

## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 a.m. on March 11, 2004 in Room 514-S of the Capitol.

All members were present.

Committee staff present:

Alan Conroy, Legislative Research  
J. G. Scott, Legislative Research  
Amy VanHouse, Legislative Research  
Michele Alishahi, Legislative Research  
Nicoletta Buonasera, Legislative Research  
Susan Kannarr, Legislative Research  
Melissa Calderwood, Legislative Research  
Amy Deckard, Legislative Research  
Jim Wilson, Revisor of Statutes  
Mike Corrigan, Revisor of Statutes  
Nikki Feuerborn, Administrative Analyst  
Shirley Jepson, Committee Secretary

Conferees appearing before the committee:

Others attending:

See Attached List.

- Attachment 1 Budget Committee Report on Kansas Department of Health and Environment (KDHE)
- Attachment 2 Budget Committee Report on Board of Nursing, State Bank Commissioner, Department of Credit Unions, Real Estate Appraisal Board, Kansas Real Estate Commission, Securities Commissioner and Board of Veterinary Examiners
- Attachment 3 Budget Committee Report on Board of Accountancy
- Attachment 4 Budget Committee Report on Behavioral Sciences Regulatory Board and Board of Healing Arts
- Attachment 5 Budget Committee Report on Board of Barbering, Board of Cosmetology, Board of Mortuary Arts, Kansas Dental Board, Board of Hearing Aid Examiners, Board of Optometry, Board of Pharmacy
- Attachment 6 Budget Committee Report on Abstracters Board of Examiners
- Attachment 7 Budget Committee Report on Board of Technical Professions

Representative Shultz moved to introduce legislation concerning school finance. The motion was seconded by Representative McLeland. Motion carried.

Representative Landwehr, Chair of the House Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Department of Health and Environment for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 1). The motion was seconded by Representative Shriver. Motion carried.

Representative Ballard, member of the House Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Department of Health and Environment for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 1). The motion was seconded by Representative Bethell.

Representative Bethell moved to amend the Budget Committee report by striking Item No. 1 from the FY 2005 recommendation. The motion was seconded by Representative Landwehr. Motion carried.

Representative Ballard renewed the motion to adopt the Budget Committee report for the Department of Health and Environment for FY 2005 as amended. The motion was seconded by Representative Bethell.

CONTINUATION SHEET

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE at 9:00 a.m. on March 11, 2004 in Room 514-S of the Capitol.

Motion carried.

In an effort to control the size of a Budget Committee report, Chairman Neufeld ruled that information on supporting documents could be noted in the Budget Committee report and made available but not included as a part of the report.

**Hearing on HB 2912 - Biennial budgeting for certain state agencies.**

J. G. Scott, Legislative Research Department, explained that **HB 2912** would add two agencies, Emergency Medical Services Board and the Health Care Stabilization Fund Board of Governors, to the list of agencies who file biennial budgets. Both agencies are fully funded by fees.

The Committee voiced an opinion that perhaps biennial budgeting is an appropriate direction for the Legislature to look at in the future for nearly all budgets. With no proponents or opponents to appear before the Committee, the Chair closed the hearing on **HB 2912**.

Representative Minor moved to recommend **HB 2912** favorable for passage and placement on the consent calendar. The motion was seconded by Representative Sharp. Motion carried.

Representative Schwartz, Chair of the House Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Nursing for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 2). The motion was seconded by Representative Gatewood. Motion carried.

Representative Schwartz, Chair of the House Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Nursing for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 2). The motion was seconded by Representative Gatewood. Motion carried.

The Committee voiced concern with the sweep of fee funds to the State General Fund (SGF) from fee funded agencies. Under the law, fee fund agencies are taxed 20 percent of their collected fees with these funds being swept to the SGF. According to Jim Wilson, Revisor of Statutes, there are now two provisions affecting the fee fund agencies: (1) the BEST recommendation which would sweep a little more than the 20 percent; and (2) a sweep of the balances in the fee funds at the end of FY 2005.

Representative Gatewood, member of the House Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the State Bank Commissioner for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 2). The motion was seconded by Representative Osborne. Motion carried.

Representative Gatewood, member of the House Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the State Bank Commissioner for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 2). The motion was seconded by Representative Osborne. Motion carried.

Representative Osborne, member of the House Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Department of Credit Unions for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 2). The motion was seconded by Representative Schwartz. Motion carried.

Representative Osborne, member of the House Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Department of Credit Unions for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 2). The motion was seconded by Representative Schwartz. Motion carried.

Representative Campbell moved to amend the Budget Committee report by disallowing the sweep of \$147,036 in fee funds to the State General Fund (SGF) for the Department of Credit Unions for FY 2005 and

## CONTINUATION SHEET

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE at 9:00 a.m. on March 11, 2004 in Room 514-S of the Capitol.

allow the agency to move forward on a rate reduction. The motion was seconded by Representative Merrick. Motion failed.

Chairman Neufeld ruled that rather than the Committee continue to discuss the issue of the sweeping of fee funds to the SGF as it pertains to each Budget Committee report, this would be discussed as a global issue when the Committee works the total budget bill.

Representative Schwartz, Chair of the House Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Real Estate Appraisal Board for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 2). The motion was seconded by Representative Osborne. Motion carried.

Representative Schwartz, Chair of the House Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Real Estate Appraisal Board for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 2). The motion was seconded by Representative Osborne. Motion carried.

Representative Gatewood, member of the House Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Real Estate Commission for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 2). The motion was seconded by Representative Osborne. Motion carried.

Representative Gatewood, member of the House Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Real Estate Commission for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 2). The motion was seconded by Representative Schwartz. Motion carried.

Representative Schwartz, Chair of the House Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Securities Commissioner for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 2). The motion was seconded by Representative Osborne. Motion carried.

Representative Schwartz, Chair of the House Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Securities Commissioner for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 2). The motion was seconded by Representative Gatewood. Motion carried.

The meeting was recessed at 10:30 a.m. and reconvened at 1:00 p.m.

Representative Schwartz, Chair of the House Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Veterinary Examiners for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 2). The motion was seconded by Representative Gatewood. Motion carried.

Representative Schwartz, Chair of the House Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Veterinary Examiners for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 2). The motion was seconded by Representative Gatewood. Motion carried.

Representative McCreary, Chair of the House Tax, Judicial, Transportation and Retirement Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Accountancy for FY 2004 and FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2004 and FY 2005 (Attachment 3). The motion was seconded by Representative Klein. Motion carried.

Representative McLeland, member of the House Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Behavioral Sciences

CONTINUATION SHEET

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE at 9:00 a.m. on March 11, 2004 in Room 514-S of the Capitol.

Regulatory Board for FY 2004 and FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2004 and FY 2005 (Attachment 4). The motion was seconded by Representative Shultz. Motion carried

Representative McLeland, member of the House Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Healing Arts for FY 2004 and FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2004 and FY 2005 (Attachment 4). The motion was seconded by Representative Huebert. Motion carried.

Representative Pottorff, Chair of the House General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Barbering for FY 2004 and FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2004 and FY 2005 (Attachment 5). The motion was seconded by Representative Feuerborn. Motion carried.

Representative Shriver, member of the House General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Cosmetology for FY 2004 and FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2004 and FY 2005 (Attachment 5). The motion was seconded by Representative Howell. Motion carried.

Representative Howell, member of the House General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Mortuary Arts for FY 2004 and FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2004 and FY 2005 (Attachment 5). The motion was seconded by Representative Pottorff. Motion carried

Representative Pottorff, Chair of the House General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Dental Board for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 5). The motion was seconded by Representative Shriver. Motion carried.

Representative Pottorff, Chair of the House General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Dental Board for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 5). The motion was seconded by Representative Howell. Motion carried.

Representative Shriver, member of the House General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Hearing Aid Examiners for FY 2004 and FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2004 and FY 2005 (Attachment 5). The motion was seconded by Representative Pottorff. Motion carried.

Representative Howell, member of the House General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Optometry for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 5). The motion was seconded by Representative Pottorff. Motion carried.

Representative Howell, member of the House General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Optometry for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 5). The motion was seconded by Representative Huebert. Motion carried

Representative Pottorff, Chair of the House General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Pharmacy for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 5). The motion was seconded by Representative Shriver. Motion carried.

Representative Pottorff, Chair of the House General Government and Commerce Budget Committee,

CONTINUATION SHEET

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE at 9:00 a.m. on March 11, 2004 in Room 514-S of the Capitol.

presented the Budget Committee report on the Governor's budget recommendation for the Board of Pharmacy for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 5). The motion was seconded by Representative Howell. Motion carried. Representative Campbell requested to be reported as voting "no".

Representative Campbell moved to amend the report to recommend that the Board of Pharmacy encumber \$500,000 for litigation purposes from the FY 2005 budget. The motion was seconded by Representative Merrick. Motion failed.

Representative Merrick, member of the House Public Safety Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Abstracters Board of Examiners for FY 2004 and FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2004 and FY 2005 (Attachment 6). The motion was seconded by Representative Light. Motion carried.

Representative Merrick, member of the House Public Safety Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Technical Professions for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 7). The motion was seconded by Representative Light. Motion carried.

Representative Merrick, member of the House Public Safety Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Board of Technical Professions for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 7). The motion was seconded by Representative Light.

Representative Sharp, member of the House Public Safety Budget Committee, presented a minority report and moved for a substitute motion to adopt the minority report for the Board of Technical Professions for FY 2005. The motion was seconded by Representative Minor. Motion carried.

The meeting was adjourned at 1:45 p.m. The next meeting will be held at 9:00 a.m. on March 12, 2004.

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Melvin Neufeld, Chairman