

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chair Sharon Schwartz at 9:00 A.M. on January 30, 2008, in Room 514-S of the Capitol.

All members were present except:
Representative Powell - excused

Committee staff present:
Alan Conroy, Legislative Research Department
J. G. Scott, Legislative Research Department
Reed Holwegner, Legislative Research Department
Cody Gorges, Legislative Research Department
Amy Deckard, Legislative Research Department
Heather O'Hara, Legislative Research Department
Jim Wilson, Revisor of Statutes
Nobuko Folmsbee, Revisor of Statutes
Nikki Feuerborn, Chief of Staff
Shirley Jepson, Committee Assistant

Conferees appearing before the committee:
Michael Leitch, Deputy Attorney General, Attorney General's Office
Lee Rolfs, Staff Attorney, Division of Water Resources, Department of Agriculture
Linda Sheppard, Deputy Attorney General, Attorney General's Office
Dr. Andy Allison, Kansas Health Policy Authority (KHPA)
Don Jordan, Secretary, Department of Social and Rehabilitation Services (SRS)

Others attending:
See attached list.

- Attachment 1 Testimony by Michael Leitch, Deputy Attorney General
- Attachment 2 Testimony by Linda Sheppard, Deputy Attorney General
- Attachment 3 Testimony by Andy Allison, Kansas Health Policy Authority (KHPA)
- Attachment 4 Testimony by Don Jordan, Secretary, Department of Social and Rehabilitation Services (SRS)
- Attachment 5 2008 House Budget Committee Calendar, Revision No. 1

Approval of Minutes

Representative Feuerborn moved to approve the minutes of December 17, 2007, January 16, 2008, and January 17, 2008, as written. The motion was seconded by Representative Masterson. Motion carried.

Update on Water Litigation

Michael Leitch, Deputy Attorney General, Office of the Attorney General, presented an overview of the status of water litigation between Colorado, Nebraska and the State of Kansas (Attachment 1).

Responding to questions from the Committee, Mr. Leitch indicated that it is appropriate to assume that there will be a monetary settlement with reference to the pending case against Colorado regarding the Republican River. Lee Rolfs, Staff Attorney for the Division of Water Resources, stated monetary awards from the litigation would be deposited as specified in **Substitute for SB 89** as Colorado is involved in both water litigation cases involving the Arkansas River as well as the Republican River.

With regard to water ways and the Arkansas River where Kansas is the upstream state, Mr. Leitch reported that the state is in full compact compliance with the state of Oklahoma. With regard to the Republican River, Mr. Rolfs stated that Kansas is an upstream state as well as a downstream state and is in compliance with that stream also. Mr. Leitch noted that the usage of water is determined

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by engineers through a complicated process using flow meters at strategic places along the river, evaporation rates and an accounting formula directed at use of water, plus a computer model that analyzes the ground water along the waterway. Some members felt that it would be advantageous for the State to work with Missouri and possibly Oklahoma to develop a compact with regard to the Ozark Aquifer and Spring River.

Referring to monetary damage from the over usage of water in the Republican River by Nebraska, Mr. Rolfs stated that there has not been an economic study to determine the amount of damages at this time; however, he felt the monetary damage could be sufficient. Mr. Leitch indicated that preliminary data will be received by April 15, 2008, and should be finalized by August, 2008.

Update on Tobacco Master Settlement Agreement (MSA)

Linda Sheppard, Deputy Attorney General, Office of the Attorney General, presented an update and overview of the tobacco master settlement agreement ([Attachment 2](#)).

Responding to a question from the Committee, Jim Wilson, Revisor of Statutes, stated that any increased amount received from tobacco manufacturers from 2008 to 2017 would be deposited in the Strategic Contribution Fund and continue to flow into the Children's Initiative Fund (CIF).

Ms. Sheppard indicated that attorney fees resulting from the litigation process are paid from the Attorney General's budget. The Committee expressed some concern that these fees should be recouped through the settlement.

Impact of Federal Deferrals, Presumptive Medical Disability Determination and Citizenship Documentation

Dr. Andy Allison, Medicaid Director and Deputy Director, Kansas Health Policy Authority (KHPA), presented an update on the status of federal deferrals, presumptive medical disability determination and citizenship documentation ([Attachment 3](#)). Dr. Allison stated that the temporary staff hired to address the backlog of Presumptive Medical Disability Determination (PMDD) have been released.

- With reference to PMDD results, the Committee requested additional information on what caused approximately 80 people per month to fail to complete the process over the past three months and the number of those persons who were determined not to be eligible.
- The Committee requested information on what documents can be used in place of a driver license to satisfy requirements for citizenship documentation.

Consensus Caseloads and Federal Funds

Don Jordan, Secretary, Department of Social and Rehabilitation Services (SRS) presented an overview of consensus caseloads and reimbursements ([Attachment 4](#)).

Other Topics

A revised copy of the 2008 House Budget Committee calendar for submitting agency budget recommendations for final Appropriations Committee action was distributed to the Committee ([Attachment 5](#)).

The meeting was adjourned at 10:30 a.m. The next meeting of the Committee will be held on January 31, 2008.

Sharon Schwartz, Chair

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