

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson Representative Kenny Wilk at 9:00 a.m. on March 12, 2002, in Room 514-S of the Capitol.

All members were present except: Representative Peterson, Excused

Committee staff present: Amy Kramer, Legislative Research
Becky Krahl, Legislative Research
Alan Conroy, Legislative Research
Leah Robinson, Legislative Research
Deb Hollon, Legislative Research
Jim Wilson, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Nikki Feuerborn, Committee Secretary

Conferees appearing before the committee: Charles Hagemeister, Congressional Medal of Honor recipient
Stoney Wages, Executive Director of Kansas DAV
Representative Tom Sloan
Jack Brier, KDFFA

Others attending: See Attached

Representative Pottorf moved for the introduction of legislation regarding privatized public records. Motion was seconded by Representative Stone. Motion carried.

Representative Wilk moved for the introduction of legislation relating to schools and USD general funds. Motion was seconded by Representative Neufeld. Motion carried.

Representative Nichols moved for the introduction of a House Concurrent Resolution which would amend the Kansas Constitution to provide for all tobacco litigation settlement proceeds to be credited to the KEY fund. Motion was seconded by Representative Ballard. Motion carried.

Chairman Wilk welcomed to the Committee Charles Chris Hagemeister, Leavenworth, who was awarded the Congressional Medal of Honor for his actions during the Vietnam war.

Representative Shriver, member of the General Government and Human Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Commission on Veterans Affairs (including the Kansas Soldiers' Home and the Kansas Veterans' Home) for FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 with a notation (Attachment 1). Motion was seconded by Representative Pottorff. Motion carried.

Representative Shriver, member of the General Government and Human Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Commission on Veterans Affairs (including the Kansas Soldiers' Home and the Kansas Veterans' Home) for FY 2003 and moved for the adoption of the Budget Committee recommendations for FY 2003 with notations (Attachment 1). Motion was seconded by Representative Pottorff.

During the discussion on shrinkage rate, the Committee requested the ratios of direct care staff to patients in long-term care and the shrinkage rate assigned to that area. Budget Committee members reported that the Kansas Soldiers' Home and the Kansas Veterans' Home were operating at minimal levels and if this is lowered, these clients would have to be placed in the Medicaid arena in nursing homes.

Stoney Wages, Executive Director of the Kansas Commission on Veterans Affairs discussed with the Committee the results of the recommended closure of veterans' offices in Lawrence and Independence. This would cause veterans to have to drive long distances to other offices and could definitely be a detriment to the educational program for veterans.

Representative Ballard moved to amend the report by adding that there will be a review of Item 2 of the Senate recommendations for the FY 2003 Budget Committee recommendations for the Kansas Soldiers' Home and the Kansas Veterans' Home. Motion was seconded by Representative Feuerborn. Motion carried.

Representative Spangler moved to amend the Budget Committee report by restoring \$440,844 to the State General Fund and allocate this for the Kansas Soldiers' Home in Dodge City. Motion was seconded by Representative Klein. Motion failed.

Representative Spangler moved to amend the Budget Committee report by recommending \$30,000 be transferred from the Coordinated Public Transportation Assistance Fund in the Department of Transportation to the Kansas Commission on Veterans Affairs to fund the purchase of a wheel-chair lift van for the Kansas Veterans' Home. Motion was seconded by Representative Pottorff. Motion carried.

Representative Shriver moved to adopt the General Government and Human Resources Budget Committee report for the Kansas Commission on Veterans Affairs (including the Kansas Soldiers' Home and the Kansas Veterans' Homes) for FY 2003 as amended. Motion was seconded by Representative Pottorff. Motion carried.

Hearing on HB 2635—Kansas Development Finance Authority authorized to issue bonds to finance certain electric transmission lines and appurtenances

Representative Tom Sloan explained that this bill was referred to both the Utilities and Appropriations Committees. The Utilities Committee had held hearings and passed the bill out favorably with the recommendation for the inclusion of the language in **HB 2712** to be included in **HB 2635**. Also included in the testimony was an amendment to be added to the language of **HB 2712** (Attachment 2).

A fiscal note explaining the purpose of the bill, its limitations, effects, and negligible fiscal impact was presented (Attachment 3).

Written testimony was presented by Kelly Harrison, Vice-President of Regulatory Affairs of Westar Energy (Attachment 4).

Jack Brier, Kansas Development Finance Authority, explained that this would be a venture whereby counties and small communities can join together, partner with a vendor, and request K DFA assistance in the financing of broad-band technology for consumers in the area. K DFA would have the option of issuing the bonds and the state would not be liable in any way. The degree of financial responsibility of counties and communities to the vendor would be structured in the agreement. Mr. Brier said K DFA could require bond insurance, credit enhancements and debt service reserves. Insurance for such projects might prove to be too expensive for small communities and, in case of failure, mill levies would have to be raised in case of failure. The bonds would be funded by the fees paid by customers. The cost would be less to consumers if bonds go through K DFA for tax exemptions and due to the lower interest rates.

The Committee requested language that would explain the legislative intent if the project should fail and bankruptcy of the private enterprise develops.

Chairman Wilk closed the hearing on **HB 2635**.

Chairman Wilk appointed a subcommittee to study the proposed legislature further: Representative Larry Campbell, Chairman, Representative Tom Klein, and Representative Lloyd Stone.

Representative Pottorff, Chairperson of the General Government and Human Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Administration (including Public Broadcasting Council) for FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 (Attachment 5). Motion was seconded by Representative Stone. Motion carried.

The Committee noted that public TV in the Missouri budget has been shifted to the Education budget.

Representative Pottorff, Chairperson of the General Government and Human Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Administration (including Public Broadcasting Council) for FY 2003 and moved for the adoption of the

Budget Committee recommendations for FY 2003 with observations (Attachment 5). Motion was seconded by Representative Stone. Motion carried.

Chairman Wilk announced **Sub SB 508 Emergency medical services board, financial support, authorizing certain transfers**, has been assigned to the Public Safety Budget Committee.

Representative Campbell moved for the adoption of the minutes of February 21 and 22, 2002, as presented. Motion was seconded by Representative Stone. Motion carried.

CONTINUATION SHEET