

## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chair Sharon Schwartz at 9:00 A.M. on March 10, 2008, in Room 514-S of the Capitol.

All members were present except:

Representative Ty Masterson - 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  
Aaron Klaassen, 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:

Llewellyn Crain, Executive Director, Kansas Arts Commission  
Jim Conant, Department of Revenue

Others attending:

See attached list.

- Attachment 1 Budget Committee Report on Legislative Coordinating Council, Legislative Research Department, Office of Revisor of Statutes, Legislature, Division of Post Audit
- Attachment 2 Budget Committee Report on Kansas Arts Commission, Kansas State Library
- Attachment 3 Minority Report on Kansas State Library
- Attachment 4 Budget Committee Report on Department of Revenue and Board of Tax Appeals
- Attachment 5 Budget Committee Report on Commission on Veterans Affairs, Health Care Stabilization Fund Board

### Approval of Minutes

Representative Bethell moved to approve the minutes, as written, of February 21, February 22, February 25, February 26 and February 27. The motion was seconded by Representative Tafanelli. Motion carried.

### Legislative Coordinating Council

Representative Schwartz, Chair of the Legislative Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Legislative Coordinating Council for FY 2008 and moved for the adoption of the Budget Committee recommendations for FY 2008 (Attachment 1). The motion was seconded by Representative Tafanelli. Motion carried.

Representative Schwartz, Chair of the Legislative Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Legislative Coordinating Council for FY 2009 and moved for the adoption of the Budget Committee recommendations for FY 2009 (Attachment 1). The motion was seconded by Representative Tafanelli. Motion carried.

The Budget Committee noted that it is the intent of the Budget Committee to review information technology staff positions within all of the Legislative Budget Committee budgets at Omnibus to determine if efficiencies can be realized within the system by consolidation or centralization of the system.

## CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 10, 2008, in Room 514-S of the Capitol.

### Office of Revisor of Statutes

Representative Schwartz, Chair of the Legislative Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Office of Revisor of Statutes for FY 2008 and moved for the adoption of the Budget Committee recommendations for FY 2008 (Attachment 1). The motion was seconded by Representative Tafanelli. Motion carried.

Representative Schwartz, Chair of the Legislative Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Office of Revisor of Statutes for FY 2009 and moved for the adoption of the Budget Committee recommendations for FY 2009 (Attachment 1). The motion was seconded by Representative Tafanelli. Motion carried.

### Legislative Research Department

Representative Schwartz, Chair of the Legislative Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Legislative Research Department for FY 2008 and moved for the adoption of the Budget Committee recommendations for FY 2008 (Attachment 1). The motion was seconded by Representative Tafanelli. Motion carried.

Representative Schwartz, Chair of the Legislative Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Legislative Research Department for FY 2009 and moved for the adoption of the Budget Committee recommendations for FY 2009 (Attachment 1). The motion was seconded by Representative Tafanelli. Motion carried.

### Legislative Division of Post Audit

Representative Schwartz, Chair of the Legislative Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Legislative Division of Post Audit for FY 2008 and moved for the adoption of the Budget Committee recommendations for FY 2008 (Attachment 1). The motion was seconded by Representative Tafanelli. Motion carried.

Representative Schwartz, Chair of the Legislative Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Legislative Division of Post Audit for FY 2009 and moved for the adoption of the Budget Committee recommendations for FY 2009 (Attachment 1). The motion was seconded by Representative Tafanelli. Motion carried.

The Budget Committee noted that the Legislative Division of Post Audit has been using existing staff for technical support. The Budget Committee's report recommends a review during Omnibus on the possibility of adding a computer support position to the Division of Post Audit.

### Legislature

Representative Schwartz, Chair of the Legislative Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Legislature for FY 2008 and moved for the adoption of the Budget Committee recommendations for FY 2008 (Attachment 1). The motion was seconded by Representative Tafanelli. Motion carried.

Representative Schwartz, Chair of the Legislative Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Legislature for FY 2009 and moved for the adoption of the Budget Committee recommendations for FY 2009 (Attachment 1). The motion was seconded by Representative Tafanelli. Motion carried.

The Budget Committee indicated that the cost of legislator's travel has escalated over the past several years. The Budget Committee recommendation is an effort to achieve more efficiency in travel.

## CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 10, 2008, in Room 514-S of the Capitol.

### **Kansas Arts Commission**

Representative McLeland, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Arts Commission for FY 2008 and moved for the adoption of the Budget Committee recommendations for FY 2008 (Attachment 2). The motion was seconded by Representative Feuerborn. Motion carried.

Representative McLeland, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Arts Commission for FY 2009 and moved for the adoption of the Budget Committee recommendations for FY 2009 (Attachment 2). The motion was seconded by Representative Powell. Motion carried.

Responding to a question from the Committee, Llewellyn Crain, Executive Director, Kansas Arts Commission, stated that the \$100,000 State General Fund (SGF) additional grant funding request would fund grants to rural communities throughout the State.

### **Kansas State Library**

Representative McLeland, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas State Library for FY 2008 and moved for the adoption of the Budget Committee recommendations for FY 2008 (Attachment 2). The motion was seconded by Representative Feuerborn. Motion carried.

Representative McLeland, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Arts Commission for FY 2009 and moved for the adoption of the Budget Committee recommendations for FY 2009 (Attachment 2). The motion was seconded by Representative Powell. Motion carried.

A Minority Report on the Kansas State Library was presented to the Committee (Attachment 3).

Responding to questions from the Committee, the Budget Committee stated, with reference to Item No. 6, the item was not recommended by the Governor. In addition, the Budget Committee was advised that there are several grants available for funding the Digitization of Newspaper Clipping Collection.

With reference to Item No. 2, the Budget Committee noted that the agency indicated a savings of \$1.5 million; however, requested an additional \$250,000. The Budget Committee requested further information from the agency to be reviewed at Omnibus.

Representative Gatewood made a substitute motion to delete Item No. 2 of the Budget Committee report on the Kansas State Library for FY 2009 and add language to request additional information on the Statewide Delivery System for Library Materials from the agency and review at Omnibus. The motion was seconded by Representative Feuerborn. Motion failed on a 9-10 vote. Representatives Feuerborn, Sawyer, Lane, Carlin, Gatewood, Ballard, Williams, Henry and Burroughs requested to be recorded as voting "no".

### **Department of Revenue**

Representative Lane, member of the General Government Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Revenue for FY 2008 and moved for the adoption of the Budget Committee recommendations for FY 2008 (Attachment 4). The motion was seconded by Representative Yoder. Motion carried.

Responding to a question from the Committee, Jim Conant, Department of Revenue, stated that eighteen additional field collection agent positions were added by the 2006 Legislature, resulting

## CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 10, 2008, in Room 514-S of the Capitol.

in \$116 million collections in 2007, with a cost for the additional collection agents of approximately \$1.1 million for salaries. Mr. Conant indicated that during the second year of the collection effort, approximately \$124 - \$125 million was collected. Responding to another question, Mr. Conant stated that revenues from oil and gas taxes is deposited in the Special County Mineral Production Fund and a portion of these taxes returned to individual counties.

Representative Lane, member of the General Government Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Revenue for FY 2009 and moved for the adoption of the Budget Committee recommendations for FY 2009 (Attachment 1). The motion was seconded by Representative Yoder.

The Committee expressed concern with the large number of vacant FTE positions within the agency.

Responding to a question from the Committee, Mr. Conant stated that the Vehicle Information Processing System (VIPS) fund receives revenues of \$3 from each vehicle title registration. Of the current \$3 charge, \$1 is used to complete the Computer Assisted Mass Appraisal System (CAMA) project. The other \$2 is used to pay operational costs of the Property Evaluation Division. **HB 2890**, if passed into law, would assess a surcharge of \$4 on each annual vehicle registration. Mr. Conant noted that during FY 2003 and FY 2004 when State General Funds (SGF) were short, there was a reduction of approximately \$2 million in the agency's SGF appropriation and the Department, by proviso, were authorized to use funds from the VIPS fee fund to fill the void.

Responding to another question from the Committee, Mr. Conant indicated that currently VIPS does not have the ability to do a nationwide search of title to determine if there any liens on the vehicle.

Representative Bethell made a substitute motion to amend the Budget Committee report on the Department of Revenue for FY 2009 by requesting a review at Omnibus of a proviso in the Appropriations bill during previous sessions that addresses funding issues of the Vehicle Information Processing System (VIPS) with the possibility of putting the language of the proviso into statute. The motion was seconded by Representative Tafanelli. Motion carried.

Representative Gatewood made a motion to amend the Budget Committee report on the Department of Revenue for FY 2009 by requesting that the Department research the possibility of adding technology to have the ability to do nationwide searches for liens on a vehicle before a title is issued. The motion was seconded by Representative Watkins. Motion carried.

Representative Lane renewed the motion to adopt the Budget Committee report on the Department of Revenue for FY 2009 as amended. The motion was seconded by Representative Yoder. Motion carried.

### **Board of Tax Appeals**

Representative Burroughs, member of the General Government Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Board of Tax Appeals for FY 2008 and moved for the adoption of the Budget Committee recommendations for FY 2008 (Attachment 4). The motion was seconded by Representative Yoder. Motion carried.

Representative Burroughs, member of the General Government Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Board of Tax Appeals for FY 2009 and moved for the adoption of the Budget Committee recommendations for FY 2009 (Attachment 4). The motion was seconded by Representative Yoder. Motion carried.

### **Kansas Commission on Veterans' Affairs**

Representative Bethell, Chair of the Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Commission on

## CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 10, 2008, in Room 514-S of the Capitol.

Veterans' Affairs for FY 2008 and moved for the adoption of the Budget Committee recommendations for FY 2008 (Attachment 5). The motion was seconded by Representative Kelsey. Motion carried.

Responding to a question from the Committee, the Budget Committee noted that in deleting the budget for the Kansas Commission on Veterans' Affairs, it was not their intent to abolish the agency but to review the agency's budget during Omnibus. The agency has carryover funds to use in continuing to provide services.

Representative Bethell, Chair of the Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Commission on Veterans' Affairs for FY 2009 and moved for the adoption of the Budget Committee recommendations for FY 2009 (Attachment 5). The motion was seconded by Representative Kelsey. Motion carried.

### **Health Care Stabilization Fund Board of Governors**

Representative Henry, member of the Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Health Care Stabilization Fund Board of Governors for FY 2008 and moved for the adoption of the Budget Committee recommendations for FY 2008 (Attachment 5). The motion was seconded by Representative George. Motion carried.

Representative Henry, member of the Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Health Care Stabilization Fund Board of Governors for FY 2009 and moved for the adoption of the Budget Committee recommendations for FY 2009 (Attachment 5). The motion was seconded by Representative Bethell. Motion carried.

The meeting was adjourned at 10:45 a.m. The next meeting of the Committee will be held at 9:00 a.m. on March 11, 2008.

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Sharon Schwartz, Chair