

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson David Adkins at 9:50 a.m. on April 19, 2000, in Room 514-S of the Capitol.

All members were present except:     Representative Allen - excused  
  Representative Peterson - excused  
  Representative Pottorff - excused

Committee staff present:     Alan Conroy, Kansas Legislative Research Department  
  Stuart Little, Kansas Legislative Research Department  
  Robert Waller, Kansas Legislative Research Department  
  Kathie Sparks, Kansas Legislative Research Department  
  Robert Chapman, Kansas Legislative Research Department  
  Paul West, Kansas Legislative Research Department  
  Carolyn Rampey, Kansas Legislative Research Department  
  Jim Wilson, Revisor of Statutes Office  
  Mike Corrigan, Revisor of Statutes Office  
  Dave Stallings, Assistant to the Chairman  
  Mary Shaw, Committee Secretary

Conferees appearing before the committee:  
    Albert Murray, Commissioner, Juvenile Justice Authority  
    Barbara S. Tombs, Executive Director, Kansas Sentencing Commission  
    Charles E. Simmons, Secretary, Department of Corrections  
    Kathleen Porter, Office of Judicial Administration, Judicial Branch  
    Ken Frahm, President, Kansas Development Finance Authority  
    Leslie Casson, Financial Analyst, Kansas Development Finance Authority  
    Rebecca Floyd, General Counsel, Kansas Development Finance Authority  
    Shelby Smith, Kansas Tobacco Free Coalition

Others attending:     See attached list.

Chairman Adkins opened the meeting with a moment of quiet reflection in remembrance of the 5<sup>th</sup> Anniversary of the Oklahoma City bombing where 168 people lost their lives.

**Staff Overview of Social and Rehabilitation Services, Aging Caseloads and Waiting Lists**

Chairman Adkins introduced Kathie Sparks of the Kansas Legislative Research Department who reviewed with the Committee a handout, Estimated Funding Shortfalls In SRS and Aging (Attachment 1). Committee questions and discussion followed.

**Juvenile Justice Authority Issues**

Chairman Adkins introduced Robert Chapman, Kansas Legislative Research Department, who briefed the Committee on the following information:

- Prevention Grants to Communities (Attachment 2)
- Juvenile Correctional Facility Building Initiatives - FY 2001, Comparison of House Budget Committee and JJA Positions (Attachment 3)
- Juvenile Justice - Capital Improvements (Attachment 4)

Chairman Adkins introduced Albert Murray, Commissioner, Juvenile Justice Authority who spoke regarding the

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Juvenile Justice Authority Prevention Funding Formula. Commissioner Murray mentioned that the Joint Committee on Corrections and Juvenile Justice Oversight, as well as the House Public Safety Budget Committee, recommended that he examine the current funding formula and revisit or devise a new formula that addresses additional values or objectives. In Commissioner Murray's handout, he detailed the Prevention Funding Formula, the Juvenile Correctional Facility Construction Projects and the Alternatives ([Attachment 5](#)).

Commissioner Murray distributed additional information regarding Juvenile Justice Authority, Major Initiatives - FY 2001 Capital Improvement Projects ([Attachment 6](#)). Detailed Committee questions and discussion followed. Representative Landwehr requested information regarding a copy of the study done through Wichita State University showing that the high school dropout rate most accurate indicator that a juvenile would become a juvenile offender. Representative Landwehr also mentioned that one of the reasons mentioned for looking at the formula change was to reward successful prevention programs and she requested information on how JJA is measuring the success of the programs, what the programs are and where the statistics for the programs are going.

The following letters were distributed by Staff from the office of Thaine Hoffman, AIA, Director, Kansas Department of Administration, Division of Architectural Services, regarding the New Juvenile Justice Authority Maximum Security Facility at Topeka and the Medium Security Facility at Larned as follows ([Attachment 7](#)):

- 1.) Letter addressed to Paul West, Kansas Legislative Research Department
- 2.) Letter addressed to Gary Karst, Horst Terrill Karst Architects and Dave Hoefler, Hoefler Wysocki Architects
- 3.) Letter addressed to Dave Wysocki, Hoefler Wysocki Architects and Gary Karst, Horst Terrill Karst Architects

Staff distributed copies of the Community Planning Team Funding ([Attachment 8](#)).

Chairman Adkins requested that staff distribute a copy of the Kansas Judicial Districts ([Attachment 9](#)). The Chairman explained prevention philosophy to help understand what he sees as defining the components of any formula as necessary to address a full prevention mentality. He mentioned that prevention can be divided into three areas:

- Primary prevention - those prevention programs which are applicable to all youth that live within a community.
- Secondary prevention - focused on youth that demonstrate some risk for becoming offenders.
- Tertiary prevention - for youth that have already gotten in trouble and need additional support to prevent themselves from re-offending.

The Chairman mentioned that the policy choice is to recognize that prevention has primary, secondary and tertiary elements and to determine to what extent to fund programs in all three of those as part of the comprehensive community plan and what indicators are needed to help define what is an appropriate allocation in each one of those elements. Committee questions and discussion followed.

Chairman Adkins thanked Commissioner Murray for appearing before the Committee.

### **Adult Correction Issues**

The Chairman introduced Stuart Little, Kansas Legislative Research Department, who briefed the Committee regarding the **House Substitute for Senate Bill 323** – Corrections Mega Bill. ([Attachment 10](#))

Chairman Adkins introduced Barbara Tombs, Executive Director, Kansas Sentencing Commission, who spoke regarding the **House Substitute for SB 323** which contains the provisions of **SB 490**, **SB 491** and **SB 665**, all of which deal with various changes to sentencing practices under the Sentencing Guidelines Act and appropriations for certain capital improvement projects for the Department of Corrections. She detailed the provisions of **SB 490**, **SB 491** and **SB 665** ([Attachment 11](#)). Ms. Tombs also distributed additional information regarding the Sentencing Range, Prison Admissions and Violators and Release ([Attachment 12](#)). The

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Chairman thanked Ms. Tombs for appearing before the Committee.

Chairman Adkins introduced Charles E. Simmons, Secretary, Department of Corrections, who spoke regarding an Alternative Corrections Proposal ([Attachment 13](#)). Secretary Simmons noted in his testimony that the proposal is offered as a reasonable, balanced, compromise in addressing inmate crowding issues in that it includes capacity expansion, community alternatives, and revisions to sentencing laws. The specifics of the proposed amendments to the **SB 323** plan are contained in Secretary Simmons' testimony. Committee questions and discussion followed. The Chairman thanked Secretary Simmons for appearing before the Committee.

Chairman Adkins introduced Kathleen Porter, Office of Judicial Administration, Judicial Branch, who addressed the portion of **SB 323** that used to be **SB 490**. It was noted that the target offender population for community corrections programs include adult offenders convicted of felony offenses as listed in a letter from Jerry Sloan, Budget and Fiscal Officer, Office of Judicial Administration to Duane A. Goossen, Director of the Budget. It is noted in the letter that felons who fall outside of this target population would be supervised by court services ([Attachment 14](#)). Ms. Porter mentioned that she is concerned that court services officers in urban areas currently have caseloads of 153 and that adding to those caseloads would not be good public policy. Ms. Porter submitted an ASIP Summary Report as of January, 2000, from Wyandotte County, the only urban area she could get an answer of how many people are now being served by community corrections who would go to court services was from Wyandotte County ([Attachment 15](#)) and she is not sure that they are representative of the whole state, but she is concerned. Ms. Porter noted that she would be more comfortable if she had figures statewide. Caseloads under the bill's provisions would be inappropriate for court services divisions. Ms. Porter also distributed information regarding Sentencing Guidelines by Severity Level - Selected Offenses ([Attachment 16](#)). Committee questions and discussion followed. The Chairman thanked Ms. Porter for appearing before the Committee.

The meeting recessed at 12:45 p.m. The Committee reconvened at 2:00 p.m.

### **Securitization of Tobacco Settlement Proceeds**

Chairman Adkins opened the public hearing on Securitization of Tobacco Settlement Proceeds.

The Chairman acknowledged Ken Frahm, President, Kansas Development Finance Authority. Mr. Frahm addressed the issue of risk avoidance. They perceive a significant risk to the State of Kansas, Kansas Endowment for Youth fund and Childrens' Initiatives Fund with regard to the money that they are expecting to receive from tobacco settlement receipts from the result of recent court action. K DFA feels they have a method to suggest to the Committee that can reduce that risk. Mr. Frahm explained that one of the things K DFA is not about, nor endeavoring to do with this proposed legislation, is having anything to do with the way in which Kansas proposes to spend money from the tobacco settlement receipts. Instead this legislation has to do with assuring that the money is there to be spent.

Mr. Frahm reviewed the Kansas Development Finance Authority Tobacco KEY Questions and Answers ([Attachment 17](#)). Mr. Frahm also distributed copies of Kansas Development Finance Authority Tobacco Settlement Securitization Proposal ([Attachment 18](#)). Additional information was also distributed regarding tobacco securitization ([Attachment 19](#)).

Mr. Frahm introduced Leslie Casson, Financial Analyst, Kansas Development Finance Authority, who detailed the Kansas Development Finance Authority Tobacco Settlement Securitization Proposal.

Mr. Frahm introduced Rebecca Floyd, General Counsel, Kansas Development Finance Authority who was available for questions and information. Committee questions and discussion followed the presentation. The Chairman thanked Mr. Frahm, Ms. Casson and Ms. Floyd for their presentation.

Chairman Adkins introduced Shelby Smith, Kansas Tobacco Free Coalition ([Attachment 20](#)). Mr. Smith mentioned that the Tobacco Free Kansas Coalition feels that the 1999 law should be re-examined and the 1998

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law reconsidered. They feel that the challenge to allocating tobacco litigation proceeds is complex with far ranging consequences and cannot be addressed in a day or two. Mr. Smith mentioned that they understand the need for urgency on authorizing legislation, the limited market, negotiated sale, private placement, etc.; however, they are concerned about how the bond proceeds be distributed and how will the money be spent. Committee questions and discussion followed. Representative Ballard requested a copy of the questions asked in the statewide telephone poll noted on Attachment A of Mr. Smith's testimony.

There being no further conferees, the Chairman closed the public hearing on Securitization of Tobacco Settlement Proceeds.

Detailed questions and discussion followed regarding securitization. The Chairman noted that this is an issue that clearly needs full study.

### **Kansas Prevention Initiative and Children's Initiative Fund**

Chairman Adkins turned the Committee's attention to a topic that he had proposed some time ago and that Staff has a number of documents that hopefully will help. He noted that the House has delayed consideration of the Children's Initiative Fund appropriations for the 2001 budget year until the omnibus and he had prompted that effort out of a concern that the Governor's Budget recommendations in this area did not reflect, in his view, or adhere to the spirit of the law as was passed last year. The Chairman distributed copies from 1999 Session Laws of Kansas for review (Attachment 21). He called the Committee's attention to page 1663, New Section 2 (b) and page 1665, New Section 3, (b). The Chairman noted that the Kansas Children's Cabinet took over review of the previously identified trust fund that is directed at funding a grant program for child abuse and neglect and those provisions focus on the language he is most interested in keeping in mind while considering the Children's Initiative Fund appropriations. The Chairman also noted that Carolyn Rampey, Kansas Legislative Research Department, prepared information titled Children's Initiatives Fund (Tobacco) regarding the Governor's recommendations and the Children's Cabinet's recommendations and that so far none of these recommendations have been acted upon (Attachment 22). Ms. Rampey also prepared information titled Children's Initiatives Fund, Program or Project on what was intended to be funded by the Governor's recommendations (Attachment 23). The Chairman noted that his intent is to appoint a subcommittee to report back to the full committee with regards to recommendations on Children's Initiative Fund spending and to look at more of the accountability piece which is included, he thinks, is included in the intention of the law last year. Chairman Adkins mentioned that it was his hope that this subcommittee will report back to the full committee with a bill that will help provide a leadership structure that is timely, given the nexus between the first major allocations from the Children's Initiative Fund, but truly trying to create a focal point for prevention leadership within state government. Chairman Adkins mentioned that he remains flexible in hearing any ideas that members of the Committee or the community might have that could help form this initiative in a way to make it a better, more useful and value-added component and not something that is perceived as a threat by any organization, agency or activity.

Chairman Adkins also distributed copies of Kansas Prevention Initiative: Kansas Center for Prevention Leadership, Making a Difference with Leadership and Accountability (Attachment 24) and Children's Research Council (Attachment 25).

The Chairman appointed the following to the subcommittee for the Children's Initiative Fund and Prevention Leadership: Representatives Adkins, Neufeld, Weber, Allen, Reardon, Nichols and Ballard. The Chairman charged them with the task of coming back to the full committee with their proposals with regards to spending the Children's Initiative Fund dollars and for their proposal with regards to Legislative enactment, if they deem it appropriate, for a Kansas Center for Prevention Leadership incorporating whatever of these ideas that they feel are appropriate for legislation.

The meeting was adjourned at 4:00 p.m. The next meeting is scheduled for April 20, 2000.