

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Kevin Yoder at 9:00 a.m. on March 4, 2009, in Room 143-N of the Capitol.

All members were present except:

Representative Dave Crum- excused
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 Mayor's Council, Wichita, Kansas - Driver Education Funding
- Attachment 2 Kansas and the Recovery Act
- Attachment 3 Budget Report on the Department on Aging

Dale Goter, Wichita, Kansas, introduced members of the Mayor's Youth Council. Marcus McNeal, Mayor of the Mayor's Youth Council and members presented information on the Driver's Education Program and expressed support for continued funding for this program. (Attachment 1).

Chairman Yoder introduced Chris Whatley, Director of State Council, Washington, D.C. Chris Whatley presented information on Kansas and the Recovery Act, (Attachment 2). The Kansas benefit under the Recovery Act should be approximately \$1.75 billion in flexible spending and supplanting formula funding. He stated that there are additional opportunities for states in the formula money. The education side of the stabilization fund amounts to \$40 billion for all states, with the requirement to maintain budgets at the FY 2006 level. The state could qualify for additional \$68 million in funding for unemployment insurance benefits, but this would require permanent changes in the eligibility requirements by the legislature. \$40 million in energy efficiency grant funding is also available, but would require changes in the utility law and rate structure that would separate revenue from consumption of mega watts, and the commitment to work with local government to promote energy efficiency building codes. Competitive grant opportunities, representing 30 categories, with the largest portion for education and energy grants will also be available. He noted that grant guidelines should be posted on the website on March 19th.

Director Whatley responded to Committee questions. He stated that the allocation of Transportation funds was enacted on February 17, 2009. These funds must be allocated by March 10, 2009, and 50 percent of the first fund distribution must be obligated within 120 days from the date the bill was enacted. The remaining distribution would need to be obligated by the end of the calendar year. Any unspent monies would be redistributed to qualified states. The final rules and regulations should be available the end of March. The importance of monitoring statutory deadlines was emphasized. The certification process for state requests must include: willingness to receive Recovery Act funding; that all funding received will be for the purpose of creating and retaining jobs, and promoting economic growth. The Medicaid formula money is in the process of being distributed and the Committee should budget an amount based on what has been received and what will be received. Medicaid dollars was backdated to October, 2008. The distribution of transportation funds began yesterday, and education information is expected to be available within the next few days.

●Information requested or that will be provided

CONTINUATION SHEET

Minutes of the House Appropriations Committee at 9:00 a.m. on March 4, 2009, in Room 143-N of the Capitol.

Funds available to Kansas under the Health Information Technology Grant
List of five certifications that will be needed for the Education Stabilization Funds

Representative Mast, Chair of the Social Services Budget Committee, presented the Governor's Budget recommendations for the Department on Aging for FY 2010 and moved for the adoption of the Budget Committee recommendation for FY 2010, (Attachment 3). The motion was seconded by Representative Ballard. Motion carried.

Kathy Greenlee, Secretary, Department on Aging, discussed match dollars for funding for United Cerebral Palsy. She noted that \$6 million from SGF funds was removed from the Governor's budget and \$15 million from all funds that was not on the Budget Committee Report.

Representative Mast made an amendment to the motion to review at Omnibus the Department on Aging Budget Committee report with the addition \$6 million from SGF funds and \$15 million from all funds, which the Governor's recommendation reduced, as a result of the policy recommendation to freeze nursing facilities reimbursement rates. The motion was seconded by Representative Crum. Motion carried.

Secretary Greenlee explained how the **SB 23** reductions have been applied. Discussion on nutrition and PACE programs.

Representative Mast renewed the motion to approve the FY 2010 Department on Aging Budget as amended. Motion carried.

HB 2354 - Claims against the state.

Representative Huebert, Chair of the Special Claims Committee, stated that 130 claims have been submitted to the Committee. 10% of the claims were approved at a cost of \$13,000 from fee funds and \$4,000 from SGF. Wildlife and Parks posting and leasing issues resulting in claims was discussed. The full claim was not approved by the Committee. The total bill amount is \$157,964. An on-going claim was discussed, in the amount of \$225,000, which due to timing will be brought back to the Committee

Amy Deckard, Legislative Research Department, explained motor fuel fee funds tax, which is paid by the Department of Revenue for taxes paid for fuel use for off-highway use. She reviewed **HB 2354** Section 7 (a).

The next meeting is scheduled for March 5, 2009.

The meeting was adjourned at 10:45 a.m.

Kevin Yoder, Chairman