

## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 a.m. on March 10, 2004 in Room 514-S of the Capitol.

All members were present.

Committee staff present:

Alan Conroy, Legislative Research  
J. G. Scott, Legislative Research  
Amy VanHouse, Legislative Research  
Michele Alishahi, Legislative Research  
Melissa Calderwood, Legislative Research  
Carolyn Rampey, 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:

Others attending:

See Attached List.

- Attachment 1 Budget Committee Report on State Treasurer
- Attachment 2 Budget Committee Report on Kansas State Fair
- Attachment 3 Budget Committee Report on Attorney General
- Attachment 4 Budget Committee Report on Kansas Commission on Veterans' Affairs
- Attachment 5 Budget Committee Report on Department of Education
- Attachment 6 Partial Copy of FY 2003 and FY 2004 Budget Committee Report on Department of Education
- Attachment 7 Chart on Total Kansas Unified School District (USD) Funding
- Attachment 8 Information on USD Revenue and Expenditures including KPERs

Representative Feuerborn moved to introduce legislation concerning the medical student loan act. The motion was seconded by Representative Shultz. Motion carried.

Representative Pottorff, Chair of the General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the State Treasurer for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 1). The motion was seconded by Representative Shriver. Motion carried.

Representative Pottorff, Chair of the General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the State Treasurer for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 1). The motion was seconded by Representative Howell. Motion carried.

The Budget Committee noted that the lack of some signatures on the Budget Committee report are due to the difficulty involved with the State Treasurer's budget and the method of financing the agency because they do not receive any State General Fund (SGF) funding.

The Committee expressed concerns with:

- The cost to the agency in redeeming unclaimed property.
- The surcharge and fees charged by the State Treasurer to other agencies for deposits and warrants.
- The amount of state dollars used for advertising regarding unclaimed property.
- The method used in advertising for unclaimed property and the Learning Quest program.

Representative Osborne, member of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas State Fair for FY 2004

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and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 2). The motion was seconded by Representative Schwartz. Motion carried.

Representative Osborne, member of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas State Fair for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 2). The motion was seconded by Representative Gatewood. Motion carried.

The Committee voiced concern that the match of \$300,000 from the SGF has not been made since the legislation authorizing bonding was put in place. The Budget Committee noted that the State Fair Board lost their appeal in the court case regarding the grandstand and compliance with ADA regulations. Because the judge expanded the order to include the entire fairgrounds, it will cost the State Fair approximately \$2.7 million to bring the fairgrounds into compliance with ADA regulations.

Representative Shriver, member of the General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Attorney General for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 3). The motion was seconded by Representative Howell. Motion carried.

Representative Shriver, member of the General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Attorney General for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 3). The motion was seconded by Representative Pottorff.

Representative Howell explained the minority report attached to the Budget Committee report for FY 2005 which would reinstate the \$182,472 lapsed by the Governor in the Attorney General's budget and add \$200,000 to create a white collar crime unit within the Attorney General.

Representative Howell moved for a substitute motion to adopt the minority report and amend the Budget Committee report for the FY 2005 Attorney General budget. The motion was seconded by Representative Huebert. Motion carried.

Representative Shriver renewed the motion to accept the Budget Committee report on the Attorney General for FY 2005 as amended. The motion was seconded by Representative Howell. Motion carried.

The Committee noted that the adoption of the Budget Committee recommendation for the Attorney General for FY 2005 includes the introduction of three pieces of legislation. The Committee also noted that there are two additional full-time equivalency (FTE) positions associated with the white collar crime unit and will need to be addressed when the budget bill is worked or at Omnibus.

Representative Pottorff, Chair of the General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Commission on Veterans' Affairs for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 4). The motion was seconded by Representative Shriver. Motion carried.

Responding to a question from the Committee with reference to the Governor's Budget Amendment (GBA) included in the Budget Committee report, Amy VanHouse, Legislative Research Department, explained that in FY 2004, the GBA includes an increase of approximately \$600,000 SGF with a decrease of \$680,000 all other funds; for FY 2005, the GBA includes an increase of approximately \$637,000 SGF with a decrease of \$717,000 all other funds. The results for both years shows a decrease; however there is a shifting from all other funds to the State General Fund. For the FY 2005 portion, there would be an adjustment of \$250,000 which includes the transfers from the lottery scratch ticket, for a total addition for both years of approximately \$900,000 SGF.

Representative Pottorff, Chair of the General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Commission on Veterans' Affairs for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY

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2005 (Attachment 4). The motion was seconded by Representative Shriver. Motion carried.

Representative Shultz, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Department of Education for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 5). The motion was seconded by Representative McLeland. Motion carried.

Representative Shultz, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Department of Education for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 5). The motion was seconded by Representative Pottorff.

Representative McLeland moved to introduce legislation allowing school districts to negotiate with employees for health care benefits with participation in the State's health care program. The motion was seconded by Representative Newton. Motion carried.

With permission from the Chair, Representative Huebert distributed copies of the FY 2003 and FY 2004 Budget Committee Report on the Department of Education (Attachment 6), an updated graph on Total Kansas Unified School District (USD) Funding (Attachment 7); and information on inflation relating to USD Revenue and Expenditures (Attachment 8).

Representative Huebert moved to amend the FY 2005 Budget Committee report on the Department of Education to include the updated graph on Total Kansas USD Funding, the graph on Per Pupil Expenditures Percent Change for 1989 through 2003 and the table showing Per Pupil Expenditures with CPI Percent Change and including KPERS for 1989 through 2003. The motion was seconded by Representative McLeland. Motion carried.

Representative Shultz renewed the motion to accept the Budget Committee report on the Department of Education for FY 2005 as amended. The motion was seconded by Representative Huebert. Motion carried.

Chairman Neufeld referred **SB 367** to the Social Services Budget Committee; **Sub SB 275** to the Public Safety Budget Committee; and **HB 2890** to the Social Services Budget Committee.

The meeting was adjourned at 10:30 a.m. The next meeting will be held at 9:00 a.m. on March 11, 2004.

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Melvin Neufeld, Chairman