

Approved: \_\_\_\_\_ Month DD, YYYY

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(Date)

### **MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE**

The meeting was called to order by Chairperson Marc Rhoades at 9:10 AM on Friday, February 17, 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 called the meeting to order and reviewed the committee agenda.

Representative Gordon, Chair, Education Budget Committee, presented the FY 2012 State Historical Society Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendation.

Representative Gordon made a motion to approve the FY 2012 State Historical Society Budget Committee Report. The motion was seconded by Representative Feuerborn. The motion carried.

Representative Gordon, Chair, Education Budget Committee, presented the FY 2013 State Historical Society Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendation.

Representative Gordon made a motion to approve the FY 2013 State Historical Society Budget Committee Report. The motion was seconded by Representative Feuerborn. The motion carried.

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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.

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## CONTINUATION SHEET

Minutes of the HOUSE APPROPRIATIONS Committee at 9:10 AM on Friday, February 17, in 346-S of the Capitol.

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Representative Schwartz, Chair, Agriculture and Natural Resources Budget Committee, presented the FY 2012 Kansas Water Office Budget Committee Report (Attachment 2). The Budget Committee concurred with the Governor's recommendation.

Representative Schwartz made a motion to approve the FY 2012 Kansas Water Office Budget Committee Report. The motion was seconded by Representative Lane. The motion carried.

Representative Schwartz, Chair, Agriculture and Natural Resources Budget Committee, presented the FY 2013 Kansas Water Office Budget Committee Report (Attachment 2). The Budget Committee concurred with the Governor's recommendation with the following adjustments and notations: add \$200,000 for the weather modification program contingent upon 10 participating counties; add \$105,000 for monitoring and data collection and analysis; transfer \$120 to State General Fund which would abolish the Water Supply Storage Acquisition Financing Fund; review at Omnibus the addition of \$600,000 for the Aquifer Storage and Recovery Project; review funding for the Water Resources Education Program at Omnibus; and noted the need for dedicated funding stream for water issues.

Representative Schwartz made a motion to approve the FY 2013 Kansas Water Office Budget Committee Report. The motion was seconded by Representative Lane.

Discussion followed by committee members regarding the Aquifer Storage and Recovery Project. It was noted that agriculture and public use the Aquifer for a water resource that serves several counties.

Representative Kelley made a substitute motion that would add language asking the Water Authority to look in to the possibility of a state insurance policy that districts could purchase. The motion was seconded by Representative Lane. The motion carried.

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

Representative Lane, Member, Agriculture and Natural Resources Budget Committee, presented the FY 2012 Kansas State Fair Budget Committee Report (Attachment 2). The Budget Committee concurred with the Governor's recommendation with the following notations: review at Omnibus adding \$120,000 for enhanced marketing at the FY 2013 State Fair; review at Omnibus the status of the State Fair Capital Improvements fund; encouraged cooperative work with Wildlife, Parks and Tourism for increased marketing of the fair; and commend the State Fair on its Legislative Showmanship Event.

Representative Lane made a motion to approve the FY 2012 Kansas State Fair Budget Committee Report. The motion was seconded by Representative Schwartz.

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Representative Schwartz made a substitute motion to remove item #4 from the Budget Committee Report regarding the Legislative Showmanship Event. The motion was seconded by Representative Lane. The motion carried.

Discussion followed by committee members regarding the capitol improvements. It was noted these improvements would be for maintenance and roof repairs for buildings on the fairgrounds.

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

Representative Schwartz, Chair, Agriculture and Natural Resources Budget Committee presented the FY 2013 Department of Agriculture Budget Committee Report (Attachment 2). The Budget Committee concurred with the Governor's recommendation with the following adjustments and notations: upon passage of a bill authorizing school lunch inspections, add \$283,992, 4 FTE position and 5 vehicles; add \$253,804 for the purchase up to 15 vehicles; add \$147,580 to fund custom rates survey and reports; expressed concerns on the backlog of water appropriation and application processing; add \$465,907 and 3 FTE positions; recommended that the \$924,014 from the State water Plan Fund be used for the Water Transition Assistant Program; recommended legislation regarding the statutory language relating to the 2011 Executive reorganization order # 40; noted that a resolution regarding poultry litter contamination may require legislative action in the future; and noted the difficulty faced by the department in crafting a budget which has incorporated town new divisions that were stand alone agencies.

Representative Schwartz made a motion to approve the FY 2013 Department of Agriculture Budget Committee Report. The motion was seconded by Representative Carlin.

Discussion followed by committee members regarding reorganization staffing issues and wages. As requested, staff will provide an update on the number of classified positions. It was noted that the drought and permit fees cover wages for staff. Agency consolidation into the Department of Agriculture resulted in a savings of approximately \$990,000 in EDIF & State General Funds (SGF) and enhanced efficiencies have been realized with an additional savings of \$100,000.

Representative Schwartz renewed the motion. The motion carried.

J.G. Scott, Legislative Research Department, provided an overview of the SGF adjustments from the FY 2012 approved budget as recommended by the Governor (Attachment 3). The reappropriation and funds that have been shifted from FY 2011 to FY 2012 were reviewed by agency. This represents approximately \$12.9 million that was passed though for use in FY 2012. The Governor's adjustments in the supplemental bill reflect changes to the approved budget for FY 2012 which totals approximately \$60 million. The ending balanced is already calculated are represents approximately \$400 million. He stated that a technical adjustment to the supplemental

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bill is needed in the Governor's Budget, which would be a caseload adjustment of \$870,000 to the Juvenile Justice Authority, which was inadvertently left out of the budget and would not adjust any of the Governor's totals, he added.

J.G. Scott responded to questions from committee members. He stated that the \$4.2 million would pay all current disaster expenditures expected for FY 2012. In order to meet the maintenance of effort requirements for Special Education, a delayed payment to the Kansas Public Employees Retirement System for FY 2012 will be made in FY 2013 in the amount of \$21.7 million. He stated that any monies that lapsed would go in to the SGF, of which any agency could utilize.

Bobbi Mariani, Legislative Research Department, responded to questions from committee members. She stated that the \$3.1 million for Human Service caseloads was reappropriated to the Kansas Department of Health Environment for FY 2012.

J.G. Scott reviewed the Usage of FY 2012 SGF Reappropriations (Attachment 4). The document reflects monies that was either left or taken away for an agency in the supplemental bill, any money remaining for an agency to spend in an appropriated fund, and what the reappropriated money was used for. Discussion followed regarding the Wildlife, Parks and Tourism. It was noted that there was a shortfall in the fee funds due to the drought related issues and the Governor's recommendation was at the approved amount. He reiterated that any money that was not spent in FY 2012 would be deducted from the base in FY 2013. A copy of the Governor's Budget Amendment (Attachment 5) was distributed to committee members.

Chairman Rhoades upon discussion on **SB 294 -Joint Committee on Claims Against the State; recommended payments**

Dylan Dear, Legislative Research Department, provided an overview of the bill.

Discussion followed by committee members. It was noted that upon audit and approval, claims are paid by the appropriate agency's funds.

Chairman Rhoades closed the discussion on the bill.

The meeting adjourned at 10:30 a.m.