

Approved: January 27, 2010

(Date)

## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairperson Marc Rhoades at 9:04 a.m. on Wednesday, January 18, 2012 in room 346-S of the Capitol.

All members were present except:

Richard Carlson - excused

Virgil Peck - excused

Gene Suellentrop - excused

Committee staff present:

Alan Conroy, Director, Legislative Research Department

J.G. Scott, Chief Fiscal Analyst, Legislative Research Department

Dylan Dear, Senior Fiscal Analyst, Legislative Research Department

Michael Wales, Fiscal Analyst, Legislative Research Department

Jill Wolters, Senior Assistant Revisor, Office of Revisor of Statutes

Nobuko Folmsbee, Senior Assistant Revisor, Office of Revisor of Statutes

Kathy Holscher, Committee Assistant, Appropriations Committee

Others in attendance:

See attached list.

Chairman Rhoades welcomed committee members and presenters, and reviewed the meeting agenda.

Robin Jennison, Secretary, Wildlife, Parks and Tourism, presented an overview and reviewed FY 2012 Legislative proposals and the FY 2013 Governor's Budget Report (Attachment 1). He noted that the department's goal would be to utilize user fees to become self-sufficient within the next few years. In order to accomplish this goal two major areas would be impacted: discontinue the senior exemption for Kansans 65 years of age and older for both hunting and fishing licenses, and the creation of a Park Pass for Kansas Residents. Both would require legislative approval, he noted. The Park Pass would be valid for one year and would be purchased at the same time light trucks or cars are registered at a cost of \$15 through the county treasurer's office, which could raise \$3.8 million upon registration. Currently \$1.8 million is raised through annual registrations. A review of the Wildscape program followed. The program was designed to help the department through the cabin projects. 75% of the revenue raised through cabin rental would go in to the program and the department would receive 25% of the revenue. The balance of the note is \$1.7 million. The Governor's plan to reduce the \$1.7 debt includes paying 90% of the revenue to the department and the remaining 10% to the Wildscape

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program. He emphasized the need to identify cabin locations with higher usage and the addition of five cabins to the Clinton reservoir will enhance the program and increase revenues. A review of the senior exemption for hunters and anglers followed.

Secretary Jennison and Dick Koerth, Budget Liaison, responded to questions from committee members. An explanation of the land use rights was provided. It was noted that leased land rights are available for public access, 40 lakes for anglers and 4 hatcheries which the department funds. The ending balance projection is \$1.5 million, whereas it should be closer to \$5 million, and the need for additional park staff was emphasized. The Governor's Budget Report removes funding from the State General Fund and would be replaced with Economic Development Initiative Fund (EDIF) to pay down debt. It was noted that the grant funding has decreased. Self-funding of the parks will offer a steady revenue stream; enhance strategic planning, and maintenance issues. The use of free passes for the disabled and life time licenses previously issued was reviewed. The deer population and the incentives to donate meat for the Hunters Feeding the Hungry Program, increased rates and regulations for bait purchased by anglers and protecting the reservoirs was discussed. Budget reductions for the agency were the result of 12 voluntary retirements. Another bill will be brought to the legislature regarding alcohol use within area parks. Information regarding tourism investment and advertising tracking mechanisms, and the total amount collected in fee funds will be provided to the committee, as requested. Non-game funds has helped to draw-down federal dollars, it was noted. The \$10 million decrease in capital improvements was a result of prior legislative approval and are projects that have not been completed. Budget increases reflect acquired lease land, increased salaries and benefits.

Larry Isaak, President, Midwestern Higher Education Compact (MHEC), provided an overview of the organization (Attachment 2). He stated that 12 states participate in the compact and the 60 member commission is comprised of legislators, governors' representative and higher education leaders. Highlights of the programs and services offered and policy trends followed. He noted that since inception in 1991, a cost savings of \$353 million has been realized and \$36 million in FY 2011. Programs include property insurance, computer hardware and software, student health insurance and pharmacy benefits. The Midwest Student Exchange Program provides a reduced tuition for students and to date nine states are participating in this program. The electronic transcript initiative is available to schools and for sending member high school and college transcripts to member colleges. He stated that in order to compete globally, a higher level of educated individuals will be needed and is a goal for the future. Approximately 40% of the students between the ages of 25 to 34 have an Associate's Degree or higher. Formulas for funding are based upon completion of college not those just entering college, he noted.

Chairman Rhoades stated that the Governor's Budget Report does not include \$95,000 for Kansas continued participation in the compact, which will be debated in this committee to determine if this is valid to our state and the individuals who benefit from the compact.

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Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

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Larry Issak responded to questions from committee members. He stated that \$4.5 million in savings for tuition and \$1 million in cost savings was realized from July 1, 2010 to June 30, 2011. Contracting for services with local dealers and national vendors was discussed. Technical and community colleges may be the first step for many students and as they progress with career goals broader education would be needed to advance, he noted. A review of Benchmarks for college readiness for Kansas High School students followed. The strength for each state in the compact includes cost saving, student exchange program, policies that determine governing higher education, utilization of the workforce in Kansas through education opportunities. The compact is a 501(c)3, he added.

Chairman Rhoades thanked presenters and reviewed the agenda for the next committee meeting, which will be held in Room 784 in the Docking State Office Building.

Meeting was adjourned at 10:00 a.m.