Approved: March 4, 2005

Date

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 A.M. on February 21, 2005, in Room 514-S of the Capitol.

All members were present except:

Representative Newton- excused Representative Sawyer- excused

Committee staff present:

Alan Conroy, Legislative Research Department J. G. Scott, Legislative Research Department Amy VanHouse, Legislative Research Department Reagan Cussimanio, Legislative Research Department Audrey Dunkel, Legislative Research Department Becky Krahl, Legislative Research Department Jim Wilson, Revisor of Statutes Mike Corrigan, Revisor of Statutes Nikki Feuerborn, Administrative Analyst Shirley Jepson, Committee Secretary

Conferees appearing before the committee:

Richard Morrissey, Department of Health and Environment Roger Werholtz, Secretary of Department of Corrections

Others attending:

See attached list.

- Attachment 1 Testimony on Federal Block Grants by Richard Morrisey, Department of Health and Environment
- Attachment 2 Budget Committee Reports on Department of Corrections, El Dorado Correctional Facility, Ellsworth Correctional Facility, Hutchinson Correctional Facility, Lansing Correctional Facility, Larned Correctional Mental Health Facility, Norton Correctional Facility, Topeka Correctional Facility, Winfield Correctional Facility
- Attachment 3 Information distributed by Representative Weber concerning the telephone contract and visitor centers for correctional facilities.
- Attachment 4 Retirement Subcommittee report on HB 2105
- Attachment 5 Presentation by Importation & Issues in International Drug Pricing & Drug Spending by Chris Ward, Ward Health Strategies Inc.

Hearing on Federal Block Grant Programs administered by the Department of Health and Environment.

Chair Neufeld opened the public hearing on the proposed use and distribution of funds required as a condition of receipt of funding for federal block grant programs administered by the following state agency: Department of Health and Environment.

Richard Morrissey, Department of Health and Environment, presented testimony on the Preventive Health and Health Services Block Grant and the Maternal and Child Health Services Block Grant (<u>Attachment 1</u>).

Chair Neufeld closed the public hearing on the proposed use and distribution of funds required as a condition of receipt of funding for federal block grant programs administered by the following state agency: Department of Health and Environment.

Representative Light, Chair of the Public Safety Budget Committee, presented the Budget Committee report on the Department of Corrections for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 2). The motion was seconded by Representative Sharp. Motion carried.

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In response to a question from the Committee, Becky Krahl, Legislative Research Department, indicated that the reason for the State General Fund (SGF) decrease of \$1,218,689 in the FY 2005 budget is largely due to the move of federal surplus property program and staff from the Department of Corrections to the Department of Administration which resulted in a decrease of 20 FTE staff at the Department of Corrections.

Representative Light, Chair of the Public Safety Budget Committee, presented the Budget Committee report on the Department of Corrections for FY 2006 and moved for the adoption of the Budget Committee recommendation for FY 2006 (Attachment 2). The motion was seconded by Representative Sharp. Motion carried.

Representative Weber presented information to the Committee concerning the telephone contract commission, visitors centers and the related issue of funding for the Beyond Bars Girls Scout program (<u>Attachment 3</u>).

Representative Weber moved to amend the Budget Committee report to recommend an Omnibus review of the \$2.75 million received from the telephone contract commission for possible use of these funds to the funding of visitor centers at the correctional facilities and the Beyond Bars Girls Scout program. The motion was seconded by Representative Landwehr. Motion failed.

The Budget Committee noted that, at the present time, the funds from the telephone contract are dedicated to funding inmate preventive treatment programs at the correctional facilities. It was indicated that 50 percent of the funds collected from the inmates use of the telephone under the contract are returned to the Department of Corrections.

Representative Weber moved to amend the Budget Committee report by recommending one-half of the \$2.75 million received from the telephone contract be set aside for an Omnibus review for possible diversion of these funds to the funding of visitor centers at the correctional facilities and the Beyond Bars Girls Scout program. The motion was seconded by Representative Hutchins. Motion failed.

The Budget Committee stated that no funding was proposed by the Budget Committee for the Beyond Bars Girls School program. Roger Werholtz, Secretary of the Department of Corrections, informed the Committee that the telephone contract is scheduled for renegotiation in mid-September. The Committee suggested that the subject of the prison telephone contract be reviewed during the interim by the Joint Committee on Corrections and Juvenile Justice.

Responding to a question from the Committee regarding a day-reporting center in Wyandotte County, Secretary Werholtz, indicated that the Department has worked extensively with Wyandotte County to determine that a re-entry program for inmates will work more effectively in that community than the day-reporting center. A re-entry program will give more flexibility in the service to inmates, is not confined to a single geographic area and networks with a variety of community organizations.

The Committee requested staff to research if a Kansas statute exists which requires a day-reporting center to be established in Wyandotte County.

Representative Pilcher-Cook, member of the Public Safety Budget Committee, presented the Budget Committee report on the El Dorado Correctional Facility for FY 2005 and moved for the adoption of the Budget Committee recommendation for FY 2005 (Attachment 2). The motion was seconded by Representative Light. Motion carried.

Representative Pilcher-Cook, member of the Public Safety Budget Committee, presented the Budget Committee report on the El Dorado Correctional Facility for FY 2006 and moved for the adoption of the Budget Committee recommendation for FY 2006 (Attachment 2). The motion was seconded by Representative Light. Motion carried.

Representative Pilcher-Cook, member of the Public Safety Budget Committee, presented the Budget Committee report on the Ellsworth Correctional Facility, Hutchinson Correctional Facility, Lansing Correctional Facility, Larned Correctional Mental Health Facility, Norton Correctional Facility, Topeka Correctional Facility and Winfield Correctional Facility for FY 2005 and FY 2006; and moved for the

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adoption of the Budget Committee recommendations for FY 2005 and FY 2006 (Attachment 2). The motion was seconded by Representative Light. Motion carried.

Representative Feuerborn, member of the Retirement Subcommittee, presented the Subcommittee Report on **HB 2105** and moved to recommend **HB 2105** favorable for passage (Attachment 4). The motion was seconded by Representative Gatewood. Motion carried.

The meeting was recessed at 10:30 a.m. and re-convened at 12:00 p.m.

Chris Ward, Ward Health Strategies, Inc. presented testimony on the importation and issues in international drug pricing and drug spending (<u>Attachment 5</u>). Mr. Ward's presentation mainly dealt with the sale of imported prescription drugs from Canada to private citizens in the United States.

The meeting was adjourned at 1:10 p.m. The next meeting will be held at 9:00 a.m. on February 22, 2005.

Melvin Neufeld, Chair