

Approved: February 20, 2012

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(Date)

## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairperson Marc Rhoades at 8:37 AM on Wednesday, February 8, 2012 in Room 346-S of the Capitol.

All members were present

Committee staff present:

J.G. Scott, Chief Fiscal Analyst, Legislative Research Department  
Dylan Dear, Senior Fiscal Analyst, Legislative Research Department  
Michael Wales, Fiscal Analyst, Legislative Research Department  
Jim Wilson, First Assistant, Office of Revisor of Statutes  
Jill Wolters, Senior Assistant Revisor, Office of Revisor of Statutes  
Nobuko Folmsbee, Senior Assistant Revisor, Office of Revisor of Statutes  
Cindy O'Neal, Administrative Assistant  
Kathy Holscher, Committee Assistant

Others in attendance:

See attached list.

Chairman Rhoades reviewed the committee meeting agenda and noted that today is Domestic Violence Day and he acknowledged several participants attending the committee meeting.

Representative Sloan reviewed an amendment to **HB 2446 - Renewable energy standards act and energy storage.**

*Representative Feuerborn made a motion to introduce legislation regarding energy storage. The motion was seconded by Representative Pottorff. Motion carried.*

*Representative Mast made a motion to introduce legislation regarding deer poaching and penalties. The motion was seconded by Representative Ballard. Motion carried.*

Representative McLeland, Chair, General Government Budget Committee, presented the FY 2012 Attorney General Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendation with the following adjustment: delete \$51,999 from special revenue funds for the purchase of three vehicles for review during Omnibus.

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Representative McLeland made a motion to approve the FY 2012 Attorney General Budget Committee Report. The motion was seconded by Representative Mast.

Discussion followed by committee members regarding the vehicle replacements.

Representative McLeland renewed the approval of the Budget Committee Report. The motion carried.

Representative McLeland, Chair, General Government Budget Committee, presented the FY 2013 Attorney General Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendation with the following adjustments and observations: add \$450,000 from SGF for domestic violence prevention programs and childrens' advocacy centers; delete \$17,800 from special revenue fund for vehicle purchase; and recommended funding for 2 FTE positions; expressed concern with the increased litigation recoveries.

Representative McLeland made a motion to approve the FY 2013 Attorney General Budget Committee Report. The motion was seconded by Representative Crum.

Representative Mast made a substitute motion to remove funding and 2 FTE positions from the Attorney General's Office. The motion was seconded by Representative Kelley. The motion carried.

Discussion followed by committee members.

Representative DeGraaf made a motion for an amendment that would not remove \$450,000 from the State General Fund (SGF) but would come from Problem Gaming Funds under the auspice of Social Rehabilitation Services (SRS). The motion was seconded by Representative Sullentrop.

Discussion continued by committee members regarding the use of Gambling and Addictions funds and the SGF ending balance. Representative Gatewood discussed asking for a proviso or an endorsement from the committee regarding the need for additional funding for mental health centers that have experienced significant budget cuts. The Gambling and Addictions Fund would be a good use of these funds, it was noted. No action or further discussion occurred.

Representative DeGraaf renewed the motion to approve the amendment. The motion carried as amended.

Representative McLeland renewed the motion to adopt the Budget Committee Report as amended. The motion carried.

Representative DeGraaf, Vice-Chair, General Government Budget Committee, presented the FY 2012 Insurance Department Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendation with the following adjustment: include language

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in the appropriations bill prohibiting the agency from making further expenditures from federal funds associated with the Federal Affordable Care Act.

Representative DeGraaf made a motion to approve the FY 2012 Insurance Department Budget Committee Report. The motion was seconded by Representative McLeland.

Discussion followed by committee members regarding the Affordable Care Act and Tort Claims. Concern was expressed by a committee member regarding the ability to change the appropriation and in a duly elected form that the insurance commissioner has the responsibility to oversee this fund. Concerns were expressed regarding the regulations of the federal Affordable Care Act.

Jim Wilson, Office of the Revisor of Statutes, noted that an act of the legislature may authorize money may be expended or retained for certain purposes; however existing contracts would remain valid.

Representative DeGraaf renewed the motion to approve the Budget Committee Report. The motion carried.

Representative Ballard, Representative Carlin and Representative Lane requested that their vote in opposition of the motion to approve the Budget Committee Report be recorded in the minutes.

Representative DeGraaf, Vice-Chair, General Government Budget Committee, presented the FY 2013 Insurance Department Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendation with the following adjustment: delete \$150,749 for special revenue funds and include language prohibiting the agency from making expenditures from federal funds associated with the federal Affordable Care Act.

Representative DeGraaf made a motion to approve the FY 2013 Insurance Department Budget Committee Report. The motion was seconded by Representative McLeland.

Discussion followed by committee members regarding the impact of funds associated with the federal Affordable Care Act. It was noted that the reduction from special revenue funds was from three grants that were carried over from the prior year, and these funds would remain in the department. Committee members discussed the legal challenges pending in the United States Supreme Court regarding the federal Affordable Care Act. Discussion continued regarding salaries and wages. It was noted the increases reflect restructuring.

Representative Feuerborn made a substitute motion to strike the Budget Committee's recommendation to delete \$150,749 from special revenue funds. The motion was seconded by Representative Lane.

Discussion continued by committee members.

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Representative Feuerborn renewed the substitute motion. The motion failed.

Representative DeGraaf renewed the motion to approve the Budget Committee Report. The motion carried.

Representative McLeland, Chair, General Budget Committee, presented the FY 2013 Office of the Governor's Budget Committee Report ([Attachment 1](#)). He noted that there were no changes to the FY 2012 Office of the Governor's Budget Committee Report. The Budget Committee concurred with the Governor's recommendation with the following observation: concerns with reduced funding for domestic violence prevention program grants and children's advocacy centers.

Representative McLeland made a motion to approve the FY 2013 Office of the Governor's Budget Committee Report. The motion was seconded was seconded by Representative Mast.

Representative McLeland made a substitute motion to remove the language directing the expending of funds for domestic violence prevention programs and children's advocacy programs. The motion was seconded by Representative DeGraaf. The motion carried.

Representative McLeland renewed the motion to approve the Budget Report as amended. The motion carried.

Representative DeGraaf, Vice-Chair, General Budget Committee, presented the FY 2013 Office of the Lieutenant Governor Budget Committee Report ([Attachment 1](#)). The Budget Committee concurred with the Governor's recommendation.

Representative DeGraaf made a motion to approve the FY 2013 Office of the Lieutenant Governor Budget Committee Report. The motion was seconded by Representative Mast. Motion carried.

Representative McLeland, Chair, General Budget Committee, presented the FY 2013 Office of the State Treasurer Budget Committee Report ([Attachment 1](#)). The Budget Committee concurred with the Governor's recommendation.

Discussion followed by committee members regarding the Kansas Investment Developing Scholars program. It was noted that this is a state match program. A correction was noted on the Governor's recommendation; the funding recommendation is \$22.4 million. Increased unclaimed property payments and Learning Quest has resulted in a 4% administration increase, it was noted. The investment board complies with standards and is not restrictive Kansas. A committee member requested a report from the Research Department regarding the Pooled Money Investment Board's investments.

Representative McLeland renewed the motion to approve the Budget Committee Report. The motion carried.

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Representative DeGraaf, Vice-Chair, General Budget Committee presented the FY 2013 Secretary of State Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendation with the following observation: noted that language in the appropriations bill requires the agency to provide estimates of costs for publishing proposed Constitutional amendments under consideration by the Legislature be added to the bill if not included in the bill as introduced; and noted that no funding is included for the cost of publishing any proposed Constitutional amendments.

*Representative DeGraaf made a motion to approve the FY 2013 Secretary of State Budget Committee Report. The motion was seconded by Representative McLeland.*

Discussion followed by committee members regarding publication costs and county reimbursements. It was noted that an estimated cost per each Constitutional amendment is approximately \$100,000.

Nancy Bryant, Chief of Staff, Secretary of State, responded to questions from committee members. She stated that the state pays for the publishing of Constitutional amendment in one newspaper per each county three weeks prior to the election. The county is responsible for the ballot cost. She referred to a resolution that has been introduced, which would be an estimated cost to the state to publish of approximately \$27,737 and a cost to all 105 counties of approximately \$120,000 for the programming of machines for the ballots.

Discussion continued by committee members. It was noted that the printing costs for two ballots would be approximately \$2 million and programming of the machines would be an approximately \$428,000, of which would shift the financial responsibilities to counties. Increased costs for benefits and contractual services, and staffing issues and performance measurements were reviewed.

*Representative DeGraaf renewed the motion to approve the Budget Committee Report. The motion passed.*

Chairman Rhoades opened discussion on **HB 2442**.

**HB 2442 - Relating to employment of disabled individuals and competitive bids for state contracts**

Nobuko Folmsbee, Senior Assistant Revisor, Office of the Revisor, provided an overview of the bill.

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Nobuko Folsmbee responded to questions from committee members regarding procurement of competitive bids. She noted that there is a House bill that mirrors a Senate bill that removes mental retardation terminology which is replaced with intellectual disabilities.

Representative Mast made a motion to pass **HB 2442** favorable for passage. The motion was seconded by Representative Schwartz.

Representative Crum provided an overview of a balloon amendment and responded to questions from committee members regarding insurance coverage and competitive wages.

Chairman Rhoades stated that the committee will continue reviewing the amendment for the bill at the next scheduled meeting.

The meeting adjourned at 10:55 a.m.