

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chair Sharon Schwartz at 8:00 A.M. on January 19, 2007, in Room 514-S of the Capitol.

All members were present except:

Representative Kevin Yoder - excused
Representative Ty Masterson - excused

Committee staff present:

Alan Conroy, Legislative Research Department
J. G. Scott, Legislative Research Department
Becky Krahl, Legislative Research Department
Aaron Klaassen, Legislative Research Department
Jim Wilson, Revisor of Statutes
Nikki Feuerborn, Chief of Staff
Shirley Jepson, Committee Assistant

Conferees appearing before the committee:

Mark Tallman, Assistant Executive Director/Advocacy, Kansas Association of School Boards (KASB)
Cheryl Semmel, Executive Director, United School Administrators (USA)

Others attending:

See attached list.

- Attachment 1 Testimony on **SB 30** by Mark Tallman
- Attachment 2 Testimony on **SB 30** by Cheryl Semmel
- Attachment 3 Amendment to **SB 30**

Representative Bethell moved to introduce legislation to create an oversight commission for the State Fire Marshal office. The motion was seconded by Representative Pottorff. Motion carried.

Representative Bethell moved to introduce legislation pertaining to joint training for health care providers and fire marshals in the State Fire Marshal office at no cost to that office. The motion was seconded by Representative Lane. Motion carried.

Representative Bethell moved to introduce legislation to request that the State Fire Marshal produce a registry of organizations who provide services and materials to providers. The motion was seconded by Representative Ballard. Motion carried.

Representative Feuerborn moved to introduce legislation regarding retirement and pensions for the State's police and fireman systems. The motion was seconded by Representative Lane. Motion carried.

Representative Schwartz moved to introduce legislation regarding the powers, duties and functions of University of Kansas Medical Center and University of Kansas Hospital in forming partnerships. The motion was seconded by Representative Tafanelli. Motion carried.

Hearing on SB 30 - Keeping education promises trust fund, established, transferring moneys from the state general fund to the KEPT fund for fiscal year 2008.

J. G. Scott, Legislative Research Department, explained that **SB 30** would establish a trust fund to set up funding for school finance. The legislation would:

- Establish a special revenue fund called the Keeping Education Promises Trust Fund.
- Transfer \$122,700,000 from the State General Fund (SGF) to the trust fund on July 1, 2007.
- Transfer \$122,700,000 from the trust fund to SGF on July 1, 2008.
- Would require an act of the Legislature to modify or make changes to the trust fund.

Mr. Scott reported that any interest on the trust fund would be deposited into the SGF.

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 8:00 A.M. on January 19, 2007 in Room 514-S of the Capitol.

Chair Schwartz recognized Mark Tallman, Assistant Executive Director, Kansas Association of School Boards, who presented testimony in support of **SB 30** (Attachment 1).

Chair Schwartz recognized Cheryl Semmel, Executive Director, United School Administrators, who presented testimony in support of **SB 30** (Attachment 2).

The hearing on SB 30 was closed.

Representative Kelsey moved to recommend **SB 30** favorable for passage. The motion was seconded by Representative Bethell.

The Committee requested a briefing on **HB 2047** prior to acting on the motion.

Alan Conroy, Legislative Research Department, explained that **HB 2047** addresses the same issue as **SB 30** in establishing a trust fund; however, **HB 2047** would set aside two years of school funding, FY 2008 and FY 2009, for a total of \$271.7 million, with these funds being brought back into the SGF in the year to be expended. In addition, **HB 2047** would transfer \$76.6 from the State General Fund (SGF) in the current year to a new fund entitled the Regents Crumbling Classrooms Debt Payment Fund to pay for outstanding bonds. Currently these bonds are being paid from the Kansas Educational Building Fund. This action would allow these funds in the Kansas Educational Building Fund to be used for other purposes, presumably for deferred maintenance costs. Mr. Conroy explained that the existing Crumbling Classroom bonds cannot be refinanced or defeased. The action of **HB 2047** would allow for funds for the bond payments to be set aside from the SGF and paid out as they become due.

Representative Tapanelli moved for a substitute motion to amend **SB 30** by inserting language from **HB 2047** to include setting aside funding from the State General Fund (SGF) in the amount of \$271.7 million for school funding for FY 2008 and FY 2009; and set aside \$76.6 million for the Regents Crumbling Classroom Debt Payment Fund (Attachment 3). The motion was seconded by Representative Wolf. Motion carried.

The Committee discussed whether the action of **SB 30** and the proposed amendment would place an undue burden on the State General Fund (SGF) and the required 7.5 percent ending balance and discussed the importance of fulfilling the Legislature's commitment to provide additional funding for education.

Representative Tapanelli moved to recommend **SB 30** as amended favorable for passage. The motion was seconded by Representative Bethel. Motion carried on a vote of 20-0.

The meeting was adjourned at 8:55 a.m. The next meeting of the Committee is at 9:00 a.m. on January 23, 2007.

Sharon Schwartz, Chair