

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chair Sharon Schwartz at 9:00 A.M. on March 25, 2008, 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
Cody Gorges, Legislative Research Department
Amy Deckard, Legislative Research Department
Audrey Dunkel, Legislative Research Department
Nobuko Folmsbee, Revisor of Statutes
Nikki Feuerborn, Chief of Staff
Shirley Jepson, Committee Assistant

Conferees appearing before the committee:

Representative Jeff Colyer
Representative Kenny Wilk
Trent Sebits, Americans for Prosperity
Dr. Glendon G. Cox, Vice Dean and Senior Associate Dean, Educational and Academic Affairs, University of Kansas School of Medicine
Lana Oleen, Governmental Relations Director, WCGME
Dr. Don Brada, Program Officer, WCGME
Chad Austin, Kansas Hospital Association
Dan Morin, Kansas Medical Society
Ron Hein, Health Care of America

Others attending:

See attached list.

- Attachment 1 Fiscal note on **HB 2958**
- Attachment 2 Testimony on **HB 2958** by Representative Colyer
- Attachment 3 Testimony on **HB 2958** by Trent Sebits
- Attachment 4 Written Testimony on **HB 2958** by Marlee Carpenter
- Attachment 5 Fiscal note on **HB 2983**
- Attachment 6 Testimony on **HB 2983** by Dr. Glendon G. Cox
- Attachment 7 Testimony on **HB 2983** by Lana Oleen
- Attachment 8 Testimony on **HB 2983** by Chad Austin
- Attachment 9 Testimony on **HB 2983** by Dan Morin
- Attachment 10 Testimony on **HB 2983** by Ron Hein
- Attachment 11 Written testimony on **HB 2983** by Carolyn Gaughn, Executive Director, Kansas Academy of Family Physicians
- Attachment 12 Written testimony on **HB 2983** by Reginald L. Robinson, President and CEO, Kansas Board of Regents
- Attachment 13 Budget Committee Report on **SB 365/HB 2761**

Hearing on HB 2958

Hearing on HB 2958 - State budget, state general fund ending balance requirements, adjustments to approved budget, economic impact statements for proposed legislation.

The fiscal note on **HB 2958** was distributed to the Committee (Attachment 1).

Alan Conroy, Legislative Research Department, explained that **HB 2958** has three parts:

(1) Economic impact statement to be prepared by the director of Legislative Research Department. The economic impact statement would have a broader analysis than a

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traditional fiscal note. It would look at economic indicators, such as projections, growth, replacement factors, both short and long-term factors.

(2) Change in the allotment process. **HB 2958** would shift the responsible of keeping funds solvent from the Secretary of the Department of Administration to the Governor and the State Finance Council.

(3) Change in the ending balance law. **HB 2958** would change the current \$100 million ending balance to 3.5 percent of expenditures. Using the 3.5 percent law, currently the ending balance would be approximately \$225 million. The ending balance law would not apply if there was a one-time federal legislation such as the current economic stimulus or use of State General Fund (SGF) from a federal declared disaster.

The bill would create sufficient changes in the duties of the Legislative Research Department.

Representative Colyer presented testimony in support of **HB 2958** ([Attachment 2](#)). Representative Colyer stated that the legislation is directed at issues that he felt needed to be addressed, mainly, reliable updated fiscal notes, provides an impartial mechanism to analyze the economic impact of major bills and provides for an update on ending balance law - management tools that are vital to the legislative process.

Representative Kenny Wilk presented testimony in support of **HB 2958**. Representative Wilk felt that having updated information on the economic impact of legislation is important information for legislators. Representative Wilk noted that the assistance of Kansas, Inc. should be included in the legislation.

Trent Sebits, Americans For Prosperity, presented testimony in support of **HB 2958** ([Attachment 3](#)). Mr. Sebits felt that **HB 2958** would provide for a SGF ending balance that would prevent tax increases when the budget outlook worsens or the economy takes a downturn.

Written testimony in support of **HB 2958** was received from Marlee Carpenter, Vice President of Government Affairs, The Kansas Chamber ([Attachment 4](#)).

There were no other proponents or opponents to appear before the Committee.

The hearing on HB 2958 was closed.

Hearing on **HB 2983**

Hearing on HB 2983 - Physician work force and accreditation task force established, reports to legislature.

The fiscal note on **HB 2983** was distributed to the Committee ([Attachment 5](#)).

Audrey Dunkel, Legislative Research Department, explained that **HB 2983** would establish the 12-member physician workforce and accreditation task force. The bill defines how the members are to be appointed. The group is charged with studying and adopting recommendations regarding the physician workforce and accreditation issues at Wichita Center for Graduate Medical Education (WCGME). The bill does not address compensation for task force members or does not specify a required number of meetings to be held.

Dr. Glendon G. Cox, Vice Dean and Senior Associate Dean, Educational and Academic Affairs, University of Kansas School of Medicine, appeared in support of **HB 2983** ([Attachment 6](#)). Dr. Cox noted that with a record number of physicians reaching retirement age and the aging of "baby boomers", the need for physicians, not only in Kansas but across the nation, will become critical.

Dr. Cox noted that several different groups are reviewing and addressing the issue of physician

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workforce shortage in Kansas and the critical situation in many rural areas of the state. A copy of the executive summary of the report from the Kansas Physician Workforce is attached to Dr. Cox's testimony.

Responding to questions from the Committee, Dr. Cox noted that some of the problems with the WCGME accreditation issue can be attributed to oversight by the University with many of the concerns at the program level. New requirements for accreditation has also contributed to the problem. Dr. Cox felt that WCGME is important in providing a supply of physicians for rural areas of the state. Dr. Cox indicated that if the Wichita school loses it's accreditation, it will be difficult to get the program back.

Representative Colyer presented testimony in support of **HB 2983**. Representative Colyer noted that the shortage goes beyond physicians and includes specialists and nurses.

Lana Oleen, Governmental Relations Director, WCGME, presented testimony neutral on **HB 2983** (Attachment 7). Ms. Oleen noted the importance of WCGME and the critical need for the State's support to maintain the accreditation of the school.

Dr. Don Brada, Program Officer, WCGME, provided a few words of support for **HB 2983** and noted the critical need for state support at WCGME.

Chad Austin, Vice President, Kansas Hospital Association, provided testimony neutral on **HB 2983** (Attachment 8).

Dan Morin, Director of Government Affairs, Kansas Medical Society, provided neutral on **HB 2983** (Attachment 9).

Ron Hein, Legislative Counsel, HCA, Inc. provided testimony neutral on **HB 2983** (Attachment 10).

Written testimony in support of **HB 2983** was received from:

Carolyn Gaughn, Executive Director, Kansas Academy of Family Physicians (Attachment 11).

Reginald L. Robinson, President and CEO, Kansas Board of Regents (Attachment 12).

There were no other proponents or opponents on **HB 2983**.

Budget Committee Report on SB 365/HB 2761

Representative Bethell, Chair of the Social Services Budget Committee, presented the Budget Committee report on **HB 2761**, recommending that the contents of **SB 365** be removed and replaced with the contents of **HB 2761** as amended by the Budget Committee (Attachment 13). The motion was seconded by Representative Ballard.

Representative Bethell made a substitute motion to amend **House Substitute for SB 365** by replacing language in New Section 1 (d) reading "Except as provided for the original chairperson and vice-chairperson, the members of the joint committee shall elect annually a chairperson and vice-chairperson for the joint committee from among its members alternately from both chambers and the ranking minority member shall be from the same chamber as the chairperson" and replace with "The chairperson and vice-chairperson shall alternate annually between the appointee of the speaker of the House and the appointee of the president of the Senate". The motion was seconded by Representative Ballard. Motion carried.

Representative Bethell made a motion to adopt the Budget Committee report on **HB 2761** and **SB 365** and recommend **House Substitute for SB 365** favorably for passage as amended. The motion was seconded by Representative Ballard. Motion carried.

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Adjournment

The meeting was adjourned at 10:40 a.m. The next meeting of the Committee will be held at 9:00 a.m. on March 26, 2008.

Sharon Schwartz, Chair