## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 a.m. on February 18, 2004 in Room 514-S of the Capitol.

All members were present.

# Committee staff present:

J. G. Scott, Legislative Research Amy VanHouse, Legislative Research Leah Robinson, Legislative Research Melissa Calderwood, Legislative Research Amy Deckard, Legislative Research Jim Wilson, Revisor of Statutes Mike Corrigan, Revisor of Statutes Nikki Feuerborn, Administrative Analyst Shirley Jepson, Committee Secretary

Conferees appearing before the committee:

## Others attending:

See Attached List.

- Attachment 1 Budget Committee Report on Governmental Ethics Commission and Department of Administration
- Attachment 2 Testimony on **HB 2666** by Representative Tom Sloan
- Attachment 3 Balloon for **HB 2666** offered by Representative Sloan
- Attachment 4 Testimony on **HB 2666** by Representative Becky Hutchins
- Attachment 5 Testimony on HB 2666 by Carol Foreman, Deputy Secretary, Department of Administration
- Attachment 6 Testimony on **HB 2666** by Abe Rezayazdi, van pool participant
- Attachment 7 Testimony on **HB 2666** by Shawn Howell, van pool participant
- Attachment 8 Testimony on **HB 2666** by Jan Sides, State Employees Association of Kansas
- Attachment 9 Testimony on **HB 2666** by Andy Sanchez, Executive Director, Kansas Association of Public Employees
- Attachment 10 Testimony on **HB 2666** by Charles Benjamin, Attorney on behalf of the Kansas Chapter of the Sierra Club
- Attachment 11 Budget Committee Report on Department on Aging
- Attachment 12 Final Report, Project Steering Committee on the Future of Kansas Mental Health Hospitals

Representative Shriver, member of the House General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Governmental Ethics Commission for FY 2004 and FY 2005 and moved for the adoption of the Budget Committee recommendations for FY 2004 and FY 2005 (Attachment 1). Motion was seconded by Representative Pottorff. Motion carried.

# Hearing on HB 2666 - Repealing statute allowing department of administration to terminate the van pool program.

Chairman Neufeld recognized Leah Robinson, Legislative Research Department, who explained that **HB 2666** addresses the State van pool program. In January 2004, the Department of Administration (DOA) announced that the program would be phased out. Under current law, the DOA has the statutory authority to make that decision. **HB 2666** would repeal the statutory authority of the DOA to phase out the van pool program.

The Chair recognized Barb Hinton and Chris Clarke, Legislative Post Audit, who presented an overview of the Performance Audit Report on Kansas' Central Motor Pool with reference to the van pool (Page 8 - 10 of the audit report; copy of the audit report is available from Legislative Post Audit). The Committee noted that

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the van pool program was authorized in 1980 and the bulk of funding for the program came from federal transportation funds.

Chairman Neufeld recognized Representative Tom Sloan, who presented testimony in support of **HB 2666** (<u>Attachment 2</u>) and a suggested balloon that amends the bill to clarify the riders, fees charged to the riders, personal use of the van by the driver, and termination of the program (<u>Attachment 3</u>). Responding to questions from the Committee, Representative Sloan explained that there are multiple designated drivers for each van with approximately 12 - 15 riders per van.

The Chair recognized Representative Paul Davis, who testified in support of the legislation. Representative Davis noted that he and Representative Sloan had worked with the Department of Administration in developing the balloon.

Chairman Neufeld recognized Representative Becky Hutchins, who presented testimony in support of **HB 2666** (<u>Attachment 4</u>). In response to a question from the Committee concerning the thirty riders who do not work for the State of Kansas, the Chair recognized Abe Rezayazdi, van pool participant, who stated that these riders work at Blue Cross-Blue Shield, Santa Fe and other downtown businesses and pay the same fees as state workers. The Committee noted that because of the 75 percent federal funding to start the program, it was designated as public transportation and not limited to state employees.

Chairman Neufeld recognized Carol Foreman, Deputy Secretary, Department of Administration (DOA), who presented testimony on the proposed amended language of HB 2666 (Attachment 5). Ms. Foreman stated that the deciding factor in phasing out the van pool program involved whether the State should be in the business of public transportation. Ms. Foreman indicated that the proposed amendment does address the concerns of DOA. Responding to a question from the Committee, Ms. Foreman noted that DOA is still reviewing a new fee schedule but felt that the new fee would not be significantly higher than the present fee. The phase-out program, which was proposed by DOA, would take approximately four to five years to complete. The Committee expressed concern about the State being exposed to a high liability in case of an accident with a state-owned van. Ms. Foreman indicated that the vans are driven approximately 95,000 miles before being replaced. Responding to questions from the Committee, Ms. Foreman stated that the department is researching a lease program for the vans by obtaining funds from the master lease program to be loaned to the Central Motor Pool for purchase of the vans. Rider fees charged would offset this expense. Responding to a question from the Committee, Ms. Foreman stated that the depreciation fee charged to riders to offset the purchase of new vans, has been co-mingled with operation moneys used to fund the Central Motor Pool and that the Department has not been able to identify these funds. Because these fund balances have been swept into other funds, the balance is zero at this time. With regards to the State's liability and worker's compensation, Ms. Foreman was unsure as to how liable the State might be in case of an accident. The Chair thanked Ms. Foreman for her testimony.

The Chair recognized Abe Rezayazdi, van pool participant and driver, who presented testimony in support of **HB 2666** (Attachment 6).

Chairman Neufeld recognized Shawn Howell, van pool participant and driver, who presented testimony in support of **HB 2666** (<u>Attachment 7</u>). Responding to a question from the Committee, Mr. Howell indicated that he did not receive a salary as driver of a van; however, pays one-fourth of the regular rider fee.

The Chair recognized Jan Sides, State Employees Association of Kansas, who presented testimony in support of **HB 2666** (<u>Attachment 8</u>).

The Chair recognized Andy Sanchez, Executive Director, Kansas Association of Public Employees, who presented testimony in support of **HB 2666** (Attachment 9).

Chairman Neufeld recognized Charles Benjamin, Attorney on behalf of the Kansas Chapter of the Sierra Club, who presented testimony in support of **HB 2666** (<u>Attachment 10</u>).

Chairman Neufeld closed the hearing on HB 2666.

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Representative Bethell, member of the House Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Department on Aging for FY 2004 and moved for the adoption of the Budget Committee recommendations for FY 2004 (Attachment 11). Motion was seconded by Representative Landwehr. Motion carried.

Representative Bethell, member of the House Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Department on Aging for FY 2005 and moved for the adoption of the Budget Committee recommendation with notations for FY 2005 (Attachment 11). Motion was seconded by Representative Landwehr.

Representative Bethell moved to amend the Budget Committee report, to add language indicating that the Budget Committee recommends leaving the recommendation in Item No. 2 to the jurisdiction of the Joint Committee on Information Technology. The motion was seconded by Representative McLeland. Motion carried.

Representative Feuerborn moved to amend the Budget Committee report and include language requesting that the Budget Committee review the formula and funding mechanism of the nutrition program prior to Omnibus. The motion was seconded by Representative Bethell. Motion carried.

The Committee requested information from the Department on Aging, with reference to Item No. 8 of the Budget Committee report, on the number of under-served and unserved on the waiting list for the FE Waiver and Senior Care Act.

Representative Bethell renewed the motion to adopt the Budget Committee report on the Department on Aging for FY 2005 as amended. The motion was seconded by Representative Ballard. Motion carried.

Representative Pottorff, member of the House General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Department of Administration for FY 2004 and moved for the adoption of the Budget Committee recommendations for FY 2004 (Attachment 1). Motion was seconded by Representative Shriver. Motion carried.

Representative Pottorff, member of the House General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Department of Administration for FY 2005 and moved for the adoption of the Budget Committee recommendations with observations for FY 2005 (Attachment 1). Motion was seconded by Representative Shriver.

Representative Landwehr moved to amend the Budget Committee report by adding language to Item No. 3: "In the event of station equipment failure, based on the request of KPBC relative to equipment needs, the Department of Administration is committed to assisting the station to restore transmission power." The motion was seconded by Representative Pottorff. Motion carried.

Representative Shultz moved to amend the Budget Committee report by adding language in Item No. 4 to allow the Joint Committee on State Building Construction to review and make recommendations prior to Omnibus. The motion was seconded by Representative Shriver. Motion carried.

Representative Pottorff renewed the motion to adopt the Budget Committee report on the Department of Administration for FY 2005 as amended. The motion was seconded by Representative Shriver. Motion carried.

The final report, prepared by the Department of Social and Rehabilitation Services (SRS), from the Project Steering Committee on the Future of Kansas Mental Health Hospitals, was distributed to the Committee (Attachment 12).

The meeting was adjourned at 10:40 a.m. The next meeting of the Committee will be held at 9:00 a.m. on February 19, 2004.

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