

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Marc Rhoades at 9:08 a.m. on March 11, 2011, in Room 346-S of the Capitol.

All members were present

Committee staff present:

Jim Wilson, Office of the Revisor of Statutes
J.G. Scott, Office of the Revisor of Statutes
Nobuko Folmsbee, Office of the Revisor of Statutes
Alan Conroy, Kansas Legislative Research Department
Jarod Waltner, Kansas Legislative Research Department
Shirley Morrow, Kansas Legislative Research Department
Cindy O'Neal, Administrative Assistant, Appropriations Committee
Kathy Holscher, Committee Assistant, Appropriations Committee

Others attending:

See attached list.

- Attachment 1 Highway Patrol Information
- Attachment 2 FY 2012 Budget Committee Reports – KNI, Parsons State Hospital, Department of Social and Rehabilitation Services, Minority Report
- Attachment 3 KNI Amendment
- Attachment 4 Residential Service Providers List
- Attachment 5 Outcomes of the Closure of Winfield State Hospital
- Attachment 6 Testimonial – Linda Misasi, Creative Community Living
- Attachment 7 KNI Closure Concerns – Kansas Legislative Research Department
- Attachment 8 10 Year History of Mental Health Services Expenditures
- Attachment 9 Amendment for funding the Funeral Assistance Program
- Attachment 10 FY 2012 Budget Committee Report – Attorney General, Insurance Department, Judicial Branch, Judicial Council

Chairman Rhoades welcomed committee members and stated that as requested a document from the Highway Patrol has been distributed in response to committee members questions, ([Attachment 1](#)).

Representative McLeland made a motion to introduce legislation that would give the Dillon House to the Arts Commission. The motion was seconded by Representative Kelley. Motion carried.

Representative Crum, Chair, Social Services Budget Committee, presented the FY 2012 Budget Committee Report for the Kansas Neurological Institute, (KNI) ([Attachment 2](#)). The Budget Committee concurred with the Governor's recommendation with the following adjustments: recommended transfer of funding to the Home and Community Based Services waiver, directed the Department of Social and Rehabilitation Services to form an advisory committee to ensure education and information strategies for compatible services, collaborate to guarantee appropriate services capacity issues are addressed, effective, quality, comprehensive monitoring system of services and outcomes for each resident served by the waiver, and commended the agency's employees for their dedication to individuals utilizing the facility.

Representative Crum made a motion to adopt the FY 2012 KNI Budget Committee Report. The motion was seconded by Representative McLeland.

Representative Gordon provided an overview of an amendment ([Attachment 3](#)).

Representative Gordon made a motion for an amendment that would not approve items 1 and 2 in the Budget Committee Report and moved to insert seven recommendations outlined in the attachment. The motion was seconded by Representative Lane.

Representative Crum discussed transition issues with the proposed closure of KNI. A list of Residential Service Providers ([Attachment 4](#)), Outcomes of the Closure of Winfield State Hospital ([Attachment 5](#)), testimonial for Linda Misasi, Creative Community Living ([Attachment 6](#)) was distributed and reviewed. He stated that the committee toured KNI and Topeka Association of Retarded Citizens (TARC) and all

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individual tiers of services would receive the same quality care in a community based facility as they would in an institution. The transfer of funds to Home and Community Based Services will follow the individual, and during the first year the federal match would be 80 to 20% and subsequent years would revert to the 60 to 40% federal to state match.

Discussion continued by committee members regarding quality care to address the severity of individual needs. A case study was reviewed by a committee member in support of the KNI facility.

Robert Siedlecki, Secretary, Department of Social and Rehabilitation Services, responded to questions from committee members regarding concerns raised in the community. He stated that the Governor is supportive of placing savings into reducing the Developmentally Disabled (DD) waiver list in order to serve more individuals with the savings. He noted that 240 people were on the DD waiver list have been placed in community based services. Of equal concern are for those on waiting lists who have not been placed, and with a guarantee that all of the savings would go to take those individuals off of the waiting list and in community based services, he added. Secretary Siedlecki stated that we are looking at a \$550 million shortfall, but by closing KNI we can still serve those at KNI and bring people off of the waiting list. The closure of KNI would result in a savings to the state of approximately \$14 million per year. There would be a two year period to determine how the property would be used or disposed of, which would be done in coordination with stake holders, he added.

Ray Dalton, Deputy Secretary, Department of Social and Rehabilitation Services, responded to questions from committee members regarding individual assessments to determine tiers for service needs. He noted that only emergency dental care is covered by Medicaid and that there are several free or reduced dental clinics that providers are encouraged to use. A committee member discussed Posture Seating clinics in communities.

Discussion continued by committee members regarding the impact of the Budget Committee recommendation to close KNI and the amendment presented by Representative Gordon. Committee members received a copy of concerns regarding the closure of KNI provided by the Legislative Research Department (Attachment 7), which was reviewed by Representative Gordon.

The motion to approve the amendment was renewed. Motion failed.

Representative Schwartz made a motion for an amendment that includes language that the subcommittee recommends consideration for the favorable passage of **HB 2296**. The motion was seconded by Representative Carlin.

Chairman Rhoades rereferred **HB 2296** to the Social Services Committee.

Representative Crum stated that the Budget Report establishes an advisory committee to participate in the closure of KNI and with the intent that support to families and individuals.

The motion to renew the Committee Report as amended was renewed. Motion carried.

Representative Gordon, Representative Lane and Representative Carlin have requested that their vote in opposition of the motion to be recorded in the minutes.

Representative Crum, Chair, Social Services Budget Committee, presented the FY 2012 Budget Committee Report for Parsons State Hospital and Training Center, (Attachment 2). The Budget Committee concurred with the Governor's recommendation.

Representative Crum made a motion to adopt the FY 2012 Budget Committee Report for Parsons State Hospital and Training Center. The motion was seconded by Representative Mast. Motion carried.

Representative Crum, Chair, Social Services Budget Committee, presented the FY 2012 Budget Committee Report for the Department of Social and Rehabilitation Services (SRS) (Attachment 2). The Budget Committee concurred with the Governor's recommendation with the following adjustments and notations: delete \$1 million from the State General Fund (SGF), delete approximately \$3.5 million from the Children's Initiatives Fund, add \$11.3 million including \$3.5 million from the Children's Initiative Fund and \$7.7 million from Temporary Assistance for Needy Families federal fund to restore funding for

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the Early Head Start Program; delete \$1 million for SGF and add the same amount from federal funds for Adoption Support Program, delete \$17 million including \$7.2 million for SGF from Prepaid Ambulatory Health Plan, add \$7.2 million from SGF for Mental Health State Aid, delete \$6.8 million including \$2.3 million for SGF from the Prepaid Ambulatory Health Plan, noted significant decrease in state funding for mental health services for the uninsured and the under-insured and at the same time increases in services and directs the agency to work with community organizations on distribution of grant funding for services, acknowledged the excellent efforts of the Centers for Independent Living, requested the agency to work on a plan to address needs of individuals currently receiving services and opportunities for savings identified before Omnibus.

Representative Crum made a motion to adopt the FY 2012 SRS Budget Committee Report. The motion was seconded by Representative Mast.

The Chairman stated that the Minority Report will be tabled until the committee reconvenes, which will be upon the adjournment of the House.

Meeting adjourned at 10:55 a.m.

Chairman Rhoades called the meeting to order at 12:27 p.m.

Representative Henry presented the Minority Report for FY 2012 Department of SRS. The report reflected the impact SGF budget reductions would have on the agency's delivery of services.

Representative Henry made a motion to approve the Minority Report which would adopt the Governor's recommendation. The motion was seconded by Representative Feuerborn.

Committee members received a copy of the History of Mental Health Services Expenditures (Attachment 8). Representative Crum provided an overview of the expenditures for Community Mental Health Centers and Mental Health Hospital funding. Kansas Health Solutions manages the Medicaid Program for the Community Mental Health Centers. It was noted that approximately \$7.4 million has been recommended to go back into funding for the uninsured and underinsured. The Governor's Budget recommendations were reviewed and discussed as related to the Developmentally Disabled waivers.

Representative Henry renewed the motion to approve the Minority Report. The motion failed.

Discussion continued by committee members.

Representative Ballard made a motion for an amendment that would add language to the Budget Committee Report (Attachment 9) in regards to funding for the Funeral Assistance Program. The motion was seconded by Representative Mast. Motion carried.

Representative Henry made a motion for an amendment to take \$2.3 million deleted from the Prepaid Ambulatory Health Plan to SGF would go to Mental Health State Aid. The motion was seconded by Representative Feuerborn. Motion failed.

Representative Henry made a substitute motion to move \$1 million from SGF to the Developmentally Disability Day and Residential Grant Program. The motion was seconded by Representative Ballard.

Discussion followed by committee members. It was noted that this program does not receive Medicaid funding.

The motion was renewed. Motion failed.

Representative Mast made motion for an amendment to revisit the funding for the Developmentally Disability Day and Residential Grant Program in subcommittee at Omnibus. The motion was seconded by Representative DeGraaf. Motion carried.

Discussion continued by committee members regarding the consolidation of Child Care programs into the Head Start Program.

Representative Crum renewed the motion to adopt the FY 2012 SRS Budget Committee Report as

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amended. Motion carried.

Representative DeGraaf, Vice-Chair, House General Government Budget Committee, presented the FY 2012 Attorney General Budget Committee Report (Attachment 10). The Budget Committee concurred with the Governor's recommendation with the following adjustments and observations: add \$150 from the Crime Victims Assistance Fund for domestic violence prevention, noted concerns with the water litigation funding, and noted the transfer of responsibilities of the Kansas Human Rights Commission to the Office of the Attorney General.

Representative DeGraaf made a motion to adopt the FY 2012 Attorney General Budget Committee Report. The motion was seconded by Representative McLeland. Motion carried.

Representative DeGraaf, Vice-Chair, House General Government Budget Committee, presented the FY 2012 Kansas Insurance Department Budget Committee Report (Attachment 10). The Budget Committee concurred with the Governor's recommendation.

Representative DeGraaf made a motion to adopt the FY 2012 Kansas Insurance Department Budget Committee Report. The motion was seconded by Representative McLeland. Motion carried.

Representative DeGraaf, Vice-Chair, House General Government Budget Committee, presented the FY 2012 Judicial Branch Budget Committee Report (Attachment 10). The Budget Committee concurred with the agency request with the following adjustments and requests: delete \$588,839 from SGF, suspension of statutory requirement to remit 20% or up to a maximum \$200,000 of fee receipts to SGF, noted that **SB 97** extends authority on docket fees, commended the agency on the Pegasus Project, and requested a report to the Budget Committee prior to Omnibus regarding the distribution of docket fees.

Representative DeGraaf made a motion to adopt the FY 2012 Judicial Branch Budget Committee Report. The motion was seconded by Representative McLeland.

Discussion followed by committee members regarding docket fees and staffing issues. It was noted that the increase in SGF included wages, Kansas Public Employee Retirement System (KPERs), health insurance and the e-filing system.

Representative Mast made a substitute motion to maintain funding at the FY 2011 SGF level. The motion was seconded by Representative Brown.

Discussion continued by committee members regarding funding reduction recommendations.

The substitute motion was renewed. Motion carried.

The motion to adopt the FY 2012 Budget Committee Report was renewed as amended. Motion carried.

Representative DeGraaf, Vice-Chair, House General Government Budget Committee, presented the FY 2012 Judicial Council Budget Committee Report (Attachment 10). The Budget Committee concurred with the agency request and Governor's recommendation.

Representative DeGraaf made a motion to adopt the FY 2012 Judicial Council Budget Committee Report. The motion was seconded by Representative Donohoe.

Representative DeGraaf made a motion for an amendment that would add language deleting \$105,378 from fee funds, due to the retirement of the executive director, as recommended in the Senate Subcommittee recommendation. The motion was seconded by Representative McLeland.

Discussion followed by committee members in regards to operating expenditures for the commission and the use of docket fees for judicial performance. It was noted this motion does not remove the commission on the funding.

Jim Wilson, Office of the Revisor of Statutes, stated that a complex set of percentages are used to distribute funds and any changes to a particular function would require a bill for adjustments to meet statutory requirements.

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The motion for the amendment was renewed. Motion carried.

Representative Peck made a motion for an amendment to reduce 1 FTE position. The motion was seconded by Representative Brown. Motion carried.

Representative DeGraaf renewed the motion to adopt the FY 2012 Judicial Council Budget Report as amended. Motion carried.

Meeting adjourned: 2:35 p.m.

Marc Rhoades, Chairman