department  
 J. G. Scott, Legislative Research Department  
 Becky Krahl, Legislative Research Department  
 Matt Spurgin, Legislative Research Department  
 Michele Alishahi, Legislative Research Department  
 Reagan Cussimano, Legislative Research Department  
 Amy Deckard, Legislative Research Department  
 Audrey Dunkel, Legislative Research Department  
 Julian Efird, Legislative Research Department  
 Debra Hollon, Legislative Research Department  
 Susan Kannarr, Legislative Research Department  
 Carolyn Rampey, Legislative Research Department  
 Leah Robinson, Legislative Research Department  
 Amy VanHouse, Legislative Research Department  
 Jim Wilson, Office of Revisor of Statutes  
 Mike Corrigan, Office of Revisor of Statutes  
 Nikki Feuerborn, Administrative Assistant  
 Shirley Jepson, Committee Secretary

Conferees appearing before the committee:

Others attending:

See attached list.

- Attachment 1 Subcommittee report on State Employee Pay Plan
- Attachment 2 Comparison of FY 2006-FY 2007 Recommended Expenditures, Governor's Recommendation and House Budget Committee Recommendation
- Attachment 3 House Appropriations Bill (Reflects House Adjustments for FY 2006 and FY 2007)
- Attachment 4 Items for Omnibus Consideration
- Attachment 5 Comparison of FY 2006 Budget as Recommended by the Governor and the House Committee
- Attachment 6 Economic Development Initiatives Fund, FY 2006-FY 2007
- Attachment 7 State Water Plan Fund: FY 2006-FY 2007
- Attachment 8 Children's Initiatives Fund FY 2005-FY 2007
- Attachment 9 Comparison of FY 2006 Budget as approved by the 2005 Legislature, and as Recommended by the Governor and the House Committee
- Attachment 10 Comparison of FY 2007 Budget, Baseline Budget and Budget as Recommended by the Governor and the House Committee
- Attachment 11 Information on the Enterprise Data Warehouse project from the Commissioner of Education
- Attachment 12 Proviso on **HB 2744**

Representative Merrick was appointed as a temporary member of the Appropriations Committee to serve during the absence of Representative Weber.

Representative Merrick moved to introduce legislation regarding uniform policy provisions. The motion was seconded by Representative Hutchins. Motion carried.

Alan Conroy, Kansas Legislative Research Department, presented a report from the Subcommittee

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reviewing the State Pay Plan on the Governor's recommendation for the pay package for state employees for FY 2007.

Representative Schwartz moved to adopt the Subcommittee report on the Governor's recommendation for the State Employees Pay Plan for FY 2007 (Attachment 1) and include approval for the Legislative Coordinating Council (LCC) to fund a consultant to perform a study of a new pay matrix and pay plan. The motion was seconded by Representative Feuerborn. Motion carried.

**Discussion and Action on HB 2957 - Appropriations for FY2007 and FY2008 for capital improvements for various state agencies; HB 2958 - Appropriations for FY2006 and FY2007, supplemental appropriations for various state agencies; HB 2968 - Appropriations for FY2007 for state agencies; and HB 2950 - Appropriations for FY 2006 for Kansas racing and gaming commission.**

The Fiscal Analyst Staff of the Kansas Legislative Research Department presented and explained the following documents:

- Comparison of FY 2006-FY 2007 Recommended Expenditures, Governor's Recommendation and House Budget Committee Recommendation (Attachment 2).
- House Appropriations Bill (Reflects House Adjustments for FY 2006 and FY 2007 (Attachment 3).
- Items for Omnibus Consideration (Attachment 4).
- Comparison of FY 2006 Budget as Recommended by the Governor and the House Committee (Attachment 5).
- Economic Development Initiatives Fund, FY 2006-FY 2007 (Attachment 6).
- State Water Plan Fund: FY 2006-FY 2007 (Attachment 7).
- Children's Initiatives Fund FY 2005-FY 2007 (Attachment 8).
- Comparison of FY 2006 Budget as approved by the 2005 Legislature, and as Recommended by the Governor and the House Committee (Attachment 9).
- Comparison of FY 2007 Budget, Baseline Budget and Budget as Recommended by the Governor and the House Committee (Attachment 10).

Representative Feuerborn moved for an amendment to add \$338,860 to the Legislative Coordinating Council budget for FY 2007 for a consultant to perform a study of the pay matrix and pay plan of state employees. The motion was seconded by Representative Landwehr. Motion carried.

Representative Landwehr moved for an amendment to shift funding of \$250,000 State General Fund for FY 2007 from the Smart Start program in the Department of Social and Rehabilitation Services to the Department of Health and Environment - Health, to fund the phenylketonuria (PKU) and hemophilia program for FY 2007. The motion was seconded by Representative Bethell. Motion carried.

Representative Landwehr moved for an amendment to shift a proviso pertaining to children's eye exams, passed by the Committee on March 9, 2006, from the Kansas Health Policy Authority budget to the Department of Education budget. The motion was seconded by Representative Bethell. Motion carried.

Representative Powell moved for an amendment to delete \$1 million of the funding from the Kansas Health Policy Authority budget for FY 2007 for the Child Support Enforcement (CSE) customer service center. The motion was seconded by Representative Pilcher-Cook. Motion carried on a 14-8 vote.

Representative Powell moved for an amendment to add a proviso to the Department of Wildlife and Parks for FY 2007 that no expenditure can be made to pump ground water from playa lakes or wetlands. The motion was seconded by Representative Schwartz. Motion carried on 12-8 vote.

Representative Henry moved for an amendment to add \$3,206,914 State General Fund (SGF), to the FY 2007 budgets of the Mental Health Hospitals and the Developmental Disabilities Institutions

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to be allocated as \$2,137,538 for Larned State Hospital; \$422,627 for Osamatomie State Hospital; \$11,304 for Rainbow Hospital; \$599,445 for Kansas Neurological Institute (KNI); and \$36,000 for Parsons State Hospital. The motion was seconded by Representative Sharp. Motion withdrawn with the approval of the second.

The Committee discussed the recently passed Budget Reconciliation Act and its effect on Medicaid funding. The state has approximately 800 to 900 residents who are currently in institutions who could now be eligible for an 80 percent match of federal Medicaid funds to move these individuals into the communities. If the state participates in this program and develops a state plan, it was noted that not all of this funding may be needed.

Representative Henry moved for an amendment to add \$2,206,914 State General Fund (SGF) to the FY 2007 budgets of the Mental Health Hospitals and the Developmental Disabilities Institutions proportionally and further review at Omnibus. The motion was seconded by Representative Landwehr. Motion carried.

Representative Schwartz moved for an amendment to add a proviso in the Attorney General's budget for FY 2007 to allow the Attorney General to negotiate a loan agreement with Groundwater Management District No. 3 from the Interstate Water Litigation Fund to the State General Fund (SGF) for purposes related to water rights. The motion was seconded by Representative Light. Motion carried.

Representative Tafanelli moved for an amendment to add a proviso to request an interim study on veterans' funding issues, specifically how veterans' service organizations are funded. The motion was seconded by Representative Henry. Motion carried.

Representative Gatewood moved for an amendment to add \$50,000 State General Fund (SGF) to the Attorney General's budget for FY 2007 along with the provisions in **HB 2797** which creates an investigative position for worker's compensation fraud. The motion was seconded by Representative Feuerborn. Motion failed.

Representative Ballard moved for an amendment to add \$1.5 million All Funds to reduce the waiting list for Developmental Disabilities of which \$600,000 is State General Fund (SGF). The motion was seconded by Representative Feuerborn. Motion carried.

Representative Schwartz moved for an amendment to request a report by Omnibus from the Kansas Water Office on the number of new or replacement stream gauges the agency anticipates purchasing in coordination with USGS. The motion was seconded by Representative Powell. Motion carried.

Representative Bethell moved for an amendment to add a proviso to the University of Kansas budget for FY 2007 with language stating that "on July 1, 2006, if no bill has been passed by the legislature during the 2006 regular session and enacted into law to establish the University of Kansas Cancer Center by statute, then the amount of \$5 million appropriated for the University of Kansas Medical Center by subsection (a) of this section from the state general fund in the cancer center account, is hereby lapsed". The motion was seconded by Representative Landwehr. Motion carried on a 13-9 vote.

Representative Sharp moved for an amendment to add \$1.2 million State General Fund (SGF) for the Center for Independent Living for FY 2007. The motion was seconded by Representative Ballard. Motion failed on a 9-12 vote.

Representative Sawyer moved for an amendment to amend the State Universities for FY 2007 by restoring the \$2,388,172 for personal computer purchases. The motion was seconded by Representative McLeland. Motion failed on a 8-13 vote.

Representative Lane moved for an amendment to amend the Department of Administration budget for FY 2007 by adding \$192,170 State General Fund (SGF) for KPTS-TV in Wichita for upgrades. The motion was seconded by Representative Pottorff. Motion failed on a 8-13 vote.

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Representative Feuerborn moved for an amendment to amend the Department of Education budget for FY 2006 by deleting \$364,746 from the State General Fund (SGF) for 7.0 FTE positions to begin a multi-year project to develop the Enterprise Data Warehouse. The motion was seconded by Representative Lane. Motion failed on a 8 - 14 vote.

Information from Bob Corkins, Commissioner of Education, with regard to the Enterprise Data Warehouse project, was distributed to the Committee (Attachment 11).

Representative Hutchins moved for an amendment to revise the language in the Department of Education budget for FY 2006 to change the 7.0 FTE for the Enterprise Data Warehouse project to unclassified-temporary positions. The motion was seconded by Representative Merrick. Motion carried.

Representative Gatewood moved for an amendment to add \$600,000 for the Center for Independent Living for FY 2007 to be proportionally distributed. The motion was seconded by Representative Sharp. Motion failed on a 8-14 vote.

Representative Sawyer moved for an amendment to add a proviso to the Secretary of State's budget for FY 2007 to allow for advance voting by satellite voting center as addressed in **HB 2744** (Attachment 12). The motion was seconded by Representative Gatewood. Motion withdrawn with approval of the second.

Jim Wilson, Office of Revisor of Statutes, indicated that the Committee could not act on the proviso because it is not within the subject of the bill for state constitutional purposes.

Representative Hutchins moved for an amendment to delete a \$20,000 enhancement in the budget of the Kansas Humanities Council for FY 2007 for the "Kansans Tell Their Stories". The motion was seconded by Representative Huy. Motion carried.

Representative Pottorff moved to move the contents of **HB 2950** into **HB 2958**. The motion was seconded by Representative Feuerborn. Motion carried.

Representative Landwehr moved to recommend **HB 2968**, **HB 2957** and **HB 2958** favorable for passage as amended and allow staff to make technical adjustments as necessary. The motion was seconded by Representative Hutchins. Motion carried.

Chairman Neufeld, on behalf of the Committee, thanked the staffs of the Kansas Legislative Research Department and the Office of the Revisor of Statutes for their diligence and hard work in working with the Committee in the preparation of the budgets.

The meeting was adjourned at 12:20 p.m. The next meeting of the Committee will be held at 9:00 a.m. on March 13, 2006.

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Melvin Neufeld, Chairman