

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson Melvin Neufeld at 9:00 a.m. on January 22, 2003, in Room 514-S of the Capitol.

All members were present:

Committee staff present: Alan Conroy, Legislative Research Department
J.G. Scott, Legislative Research Department
Becky Krahl, Legislative Research Department
Amy Deckard, Legislative Research Department
Jim Wilson, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Nikki Feuerborn, Administrative Analyst
Sue Fowler, Committee Secretary

Conferees appearing before the committee: Barbara Hinton, Legislative Post Audit
Jim Murphy, Kansas Department of Health and Environment
Gary Blackburn, Kansas Department of Health and Environment

Others attending: See Attached

Representative Nichols moved for the introduction of legislation regarding surplus funds of the State Highway Fund. Motion was seconded by Representative Minor. Motion carried.

Representative Nichols moved for the introduction of legislation regarding the funding of CASA through the Department of Health and Environment. Motion was seconded by Representative Pottorff. Motion carried.

Representative Nichols moved for the introduction of legislation for allowing expenditures for the Judicial Branch to purchase and install a seal of justice. Motion was seconded by Representative Henry. Motion carried.

Representative Pottorff moved for the introduction of legislation regarding reducing costs of printing for the Office of the Secretary of State. Motion was seconded by Representative Ballard. Motion carried. (Attachment 1).

Barbara Hinton, Legislative Post Audit, briefed the Committee on audit-related issues for the House Appropriations Committee (Attachment 2).

- Performance Audits of Interest to the Committee (A & B)
- Audit-Related Issues Identified by the Division of Accounts and Reports (C)
- Audits Currently Under Way (D)
- Audit Topics

The following questions/requests were raised by committee members from Summary of Recent Legislative Post Audit Reports, as of January 20, 2003:

- Information was requested on tax credits significantly reducing the amount corporations pay in taxes as Department of Revenue records do not reflect the exact amounts.
- Requested an explanation of why basic tax information for many large corporations is not entered into the computer.
- Request to review audit in regard to Medicaid Cost Containment showing what percent of the 900 people who received waiver services in FY 2000, rather than receiving services via institutions.

CONTINUATION SHEET

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE at 9:00 a.m. on January 22, 2003, in Room 514-S of the Capitol.

- Request that the School District Budgets section address the issue of exact expenditures in school districts within specific areas in order to determine how much money is being concealed by over estimating costs i.e. heating and cooling, repairs, etc. Would it be more plausible to allow districts who are cost conscious to carry over surplus funds to the following year?
- A request to see if user benefit is taken into account regarding Life-Cycle Cost Analyses of Kansas Highway Projects.
- Request the tracking of state vehicles including the use of school district vehicles as it has been 20 years since this information was current.

Jim Murphy, Kansas Department of Health and Environment, presented information on underground (UTS) and above ground petroleum storage tank release (ATS) trust funds (Attachment 3). The periodic assessment of \$.01 per gallon is triggered when the UTS fund reaches the \$2 million threshold. The cash fund currently has a balance of \$3.6 million. There is usually a period of five to six months per year when the \$.01 gasoline tax is implemented.

Gary Blackburn, Kansas Department of Health and Environment reported that the average cost of a cleanup from the storage tanks is approximately \$100,000 to \$150,000. In cases of spills at orphan tank sites, there is a serious attempt to find the owners and operators but there are occasions when this is not possible.

The meeting was adjourned at 10:35 a.m. The next meeting is scheduled for January 23, 2003.

CONTINUATION SHEET