

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chair Sharon Schwartz at 9:00 A.M. on March 22, 2007, in Room 514-S of the Capitol.

All members were present except:

Representative Doug Gatewood - excused
Representative Pat George - excused
Representative Ty Masterson - excused
Representative Jason Watkins - excused

Committee staff present:

Alan Conroy, Legislative Research Department
J. G. Scott, Legislative Research Department
Becky Krahl, Legislative Research Department
Amy Deckard, Legislative Research Department
Audrey Dunkel, Legislative Research Department
Julian Efird, Legislative Research Department
Susan Kannarr, Legislative Research Department
Aaron Klaassen, Legislative Research Department
Heather O'Hara, Legislative Research Department
Jim Wilson, Revisor of Statutes
Nikki Feuerborn, Chief of Staff
Shirley Jepson, Committee Assistant

Conferees appearing before the committee:

Representative Candy Ruff
Aaron Henrichs, Conservation Officer, Department of Wildlife and Parks
Glenn Deck, Executive Director, Kansas Public Employees Retirement System
Representative Kay Wolf
Marcia Nielson, Kansas Health Policy Authority
Craig Kaberline, Kansas Area Agency on Aging
Chris Tilden, Director of Local & Rural Health, Department of Health and Environment
Marilyn Page, Marion Clinic
Cindy Luxem, Kansas Health Center
Debra Zehr, Kansas Association of Homes for the Aging
Barb Conant, Department on Aging
Linda Wright, Director, Johnson County Area Agency on Aging
Dick Koerth, Department of Wildlife and Parks

Others attending:

See attached list.

- Attachment 1 Testimony on **HB 2584** by Representative Ruff
- Attachment 2 Testimony on **HB 2584** by Aaron Henrichs
- Attachment 3 Written Testimony on **HB 2584** by Eric Haskin, Kansas State Troopers Association
- Attachment 4 Data Sheet presented by Glenn Deck, KPERS
- Attachment 5 Testimony in support of **HB 2578** by Representative Wolf
- Attachment 6 Testimony in support of **HB 2578** by Marcia Nielsen
- Attachment 7 Testimony in support of **HB 2578** by Craig Kaberline
- Attachment 8 Testimony in support of **HB 2578** by Chris Tilden
- Attachment 9 Testimony in support of **HB 2578** by Marilyn Page
- Attachment 10 Testimony in support of **HB 2578** by Cindy Luxem
- Attachment 11 Testimony in support of **HB 2578** by Debra Zehr
- Attachment 12 Testimony in support of **HB 2578** by Barbara Conant
- Attachment 13 Testimony in support of **HB 2578** by Amanda Lowe
- Attachment 14 Written testimony in support of **HB 2578** by Linda Wright, Director, Johnson County Area Agency on Aging
- Attachment 15 Written testimony in support of **HB 2578** by Amy Falk, Executive Director, Caritas Clinics, Inc.

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- Attachment 16 Written testimony in support of **HB 2578** by Jim McFadden, Director, Mother Mary Anne Clinic
- Attachment 17 Written testimony in support of **HB 2578** by Laurel Alkire, Executive Director, Senior Services, Inc. of Wichita
- Attachment 18 Written testimony in support of **HB 2578** by Deanne Bacco, Executive Director of Kansas Advocates for Better Care
- Attachment 19 Written testimony in support of **HB 2578** by Ernest Kutzley, Advocacy Director for AARP Kansas
- Attachment 20 Written testimony in support of **HB 2578** by Karla Finnell, Executive Director, Kansas Association for the Medically Underserved
- Attachment 21 Amendment to **HB 2578**
- Attachment 22 Testimony on **HB 2586** by Dick Koerth
- Attachment 23 Testimony on **HB 2587** by Dick Koerth

HB 2591 and **SB 309** were referred to the Social Services Budget Committee.

Representative Schwartz made a motion to introduce legislation concerning deferred maintenance. The motion was seconded by Representative Tafanelli. Motion carried.

Hearing on HB 2584 - Affiliation with the Kansas Police and Firemen's Retirement System by the Department of Wildlife and Parks for membership of certain officers and employees.

Julian Efird, Legislative Research Department, explained that **HB 2584** addressed retirement benefits for certain employees of the Department of Wildlife and Parks. The legislation would direct the agency to affiliate with the Kansas Police and Fire Retirement System (KP&F) - including prior and future service for those employees who would be eligible. Currently these employees are covered under the Kansas Public Employees Retirement System (KPERs). The eligible employees are considered law enforcement personnel. The members employed before the affiliation date, would have prior KPERs service transferred to KP&F. The multiplier would change from 1.75 percent under KPERs to 2.5 percent under KP&F. Effective date of the legislation is July 1, 2007.

Chair Schwartz recognized Representative Candy Ruff, who presented testimony in support of **HB 2584** stating that it is a matter of equality and fairness for the conservation officers, who are state employees serving in the capacity of law enforcement officers, to be a part of the Kansas Police and Fire Retirement System (Attachment 1).

The Chair recognized Aaron Henrichs, Natural Resource Officer with the Department of Wildlife and Parks, who explained his support for **HB 2584** (Attachment 2). Responding to a question from the Committee, Mr. Henrichs stated that his retirement would increase if he were covered under the Kansas Police and Fire Retirement System.

Written testimony on **HB 2584** was received from Eric Haskin, President, Kansas State Troopers Association (Attachment 3).

Chairman Schwartz recognized Glen Deck, Executive Director, Kansas Public Employees Retirement System (KPERs), who provided a data sheet on the fiscal impact of **HB 2584** (Attachment 4). Mr. Deck stated that retirement under KP&F would have the same rules as retirement under KPERs. The employee contribution rate would increase from 4 percent under KPERs to 7 percent under KP&F in 2008. It was also noted that retirees under KPERs are eligible for Social Securities benefits; however, retirees under KP&F do not pay social security taxes and are not eligible for benefits. It is estimated that **HB 2584** would create an unfunded actuarial liability of approximately \$9.3 million.

Dick Koerth, Department of Wildlife and Parks, stated that the 30 percent of the employer's contribution to KP&F for the conservation officers would need to be funded from the State General Fund (SGF).

The hearing on HB 2584 was closed.

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Hearing on HB 2578 - Establishing the utilization of unused medications act.

Amy Deckard, Legislative Research Department, explained that **HB 2578** would create a voluntary program under which adult care homes would be able to donate unused medications to be dispensed by indigent health care clinics or federally qualified health care centers in Kansas to qualified residents who are medically indigent. The bill establishes criteria for acceptance of these donations. It stated that medications must come from a controlled storage unit, in original unit dose packaging and not have expired. The Board of Pharmacy will provide technical assistance for the program. In addition, the Department of Health and Environment (KDHE) would maintain records of participation. The fiscal note indicates that there would be no fiscal impact from the legislation.

Chair Schwartz recognized Representative Kay Wolf, who provided testimony in support of **HB 2578** (Attachment 5). Representative Wolf stated that the bill is good public policy and assists Kansans with the rising costs of healthcare.

The Chair recognized Marcia Nielsen, Executive Director, Kansas Health Policy Authority (KHPA), who provided testimony in support of **HB 2578** with modification (Attachment 6). Ms. Nielsen stated that it is the recommendation of the KHPA that an exception be added to **HB 2578** with regard to medications purchased by or provided through the Title XIX (Medicaid) and Title XXI (State Children's Health Insurance Program (SCHIP)) programs.

The following proponents were recognized and provided testimony in support of **HB 2578**:

- Craig Kaberline, Executive Director, Kansas Area Agencies on Aging Association (Attachment 7).
- Chris Tilden, Director, Office of Local and Rural Health, KDHE (Attachment 8).
- Cynthia Smith on behalf of Marilyn Page, Executive Director, Marian Clinic (Attachment 9).
- Cindy Luxem, CEO/President, Kansas Health Care Association (Attachment 10).
- Mary Sloan on behalf of Debra Zehr, President, Kansas Association of Homes and Services for the Aging (KAHSA) (Attachment 11).
- Barbara Conant, Director of Public Affairs, Department on Aging (Attachment 12).
- Amanda Lowe, CEO, Health Partnership Clinic of Johnson County (Attachment 13).

Written testimony in support of **HB 2578** was received from:

- Linda Wright, Director, Johnson County Area Agency on Aging (Attachment 14).
- Amy Falk, Executive Director, Caritas Clinics, Inc. (Attachment 15).
- Jim McFadden, Director, Mother Mary Anne Clinic, Wichita (Attachment 16).
- Laurel Alkire, Executive Director, Senior Services, Inc. Of Wichita (Attachment 17).
- Deanne Bacco, Executive Director, Kansas Advocates for Better Care (Attachment 18).
- Ernest Kutzley, Advocacy Director, AARP Kansas (Attachment 19).
- Karla Finnell, Executive Director, Kansas Association for the Medically Underserved (Attachment 20).

There were no opponents to the legislation.

Responding to questions from the Committee, Debra Billings, State Board of Pharmacy, noted that many of the issues regarding shipping and packaging would be addressed by rules and regulations.

The hearing on HB 2578 was closed.

Representative Bethell moved to recommend **HB 2578** favorable for passage. The motion was seconded by Representative Kelsey.

Representative Wolf moved for a substitute motion to amendment **HB 2578** by inserting the word "or pharmacist" in Section 4, Line 13, Paragraph (b); add language to exclude "medications purchased by or provided through the Title XIX (Medicaid) and Title XXI (State Children's Health Insurance Program (SCHIP)) (Attachment 21). The motion was seconded by Representative Feuerborn. Motion carried.

Representative Bethell moved to recommend **HB 2578** favorable for passage as amended and

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allow for technical corrections as needed. The motion was seconded by Representative Kelsey. Motion carried.

Hearing on HB 2586 - Authorizing department of wildlife and parks to exceed certain established expenditure limitations to comply with federal aid expenditure requirements.

Julian Efird, Legislative Research Department, explained that **HB 2586** was requested by the Department of Wildlife and Parks and would allow them to exceed expenditure limitations on three of the special revenue funds if the action was necessary to comply with federal requirements. An annual report would be required to be filed with the Governor and the Legislature after such expenditures were made. The action of this legislation would make this a permanent consideration as opposed to adding it each year by proviso to the appropriations bill.

Chair Schwartz recognized Dick Koerth, Department of Wildlife and Parks, who presented testimony in support of **HB 2586** (Attachment 22).

There were no opponents.

The hearing on HB 2586 was closed.

Hearing on HB 2587 - Creating the wildlife and parks nonrestricted fund.

Julian Efird, Legislative Research Department, explained that **HB 2587** would establish statutory the Wildlife and Parks non-restrictive fund in the State treasury. The bill would also provide for the disposition of receipts and expenditures subject to appropriations by the Legislature. The account would retain an interest-bearing status.

Chair Schwartz recognized Dick Koerth, Department of Wildlife and Parks, who testified in support of HB 2587 (Attachment 23). Mr. Koerth stated that the action was recommended by a Legislative Post Audit No. 94-44.

There were no opponents to **HB 2587**.

The hearing on HB 2587 was closed.

Representative Feuerborn moved to recommend **HB 2587** favorable for passage and placement on the consent calendar. The motion was seconded by Representative Carlin. Motion carried.

The meeting was adjourned at 11:00 a.m. The next meeting of the Committee will be held at 9:00 a.m. on March 23, 2007.

Sharon Schwartz, Chair