Approved: <u>March 8, 2007</u> Date

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chair Sharon Schwartz at 9:00 A.M. on February 14, 2007, in Room 514-S of the Capitol.

All members were present except:

Representative Pat George - excused Representative Jerry Henry - excused

Committee staff present:

Alan Conroy, Legislative Research Department
J. G. Scott, Legislative Research Department
Becky Krahl, Legislative Research Department
Audrey Dunkel, Legislative Research Department
Julian Efird, Legislative Research Department
Aaron Klaassen, Legislative Research Department
Jim Wilson, Revisor of Statutes
Shirley Jepson, Committee Assistant

Conferees appearing before the committee:

Stephen Martino, Executive Director, Kansas Racing and Gaming Commission

Others attending:

See attached list.

Attachment 1 Budget Committee Report on Kansas Lottery & Kansas Racing and

Gaming Commission

Attachment 2 Budget Committee Report on Postsecondary Education Systemwide,

Board of Regents, University of Kansas, University of Kansas Medical Center, Kansas State University, KSU-Veterinary Medical Center, KSU-Extension Systems and Agriculture Research Programs, Wichita State University, Emporia State University, Fort Hays State University,

Pittsburg State University

HB 2352 was referred to Education Budget Committee.

HB 2421 was referred to Transportation & Public Safety Budget Committee.

HB 2423 was referred to Social Services Budget Committee.

Chair Schwartz recognized Representative Mike O'Neal for the purpose of introducing legislation.

Representative O'Neal moved to introduce legislation concerning the consumer protection act and malpractice lawsuits. The motion was seconded by Representative Tafanelli. Motion carried.

Representative Schwartz moved to introduce legislation regarding technical colleges and vocational school education reform. The motion was seconded by Representative Tafanelli. Motion carried.

Representative Lane, member of the General Government Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Lottery for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007(Attachment 1). The motion was seconded by Representative Pottorff. Motion carried.

Representative Lane, member of the General Government Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Lottery for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 1). The motion was seconded by Representative Pottorff. Motion carried.

With reference to Item No. 3 of the Budget Committee report, the Budget Committee felt that the Governor's recommendation concerning transfer of funds from the Lottery to the State General Fund could cause a funding problem for the agency with the introduction of new lottery games and increased advertising costs.

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on February 14, 2007, in Room 514-S of the Capitol.

Representative Burroughs, member of the General Government Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Kansas Racing and Gaming Commission for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 1). The motion was seconded by Representative Lane. Motion carried.

Responding to a question from the Committee concerning the increase in funds for drug testing on race animals, Stephen Martino, Executive Director, Kansas Racing and Gaming Commission, stated that he did not have the information on the number of animals tested but could provide the information. Mr. Martino reported that samples are taken from all animals; however, not all samples are tested. The Budget Committee felt it is important to maintain the integrity of the race animal testing.

Representative Burroughs, member of the General Government Budget Committee, presented the Budget Committee Report on the Governor's budget recommendation for the Kansas Racing and Gaming Commission for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 1). The motion was seconded by Representative Lane. Motion carried.

Representative Kelsey made a substitute motion to amend the Budget Committee report for the Kansas Racing and Gaming Commission for FY 2008 by reducing expenditures from the State Racing Fund by \$120,000 in FY 2008 to remove the compensation funding recommended by the Governor at \$2,000 per month for each of the five commissioners and to increase the expenditures limitation on the State Racing fund by \$15,000 in FY 2008 to provide commissioners with per diem compensation equivalent with the amount paid to legislators. The motion was seconded by Representative Beamer. Motion failed.

The Budget Committee noted the importance of the duties of the commissioners to maintain the integrity of the racing industry. The Budget Committee indicated that the content of the Kelsey motion may have some merit and will be reviewed by the General Government Budget Committee.

With reference to deletion of Economic Development Initiatives Fund (EDIF) funding in Item No. 3 and related to No.4, the Budget Committee stated that EDIF funding removed is anticipated to be replaced by the parimutuel tax rate increase as recommended in Item No. 7.

Representative McLeland, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Postsecondary Education Systemwide for FY 2007, including Board of Regents, University of Kansas, University of Kansas Medical Center, Kansas State University (KSU), KSU Veterinary Medical Center, KSU Extension Systems and Agriculture Research Programs, Wichita State University, Emporia State University, Fort Hays State University and Pittsburg State University and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 2). The motion was seconded by Representative Sawyer. Motion carried.

Representative McLeland, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Postsecondary Education Systemwide for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 2). The motion was seconded by Representative Powell.

Several members of the Education Budget Committee indicated that they did not sign the Budget Committee report because of the number of items delayed until Omnibus.

Representative Feuerborn made a substitute motion to strike Item No. 15 from the Budget Committee report on Postsecondary Education Systemwide for FY 2008 which will return funding as recommended in the Governor's budget and review at Omnibus the addition of another \$2.5 million from the Economic Development Initiatives Fund (EDIF). The motion was seconded by Representative Burroughs. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on February 14, 2007, in Room 514-S of the Capitol.

This action will return the funding to the Governor's recommendation by adding \$2.5 million additional funding from EDIF for the National Institute for Aviation Research (NIAR) at Wichita State University.

Representative Feuerborn made a substitute motion to strike Item No. 3 from the Budget Committee report on Postsecondary Education Systemwide for FY 2008. The motion was seconded by Representative Carlin. Motion failed.

Representative McLeland made a substitute motion to strike Item No. 16 from the Budget Committee report on Postsecondary Education Systemwide for FY 2008. The motion was seconded by Representative Yoder. Motion carried.

Representative McLeland made a substitute motion to add the language of Item No. 2 of the University of Kansas Medical Center Budget Committee Report to the Postsecondary Education Systemwide for FY 2008 report. The motion was seconded by Representative Powell. Motion carried.

Representative McLeland moved to adopt the Budget Committee recommendation on Postsecondary Education Systemwide for FY 2008 as amended. The motion was seconded by Representative Masterson. Motion carried.

Because the Budget Committee Report on the Postsecondary Education Systemwide for FY 2008 contained all of the recommendations of the Regent universities, the following motion was made to adopt those reports.

Representative McLeland moved for adoption of the Budget Committee recommendations for the Board of Regents, University of Kansas, University of Kansas Medical Center, Kansas State University (KSU), KSU Veterinary Medical Center, KSU Extension Systems and Agriculture Research Program, Wichita State University, Emporia State University and Pittsburg State University for FY 2008 as amended. The motion was seconded by Representative Masterson. Motion carried.

The meeting was adjourned at 10:30 a.m. The next meeting of the Committee will be held at 9:00 a.m. on February 15, 2007.

Sharon Schwartz, Chair	