

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairman Kenny Wilk at 9:05 a.m. on March 6, 2001, in Room 514-S of the Capitol.

All members were present

Committee staff present: Alan Conroy, Legislative Research
 Rae Anne Davis, Legislative Research
 Carolyn Rampey, Legislative Research
 Amy Kramer, Legislative Research
 Audrey Nogle, Legislative Research
 Jim Wilson, Revisor of Statutes
 Mike Corrigan, Revisor of Statutes
 Nikki Feuerborn, Committee Secretary

Conferees appearing before the committee: Susan Mahoney, Office of the Governor
 Nancy Holt, Executive Director of the Board of KSHS, Inc.
 Michael Hoeflich, University of Kansas School of Law
 Representative Annie Kuether

Others attending: See Attached

Representative Peterson moved that the minutes of February 6, 7, 8, 15, and 22 be approved as presented. Motion was seconded by Representative Stone. Motion carried.

Representative Neufeld, Chairperson of the Social Services Budget Committee, presented the Budget Committee Report on the Governor's budget recommendations for the Mental Health Institutions for FY 2001 and moved for the adoption of the Budget Committee recommendation for FY 2001 with the noted recommendations (Attachment 1). Motion was seconded by Representative Henry. Motion carried.

Representative Neufeld presented the Budget Committee Report on the Governor's budget recommendations for the Mental Health Institutions for FY 2002 and moved for the adoption of the Budget Committee recommendation for FY 2002 with the noted recommendations (Attachment 1). Motion was seconded by Representative Ballard. Motion carried.

Representative Henry presented the Budget Committee Report on the Governor's budget recommendations for Developmental Disability Institutions for FY 2001 and moved for the adoption of the Budget Committee recommendation for FY 2001 with the noted recommendations (Attachment 1). Motion was seconded by Representative Neufeld. Motion carried.

Representative Henry presented the Budget Committee Report on the Governor's budget recommendations for Developmental Disability Institutions for FY 2002 and moved for the adoption of the Budget Committee recommendation for FY 2002 with the noted recommendations (Attachment 1). Motion was seconded by Representative Neufeld. Motion carried.

The Budget Committee reported they had discussed the option of closing one of the facilities as one of the existing facilities could accommodate the additional beds (36). They reported that all institutions are stressed due to the budget constraints which contribute to the non-competitive pay scale. There is currently no hiring freeze in place at any of the institutions but it occasionally takes months to fill a position. Guardians of clients have been reluctant for certain clients to leave KNI as they do not feel the community-based programs are comparable with those available at KNI. There may be an attempt to develop a link between the KNI cottages and CDDO's.

Hearing on HB 2532--State historical society, clarification of state agency status, executive director
Audrey Nogle, Legislative Research Department, walked the Committee through the bill which would clarify the

status of the role of the Kansas State Historical Society under state government and would provide for appointment of the Executive Director by the governor from a list of qualified nominees submitted by the Executive Committee of the Society's Board of Directors. . A media release published by the Attorney General was distributed to Committee members (Attachment 2).

The Committee discussed the limitations of the proposed proviso which would not allow a person receiving retirement from KPERS to serve as the Executive Director of the Historical Society. They also discussed their concerns of this becoming a politically appointed position rather than treated as a professional position with long-term objectives being adopted and initiated by the Executive Director. The point that funds are appropriated for this agency but there is a need for greater accountability was discussed.

Susan Mahoney, Office of the Governor, presented a balloon amendment to the bill which would limit the authority of the Kansas State Historical Society, Inc., grant the Governor more leeway in selecting an Executive Director, and have the Executive Director serve at the pleasure of the Governor (Attachment 3). Ms. Mahoney said these amendments were drawn under the direction of the Attorney General and the two attorneys who serve as General Counsel for the Governor in an attempt to make the Historical Society more accountable to the citizens of Kansas. These amendments clarify that the Historical Society is a state agency.

Representative Annie Kuether reminded the Committee of the annual evaluation proposed for the Executive Director with the results of such an evaluation being submitted to the Governor for review.

Nancy Holt, Chairperson of the 15 member Executive Committee of the Kansas State Historical Society, Inc., explained that the full Board of Directors was made up of 99 members who submit letters of interest, a \$30.00 application fee, and are then approved by a nominating committee appointed by the Executive Board (Attachment 4). The Board meets annually. Kim Metzger serves as the CEO of Kansas State Historical Society, Inc., the not-for-profit portion of the Society, and Dr. Ramon Powers serves as the Executive Director of the Kansas State Historical Society. Ms. Holt explained that this proposed legislation is in response to the recommendations from Legislative Post Audit regarding accountability. The private sector provides the checks and balances for the Society. She assured the Committee there are very strict policies in place regarding the sale or disposal of gifts or artifacts.

Michael Hoeflich, University of Kansas School of Law and board member of the KSHS, Inc., explained that the separation of function and responsibilities between the private sector and those supported by the state. The private portion of the society holds private assets and he gave examples of monetary contributions including stock which they sell, a telephone, computer software, and the retail merchandise of the Museum Store. Nearly all gifts or donations of articles or artifacts flow through Kansas State Historical Society, Inc., as trustee for the state, and the donor is given a receipt as a charitable donor with no appraised amount listed. The gifts are immediately relinquished to the state. Kansas State Historical Society, Inc. is a Trustee for the State by statutes. This procedure has been in the statutes since 1975.

Chairman Wilk declared the hearing on **HB 2532** closed.

Alan Conroy, Legislative Research Department, distributed copies of the State General Fund Receipts for July-February FY 2001 (Attachment 5).

The meeting was adjourned at 10:50 a.m. The next meeting is scheduled for Wednesday, March 7, 2001.

