

Approved: February 16, 2012

(Date)

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairperson Marc Rhoades at 9:07 AM on Monday, February 6, 2012 in Room 346-S of the Capitol.

All members were present except:
Clark Shultz - excused

Committee staff present:

Alan Conroy, Director, Legislative Research Department
J.G. Scott, Chief Fiscal Analyst, Legislative Research Department
Dylan Dear, Senior Fiscal Analyst, Legislative Research Department
Michael Wales, Fiscal Analyst, Legislative Research Department
Jill Wolters, Senior Assistant Revisor, Office of Revisor of Statutes
Nobuko Folmsbee, Senior Assistant Revisor, Office of Revisor of Statutes
Cindy O'Neal, Administrative Assistant
Kathy Holscher, Committee Assistant

Others in attendance:
See attached list.

Representative Crum, Chair, Social Services Budget Committee, presented the FY 2013 Board of Nursing Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendation with the following notations: review at Omnibus funding positions for the Board of Nursing after review of the Executive Reorganization Order; and review the FY 2013 budget for the possible addition of 1 FTE position and related funding for an additional investigator.

Representative Crum made a motion to approve the Budget Committee Report for the FY 2013 Board of Nursing. The motion was seconded by Representative Mast.

Discussion followed by committee members regarding staffing issues as related to credentialing.

Representative Crum renewed the motion to approve the Budget Committee Report. The motion carried.

Representative Crum, Chair, Social Services Budget Committee, presented the FY 2013 Health Care Stabilization Fund (HCSF) Board of Governors Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendation with the following notations: State General Fund reimbursement to the Health Care Stabilization Fund for claims paid to the fund for FY 2010 – FY 2013 pursuant to 2010 SB 414; supports the Health Care

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Stabilization Fund Oversight Committee Interim Report for 2011 regarding efforts to streamline website and electronic forms; and payments made to the HCSF by health providers is required to be held in trust in the state treasury and accounted for separately from other state funds.

Representative Crum made a motion to approve the FY 2013 Health Care Stabilization Fund Budget Committee Report. The motion was seconded by Representative Mast.

Representative Crum provided an overview of the HCSF. He stated that a bill passed in 1976 created a reimbursement mechanism by which the state would refund to the HCSF payments not made to the physicians and interns at KU Medical Center and Whitney over a four year period. It was noted that staff would provide additional information regarding the cost and number of students this would entail. He referred to a pending state Supreme Court case that would remove the cap on medical claims.

Representative Crum renewed the motion to approve the Budget Committee Report. The motion carried.

Representative Crum, Chair, Social Services Budget Committee, presented the FY 2012 Kansas Commission on Veterans' Affairs Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendations with the following adjustments and notations: delete \$32,732 from SGF from Kansas Soldiers' Home and Kansas Veterans' Home and add \$32,732 from SGF to the Veterans' Claims Assistance Program in FY 2012; add \$20,000 from special revenue funds for a vehicle; add \$21,404 from the VA Burial Reimbursement Federal Fund for cemetery plot allowance; add \$531,774 from special revenue funds at the Kansas Veterans' Home to expend Medicare and Medicaid funds for resident services within existing facilities; add \$623,592 from special revenue funds at the Kansas Soldiers' Home to expend Medicare and Medicaid funds for resident services within existing facilities; and recommended further study of the expansion proposal at the Kansas Soldiers' Home and Kansas Veterans' Home during the 2013 legislative session.

Representative Crum made a motion to approve the FY 2012 Kansas Commission on Veterans' Affairs Budget Committee Report. The motion was seconded by Representative McLeland.

Representative DeGraaf made a substitute motion that would remove \$20,000 from special revenue funds for a replacement vehicle, which would be reviewed at Omnibus. The motion was seconded by Representative Brown.

Discussion followed by committee members. It was noted that the vehicle has over 200,000 miles and would be purchased from special revenue funds.

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Representative DeGraaf withdrew the substitute motion with the approval of Representative Brown.

Discussion by committee members continued. It was noted that a new director is presently reviewing the expansion of both homes for possible recommendations during the 2013 legislative session.

Representative Henry made a motion for an amendment for FY 2012 that would add \$32,732 from SFG to increase grant funding for the Veterans' Claims Assistance Program from SGF (Attachment 2). The motion was seconded by Representative Ballard.

Representative Henry stated that testimony from the American Legion Department of Kansas and Kansas Veterans for Foreign Wars was distributed to committee members (Attachment 3). Discussion by committee members followed regarding the economic impact and service related needs for the Kansas Veterans' Home and Kansas Soldiers' Home expansion proposal. It was noted that the cost of the expansion would be approximately \$1 million and would come federal Medicare and Medicaid dollars, Representative Crum noted. It was noted that the amendment does not relate to Triplet Hall. Representative Ballard reported on how Kansas compares with bordering states regarding services for Veterans (Attachment 4).

Representative Henry renewed the motion to amend. The motion failed.

The following committee members have requested that their votes, in favor of the amendment, be recorded in the minutes: Representative Feuerborn, Representative Henry, Representative Carlin, Representative Lane, Representative Gatewood and Representative Ballard.

Representative Crum renewed the motion to approve the Budget Committee Report. The motion carried.

Representative Crum, Chair, Social Services Budget Committee, presented the FY 2013 Kansas Commission on Veterans' Affairs Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendations with the following adjustment: delete \$32,732 from SGF from the Kansas Soldiers' Home and Kansas Veterans' Home and add these funds to the Veterans' Claims Assistance Program in FY 2013; add \$45,000 from special revenue funds for vehicle replacement; add \$531,774 from special revenue funds to expend Medicare and Medicaid funds for resident services at the Kansas Veterans' Home; and add \$623,592 from special revenue funds to expend Medicare and Medicaid funds at the Kansas Soldiers' Home.

Representative Crum made a motion to approve the FY 2013 Kansas Commission on Veterans' Affairs Budget Committee Report. The motion was seconded by Representative Mast.

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Discussion followed by committee members regarding the replacement needs for a vehicle, expending of Medicare and Medicaid funds for both resident homes and services within existing facilities.

Representative Henry made a substitute motion that would add \$108,886 from SGF for an increase in the Veterans' Claims Assistance Program. The motion was seconded by Representative Ballard.

Discussion continued by committee members regarding the need to increase the number of licensed beds Triplet Hall at the Kansas Veterans' Home. It was noted that the money and need is there to serve Kansas Veterans'. The Governor's budget increase funding by over \$1 million from FY 2011 – 2013 for the Commission on Veterans' Affairs.

Representative Henry renewed the motion. The motion failed.

The following committee members have requested that their votes, in favor of the amendment, are recorded in the minutes: Representative Feuerborn, Representative Henry, Representative Carlin, Representative Lane, Representative Gatewood and Representative Ballard.

Representative Schwartz made a substitute motion to review these amendments at Omnibus. The motion was seconded by Representative Kelley. The motion carried.

Representative Crum renewed the motion to approve the Budget Committee Report as amended. Motion carried.

Representative Crum, Chair, Social Services Budget Committee, presented the FY 2013 Kansas Guardianship Program Budget Committee Report (Attachment 1). The Budget Committee concurred with the Governor's recommendation with the following comment: review the need to upgrade the computer equipment next session.

Representative Crum made a motion to approve the FY 2013 Kansas Guardianship Program Budget Committee Report. The motion was seconded by Representative McLeland. The motion carried.

Representative Peck, Chair, Transportation and Public Safety Budget Committee, presented the FY 2012 Juvenile Justice Authority Budget Committee Report (Attachment 5). The Budget Committee Concurred with the Governor's recommendation with the following adjustment: delete \$5,000 for State Institutions Building Fund to raze the pig barn at the Kansas Juvenile Correctional Complex.

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Representative Peck made a motion to approve the FY 2012 Juvenile Justice Authority Budget Committee Report. The motion was seconded by Representative Pottorff.

Discussion followed by committee members regarding the bond indebtedness. As requested by a committee member, additional information will be forthcoming on the specifics of the bonds.

Representative Peck renewed the motion to approve the Budget Committee Report. The motion carried.

Representative Peck, Chair, Transportation and Public Safety Budget Committee, presented the FY 2013 Juvenile Justice Authority Budget Committee Report (Attachment 5). The Budget Committee Concurred with the Governor's recommendation with the following notations: increase the longevity bonus to \$50 per year of service with a 10-year or \$500 minimum and a 25 year maximum (\$1,250); recommended the committee consider adding \$700,000 from SGF to the Prevention and Graduated Sanctions block grant for tertiary prevention programs; add \$700,000 from SGF to the Juvenile Justice Authority for Prevention and Graduated Sanctions block grant for the tertiary prevention programs.

Representative Peck made a motion approve the FY 2013 Juvenile Justice Authority Budget Committee Report. The motion was seconded by Representative Pottorff.

Discussion followed by committee members regarding pay go, which is not a requirement but suggested use for discussion in budget committees.

Representative Gatewood made a substitute motion to strike the recommendation in item 2 which would directly transfer \$700,000 from SGF to the Juvenile Justice Authority Prevention and Graduated Sanctions block grant for tertiary prevention programs. The motion was seconded by Representative Feuerborn.

Representative Gatewood responded to questions from committee members. He stated that the intent of the motion was priority based. The balance in the Problem Gambling Fund for FY 2013 \$7.9 million.

Chairman Rhoades stated that discussion on the substitute motion will continue at the beginning of tomorrow's committee meeting.

The meeting was adjourned at: 11:02 a.m.