

## MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairman Kenny Wilk at 9:05 a.m. on March 8, 2001, in Room 514-S of the Capitol.

All members were present except        Representative Pottorff  
    Representative Shultz

Committee staff present:        Alan Conroy, Legislative Research  
    Rae Anne Davis, Legislative Research  
    Carolyn Rampey, Legislative Research  
    Amy Kramer, Legislative Research  
    Robert Chapman, Legislative Research  
    Robert Waller, Legislative Research  
    Paul West, Legislative Research  
    Jim Wilson, Revisor of Statutes  
    Mike Corrigan, Revisor of Statutes  
    Nikki Feuerborn, Committee Secretary

Conferees appearing before the committee:        Jack Brier, Kansas Finance Development Authority  
    Kim Wells, Bond Counsel  
    Kathy Porter, Office of Judicial Administration  
    Brad Rayl, Kansas State Fair Board

Others attending:        See Attached

Representative Wilk requested the introduction of legislation regarding the Securities Commissioner investment education fund. Motion was seconded by Representative Minor. Motion carried.

Representative Peterson, Chairman of the Tax, Judicial, and Transportation Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Judicial Council for FY 2001 and moved for the adoption of the Budget Committee recommendations for FY 2001 with the noted exception (Attachment 1). Motion was seconded by Representative Spangler. Motion carried.

Representative Peterson presented the Budget Committee report on the Governor's budget recommendations for the Judicial Council for FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 with the noted exceptions (Attachment 1). Motion was seconded by Representative Spangler. Motion carried.

Representative Spangler presented the Budget Committee report on the Governor's budget recommendations for the Judicial Branch for FY 2001 and moved for the adoption of the Budget Committee recommendations for FY 2001 with the noted exception (Attachment 1). Motion was seconded by Representative Peterson.

Representative Neufeld made a substitute motion to amend the report by striking the recommendation that \$300,000 from the State General Fund be added for salaries for nonjudicial personnel and that this recommendation for funding be deferred and reviewed during Omnibus. Motion was seconded by Representative Schwartz. Motion carried.

The Committee expressed concerns regarding the recommendation for additional funding when it had been their impression that the increased docket fees would address the salary issue. The Budget Committee Chairman explained that the Committee had realized the importance of this as the Judicial Branch will be forced to impose an extended hiring freeze without the proposed additional funding. By deferring this to Omnibus, there is a good chance there will be a forced compromise of \$150,000 which will not provide adequate funding for nonjudicial personnel.

It was noted that the Governor's recommendation for a shrinkage rates disproportionate for the Judicial Branch as the largest portion of their budget is for personnel. The Committee discussed the need for consistency in dealing with all the budgets being reviewed and not show preferential treatment of one agency over another concerning shrinkage. An option mentioned was to lift the cap on expenditures which are funded through the docket fees which provided \$3.9 million, however, only \$3.5 million was budgeted for FY 2001. No expenditure limit has been assigned to FY 2002.

Representative Nichols moved to amend the report by requesting that the issue of allowing a no-limit fund be explored. Motion was seconded by Representative Peterson. Motion carried.

Representative Spangler moved that the Budget Committee report on the Governor's budget recommendations for the Judicial Branch for FY 2001 as amended and with the noted exception be adopted (Attachment 1). Motion was seconded by Representative Peterson. Motion carried.

Representative Spangler presented the Budget Committee report on the Governor's budget recommendations for the Judicial Branch for FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 with the noted recommendations (Attachment 1). Motion was seconded by Representative Hermes.

Representative Neufeld moved to amend the Budget Committee report by striking language in the paragraph Exception No. 1 which would add \$1,212,197 from the State General Fund and defer this issue to Omnibus. Motion was seconded by Representative Schwartz. Motion carried.

The Budget Committee explained that this requested funding was necessary to lower the turnover rate among nonjudicial personnel from 4 percent to 1 percent. The Senate has added this funding in their budget report for the Judicial Branch. Kathy Porter of the Office of Judicial Administration reported there is enough space for the additional four Court of Appeals judges however some space renovation will be necessary.

Representative Spangler moved for the adoption of the Budget Committee report on the Governor's budget recommendations for the Judicial Branch for FY 2002 with the noted exceptions and as amended (Attachment 1). Motion was seconded by Representative Hermes. Motion carried.

Representative Hermes presented the Budget Committee report on the Governor's budget recommendations for the State Board of Indigents' Defense Services for FY 2001 and moved for the adoption of the Budget Committee recommendations for FY 2001 with the noted exception (Attachment 1). Motion seconded by Representative Peterson. Motion carried.

Representative Hermes presented the Budget Committee report on the Governor's budget recommendations for the State Board of Indigents' Defense Services for FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 with the noted recommendations (Attachment 1). Motion seconded by Representative Peterson.

Representative Neufeld moved to amend paragraph No. 2 of the Budget Committee report by removing the addition of \$2121,213 from the State General Fund for Kansas Legal Services for Prisoners, Inc., and that the State Board of Indigents' Defense request supplemental funding after the Judicial Council Report is completed. Motion was seconded by Wilk. Motion carried.

The Budget Committee pointed out that contract lawyers will have to be hired at a rate of \$75 per hour in order to meet the needs of the prisoners and that bills will be in arrearage until the supplemental is paid. Committee members questioned why the total cost of funding the death penalty was not addressed in FY 2002. Defense funds must be available for provide for defense in all capital murder cases and there is absolutely no way to predict the number of defendants which will require such services. If adequate defense is not provided, the accused may be set free on appeal.

Representative Hermes moved for the adoption of the Budget Committee report on the Governor's budget recommendations for the State Board of Indigents' Defense Services for FY 2002 as amended and with the noted recommendations (Attachment 1). Motion seconded by Representative Peterson. Motion carried.

Representative Schwartz, Chairperson of the Agriculture and Natural Resources Budget Committee presented the Budget Committee report on the Governor's budget recommendation for the Department of Wildlife and Parks for FY 2001 and moved for the adoption of the Budget Committee recommendations for FY 2001 (Attachment 2). Motion seconded by Representative Kline. Motion carried.

Representative Schwartz, Chairperson of the Agriculture and Natural Resources Budget Committee presented the Budget Committee report on the Governor's budget recommendation for the Department of `Wildlife and Parks for FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 with the noted adjustments (Attachment 2). Motion seconded by Representative Kline.

Committee members expressed concern regarding the \$500,000 requested for Local Government Outdoor Recreation Grants. The Economic Development initiatives fund is already \$2.9 million over-budgeted.

Representative Stone moved to strike Item 3 of the Budget Committee recommendations for Wildlife and Parks for FY 2002 and requested that this item be revisited at Omnibus. Motion was seconded by Representative Shriver.

The Committee discussed that by requiring that the \$500,000 funding for the Local Government Outdoor Recreation Grants to come from the Economic Development initiatives fund at Omnibus, and if, by that time that fund has been depleted, some other source of funding would have to be found. The Committee acknowledged the success of the program.

Representative Stone withdrew his motion with the consent of Representative Shriver who had seconded the motion.

Chairman Wilk announced the continuation of the Budget Committee report on the Governor's recommendations for Wildlife and Parks FY 2002 would continue on Friday, March 9, 2001.

### **Action on HB 2493– Kansas state fairgrounds repair and reconstruction**

Robert Chapman, Legislative Research Department explained the bill which would allow bonding of not to exceed \$29 million for the renovation and reconstruction of the Kansas State Fairgrounds.

Brad Rayl, Kansas State Fair Board, distributed copies of Resolution No. 2000-R17 from the City of Hutchinson and Resolution 2000-17 from the Commissioners of Reno County pledging on-going support for the reconstruction and renovation of the Kansas State Fairgrounds (Attachment 3). It was pointed out that both resolutions would have to be redrawn if the state funding is not granted this year.

Representative Kline moved for a conceptual amendment on Page 1, line 30 which would strike "state general fund" and insert "state economic development initiatives fund;" Page 1, Line 39 insert following the word "except" "after review of the Joint Building Construction Committee." Motion was seconded by Representative Campbell. Motion carried.

The Committee discussed the appropriateness of such a motion as the renovation and reconstruction of the Kansas State Fairgrounds could certainly be considered economic development.

Jack Brier, Kansas Finance Development Authority, explained that even if the revenue stream for payment of the bonds was from the EDIF, the City of Hutchinson, and Reno County, the bonds would be much more marketable if they were sold with the "Kansas" name on them. The bonds could be issued at five different times depending upon the market rates and the need for the money. Representative Kline requested that the plans and estimates be brought before the Joint Committee on Building Construction prior to each phase of the construction plan. Kim Wells, Bond Counsel for the Kansas Department of Transportation, said the authorization for letting the total amount of the bonds up front would allow for more flexibility which leads to better rates.

Representative Spangler moved to amend the bill in subsection (c) of Section 1 to strike the language which delineates the increments of the bill and tiers and authorize the total amount of bonding to be \$24 million. Motion was seconded by Representative Nichols.

The Committee discussed the necessity of having the total amount of \$29 million available in order to have more flexibility. The bonds would not be sold at the same time but rather as the market dictates and according to the IRS code and bond spend down provisions. The State Finance Council would also have to approve this bonding issue.

Representative Spangler withdrew his motion with the consent of Representative Nichols who had seconded the motion.

Representative Neufeld moved to amend the bill by striking all of subsection (c) of Section 1. Motion was seconded by Representative Shriver. Motion carried.

Representative Nichols moved to conceptually amend the bill in order to authorize a transfer in FY 2003 of at least \$1,660,656 from the economic development initiatives fund with the anticipation that additional funding could come through appropriations. Motion was seconded by Representative Wilk. Motion carried. Representative Spangler asked to be recorded as a "no" vote.

Representative Schwartz moved for the bill to be reported favorably as amended. Motion was seconded by Representative Spangler. Motion carried.

The meeting adjourned at 11:00 a.m. The next meeting is scheduled for Friday, March 9, 2001.