

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Kevin Yoder at 9:04 a.m. on January 28, 2009, in Room 143-N of the Capitol.

All members were present except:

Representative Kelley- excused

Committee staff present:

Nobuko Folmsbee, Office of the Revisor of Statutes
Jim Wilson, Office of the Revisor of Statutes
Christina Butler, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Kelly Cure, Chief of Staff
Kathy Holscher, Committee Assistant

Conferees appearing before the committee:

None

Others attending:

See attached list.

- Attachment 1 Kansas Department of Social and Rehabilitation Services Committee Responses
- Attachment 2 Kansas Water Authority FY 2009 Annual Report
- Attachment 3 Enhancements for the State Water Plan Fund in the form of a legislative bill
- Attachment 4 Kansas Hospital Association HB 2022 Written Testimony
- Attachment 5 Kansas Chiropractic Association HB 2022 Written Testimony
- Attachment 6 Schools for Quality Education HB 2022 Written Testimony
- Attachment 7 Kansas Medical Society HB 2022 Written Testimony
- Attachment 8 Kansas Association of Realtors HB 2022 Written Testimony
- Attachment 9 Wichita Public School HB 2022 Written Testimony
- Attachment 10 USD # 402 Augusta, Kansas HB 2022 Written Testimony
- Attachment 11 Kansas Association of Osteopathic Medicine HB 2022 Written Testimony
- Attachment 12 Kansas Association of Counties HB 2022 Written Testimony
- Attachment 13 Kansas Veterinary Medical Association HB 2022 Written Testimony
- Attachment 14 FY 2009 Senate Ways and Means Committee Recommendations
- Attachment 15 Kansas Department of Corrections Reductions FY 2009
- Attachment 16 SRS Impact with 3.6 percent reductions FY 2009
- Attachment 17 SGF 3.4 percent Reductions FY 2009 Approved Budget

Chairman Yoder stated that the Senate will be debating the recision bill today.

Representative Feuerborn moved to introduce legislation regarding the Post Secondary Savings Account. The motion was seconded by Representative Sawyer. Motion carried.

Representative Watkins moved to introduce legislation regarding the Underground Utility Protection Act. The motion was seconded by Representative Whitham. Motion Carried.

Katy Belot, Kansas Department of Social Rehabilitation Services, provided an explanation of two bills: 1) temporary children in custody under 18 years old, presently this is at 21 years old; 2) Children 15 years and over will not be taken in to custody for reasons other than abuse and neglect (Attachment 1).

Representative Watkins moved to introduce legislation regarding changing the age of children in temporary custody from 21 years of age to 18 years of age. The motion was seconded by Representative Whitham. Motion Carried.

Representative Watkins moved to introduce legislation regarding children over 15 years of age who

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will not be taken in to custody for reasons other than for abuse and neglect. The motion was seconded by Representative Whitham. Motion carried.

Representative Holmes moved to introduce legislation regarding the State Water Plan fund. The motion was seconded by Representative Gatewood. Motion carried.

Steve Irsik, Chairman of Kansas Water Authority, presented a program overview and referred to the Kansas Water Authority 2009 Annual Report to the Governor and Legislature ([Attachment 2](#)). A map of Water Authority Members, basins and Ex Officio Members were reviewed. 60 percent of our water supply comes from local reservoirs. Concerns for our investment of \$2 billion and the loss of water storage capacity was expressed. Solutions and ideas for funding have been developed.

Tracy Streeter, Director of Kansas Water Office, reviewed sections of the Annual Report. The State Water Plan fund resource estimates and recommendations were reviewed. Revenues for FY 2009 are approximately \$21 million. Expenditures for FY 2009 are estimated at over \$23.4 million. Enhancements for the State Water Plan Fund in the form of a legislative bill request was distributed and introduced in to legislation by Representative Holmes ([Attachment 3](#)).

Chairman Yoder asked staff to distributed written testimony in regards to the Governors' Recession Bill ([Attachment 4](#)), ([Attachment 5](#)), ([Attachment 6](#)), ([Attachment 7](#)), ([Attachment 8](#)), ([Attachment 9](#)), ([Attachment 10](#)), ([Attachment 11](#)), ([Attachment 12](#)) ([Attachment 13](#)).

Alan Conroy, Director, Legislative Research Department, reviewed the Senate Ways and Means Committee FY 2009 Budget Recommendations ([Attachment 14](#)). Current adjustments include \$36.6 million in revenue and \$265.1 million in expenditures. This proposal is \$101.3 million greater than the Governor's proposal and includes \$62.6 million less in revenue adjustment and \$163.9 million more in expenditure adjustments.

Alan Conroy responded to questions from Committee members regarding the required dollar balance in an agency's budget, reductions in community based waivers, ending balances that include November and December tax revenues, and Machinery and Equipment revenue estimated for slider payments.

Alan Conroy reviewed recommendations regarding SGF Revenue and Transfer Adjustments. The Governor's recommendation is \$99.2 million, and the Ways and Means Committee recommendations total is \$36.6 million, which is a difference of \$62.6 million.

Alan Conroy responded to questions from Committee members regarding the transfer of revenue balances, health care stabilization reduction, bond payments for the school districts for improvements, K-12 budget cuts, impact on waivers from across the board cuts, projected mental health program reductions and community impact, and the suspension of Head Start program for the remainder of the year.

● Information Requested by Committee Members was distributed

- Kansas Department of Corrections Reductions ([Attachment 15](#))
- SRS Impact with 3.6 percent reductions ([Attachment 16](#))
- SGF 3.4 Percent Reductions FY 2009 Approved Budget ([Attachment 17](#))

Mark Tallman, responded to questions from Committee members in regards to general operating fund reductions for school districts. Addressing these issues involves determining the flexibility of contingency funds, non-contractual employees and non-required expenses, i.e. supply purchases, transportation, student activities and block schedules. An explanation of no fund warrants and the need for budget planning for FY 2010 followed.

Dodie Wellshear, United School Administrators of Kansas, responded to questions from Committee members in regards to the results of a survey from area school superintendents and their suggestions for determining budget cuts with the least impact on students.

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- Information Requested by Committee Member
 - Summary of the School Superintendent's Survey

Mike Hammond, Community Mental Health Centers of Kansas, responded to questions from Committee members in regards to the impact on mental health services with a projected 3.4 percent reduction in funding. A state mandate requires that mental health services are available to everyone, regardless of their ability to pay.

Alan Conroy, Legislative Research Department, responded to questions from Committee members in regards to the Governor's budget recommendations and the Senate's proposed budget recommendations. Both the Governor's bill and the Senate bill represented across the board cuts and targeted cuts totaling 6.4 percent, with the exception of K-12, social service caseloads, and the legislative and judicial branches where a 3.4 percent cut was proposed.

Chairman Yoder stated that the Appropriations Committee is on call tomorrow

The next meeting is scheduled for January 29, 2009.

The meeting was adjourned at 10:31 a.m.

Kevin Yoder, Chairman