

Approved: 5-3-10 _____

Date

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Kevin Yoder at 9:12 a.m. on February 16, 2010, in Room 346-S of the Capitol.

All members were present except:

Representative Owen Donohoe- excused

Committee staff present:

Jim Wilson, Office of the Revisor of Statutes
Nobuko Folmsbee, Office of the Revisor of Statutes
J.G. Scott, Kansas Legislative Research Department
Heather O'Hara, Kansas Legislative Research Department
Jonathan Tang, Kansas Legislative Research Department
Stephen Huggins, Chief of Staff, Appropriations Committee
Kathy Holscher, Committee Assistant, Appropriations Committee

Others attending:

See attached list.

- Attachment 1 Performance Audit Report - Judicial Districts
- Attachment 2 Budget Committee Report on Veterans Administration
- Attachment 3 Budget Committee Report on Kansas Department of Health and Environment - Health
- Attachment 4 Response to Questions, Jim Garner, Secretary of Labor

Chairman Yoder opened the committee meeting by reminding committee members that today's meeting will be a continuation on the hearing and possible action on **SCR 1614**. He reviewed Representative Mast's amendment and the balloon that was previously distributed.

SCR 1614 - Constitutional amendments; creating a budget stabilization fund in the state treasury; annual .25% transfer of general state revenues; transfers only under certain circumstances.

Representative Mast made a motion to close on the amendment. Motion carried.

Discussion followed by committee members. Nobuko Folmsbee, Assistant Revisor, Office of the Revisor of Statutes, responded to questions regarding the trailer bill, and she stated that this bill would be introduced after **SCR 1614** has been passed. At that time, a statute would need to be defined for transferring funds. Chairman Yoder noted that the constitutional amendment would require further legislation to clarify the definition as designated by law. Discussion was held regarding the inclusion of State General Funds (SGF) in the bill. Ms. Folmsbee stated that if SGF was included in this bill and adopted by ballot it could not be changed in the statute in the future. The need to provide a constitutional amendment as opposed to statute was discussed. Ms. Folmsbee stated that staff would provide data reflecting aggregate total revenue as opposed to revenue in SGF reflecting the 3% increase over actual revenues or .25% of revenue collected the preceding 12 months, as requested. A 3% growth in all funds would be a constitutional requirement by law, and the .25% be transferred from a fund designated by law. Further bill clarification and discussion continued by committee members.

Jim Wilson, First Assistant Revisor, Office of the Revisor of Statutes, responded to questions from committee members. He stated that university and college fees would remain in special revenue funds and held until such time the constitution would allow these funds to be used. These funds are not automatically transferred from the SGF, except as designated by law. If funds are accounted for as revenue in the treasury, these funds would be required to be counted, except for federal dollars, he noted.

Representative Merrick made a motion to approve **SCR 1614** as amended. Motion carried.

2-16

CONTINUATION SHEET

Minutes of the House Appropriations Committee at 9:12 a.m. on February 16, 2010, in Room 346-S of the Capitol.

Joe Lawhon, Legislative Post Audit, presented an overview of the Judicial District Performance Audit Report, (Attachment 1). The report reflects findings and recommendations in order to determine if boundaries could be redrawn to increase efficiencies and reduce costs. Non-traffic case filings, staffing levels, and caseload ratios for the 31 judicial districts were reviewed. There is a disparity of caseloads among judges across judicial districts due to state law, K.S.A. 2301(b), which requires one judge per county, he noted. It was estimated that between \$6 - 8 million could be saved each year based on the assumptions and estimates within the report. Mr. Lawhon discussed two scenarios for consolidating judicial caseloads. Other potential areas for reducing costs and increasing efficiencies included: increased use of technology; a centralized district court data system; and eliminating the one judge per county law without redrawing existing judicial boundaries. The audit report concluded with the following recommendations: the appointment of a judicial advisory committee to study the issues contained in the audit; funding for the Office of Judicial Administration to contract for a workload study; and streamline district court operations to reduce operating costs and increase efficiencies.

Mr. Lawhon responded to questions from committee members. He discussed proposed travel assignments for judges in court systems based on caseloads. Technology and additional cost saving measures were reviewed.

Representative Mast, Chair, Social Services Budget Committee, presented the FY 2011 Kansas Commission on Veterans' Affairs Budget Committee Report, (Attachment 2). The Budget Committee concurs with the Governor's recommendation with the following recommendations and notations: add \$648,584 from SGF to the Kansas Commission on Veterans Affairs; and the Budget Committee requests reports from the Kansas Department on Aging and Kansas Department of Health and Environment to the Social Services Budget Committee prior to Omnibus on the status of the certification process.

Representative Mast made a motion to approve the FY 2011 Kansas Commission on Veterans' Affairs Budget Committee Report. The motion was seconded by Representative Henry.

Representative Mast discussed the Governor's allotment and expressed concern for budget cuts in Medicare and Medicaid funding where funds are uncertain.

Representative Mast renewed the motion. Motion carried.

Representative Mast, Chair, Social Services Budget Committee, presented the FY 2011 Kansas Department of Health and Environment - Health Budget Committee Report, (Attachment 3). The Budget Committee concurs with the Governor's recommendation with the following adjustments and notations: delete \$102,478 from SGF for the Youth Mentoring Program; add \$15,000 from the SGF for Women's Right to Know Program; add \$87,478 from SGF for the Infant and Toddler Program; add a proviso prohibiting the Secretary of Health and Environment from adopting rules and regulations for lead poisoning prevention act; review at Omnibus availability of matching funds for bioterrorism funding; review at Omnibus funding for Senator Stan Clark Pregnancy Maintenance Initiative; review at Omnibus the reduced funding for immunizations by \$55,346 from the SGF; commended the agency on the prompt and efficient actions regarding the H1N1 influenza response; expenditures need for the Health Function and the positive impact on service providers; support of funding for primary health care clinics; Support of the Women, Infants and Children program; and commended the work of Utilization of Unused Medications Act.

Representative Mast made a motion to approve the FY 2011 Kansas Department of Health and Environment - Health Budget Committee Report. The motion was seconded by Representative Rhoades.

Representative Henry made a motion to review items one and two at Omnibus. The motion was seconded by Representative Mast. Motion carried.

Discussion followed by committee members regarding a policy in the budget report. Representative Mast explained the proviso included in the Budget Report.

Representative Gatewood made a motion to remove the proviso and include the mention of HB 2695 contained

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in item four. The motion was seconded by Representative Carlin.

Representative Faber made a substitute motion opposing the removal of language in item four, and for the funding to be reviewed at Omnibus. The motion was seconded by Representative Mast.

Discussion by committee members followed regarding the addition of provisos in a Budget Report.

Representative Faber moved the motion. Motion carried.

Representative Mast responded to questions from committee members. She discussed the recommendation to review the Senator Stan Clark Pregnancy Maintenance Initiative at Omnibus. It was noted that the funding for this program was \$199,113 and the impact this funding may have on other programs.

Representative DeGraaf made a motion to fund the Senator Stan Clark Pregnancy Maintenance Initiative from shrinkage or the agency's budget. The motion was seconded by Representative Faber.

Discussion followed by committee members regarding the need to keep this money in the budget with review at Omnibus, the rationale for removing funds from mentoring programs, and matching dollars from charities.

Representative DeGraaf renewed the motion. Motion carried.

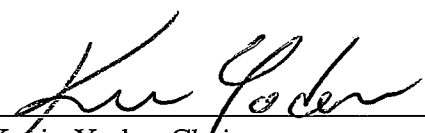
Discussion followed by committee members. The work of the Social Services Budget Committee was commended.

Representative Mast made a motion to approve the FY 2011 Kansas Department of Health and Environment-Health Budget Committee Report as amended. Representative Rhoades seconded the motion. Motion carried.

Chairman Yoder noted that committee members have received a copy of the response to their questions from the February 2, 2010 meeting from Jim Garner, Secretary, Kansas Department of Labor, (Attachment 4).

The next meeting is scheduled for February 17, 2010.

The meeting was adjourned at 11:02 a.m.



Kevin Yoder, Chairman

APPROPRIATIONS COMMITTEE GUEST LIST

DATE: 2-16-10

| NAME | REPRESENTING |
|---------------------|-------------------------|
| Jackson Windsey | Hein Law |
| Gene Meyer | KANSAS REPORTER |
| Wayne Bollig | KCUA |
| John Mitchell | KDFE |
| Conie Hansen | KCAW |
| Hannah Sanders | KCHPA |
| Vicki Lynn Helsel | Budget |
| Ashley Datta | Pinegar, Smith & Assoc. |
| Erk Wisser | KDA |
| Doug Bowman | COFCOS |
| Kim Fuller | Judicia Brand |
| Jenny Sloan | |
| Nelson Knueger | PAR Electric |
| RJ Wilson | KOE |
| Pat Teas | CPRE |
| Kent Eckles | KS Chamber of Commerce |
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