

Approved: February 29, 2012

(Date)

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairperson Marc Rhoades at 9:06 AM on Friday, February 10, 2012 in Room 346-S of the Capitol.

All members were present

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
Cindy O'Neal, Administrative Assistant
Kathy Holscher, Committee Assistant

Others in attendance:

See attached list.

Chairman Rhoades and committee members recognized Alan Conroy, Director, Legislative Research Department, upon his last day service with the Legislature. Alan begins his new position as Executive Director, Kansas Public Employees Retirement System is effective next week.

Representative Peck made a motion to introduce legislation to increase the Abstractors licensing fees from \$50 to \$75. The motion was seconded by Representative Pottorff. Motion carried.

Representative Rhoades, Chair, Legislative Budget Committee, presented the FY 2013 Legislative Coordinating Council Budget Committee Report ([Attachment 1](#)). The Budget Committee concurred with the Governor's recommendation with the following notation: encouraged the equal treatment of the Legislative and Judicial Branch Budgets and with no budgets adjustments.

Representative Rhoades made a motion to approve the FY 2013 Legislative Coordinating Council Budget Committee Report. The motion was seconded by Representative Kelley.

Discussion followed by committee members regarding the reduction of 3 FTE positions that were transfers and the money follows these positions, it was noted.

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

Representative Rhoades, Chair, Legislative Budget Committee, presented the FY 2013 Legislative Division of Post Audit Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendation with the following adjustment and notation: add \$399,834 from State General Fund (SGF) for staffing needs; and strongly encourages the Governor to treat the Legislative Branch and the Judicial Branch as equals and with no budget adjustments.

Representative Rhoades made a motion to approve the FY 2013 Legislative Division of Post Audit Budget Committee Report. The motion was seconded by Representative Kelley.

Discussion followed by committee members regarding staffing issues to address auditing needs. Concern was expressed that the carryover funding does not stay within the pay go guidelines. Chairman Rhoades reminded committee members that he has been open and consistent with the intent to encourage the spirit of pay go in subcommittees, when possible.

Representative McLeland made a substitute motion that would amend the language in the report requesting that the Legislative Post Audit report back to the committee at Omnibus regarding the cost to establish post audits for K – 12 schools. The motion was seconded by Representative Mast.

Discussion followed by committee members. It was noted that the cost per audit will be provided to the committee.

Representative McLeland renewed the substitute motion. Motion carried.

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

Representative Rhoades, Chair, Legislative Budget Committee, presented the FY 2013 Legislative Research Department Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendation with the following adjustment and notation: add \$282,909 from SGF to fully staff the agency and cover costs associated with redistricting related activities; and strongly encouraged the Governor to treat the Legislative Branch and Judicial Branch as equals and with no budget adjustments.

Representative Rhoades made a motion to approve the FY 2013 Legislative Research Department Budget Committee Report. The motion was seconded by representative Mast.

Discussion continued by committee members.

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Representative Gatewood made a substitute motion that would not add \$282,909 from SGF to fully staff the agency and fund the costs associated with redistricting related activities. The motion was seconded by Representative Lane.

Discussion continued by committee members regarding the total cost redistricting costs. Alan Conroy reviewed the redistricting process and noted that the estimated cost is \$300,000.

Representative Gatewood renewed the substitute motion. Motion failed.

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

Representative Rhoades, Chair, Legislative Budget Committee, presented the FY 2013 Legislature Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's Budget recommendation with the following adjustment: add \$1,070,318 from SGF to ensure full funding for a 90 day session and 3 FTE positions transferred from the Legislative Coordinating Council. It was noted that these are existing positions.; and strongly encourages the Governor to treat the Legislative Branch and the Judicial Branch as equals and without budget adjustments.

Representative Rhoades made a motion to approve the FY 2013 Legislature Budget Committee Report. The motion was seconded by Representative Kelley.

Discussion followed by committee members regarding staffing issues and costs involved with moving from the Docking Building to the Capitol. Concerns were expressed that there is no carry over for the funds.

Representative Brown made a substitute motion that would not add \$1,070,318 from SGF in this budget. The motion was seconded by Representative Feuerborn.

Discussion continued regarding the amendment by committee members.

Representative Brown renewed the substitute motion. The substitute motion failed.

Representative Peck made a substitute motion to reduce the \$1,070,318 by half. The motion was seconded by Representative Brown. Motion failed.

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

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Representative Rhoades, Chair, Legislative Budget Committee, presented the FY 2013 Office of the Revisor of Statutes Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendation with the following adjustment and notation: add \$154,821 from SGF to fully staff the agency; and strongly encouraged the Governor to treat the Legislative and Judicial Branch as equals without adjusting the budgets.

Representative Rhoades made a motion to approve the FY 2013 Office of the Revisor of statutes Budget Committee Report. The motion was seconded by Representative Kelley.

A committee member emphasized the need for outside printing bids to identify possible cost savings to the state.

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

Secretary Dennis Taylor, Department of Administration, provided information on state building occupancy rates, the impact of voluntary incentive retirement program, authority for renewal or extending renewals of state and non-state leased space and how leased rates in state owned buildings are set. There were no written materials distributed to committee members.

Secretary Taylor responded to questions from committee members. Discussion followed concerning fee funded agencies and the flexibility to secure rental space for state or non-state owned property. Secretary Taylor referred to K.S.A. 75-3765b that authorizes the Secretary of the Department of Administration leasing authority. Committee members expressed concerns regarding hiring practices. Secretary Taylor noted that the recruitment policy has not changed since 1974, advertising and determining the classification of positions, unclassified positions are determined based on the agency's needs and hiring is at the agency's discretion.

Committee members requested to have a copy of the hiring policy, the Secretary of the Department of Administration's role, a flow chart reflecting the decision points that follow a hiring path, policy regarding leases. Secretary noted that the policy will not reflect any changes since the former Governor's appointment.

Marilyn Jacobson, Director, Office of General Services, provided an overview of the procedure and policies regarding rate structures for leased space. She noted that rent fees do not include money for capital improvements. Rate comparisons within markets were reviewed.

Chairman Rhoades opened discussion on **HB 2442 – Relating to employment of disabled individuals and competitive bids for state contracts.**

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Representative Crum withdrew the motion for a balloon amendment discussed in committee on February 8, 2012.

Representative Crum reviewed a new balloon amendment to the bill.

Discussion followed by committee members regarding the state employee benefit plan options. Jill Wolters, Office of Revisor of Statutes, stated that regarding the individual health insurance coverage language, the Secretary of Administration and the Secretary of Social and Rehabilitation services would establish what would be considered “at least equal” and jointly adopt rules and regulations. Discussion continued regarding contribution rates for premiums.

Representative Carlin made a motion to strike the word offers to contribute and retain the present language contributes.

Representative Carlin withdrew the motion.

Chairman Rhoades closed the hearing on the bill.

Meeting Adjourned at 11:04 a.m.