

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 a.m. on March 3, 2004 in Room 514-S of the Capitol.

All members were present except:

Representative Dean Newton- excused
Representative Larry Campbell- excused

Committee staff present:

J. G. Scott, Legislative Research
Amy VanHouse, Legislative Research
Leah Robinson, Legislative Research
Michele Alishahi, Legislative Research
Nicoletta Buonasera, Legislative Research
Julian Efird, 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 Board of Tax Appeals
- Attachment 2 Budget Committee Report on Department of Revenue (DOR)
- Attachment 3 Budget Committee Report on Juvenile Justice Authority, Atchison Juvenile Correctional Facility, Beloit Juvenile Correctional Facility, Larned Juvenile Correctional Facility, Kansas Juvenile Correctional Complex, Topeka Juvenile Correctional Facility
- Attachment 4 Response from Social and Rehabilitation Services (SRS) to Committee questions with regard to Federal Block Grants

Chairman Neufeld recognized a group of Farm Bureau program students and teachers who were visiting the Committee meeting today.

Representative Klein, member 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 Tax Appeals for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 1). Motion was seconded by Representative McCreary. Motion carried.

Representative Klein, member 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 Tax Appeals for FY 2005 with adjustments and notations and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 1). Motion was seconded by Representative McCreary.

Representative Shriver moved to delete Item No. 1, relating to the Budget Efficiency Savings Teams (BEST) reductions, from the Budget Committee Report on the Board of Tax Appeals for FY 2005. The motion was seconded by Representative Howell. Motion carried. Representative Howell requested to be recorded as voting "no" on the motion.

Representative Klein renewed the motion to adopt the Budget Committee recommendation for the Board of Tax Appeals for FY 2005 as amended. The motion was seconded by Representative McCreary. 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 Department of Revenue for FY 2004 and moved for the adoption of the Budget Committee recommendation

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with comments for FY 2004 (Attachment 2). Motion was seconded by Representative Klein.

The Committee voiced concern regarding the \$560,000 budget item for developing software in support of the Streamlined Sales and Use Tax Agreement.

Representative Merrick moved to amend the Budget Committee report by deleting the \$560,000 expense for developing software in support of the Streamlined Sales and Use Tax Agreement from the Department of Revenue budget. The motion was seconded by Representative Landwehr. With approval of the second, the motion was withdrawn.

Representative Landwehr moved to amend the Budget Committee report by directing the Department of Revenue to assist Kansas businesses with obtaining software in order to collect and comply with the Streamlined Sales and Use Tax Agreement and provide this assistance at no charge to the business. The motion was seconded by Representative Merrick. Motion carried.

Representative McCreary moved to adopt the Budget Committee report on the Department of Revenue for FY 2004 as amended. The motion was seconded by Representative Landwehr. 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 Department of Revenue for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 with comments (Attachment 2). Motion was seconded by Representative Klein.

The Committee requested information on the status of the seventy-five positions that were added to the Department of Revenue's staff by the Legislature in FY 2003 to assist in the collection of delinquent taxes, now that the project is in the completion stage.

Representative McLeland moved to amend the Budget Committee's report by disallowing all new additional funds to the Department of Revenue for the implementation of the Streamlined Sales and Use Tax Agreement until it has been approved by the federal government. The motion was seconded by Representative Huebert. Motion failed.

The Committee requested information from the Legislative Post Audit on the amount of delinquent vehicle sales tax.

Representative McCreary renewed the motion to adopt the Budget Committee report on the FY 2005 Department of Revenue recommendation. The motion carried.

Representative Light, Chair of the House Public Safety Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Juvenile Justice Authority for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 3). The motion was seconded by Representative Minor. Motion carried.

Representative Light, Chair of the House Public Safety Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Juvenile Justice Authority for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 with notations (Attachment 3). The motion was seconded by Representative Sharp.

Representative Landwehr moved to amend the Budget Committee report to request that the Public Safety Budget Committee review and report to the Committee before Omnibus, on the potential delay of mental health services for juvenile offenders. The motion was seconded by Representative Pottorff. Motion carried.

Representative Landwehr moved to amend the Budget Committee report to request that the Public Safety Budget Committee review and report to the Committee before Omnibus, on the issue of whether judges are assigning juveniles as Children in Need of Care (CINC) as opposed to juvenile offenders in order to access the higher reimbursement rate paid for CINC. The motion was seconded by Representative Light. Motion carried.

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Representative Light renewed the motion to adopt the Budget Committee report on the Juvenile Justice Authority for FY 2005 as amended. The motion was seconded by Representative Minor. The motion carried.

Representative Light, Chair of the House Public Safety Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Atchison Juvenile Correctional Facility for FY 2004 and FY 2005 and moved for the adoption of the Budget Committee recommendations for FY 2004 and FY 2005 (Attachment 3). The motion was seconded by Representative Minor. Motion carried.

Representative Light, Chair of the House Public Safety Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Beloit Juvenile Correctional Facility for FY 2004 and FY 2005 and moved for the adoption of the Budget Committee recommendations for FY 2004 and FY 2005 (Attachment 3). The motion was seconded by Representative Minor. Motion carried

Responding to a question from the Committee, Nicoletta Buonasera, Legislative Research Department, indicated that the new matrix has contributed to a more stable female population at Beloit Juvenile Correctional Facility.

Representative Light, Chair of the House Public Safety Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Larned Juvenile Correctional Facility for FY 2004 and FY 2005 and moved for the adoption of the Budget Committee recommendations for FY 2004 and FY 2005 (Attachment 3). The motion was seconded by Representative Minor. Motion carried.

Representative Light, Chair of the House Public Safety Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Juvenile Correctional Complex for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 with notations (Attachment 3). The motion was seconded by Representative Minor. Motion carried.

Responding to a question from the Committee concerning the number of FTE staff being moved from the Topeka Juvenile Correctional to the Kansas Juvenile Correctional Complex, Denise Everhart, JJA Commissioner, indicated that all food service and medical staff will be moved with a total of 170 FTE to operate the facility. The reported cost of opening the new facility is approximately \$7.2 million.

It was noted that Budget Committee Report recommendation for the Kansas Juvenile Correctional Complex for FY 2005 contains a typing error on Page 2, Item No. 1, in that February 15, 2004 should read February 15, 2005.

Representative Light, Chair of the House Public Safety Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Topeka Juvenile Correctional Facility for FY 2004 and FY 2005 and moved for the adoption of the Budget Committee recommendations for FY 2004 and FY 2005 (Attachment 3). The motion was seconded by Representative Minor. Motion carried.

Representative Landwehr moved to approve the minutes as written of February 16, February 17, February 18, February 19, and February 20, 2004. The motion was seconded by Representative Feuerborn. Motion carried.

A response from Social and Rehabilitation Services (SRS) to Committee questions regarding the Federal Block Grants, was distributed to the Committee (Attachment 4).

The meeting was adjourned at 10:55 a.m. The next meeting will be held at 9:00 a.m. on March 4, 2004.