

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 a.m. on February 19, 2004 in Room 514-S of the Capitol.

All members were present except:

Representative Larry Campbell- excused

Committee staff present:

Alan Conroy, Legislative Research
J. G. Scott, Legislative Research
Amy VanHouse, Legislative Research
Michele Alishahi, Legislative Research
Audrey Dunkel, Legislative Research
Melissa Calderwood, Legislative Research
Julian Eford, Legislative Research
Jim Wilson, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Nikki Feuerborn, Administrative Analyst
Shirley Jepson, Committee Secretary

Conferees appearing before the committee:

Roderick Bremby, Kansas Department of Health and Environment (KDHE)

Others attending:

See Attached List.

- Attachment 1 Overview of Kansas Department of Health and Environment (KDHE) by Roderick Bremby, Secretary
- Attachment 2 Testimony on Federal Block Grants by Rae Anne Davis, Department of Social and Rehabilitation Services (SRS)
- Attachment 3 Testimony on Federal Block Grants by Tawny Stottlemire, Kansas Association of Community Action Program
- Attachment 4 Testimony on Federal Block Grants by Steve Weatherford, Kansas Housing Resources Corporation
- Attachment 5 Testimony on Federal Block Grants by Richard Morrissey, Division of Health, KDHE
- Attachment 6 Budget Committee Report on Kansas Public Employees Retirement System (KPERS)
- Attachment 7 Budget Committee Report on Kansas Guardianship Program

Chairman Neufeld recognized Roderick L. Bremby, Secretary of the Kansas Department of Health and Environment (KDHE), who presented an overview of the KDHE FY 2005 budget (Attachment 1). The Committee issued a concern regarding the partnership between KDHE and Kansas State University (KSU) because of the limited funds available to KSU Extension Service, which could affect their ability to keep the counties and communities informed on health issues. In response to a question from the Committee, Secretary Bremby indicated that a plan for the statewide obesity awareness plan should be in place by the end of the year.

Hearing - Federal Block Grants

Chairman Neufeld hereby opened the public hearing on the proposed use and distribution of funds required as a condition of receipt of funding for federal block grant programs administered by the following state agencies: the Department of Health and Environment, the Department of Social and Rehabilitation Services and the Kansas Development Finance Authority.

The Chair recognized Rae Anne Davis, Deputy Secretary of Operations, Department of Social and

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Rehabilitation Services (SRS), who presented information on the Projects for Assistance in Transition From Homelessness Block Grant (PATH), Low Income Energy Assistance Program Block Grant (LIEAP), Community Mental Health Services Block Grant (CMHBG), Prevention and Treatment of Substance Abuse Block Grant (SAPTBG) and the Social Services Block Grant (SSBG) ([Attachment 2](#)). The Committee requested a list of the recipients of the Community Mental Health and the Social Services Block Grant, including the amount which they receive. The Committee also requested information on the definition of "minimum allotment state" as referred to on page 6 of the report. In response to a question from the Committee concerning administrative costs of the Social Services block grant, Ms. Davis indicated that no funds are spent from the block grant for administrative costs. Ms. Davis also stated that approximately \$4.2 million will be transferred from TANF to the Social Services block grant in FY 2005.

Chairman Neufeld recognized Tawny Stottlemire, Executive Director, Kansas Association of Community Action Program, who presented testimony on the Kansas Housing Resources Corporation's annual plan for the federal Community Services Block Grant (CSBG) funds ([Attachment 3](#)). Responding to a question from the Committee, Ms. Stottlemire noted that they are partnering with SRS to serve counties where SRS offices are being closed.

The Chair recognized Steve Weatherford, President, Kansas Housing Resources Corporation, who presented testimony on the Community Services Block Grant (CSBG) ([Attachment 4](#)). The Committee requested updates on the possible enhanced and additional housing for veterans at the Fort Dodge facility.

The Chair recognized Richard Morrissey, Interim Director, Division of Health, KDHE, who presented testimony on the Preventive Health and Health Services (PHB) and Maternal and Child Health Services (MCH) Block Grants ([Attachment 5](#)). Mr. Morrissey indicated that the MCH Block Grant funding has remained constant and there has been a slight increase in the amount of funding in the PHB Block Grant. He also noted that the agency is launching a statewide survey on dental health of public school third graders across the State.

Chairman Neufeld closed the public hearing on the proposed use and distribution of funds required as a condition of receipt of funding for federal block grant programs administered by the following state agencies: the Department of Health and Environment, the Department of Social and Rehabilitation Services and the Kansas Development Finance Authority.

Representative McCreary, Chair of the House Tax, Judicial, Transportation and Retirement Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Public Employees Retirement System (KPERs) for FY 2004 and moved for the adoption of the Budget Committee recommendation with adjustments for FY 2004 (Attachment 6). Motion was seconded by Representative Klein. Motion carried.

Responding to a Committee concern, the Budget Committee noted that the \$5.1 million shortfall in Item No. 2 is a carryover from FY 2003, noting also that the amount is less than the estimated amount after final computation of salaries.

Representative McCreary, Chair of the House Tax, Judicial, Transportation and Retirement Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Public Employees Retirement System (KPERs) for FY 2005 and moved for the adoption of the Budget Committee recommendation with adjustments for FY 2005 (Attachment 6). Motion was seconded by Representative Klein. Motion carried.

The Budget Committee indicated that the yearly liability to the State KPERs employee contributions for education is approximately \$120 million and will increase to \$140 million in FY 2006. Glenn Deck, Executive Director of KPERs, stated that the technology funding requested in Item No. 2, is to fund a major technology upgrade of their computer system. The Committee voiced a concern with the under-funding of the death and disability benefits program as addressed in Item No. 5. The Committee also voiced concern with Item No. 3 which prohibits the transfer of \$71,134 in BEST savings from the KPERs trust fund to the SGF, indicating that it was felt the savings is a result of work performed by Information Technology (IT) staff who were directly involved in reducing expenses through improvements to the KPERs technology system.

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Representative Shriver moved to delete Item No. 3 from the Budget Committee recommendation for FY 2005 Kansas Public Employees Retirement System report. The motion was seconded by Representative Sharp. Motion failed.

Representative Howell, member of the House General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Guardianship Program for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 7). Motion was seconded by Representative Pottorff. Motion carried.

Representative Howell, member of the House General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Guardianship Program for FY 2005 and moved for the adoption of the Budget Committee recommendation with adjustments for FY 2005 (Attachment 7). Motion was seconded by Representative Pottorff. 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 February 20, 2004.