

Approved: February 8, 2012

(Date)

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairperson Marc Rhoades at 9:09 AM on Monday, January 30, 2012 in room 346-S of the Capitol.

All members were present except:

Peggy Mast - excused

Sharon Schwartz – excused

Committee staff present:

Alan Conroy, Director, Legislative Research Department

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

Kathy Holscher, Committee Assistant

Cindy O'Neal, Administrative Assistant

Conferees appearing before committee:

Elaine Frisbie, Division of Budget

Kim Fowler, Office of Judicial Administration

Others in attendance:

See attached list.

Chairman Rhoades stated that the information requested by committee members has been distributed. This material includes the Office of the Repealer's recommendations (Attachment 1), Representative Brunk's testimony on **HB 2442** (Attachment 2), and the fiscal note for **HB 2442**.

HB 2493 -Supplemental appropriations for FY 2012 and FY 2013 for various state agencies

J.G. Scott, Legislative Research Department, provided an overview of the adjustments for FY 2012 for certain biennially budgeted agencies as recommended by the Governor (Attachment 3). He added that not all expenditures and receipt adjustments are reflected in the bill and some recommendations may not require action in an appropriations bill, but may impact the amount of funding available for carryover in FY 2013. The Governor's Budget Report revises the FY 2012

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CONTINUATION SHEET

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all funds budget to \$14.7 billion, which is an increase of \$830.5 million above earlier estimates. He reviewed the estimates differences from the end of the session to the Governor's current recommendations. He stated that expenditures from the State General Funds (SGF) were revised in the Governor's Budget Report to \$6.1 billion or an increase of \$73.9 million above the approved amount. Those adjustments were based on revised school finance estimates, human services caseload estimates and expenditures unspent in FY 2011 and that were carried over to FY 2012. FY 2012 SGF adjustments reflect a reduction of \$2 million, of which \$1.7 million was from the Expanded Lottery Act Revenues Fund, \$69,478 adjustment to the Securities Commissioner's budget, and a transfer of \$350,000 from an approved tort claim. He stated that an increase of \$24.6 million in the SGF for the Department of Education was due to increased enrollment.

J.G. Scott responded to questions from committee members. He stated that increase funding for education was due to 780 new students that were enrolled, an increase in at risk students, and increased transportation costs. November revenues were \$200 million over projected estimates. Capitol Improvements expenditures will be provided, as requested by committee members, he noted.

Elaine Frisbie, Deputy Director, Division of Budget, proponent of **HB 2493**, responded to questions from committee members. She stated that a number of state agencies rely on SGF for capitol improvement projects. As requested, a list will be provided to the committee.

Kim Fowler, Budget and Fiscal Officer, Office of Judicial Administration, provided testimony as an opponent of **HB 2493** (Attachment 4).

Kim Fowler responded to questions from committee members. It was noted that court filings have decreased, which has impacted on the collections for surcharges and docket fees resulting in a shortfall of \$1.4 million for employee salaries.

Chairman Rhoades closed the hearing on **HB 2493**.

HB 2298 - Granting Authority to the executive director of the Kansas commission on veterans affairs to transfer funds between state general fund appropriated accounts.

Chairman Rhoades opened **HB 2298** for discussion.

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*Representative Feuerborn made a motion to approve **HB 2298** favorable for passage. The motion was seconded by Representative Crum. Motion carried.*

HB 2410 - Racing and Gaming Commission, meeting and compensation of members

*Representative DeGraaf made a motion to approve **HB 2410** favorable for passage. The motion was seconded by Representative Kelley. Motion carried.*

Michelle Schroeder, Director of Public Policy, Social and Rehabilitation services provided an overview of the food stamp policy (Attachment 5). She stated that food assistant eligibility is based on qualified citizens or who meet non-citizen status, household size and income after allowable deductions. This program is 100% federally funded. A review of the previous policy and the current policy followed. The new policy, effective October, 2011, counts 100% of all household income for eligibility, and income and resources for all citizen households and ineligible non-citizens households are treated equally.

Michelle Schroeder and Kathe Decker, Director, Economic and Employment Services, Social and Rehabilitation Services, responded to questions from committee members. Citizenship is verified through the federal government data base, SAVE. Policies were reviewed regarding income verification, which is required by providing a pay stub. Discussion followed regarding illegal citizens filing for benefits on behalf of their dependents, and the notification timeframe for ineligibility. A review of the commodity program and Vision Card guidelines followed. Additional information regarding SRS findings and concerns with the new policy changes, especially the impact for children who are United States citizens, was requested by members. Chairman Rhoades reviewed the agenda for the next committee meeting.

The meeting adjourned at 10:34 a.m.