

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 A.M. on March 21, 2006 in Room 514-S of the Capitol.

All members were present.

Committee staff present:

Alan Conroy, Legislative Research Department
 J. G. Scott, Legislative Research Department
 Becky Krahl, Legislative Research Department
 Matt Spurgin, Legislative Research Department
 Michele Alishahi, Legislative Research Department
 Audrey Dunkel, Legislative Research Department
 Julian Efird, Legislative Research Department
 Debra Hollon, Legislative Research Department
 Amy VanHouse, Legislative Research Department
 Jim Wilson, Revisor of Statutes
 Mike Corrigan, Revisor of Statutes
 Nikki Feuerborn, Administrative Assistant
 Shirley Jepson, Committee Secretary

Conferees appearing before the committee:

Others attending:

See attached list.

- Attachment 1 Budget Committee Report on **HB 2978**
- Attachment 2 Budget Committee Report on **HB 2980**
- Attachment 3 Budget Committee Report on **HB 2985**
- Attachment 4 Proposed Amendment to **HB 2996**
- Attachment 5 Proposed Amendment to **HB 2996**
- Attachment 6 Information on Social Security Retirement Age/Benefits
- Attachment 7 Proposed Amendment to **SB 84/HB 2988**

Discussion and Action on HB 2978 - Informal resolution of disputes of deficiencies cited by fire inspectors.

Representative Light, Chair of the Public Safety Budget Committee, presented the Budget Committee report on **HB 2978** and moved for the adoption of the Budget Committee report (Attachment 1). The motion was seconded by Representative Tafanelli. Motion carried.

Representative Light moved to recommend **HB 2978** favorable for passage. The motion was seconded by Representative Tafanelli. Motion carried.

Discussion and Action on HB 2980 - Pilot project on purchases by FHSU and WSU.

Representative McLeland, member of the Education Budget Committee, presented the Budget Committee report on **HB 2980** and moved for the adoption of the Budget Committee report and the balloon on **HB 2980** (Attachment 2). The motion was seconded by Representative Hutchins. Motion carried.

Representative McLeland moved to recommend **HB 2980** favorable for passage as amended. The motion was seconded by Representative Hutchins. Motion carried.

Representative McLeland moved to reconsider Committee actions on **HB 2980**. The motion was seconded by Representative Hutchins. Motion carried.

Representative McLeland moved for a substitute motion to remove the language in **SB 52**, insert

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the language of **HB 2980** as amended into **SB 52**, allow for technical corrections as needed, recommend **SB 52** as amended favorable for passage and report as **House Substitute for SB 52**. The motion was seconded by Representative Hutchins. Motion carried.

Discussion and Action on HB 2985 - Creating a crime of trafficking in counterfeit drugs.

Representative Pottorff, Chair of the General Government and Commerce Budget Committee, presented the Budget Committee report on **HB 2985** and moved for the adoption of the Budget Committee report (Attachment 3). The motion was seconded by Representative Lane. Motion carried.

Representative Pottorff moved to remove language from **SB 51**, insert language of **HB 2985** into **SB 51**, allow for technical corrections, recommend **SB 51** as amended favorable for passage and report as **House Substitute for SB 51**. The motion was seconded by Representative Yoder. Motion carried.

Hearing on HB 3010 - Kansas health policy authority, health care database, statistical agent for experience data from insurers, statutory reference updated.

Audrey Dunkel, Legislative Research Department, explained that **HB 3010** is a technical clean-up bill that changes the administration of the health care database from the Secretary of Department of Health and Environment to the Kansas Health Policy Authority.

There were no conferees to appear before the Committee.

The hearing on HB 3010 was closed.

Representative Landwehr moved to remove the language from **SB 577**, insert the language of **HB 3010** into **SB 577**, allow for technical corrections. recommend **SB 577** as amended favorable for passage and report as **House Substitute for SB 577**. The motion was seconded by Representative Bethell. Motion carried.

Discussion and Action on HB 2996 - KPERS, benefits, employment after retirement and minimum retirement benefits for certain retirants.

Chairman Neufeld reminded the Committee that a hearing on **HB 2996** was held on March 13, 2006, by the full Committee.

Julian Efird, Kansas Legislative Research Department, explained that **HB 2996** included three items regarding the Kansas Public Employees Retirement System (KPERS):

- Increases the minimum retirement benefit from \$500 to \$625, beginning July 1, 2006, and to \$750 beginning July 1, 2007, for retirees of the state school retirement system who had at least 20 years or more of service credit. The estimated fiscal note for this benefit is \$300,000 from the State General Fund if paid at one time to KPERS.
- Raise the working after retirement salary from \$15,000 to \$20,000 for retired KPERS members who return to work for the same employer from whom they retired. There is no cap on going to work for a different employer.
- Would require most participating KPERS employers who hire a retired KPERS employee to pay the KPERS actuarial employer and employee contribution on behalf of the retired member. There would be no payment if the employee returns to work for the same participating employer that they retired from.

Mr. Efird stated that an amendment is proposed that amends current law providing an prospective amendment in the 2006-2007 school year, defines a retirant who retires from school employment under the Kansas Public Employees Retirement System (KPERS) as having an exception to the law in the amendment and allows a school district to hire back a retirant outside the contract procedures under the professional negotiations agreement those individuals who have retired and go back to work for the school district (Attachment 4).

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The Committee noted that the amendment would allow the school district to negotiate a contract above or below the district's bargaining agreement and employ the retirant "at-will".

Representative McCreary moved to adopt the amendment on **HB 2996** (Attachment 5). The motion was seconded by Representative Pottorff. Motion carried.

Representative McCreary moved to further amend **HB 2996** with a technical amendment to Section 1. K.S.A. 72-5395 regarding the school district early retirement program (Attachment 5). The motion was seconded by Representative Weber. Motion carried.

Glenn Deck, KPERS, stated that the amendment would have no effect on KPERS.

Representative Edmonds noted that this amendment would allow school district to recognize current law as it applies to the federal law regarding social security age qualification (Attachment 6).

Representative McCreary moved to remove the contents of **SB 270**, insert the language of **HB 2996** into **SB 270**, allow for technical corrections, recommend **SB 270** as amended favorable for passage and report as **House Substitute for SB 270**. The motion was seconded by Representative Lane. Motion carried.

Discussion on SB 84/HB 2988:

Chairman Neufeld explained an amendment that pulls the section of **HB 2988** pertaining to the establishment and operation of the Kansas umbilical cord bank at the University of Kansas Medical Center (Attachment 7). It was noted that the amendment is subject to provisions of appropriation acts. The Chairman indicated that he has had communication and support from the Vice Chancellor of the University of Kansas and Congressman Brownback..

Representative Neufeld moved to remove the language in **SB 84**, insert selected language from **HB 2988** regarding the umbilical cord bank into **SB 84** (Attachment 7) for **House Substitute for SB 84**. The motion was seconded by Representative Pilcher-Cook. Motion carried.

A hearing will be held on March 22, 2006, to address concerns and issues on **House Substitute for SB 84**.

The meeting was adjourned at 10:00 a.m. The next meeting of the Committee will be held at 9:00 a.m. on March 22, 2006.

Melvin Neufeld, Chairman