

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 A.M. on March 9, 2005 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
 Amy VanHouse, Legislative Research Department
 Reagan Cussimano, Legislative Research Department
 Amy Deckard, Legislative Research Department
 Debra Hollon, Legislative Research Department
 Carolyn Rampey, Legislative Research Department
 Matt Spurgin, Legislative Research Department
 Jim Wilson, Revisor of Statutes
 Mike Corrigan, Revisor of Statutes
 Nikki Feuerborn, Administrative Analyst
 Shirley Jepson, Committee Secretary

Conferees appearing before the committee:

Dr. Ed Hammond, Fort Hays State University
 Chancellor Robert Hemenway, University of Kansas
 Steve Munch, University of Kansas Student Body President

Others attending:

See attached list.

- Attachment 1 Fiscal Note on **HB 2021**
- Attachment 2 Testimony on **HB 2021** by Dr. Edward H. Hammond
- Attachment 3 Testimony on **HB 2021** by Chancellor Robert Hemenway
- Attachment 4 Testimony on **HB 2021** by Steve Munch and Hayley Urkevich
- Attachment 5 Written testimony on **HB 2021** by the Universities Student Body Presidents
- Attachment 6 Written testimony on **HB 2021** by the Kansas Board of Regents
- Attachment 7 Budget Committee Report on School for the Blind, School for the Deaf, State Library, Kansas Arts Commission, State Historical Society
- Attachment 8 Budget Committee Report on Office of the State Bank Commissioner
- Attachment 9 Budget Committee Report on Department of Education
- Attachment 10 First-Year Funding for **HB 2474**
- Attachment 11 Proviso introduced by Representative Schwab
- Attachment 12 Budget Committee Report on Board of Healing Arts
- Attachment 13 Budget Committee Report on Board of Nursing
- Attachment 14 Budget Committee Report on Abstracters' Board of Examiners, Board of Technical Professions
- Attachment 15 Budget Committee Report on Behavioral Sciences Regulatory Board

Hearing on HB 2021 - State educational institutions; interest earnings credited on certain funds.

Deb Hollon, Legislative Research Department, explained that **HB 2021** would allow interest earned by special revenue funds at state universities to be credited to that fund rather than to the State General Fund (SGF). Funds involved include fees paid by students such as tuition and housing, research and other specific grants, capital improvement fund-private and educational. The fiscal note on **HB 2021** was distributed to the Committee (Attachment 1).

Chair Neufeld recognized Dr. Edward H. Hammond, President of Fort Hays State University, who presented testimony in support of **HB 2021** (Attachment 2). Responding to a question, Dr. Hammond stated that approximately \$150,000 of interest would be retained by the university under this legislation.

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 9, 2005 in Room 514-S of the Capitol.

The Chair recognized Robert Hemenway, Chancellor, University of Kansas, who presented testimony in support of **HB 2021** (Attachment 3).

Chair Neufeld recognized Steve Munch, President, University of Kansas Student Body, who presented testimony in support of **HB 2021** (Attachment 4).

Written testimony in support of **HB 2021** was received from the student body presidents of the state universities (Attachment 5) and Reginald L. Robinson, President of the Kansas Board of Regents (Attachment 6).

Chair Neufeld closed the hearing on **HB 2021**.

Representative Flowers moved to introduce legislation concerning an act regarding the Kansas National Guard relating to active duty and cost of health insurance. The motion was seconded by Representative Bethell. Motion carried.

Representative Newton, member of the Education Budget Committee, presented the Budget Committee report on the School for the Blind for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 7). The motion was seconded by Representative Feuerborn. Motion carried.

Representative Newton, member of the Education Budget Committee, presented the Budget Committee report on the School for the Blind for FY 2006 and moved for the adoption of the Budget Committee recommendation for FY 2006 (Attachment 7). The motion was seconded by Representative Hutchins. Motion carried.

Representative Newton, member of the Education Budget Committee, presented the Budget Committee report on the School for the Deaf for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 7). The motion was seconded by Representative Hutchins. Motion carried.

Representative Newton, member of the Education Budget Committee, presented the Budget Committee report on the School for the Deaf for FY 2006 and moved for the adoption of the Budget Committee recommendation for FY 2006 (Attachment 7). The motion was seconded by Representative Hutchins. Motion carried.

Responding to questions from the Committee, the Budget Committee stated that the average census at the School for the Deaf is 145 students. The Committee notes the disparity between salaries of teachers at the schools for the blind and deaf and salaries of teachers at surrounding school districts.

Representative Newton, member of the Education Budget Committee, presented the Budget Committee report on the State Library for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 7). The motion was seconded by Representative Hutchins. Motion carried.

Representative Newton, member of the Education Budget Committee, presented the Budget Committee report on the State Library for FY 2006 and moved for the adoption of the Budget Committee recommendation for FY 2006 (Attachment 7). The motion was seconded by Representative Hutchins. Motion carried.

Representative Newton, member of the Education Budget Committee, presented the Budget Committee report on the Kansas Arts Commission for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 7). The motion was seconded by Representative Feuerborn. Motion carried.

Representative Newton, member of the Education Budget Committee, presented the Budget Committee report on the Kansas Arts Commission for FY 2006 and moved for the adoption of the Budget Committee

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 9, 2005 in Room 514-S of the Capitol.

recommendation for FY 2006 (Attachment 7). The motion was seconded by Representative McLeland. Motion carried.

Representative Newton, member of the Education Budget Committee, presented the Budget Committee report on the State Historical Society for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 7). The motion was seconded by Representative Feuerborn. Motion carried.

With regard to the tornado damage repairs at the Pawnee Indian Village State Historic Site, the Budget Committee noted \$125,000 of funding is now available and the recommendation in Item #2 would add another \$125,000 to this funding.

Representative Newton, member of the Education Budget Committee, presented the Budget Committee report on the State Historical Society for FY 2006 and moved for the adoption of the Budget Committee recommendation for FY 2006 (Attachment 7). The motion was seconded by Representative Feuerborn. Motion carried on a 13-8 vote.

The Budget Committee noted that the \$50,000 referred to in Item No. 2 is surplus funds in the budget of the Kansas Humanities Council program, funding which the Governor has recommended for a reading program. The Budget Committee recommends reallocating the \$50,000 to the School for the Blind and the School for the Deaf.

Representative Feuerborn moved for a substitute motion to delete Item No. 2 from the Budget Committee report on the Kansas Arts Commission for FY 2006. The motion was seconded by Representative Gatewood. Motion failed on a 8-13 vote.

Representative Schwartz, Chair of the Agriculture & Natural Resources Budget Committee, presented the Budget Committee report on the Office of the State Bank Commissioner for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 8). The motion was seconded by Representative Powell. Motion carried.

Representative Schwartz, Chair of the Agriculture & Natural Resources Budget Committee, presented the Budget Committee report on the Office of the State Bank Commissioner for FY 2006 and moved for the adoption of the Budget Committee recommendation for FY 2006 (Attachment 8). The motion was seconded by Representative Powell.

Representative Schwartz moved to amend the language in Item No. 3 of the Budget Committee report by striking the word "Governor" and inserting "Budget Committee". The motion was seconded by Representative Powell. Motion carried.

Representative Schwartz renewed the motion to adopt the Budget Committee report on the Office of the State Bank Commissioner for FY 2006 as amended. The motion was seconded by Representative Powell. Motion carried.

Representative Schwartz, Chair of the Agriculture & Natural Resources Budget Committee, presented the Budget Committee report on the Office of the State Bank Commissioner for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 8). The motion was seconded by Representative Williams. Motion carried.

Representative Hutchins, Chair of the Education Budget Committee, presented the Budget Committee report on the Department of Education for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 9). The motion was seconded by Representative McLeland. Motion carried.

Representative Hutchins, Chair of the Education Budget Committee, presented the Budget Committee report on the Department of Education for FY 2006 and moved for the adoption of the Budget Committee recommendation for FY 2006 (Attachment 9). The motion was seconded by Representative McLeland.

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 9, 2005 in Room 514-S of the Capitol.

Representative Hutchins moved for a substitute motion to amend the Budget Committee report on the Department of Education for FY 2006 by re-appropriating \$49,959,000 from the Children's Future Fund in Item No. 9 and \$65,899,000 from the State General Fund (SGF) to fund K-12 education (Attachment 10). The motion was seconded by Representative Landwehr. Motion carried.

Committee member concerns and comments included:

- This appropriation would put funding in place for only one year, FY 2006.
- The action would put funds in place for funding any legislation passed to fund K-12 education.
- The \$115,858,000 proposed to fund K-12 education would come from ending balances in the State General Fund (SGF). Some of this funding is from growth of property valuation.
- Concern for the possibility of up to \$96 million in fines posed by the federal government against the Department of Social and Rehabilitation Services.

Representative Gatewood moved to amend the Budget Committee report on the Department of Education for FY 2006 by deleting Item No. 16. The motion was seconded Representative Lane. Motion failed on a 8-14 vote. Representative Ballard, Representative Gatewood and Representative Lane requested to be recorded as voting in favor of the motion.

Representative Schwab moved to amend the Budget Committee report on the Department of Education for FY 2006 by adding a proviso pertaining to litigation expense (Attachment 11). The motion was seconded by Representative Bethell. Motion failed.

Responding to a question from the Committee, the Budget Committee stated that school districts are able to use local funds for litigation expenses purposes.

The meeting was recessed at 11:00 a.m. and reconvened at 12:50 p.m.

Representative Feuerborn moved to amend the Budget Committee report on the Department of Education for FY 2006 by deleting Item No. 7 from the report. The motion was seconded by Representative Lane. Motion failed on a 11-9 vote.

Representative Hutchins renewed the motion to adopt the Budget Committee report on the Department of Education for FY 2006 as amended. The motion was seconded by Representative McLeland. Motion carried.

Representative McLeland, member of the Education Budget Committee, presented the Budget Committee report on the Board of Healing Arts for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 12). The motion was seconded by Representative Newton. Motion carried.

Representative McLeland, member of the Education Budget Committee, presented the Budget Committee report on the Board of Healing Arts for FY 2006 and moved for the adoption of the Budget Committee recommendation for FY 2006 (Attachment 12). The motion was seconded by Representative Feuerborn. Motion carried.

Representative McLeland, member of the Education Budget Committee, presented the Budget Committee report on the Board of Healing Arts for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 12). The motion was seconded by Representative Hutchins. Motion carried.

Representative Bethell, member of the Social Services Budget Committee, presented the Budget Committee report on the Board of Nursing for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 13). The motion was seconded by Representative Henry. Motion carried.

Representative Bethell, member of the Social Services Budget Committee, presented the Budget Committee report on the Board of Nursing for FY 2006 and moved for the adoption of the Budget Committee recommendation for FY 2006 (Attachment 13). The motion was seconded by Representative Henry. Motion

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 9, 2005 in Room 514-S of the Capitol.

carried.

Representative Bethell, member of the Social Services Budget Committee, presented the Budget Committee report on the Board of Nursing for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 13). The motion was seconded by Representative Henry. Motion carried.

Representative Light, Chair of the Public Safety Budget Committee, presented the Budget Committee report on the Abstracters' Board of Examiners for FY 2005, FY 2006 and FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2005, FY 2006 and FY 2007 (Attachment 14). The motion was seconded by Representative Flower. Motion carried.

Representative Light, Chair of the Public Safety Budget Committee, presented the Budget Committee report on the Board of Technical Professions for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 14). The motion was seconded by Representative Flower. Motion carried.

Representative Light, Chair of the Public Safety Budget Committee, presented the Budget Committee report on the Board of Technical Professions for FY 2006 and FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2006 and FY 2007 (Attachment 14). The motion was seconded by Representative Sharp. Motion carried.

Representative McLeland, member of the Education Budget Committee, presented the Budget Committee report on the Behavioral Sciences Regulatory Board for FY 2005, FY 2006 and FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2005, FY 2006 and FY 2007 (Attachment 15). The motion was seconded by Representative Newton. Motion carried.

Representative Feuerborn requested that a fact sheet on the proposed funding for K-12 education be provided to the Committee.

HB 2394, HB 2398 and HB 2399 were referred to General Government and Commerce Budget Committee. **HB 2085** was referred to Social Services Budget Committee.

Representative Landwehr introduced legislation pertaining to mental health centers. The motion was seconded by Representative Light. Motion carried.

The meeting was adjourned at 1:25 p.m. The next meeting of the Committee will be held at 9:00 a.m. on March 10, 2005.

Melvin Neufeld, Chair