

Approved: February 9, 2012

(Date)

## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairperson Marc Rhoades at 9:10 AM on Thursday, January 26, 2012 in Room346-S of the Capitol.

All members were present except:

Gene Suellentrop

Committee staff present:

J.G. Scott, Chief Fiscal Analyst, Legislative Research Department  
Dylan Dear, Senior Fiscal Analyst, Legislative Research Department  
Michael Wales, Fiscal Analyst, Legislative Research Department  
Jim Wilson, First Assistant, Office of Revisor of Statutes  
Jill Wolters, Senior Assistant Revisor, Office of Revisor of Statutes  
Nobuko Folmsbee, Senior Assistant Revisor, Office of Revisor of Statutes  
Cindy O'Neal, Administrative Assistant  
Kathy Holscher, Committee Assistant

Conferees appearing before the Committee:

Lt. Governor Colyer  
Representative Crum  
Representative Brunk  
Martha Gabehart, Kansas Disability Commission  
Patrick Jonas, Cerebral Palsy Research Foundation  
Dennis Arnold, Business Technology Career Opportunities  
Robert Hammer, Business Technology Career Opportunities  
Dan Augustin, Cerebral Palsy Research Foundation  
Rocky Nichols, Disability Rights Center of Kansas  
Matt Fletcher, InterHab  
Natalie Bright, Coalition for Opportunity  
Judith Davis, Kansas Association for the Blind and Visually Impaired

Others in attendance:

See attached list.

Representative Peck made a motion to introduce legislation that would create a disaster relief fund for the Adjutant General's Office. The motion was seconded by Representative Gatewood. Motion carried.

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*Representative Peck made a motion to introduce legislation regarding Brown and Nemaha water district, which would make them part of the state in regards to pending law suit with the Kickapoo tribe. The motion was seconded by Representative Brown. Motion carried.*

**HB 2442-Relating to employment of disabled individuals and competitive bids for state contracts.**

Nobuko Folmsbee, Senior Assistant Revisor, Office of the Revisor of Statutes, provided an overview of the amendment to **HB 2442** (Attachment 1). **HB 2442** amends the competitive bid process. The Director of Purchases awards a contract to a certified business, whose bid is not more than 10% higher than the lowest competitive bid. A certified business is primarily in Kansas; employs at least 20% of full-time individuals with disabilities and contributes at least 70% of the total health insurance premium for all employees.

Nobuko Folsmbee responded to questions from committee members. The intent for health insurance would be coverage of 70% for the single enrolled employee premium. It was noted that the definition of disability, as determined by Social and Rehabilitation Services, will be provided as requested by a committee member. She noted that if the Disabled Veterans Services are involved in a competitive bid process they could be included in this bill.

Discussion followed by committee members. It was noted that clarification of certified businesses was needed as it pertains to business primarily done in Kansas or all of its production in Kansas.

Dr. Jeff Colyer, Lieutenant Governor, provided testimony as a proponent of **HB 2442** (Attachment 2). This bill will assist in the effort to create a market for employment opportunities for individuals with disabilities. He stated that feedback from the Governor's Medicaid reform proposal included; the importance of Medicaid; do not cut rates across the board; coordinate care for individuals; and the need to look at the whole person particularly in the area of jobs for the disabled.

Dr. Coyer responded to questions from committee members. The employer is responsible for reasonable accommodations, he noted. Disincentives addressed in the bill provides a safety net for persons with disabilities transitioning in the workforce. He stated that the goal is to expand bidding opportunities for state services.

Representative Crum provided testimony as a proponent of **HB 2442** (Attachment 3). He stated that the state has established an effective support structure for the developmentally and physically disabled through the Home and Community Based Services Medicaid waiver. The goal of **HB 2442** is to provide job opportunities for the disabled workers and encourages companies to contact with the state for hiring purposes and reduces the waiting list.

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Martha Gavehart, Executive Director, Kansas Commission on Disability Concerns, provided testimony as a proponent of **HB 2442** (Attachment 4). She recommended a change in terminology which would replace mental retardation with intellectual or developmental disability.

Chairman Rhoades stated that there is a bill being drafted that addresses changes to the terminology.

Pat Jonas, President and CEO, Cerebral Palsy Research Foundation of Kansas presented testimony as a proponent of **HB 2442** (Attachment 5). He stated that the states portion of mating the cost of waiver services for working aged adults is approximately \$15,000 per year. If 1% of the people with disabilities now using waiver services or on the waiting list were employed, the 10 year cost savings to the stated is projected to be \$33 million. This does not include savings to Social Security, he noted.

Dennis Arnold, Lead, Business Technology Careers Opportunities (BTCO), provided testimony as a proponent of **HB 2442** (Attachment 6). He discussed his achievements while employed by BTCO and the importance of vocational rehabilitation systems in Kansas.

Robert Hammer, provided testimony as a proponent of **HB 2442** (Attachment 7). He emphasizes the important services of Social and Rehabilitation Services and vocational rehabilitation programs and the work opportunities at BTCO.

Dan Augustin, Member, Cerebral Palsy Research Foundation of Kansas, provided testimony as a proponent of **HB 2442** (Attachment 8). He stated that this bill offers new and unique opportunities for individuals with disabilities as well as incentives for businesses.

Rocky Nichols, Executive Director, Disability Rights Center of Kansas, provided testimony as a proponent of **HB 2442** (Attachment 9). He stated that this bill will assist more individuals with disabilities the opportunity to become competitively employed. Emphasis was placed on reinstatement to Medicaid and Home and Community Based Services waiver programs without waiting.

Matt Fletcher, Associate Director, InterHab, provided testimony as a proponent of **HB 2442** (Attachment 10). He stated that the bill sees to create incentives for businesses and employment opportunities for persons with developmental disabilities. He urged caution over dramatic changes in long-term support needs of persons with developmental disabilities engaged in work activities and the Medicaid based long term care that they rely upon.

Natalie Bright, client, Coalition for Opportunity, provided testimony as a proponent of **HB 2442** (Attachment 11). She provided an overview of the Coalition for Opportunity mission and

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Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

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benefits provided through the State Use Law Program. She emphasized the importance of additional employment opportunities for disabled Kansans.

Judith Davis, Legislative Chair, Kansas Association for the Blind and Visually Impaired, presented testimony as neutral of **HB 2442** (Attachment 12). She reviewed the State Use Law, which provides persons with blind and visually impaired disabilities work in designated facilities to produce products sold to state institutions. Concerns were expressed that Social and Rehabilitation Services needs to restore programs for the blind and severely visually impaired Kansans. The membership doubts that this population will receive work benefits, she noted.

Written testimony from Ron Pasmore, President and CEO of KETCH was distributed to committee members as a proponent of **HB 2442** (Attachment 13).

Discussion followed by committee members. It was suggested that the committee review and discuss changes and amendments that have been recommended during another committee meeting.

Chairman Rhoades stated that the Budget Committee Report out dates has just been received. Committee members received a copy of the schedule (Attachment 14). Dylan Dear, Legislative Research Department, reported that a majority of the budgets are bi-annual budgets and that Research staff would be able to meet with representative regarding their budget reports.

Chairman Rhoades stated that the committee will meet in Room 546 -S tomorrow and he reviewed the meeting agenda.

The meeting adjourned at 10:45 a.m.