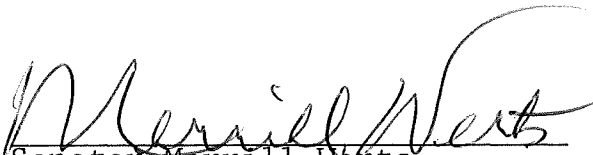
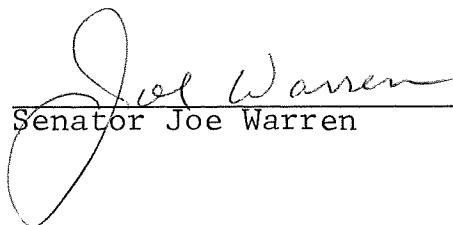


SUBCOMMITTEE REPORT ON  
H.B. 2107 AND H.B. 2135

State Board of Agriculture  
Kansas Animal Health Department  
Kansas State Grain Inspection Department  
Board of State Fair Managers  
Kansas Wheat Commission  
Kansas Water Office  
State Conservation Commission

  
\_\_\_\_\_  
Senator Merrill Werts  
Chairman

  
\_\_\_\_\_  
Senator Joe Warren

SUBCOMMITTEE REPORT

Agency: Board of Agriculture Bill No. 2135 Bill Sec. NA  
 Analyst: Goering Analysis Pg. No. 212 Budget Pg. No. 5-1

February 24, 1983

<u>Expenditure Summary</u>	<u>Agency Req. FY 83*</u>	<u>Governor's Rec. FY 83</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 6,306,613	\$ 6,103,208	\$ (113,397)
Other Funds	3,765,885	3,796,671	20,508
Total - All Funds	<u>\$ 10,072,498</u>	<u>\$ 9,899,879</u>	<u>\$ (92,889)</u>

\* Includes Finance Council action on December 3, 1982; four supplemental requests submitted January 5, 1983; and two supplemental requests submitted January 27, 1983.

Agency Request/Governor's Recommendation

The Board of Agriculture requests supplemental State General Fund appropriations of \$52,656 to offset a projected deficit of an equal amount in revenues to the Weights and Measures Fee Fund, and \$31,143 to partially offset a projected deficit in the Water Appropriation Certification Fee Fund. Both requests for State General Fund expenditures are proposed to offset equal amounts of reduction in expenditures financed from the special revenue funds. The agency also requests supplemental State General Fund appropriations totalling \$37,347 to finance unanticipated one-time retirement costs for the present Chief Engineer of the Division of Water Resources and two other agency employees. The agency requests an additional State General Fund supplemental appropriation of \$6,290 to finance costs associated with lease of a terminal and use of the KIPPS and CASK information systems beginning August, 1982. Such costs were not included in the budget approved by the 1982 Legislature. Finally, the agency requests additional expenditure authority of \$6,933 in the current fiscal year for the Entomology Fee Fund, to allow the agency to expend federal grant funds made available to employ seasonal staff previously employed by the federal government. Due to federal hiring restrictions, the federal Animal and Plant Health Inspection Service (APHIS) has offered federal funds to Kansas to employ such personnel.

The Governor has made no recommendation with regard to any of the requested supplemental FY 1983 expenditure requests. The Governor's revised FY 1983 budget recommendation appears to have inadvertently excluded increased expenditures of \$25,192 approved by the State Finance Council on December 3, 1983.

House Subcommittee Recommendations

1. The Subcommittee acknowledges the difficulties caused by the shortage of revenues to two special revenue funds created pursuant to 1982 S.B. 877.

The Subcommittee notes that the projected deficit in revenues to the Water Appropriation Certification Fee Fund has been offset in part by holding vacant 4.0 F.T.E. positions of the 6.0 F.T.E. newly authorized for the Water Appropriation subprogram by the 1982 Legislature. The Subcommittee learned that the agency's revised projection of FY 1983 revenues to the fund of \$40,800 may be overly conservative given the fact that receipts totalled \$34,563 as of February 11, 1983. The Subcommittee anticipates that any deficit can be absorbed by holding the positions vacant for the remainder of the current fiscal year, and therefore recommends no action be taken with regard to the requested supplemental appropriation.

The Subcommittee is aware of the potential problem associated with a substantial deficit in revenues to the Weights and Measures Fee Fund. The Subcommittee takes no position with regard to the agency's request at this time, but would encourage the Governor to address the agency's request via submission of a budget amendment.

2. The Subcommittee recommends approval of the agency's request for \$6,933 in increased expenditure authority for the Entomology Fee Fund to allow expenditure of federal grant moneys for seasonal employees.
3. The Subcommittee recommends that no action be taken in response to the other supplemental State General Fund appropriations requested for retirement costs and costs associated with the KIPPS/CASK systems. The Subcommittee recommends that such costs be absorbed within the current FY 1983 budget as adjusted by the following recommendations:

#### Administrative and Statistical Services

1. Deletion of \$26,500 in State General Fund expenditures associated with printing the Board's Annual Report. The Subcommittee learned that the fall, 1982 publication of the report was financed from moneys encumbered during FY 1982. The amount appropriated for FY 1983 would have financed publication of the report during early FY 1984. The Subcommittee is of the opinion that such report should be published only every other year pursuant to K.S.A. 74-504. Further, the Subcommittee does not believe it necessary to appropriate moneys for such publication prior to the year in which the Division of Printing actually publishes the report.

#### Inspection and Regulation of Agricultural Supplies

2. Reduction of \$5,617 in expenditures financed from the Agricultural Chemicals Fee Fund for travel and subsistence costs in the Control subprogram.

#### Inspection and Regulation of Agricultural Products

3. Reduction of \$2,992 in State General Fund expenditures budgeted for freight and express costs of the Dairy Division.
4. Reduction of \$3,000 in State General Fund expenditures budgeted for professional supplies in the Dairy Division.
5. Reduction of \$6,000 in Egg Inspection Fee Fund expenditures budgeted for travel and subsistence in the Egg Inspection subprogram.

#### Inspection and Regulation of Weights and Measures

6. Reduction of \$6,666 in State General Fund expenditures for rental costs associated with storage space in the Mills Building which is not currently in use for the Division of Weights and Measures.

Water Resources

7. Reduction of \$4,700 in State General Fund expenditures budgeted for communications costs.
8. Deletion of \$1,250 in State General Fund expenditures budgeted for moving expenses of recruited personnel.
9. Reduction of \$2,000 in State General Fund expenditures budgeted for rental costs of copying equipment.
10. Reduction of \$23,739 in State General Fund expenditures for data processing costs, based on the evaluation submitted by the Division of Information Systems and Computing (DISC). This adjustment would allow expenditure of \$126,651 during FY 1983 for data processing activities related to processing water appropriation applications and permits and computerizing historical water use data.
11. Deletion of \$10,000 in State General Fund expenditures budgeted for microfilming oversized documents and maps associated with regulation of water structures.
12. Deletion of \$2,400 in State General Fund expenditures budgeted for developing a computerized methodology for estimating the effects of dam failures.
13. Reduction of \$3,150 in State General Fund expenditures budgeted for court reporter services.

Agricultural Market Development

14. Reduction of \$20,000 in State General Fund expenditures budgeted for travel and subsistence costs.
15. Restoration of \$10,192 in expenditures financed from the Marketing Fee Fund which were approved by the State Finance Council on December 3, 1982.

Regulation of Pesticides and Plant Pests and Diseases

16. Reduction of \$7,000 in State General Fund expenditures budgeted for travel and subsistence costs in the Pesticide Use subprogram.
17. Restoration of \$15,000 in expenditures financed from the Entomology Fee Fund which were approved by the State Finance Council on December 3, 1982.

The Subcommittee recommends all expenditure savings to be reappropriated to reduce State General Fund appropriations necessary for FY 1984.

House Committee Recommendation

The Committee concurs with the Subcommittee recommendations.

Senate Subcommittee Recommendation

<u>Expenditure Summary</u>	<u>House Adjustments</u>	<u>Total House Recommendation</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ (113,397)	\$ 5,989,811	\$ (7,500)
Other Funds	20,508	3,817,179	37,823
Total - All Funds	<u>\$ (92,889)</u>	<u>\$ 9,806,990</u>	<u>\$ 30,323</u>

The Senate Subcommittee concurs with the House Committee recommendations with the following adjustments:

1. Increase in expenditures financed from the Fertilizer Fee Fund of \$37,823, to offset a projected deficit in revenues to the recently established Weights and Measures Fee Fund. This recommendation concurs with Governor's Budget Amendment No. 3, Item 3.
2. Reduction of an additional \$7,500 in travel and subsistence expenditures financed from the State General Fund, currently budgeted for the Agricultural Market Promotion and Development subprogram.

SUBCOMMITTEE REPORT

Agency: Board of Agriculture Bill No. 2107 Bill Sec. 2  
 Analyst: Goering Analysis Pg. No. 212 Budget Pg. No. 5-1

February 24, 1983

<u>Expenditure Summary</u>	<u>Agency Req. FY84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 7,730,423	\$ 5,584,782	\$ (258,481)
Federal Funds	1,335,683	216,437	1,384,357
Other Funds	2,955,495	2,872,234	364,915
Total All Funds	<u>\$ 12,021,601</u>	<u>\$ 8,673,453</u>	<u>\$ 1,490,791</u>
 F.T.E. Positions	 315.0	 220.0	 74.0

House Subcommittee Recommendations

The Subcommittee concurs with the Governor's FY 1984 recommendations with the following adjustments:

Agency Wide Expenditures

1. Deletion of the 4 percent cost-of-living increase. The reduction, as adjusted to retain the Governor's recommended turnover savings percentages for each subprogram, is to be financed as follows:

\$174,099	State General Fund
9,347	Feeding Stuffs Fee Fund
10,973	Fertilizer Fee Fund
3,235	Egg Inspection Fee Fund
404	Corn Commission Fee Fund
942	Grain Sorghum Commission Fee Fund
577	Soybean Commission Fee Fund
<u>\$199,577</u>	Total Reduction

2. Restoration of \$46,498 in State General Fund expenditures, \$2,520 in Feeding Stuffs Fee Fund expenditures, and \$2,958 in Fertilizer Fee Fund expenditures for salaries and wages, or a total of \$51,976. This adjustment would reduce the turnover savings percentages recommended by the Governor from 2 percent to 1 percent, to allow the agency to absorb an unusually large amount of the one-time retirement costs anticipated during FY 1984.
3. Deletion of all amounts recommended by the Governor to finance one time retirement costs anticipated to be incurred during FY 1984. The Subcommittee is of the opinion that such costs should be absorbed within the agency's regular salaries and wages budget. In recognition of the substantial number of such retirements anticipated to occur during FY 1984, the Subcommittee recommends a decrease in turnover deduction percentages as noted under Recommendation Number 2. Deletion of retirement costs allows savings of \$73,142 for salary and fringe benefit costs, of which \$59,182 would be from State General Fund expenditures, \$6,422 from Feeding Stuffs Fee Fund expenditures, and \$7,538 from Fertilizer Fee Fund expenditures.

- 4. Deletion of \$26,500 in State General Fund costs associated with publication of the agency's Annual Report. The Subcommittee notes that K.S.A. 74-504 authorizes the Board to issue a biennial report subject to availability of funds for such purpose. The Subcommittee notes that the budgeted sum would finance publication of the report in early FY 1985. Although the Subcommittee takes no position with regard to such publication during FY 1985, it does not recommend that moneys be appropriated to the year prior to the actual publication date.

Administrative and Support Services

- 5. Deletion of \$8,628 in State General Fund expenditures for reclassifications and salary upgrades associated with three existing employees. The Subcommittee takes no position with regard to the proposed reclassifications, but recommends that any salary increases resulting from reclassifications, pending approval by the Division of Personnel Services, be absorbed within the regular FY 1984 budget for salaries and wages.
- 6. Deletion of \$2,842 in State General Fund expenditures for seasonal and temporary employees' salaries and associated fringe benefits.
- 7. Deletion of \$1,781 in State General Fund expenditures for overtime pay and associated fringe benefits.
- 8. Deletion of \$586 in State General Fund expenditures for purchase of legal reference books.
- 9. Adjustments to the proposed plan for financing the subprogram to maximize the use of special revenue fund balances and offset an equal amount recommended by the Governor to be appropriated from the State General Fund. The shift in financing recommended by the Subcommittee is as follows:

Agricultural Liming Materials Fee Fund	\$ 31,895
Agricultural Chemicals Fee Fund	6,801
Feeding Stuffs Fee Fund	34,004
Fertilizer Fee Fund	2,823
Egg Inspection Fee Fund	82,644
Subtotal - Fee Funds	<u>\$ 158,167</u>
State General Fund	<u>\$ (158,167)</u>
Net Change in FY 1984 Budgeted Expenditures	<u>\$ 0</u>

The Subcommittee notes that \$24,000 in revenues to the Agricultural Liming Materials Fee Fund are assumed to be available over and above the revenue estimates approved by the Governor.

Statistical Services and Support

- 10. Adjustment in the plan for financing this subprogram to maximize expenditures from the Postage Reimbursable Fund and reduce \$9,000 in State General Fund expenditures for postage costs.

Control

- 11. Deletion of \$4,000 in Agricultural Chemicals Fee Fund expenditures for repairs and servicing.

Seed Laboratory

- 12. Adjustment in the plan for financing to maximize expenditure of balances in the Seed Examination Fee Fund, offsetting \$12,189 in State General Fund expenditures.

Meat and Poultry Inspection

- 13. Restoration of \$1,927,029 in budgeted expenditures and 77.0 F.T.E. positions to continue state inspection of certain meat and poultry processing firms in Kansas. The Subcommittee's recommendation would continue this joint state-federal cooperative agreement with 4.0 F.T.E. fewer positions than are currently authorized. The deleted positions were vacant as of February 2, 1983, and the Board of Agriculture believes that a total staff of 77.0 F.T.E. positions will be sufficient to retain the status of a state whose regulatory activities in this area are deemed "equal to" those of the U.S. Department of Agriculture. The recommended budget for the Division of Meat and Poultry assumes continuation of present travel reimbursement rates, consistent with the Governor's recommendations for other programs in the agency. The recommendation assumes a 1 percent turnover rate and does not include amounts which would be required to finance a cost-of-living increase for state employees. An estimated \$61,418, of which half would be financed from federal funds and half from the State General Fund, would be required to finance a 4 percent cost-of-living increase. Any such amount would be in addition to the Subcommittee's recommendation.

The restoration of the Division of Meat and Poultry Inspection is recommended to be financed as follows:

State General Fund	\$ 515,514
Federal Fund - June 30, 1983 Balance	398,000
Federal Fund - Expenditures from New Receipts for FY 1984	963,515*
Meat and Poultry Inspection Fee Fund	50,000
Total Recommendation — All Funds	<u>\$1,927,029</u>

\* Projected FY 1984 revenues of \$994,224, assuming a 4 percent salary increase and 1 percent turnover savings, less 50 percent of the estimated amount necessary to finance the 4 percent cost-of-living increase (\$30,709).



Grade A Milk Inspection

14. Adjustment in the plan for financing to maximize expenditures financed from the Grade A Milk Inspection Fee Fund, allowing a reduction of \$48,800 in State General Fund expenditures. This adjustment assumes full expenditure of the \$30,000 ending balance projected for FY 1984 based on the Governor's estimate of revenues, plus an additional \$18,800 in revenues the Subcommittee anticipates to be available over and above the Governor's estimates for the two-year period. The Subcommittee notes that revenue projections based on the fee increases authorized by 1982 S.B. 877 appear to be understated by \$8,800 for the current fiscal year and \$10,000 for FY 1984.

Manufacturing Milk Inspection

15. Adjustment in the plan for financing to maximize expenditures financed from the Dairy Division Fee Fund, enabling a reduction of \$25,000 in State General Fund expenditures.

Division of Weights and Measures

16. Adjustment in the plan for financing to allow expenditure of \$35,000 of the projected balances in the Fertilizer Fee Fund for support of activities budgeted in this Division which relate to the regulation of anhydrous ammonia. The recommended adjustment would allow an equal reduction in the amount of State General Fund appropriations necessary for the support of the Division's FY 1984 operating costs.

Water Appropriations - Division of Water Resources

17. Deletion of 3.0 F.T.E. Engineering Technician V positions which are currently vacant, allowing savings of \$70,052 in expenditures for salaries and wages and \$5,000 for travel and subsistence. Both adjustments allow savings in State General Fund expenditures.
18. Reduction of \$16,372 in State General Fund expenditures for seasonal and temporary employees. Such an adjustment would provide the same level of seasonal staff assistance in FY 1984 as estimated for the current fiscal year.
19. Deletion of \$2,000 in State General Fund expenditures for copy machine rental costs, an adjustment which retains a reasonable amount for such purposes compared to actual costs in past years.
20. Deletion of \$1,200 in State General Fund expenditures budgeted for moving expenses incurred by personnel newly recruited for the subprogram.
21. Reduction of \$25,000 in State General Fund expenditures for contracting with private engineering firms to conduct field audits required for perfecting water rights.

Water Data Processing

22. Reduction of \$31,521 in State General Fund expenditures for data processing services. The recommended adjustment would provide a total of \$151,873 for data processing costs associated with water rights activities, an amount which is 20 percent more than the revised estimate of \$126,561 for FY 1983. The latter amount is estimated for the current fiscal year in the data processing evaluation released by the Division of Information Systems and Computing (DISC).

Dams, Levees, Channel Changes, Watershed and  
Irrigation Districts

23. Deletion of \$2,400 in State General Fund expenditures for computerizing a methodology for estimating the effects of dam failure.

Agricultural Market Promotion and Development

24. Concurrence with the Governor's recommended deletion of a \$7,000 State General Fund request to finance the membership fee for participation in the Mid-America International Agri-Trade Council (MIATCO) during FY 1984. The Subcommittee suggests that appropriate sources of revenue to finance the membership fee would be the special revenue funds of the Corn Commission, the Grain Sorghum Commission, and the Soybean Commission.
25. Adjustment in the plan for financing to maximize expenditures to be financed from the Marketing Fee Fund, offsetting \$5,362 in expenditures financed by the State General Fund.
26. Similar adjustments to the plan for financing to support certain budgeted costs of the Division which are associated with egg inspection and certification activities from \$10,000 in Egg Inspection Fee Fund revenues, allowing an offsetting reduction of an equal amount from State General Fund expenditures.

Pesticide Use

27. Reduction of \$16,613 in State General Fund expenditures for salaries, wages, and fringe benefits associated with seasonal, temporary, and part-time intermittent employees. The adjustment would retain \$20,000, plus associated fringe benefits, to finance such costs in FY 1984. The Subcommittee is aware that the present renewal of pesticide certifications every third year creates a cyclic clerical workload for the agency. Nevertheless, the Subcommittee deletes the requested increase for seasonal and temporary salaries and suggests that the agency propose necessary changes to existing statutes to create an even workload by staggering the renewal of pesticide certifications.

28. Adjustment in the plan for financing to maximize expenditures financed from the Pesticide Use Fee Fund in order to allow savings of \$39,716 in costs financed from the State General Fund.
29. A similar adjustment in financing to increase expenditures supported by Federal Pesticide Enforcement Fund moneys, allowing an equal reduction of \$22,842 in expenditures financed by the State General Fund.
30. Reduction of \$1,000 in State General Fund expenditures for repairing and servicing miscellaneous equipment.

#### Entomology

31. Adjustment in the plan for financing to maximize expenditures financed from the Entomology Fee Fund, allowing an equal sum of \$9,641 to be reduced from State General Fund expenditures.

#### Fee Legislation

32. The Subcommittee recommends introduction of legislation to effectuate the following:
  - a. Repeal of K.S.A. Chapter 2, Article 18 regarding the registration, labeling, and testing of agricultural binder twine. Passage of such legislation would result in elimination of the Binder Twine Fee Fund, to which less than \$1,000 in revenues are credited annually.
  - b. An increase in the inspection fee assessed pursuant to K.S.A. 2-1004 on feeding stuffs tonnage sold from 8 cents to 10 cents. Such legislation would result in an estimated increase in fee fund revenues of \$65,000 annually.
  - c. Revision of K.S.A. 65-6a34(b) to provide for increases in the fees assessed for registration of packing houses, sausage plants, or poultry packing plants from \$100 to \$200 annually, and for slaughterhouses or poultry dressing plants from \$75 to \$150 annually. Passage of such legislation would increase revenues to the Meat and Poultry Inspection Fee Fund by an estimated \$31,400 annually, allowing an equal amount of savings in State General Fund appropriations necessary to match federal funds supporting the Division of Meat and Poultry.

Upon passage of such legislation, the Subcommittee recommends that additional adjustments in financing the agency be considered for inclusion in the Omnibus Bill.

House Committee Recommendation

The Committee concurs with the Subcommittee recommendations.

House Committee of the Whole Recommendation

The House concurs with the House Committee recommendations.

Senate Subcommittee Recommendations

<u>Expenditure Summary</u>	<u>House Adjustments</u>	<u>Total House Rec.</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ (258,481)	\$ 5,326,301	\$ 37,823
Federal Funds	1,384,357	1,600,794	—
Other Funds	364,915	3,237,149	(34,031)
Total - All Funds	<u>\$ 1,490,791</u>	<u>\$ 10,164,244</u>	<u>\$ 3,792</u>
F.T.E. Positions	74.0	294.0	—

The Senate Subcommittee concurs with the House recommendations with the following adjustments:

1. Shift in financing for a total of \$37,823 in FY 1984 expenditures from the Fertilizer Fee Fund to the State General Fund. This adjustment in FY 1984 is necessitated as a result of concurrence with the Governor's Budget Amendment for FY 1983, which recommends expenditure of Fertilizer Fee Fund balances in FY 1983 rather than in FY 1984 as recommended by the House.
2. Increase of \$3,792 in expenditure authority for the Entomology Fee Fund, to allow expenditure of federal funds available in FY 1984 for continued support of part-time seasonal staff for entomology laboratory activities.

SUBCOMMITTEE REPORT

Agency: Animal Health Department Bill No. 2135 Bill Sec. \_\_\_\_\_

Analyst: Gilmore Analysis Pg. No. 226 Budget Pg. No. 5-17

<u>Expenditure Summary</u>	<u>Agency Req. FY 83</u>	<u>Governor's Rec. FY 83</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 1,519,548	\$ 1,507,554	\$ (54,780)
Other Assistance	1,500	1,500	—
<b>TOTAL</b>	<u>\$ 1,521,048</u>	<u>\$ 1,509,054</u>	<u>\$ (54,780)</u>
<b>State General Fund:</b>			
State Operations	\$ 437,976	\$ 429,772	\$ (40,128)
Other Assistance	1,500	1,500	—
<b>TOTAL</b>	<u>\$ 439,476</u>	<u>\$ 431,272</u>	<u>\$ (40,128)</u>
 F.T.E. Positions	 40.0	 40.0	 —

House Subcommittee Recommendations

The Governor's expenditure recommendation, like the agency's estimate, continues the present level of operation of the Animal Health Department. Estimated expenditures reflect the lapse of \$26,515 as a result of S.B. 54.

The Subcommittee concurs with the Governor's recommendation except for the following:

1. Deletion of \$14,780 in travel and subsistence to revise agency estimates to reflect the FY 1982 travel rates. The reduction includes \$128 from the State General Fund; \$6,880 from the Veterinary Inspection Fee Fund; \$1,800 from the Animal Health Department Fee Fund; \$3,320 from the Livestock Brand Fee Fund; and \$2,652 from the Livestock Market Brand Inspection Fee Fund.
2. The Subcommittee is aware that the incidence of Brucellosis diseased animals is down from the original estimates for the current year and as a result, the Subcommittee recommends reappropriating \$40,000 of State General Fund monies for Brucellosis testing from the current year to FY 1984.
3. Shift \$21,600 of financing for the Regulation of Public Livestock Markets from the Livestock Market Fee Fund to the Livestock Brand Fee Fund. The Subcommittee believes additional funding may be needed to offset reduced receipts to the Livestock Market Fee Fund due to a lower than expected number of receipts from inspections which have been recorded to date.

House Committee Recommendation

The House Committee concurs with the House Subcommittee recommendations.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House Committee of the Whole recommendation.

SUBCOMMITTEE REPORT

Agency: Animal Health Department Bill No. 2107 Bill Sec. 3  
 Analyst: Gilmore Analysis Pg. No. 226 Budget Pg. No. 5-17

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 1,696,961	\$ 1,546,895	\$ (33,403)
Other Assistance	28,867	3,867	—
<b>TOTAL</b>	<u>\$ 1,725,828</u>	<u>\$ 1,550,762</u>	<u>\$ (33,403)</u>
<b>State General Fund:</b>			
State Operations	\$ 629,177	\$ 445,585	\$ (9,364)
Other Assistance	28,867	3,867	—
<b>TOTAL</b>	<u>\$ 658,044</u>	<u>\$ 449,452</u>	<u>\$ (9,364)</u>
 F.T.E. Positions	 40.0	 40.0	 —

House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendations for FY 1984 with the following exceptions:

1. Deletion of the 4 percent cost-of-living increase, comprised of \$6,969 of State General Funds and \$12,933 agency fee fund expenditures.
2. Deletion of \$13,501 in travel and subsistence to reflect the FY 1982 travel rates. The reduction includes \$2,395 from the State General Fund; \$5,856 from the Veterinary Inspection Fee Fund; \$900 from the Animal Health Department Fee Fund; \$1,920 from the Livestock Brand Fee Fund; and \$2,430 from the Livestock Market Brand Inspection Fee Fund.
3. The Subcommittee recommends the introduction of legislation to support the agency's request for authority to charge up to \$3 per head to reimburse the agency for expenditures incurred while using federally owned property for the eradication of scabies. The federal government is no longer providing financial support for scabies however their equipment is available if the state wishes to provide the same services. The fee would go towards maintenance of the equipment, not for administration. The agency plans to use existing staff to carry out this activity, and believes the producer should pay for this service.

House Committee Recommendation

The House Committee concurs with the House Subcommittee recommendations.

House Committee of the Whole Recommendation

The House concurs with the House Committee recommendations.

Senate Subcommittee Recommendations

<u>Expenditure Summary</u>	<u>House Adjustments</u>	<u>House Total Recommen.</u>	<u>Senate Subcommittee Adjustments</u>
All Funds			
State Operations	\$ (33,403)	\$ 1,517,359	\$ (6,733)
Capital Improvement	—	—	—
Total	<u>\$ (33,403)</u>	<u>\$ 1,517,359</u>	<u>\$ (6,733)</u>
State General Fund:			
State Operations	\$ (9,364)	\$ 436,221	\$ (6,733)
Capital Improvement	—	—	—
Total	<u>\$ (9,364)</u>	<u>\$ 436,221</u>	<u>\$ (6,733)</u>
F.T.E. Positions	40.0	40.0	—

The Senate Subcommittee concurs with the House recommendations with the following exception:

1. Deletion of \$6,733 of State General Fund expenditures for the 4.0 percent cost-of-living increase not included in the House Committee's salary reduction.



SUBCOMMITTEE REPORT

Agency: Grain Inspection Department Bill No. 2135 Bill Sec. 0

Analyst: Ahrens Analysis Pg. No. 230 Budget Pg. No. 5-35

<u>Expenditure Summary</u>	<u>Agency Req. FY 83</u>	<u>Governor's Rec. FY 83</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 5,417,249	\$ 4,838,704*	--
State General Fund	--	--	--
F.T.E. Positions	228	228	--

\* As amended by Governor's Budget Amendment No. 1.

Agency Request/Governor's Recommendation

The agency request and the original recommendation of the Governor for FY 1983 included estimated expenditures of \$545,860, which represented fees collected by the agency on behalf of, and paid to, the Federal Grain Inspection Service. It was the intent of Committee action during the 1982 Session of the Legislature that such fees not be charged to the expenditure limitation on the Grain Inspection Fee Fund or considered as a reportable expenditure of the agency. However, present appropriation act language does not permit exemption of fee payments from being charged against the expenditure limitation. The Governor has amended his budget to exclude the federal fee payments and Section 10 of H.B. 2135, as introduced, reflects this amendment.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's amended recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House Subcommittee.

Agency: Grain Inspection Department Bill No. 2107 Bill Sec.       
 Analyst: Ahrens Analysis Pg. No. 230 Budget Pg. No. 5-35

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 6,413,094	\$ 5,046,715*	\$ (160,260)
State General Fund	—	—	—
F.T.E. Positions	228	227	(20)

\* As amended by Governor's Budget Amendment No. 1.

#### Agency Request/Governor's Recommendation

Both the agency request and original recommendation of the Governor for FY 1984 included in expenditures payments of fees collected on behalf of the Federal Grain Inspection Service. In Budget Amendment No. 1, the Governor recommends treating the fee payments as nonreportable expenditures and Section 4 of H.B. 2107, as introduced, reflects the Governor's recommendation as amended.

The agency request (level C) for FY 1984 provides for financing of the 228 F.T.E. positions approved for FY 1983. That staff level is based upon an assumption of an increasing workload above the current level. In contrast, at budget level A the agency assumes utilization of 43 fewer positions — one fewer in Administration, 39 fewer in the Inspection Program, and three fewer in the Warehouse Program.

The Governor's recommendation is for 227 positions, which removes the Hopper and Track Scale Inspector whose duties have been absorbed by other positions. Although included in the position count, the salaries of 40 positions have been excluded from recommended expenditures by adjusting the estimated rate of turnover savings. The recommended turnover rate for the Inspection Program is 16.5 percent. In effect, expenditure authority is provided to sustain a level of grain marketing activity equivalent to the level on which the revised FY 1983 agency budget is based.

On the other hand, the salaries and expenses of three currently vacant Warehouse Examiner positions are authorized in full in the Governor's recommended budget for the Warehouse Program. The Governor's Budget Report states that it is the Governor's recommendation that state-licensed grain warehouses be examined twice per year.

#### House Subcommittee Recommendations

The Subcommittee concurs with the amended recommendations of the Governor except for the following items:

1. Delete the \$160,260 provided for 4 percent cost-of-living salary increases.
2. Reduce the number of authorized positions by 20 — 18 Grain Sampler Weigher I positions and two Grain Sample Weigher II positions -- a gross salaries reduction of \$291,270, but also reduce by an equal amount the deduction for turnover in the Inspection Program. The turnover deduction would thus be reduced from 16.5 percent recommended by the Governor to 10.5 percent. Subcommittee discussion with the Director of the agency and

the Chief of the Inspection Program revealed that reductions in workload which have been brought about by direct-to-port grain shipping as a consequence of railroad deregulation are foreseeably permanent. The 20-position reduction was suggested by the agency as being a reasonable measurement of workload reduction, while leaving some flexibility to meet an increased level of grain marketing, if that should occur. The level of marketing activity is very uncertain, especially because of the proposed federal PIK Program.

The Subcommittee was informed by the Director of the Department that one Warehouse Examiner would be hired immediately; but, because of the Director's concern about available financing, the other two warehouse examiner positions would be filled as fee resources permit.

#### Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the expenditures recommended by the House Subcommittee. The Senate Subcommittee has no objection to the request made by the agency that the 20 positions deleted from its budget consist of 19 Grain Sampler Weigher I positions and one Grain Sampler Weigher II, rather than the 18-2 ratio recommended by the House.

**SUBCOMMITTEE REPORT**

Agency: Kansas State Fair Bill No. 2107 Bill Sec.   

Analyst: Brown Analysis Pg. No. 232 Budget Pg. No. 5-27

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustment</u>
All Funds			
State Operations	\$ 1,923,838	\$ 1,833,836	\$ (12,994)
Capital Improvements	<u>1,833,900</u>	<u>150,000</u>	<u>—</u>
Total	<u>\$ 3,757,738</u>	<u>\$ 1,983,836</u>	<u>\$ (12,994)</u>
State General Fund			
State Operations	\$ 133,500	—	—
Capital Improvements	<u>1,833,900</u>	<u>\$ 150,000</u>	<u>—</u>
Total	<u>\$ 2,967,400</u>	<u>\$ 150,000</u>	<u>—</u>
F.T.E. Positions	17.0	15.0	—

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. A \$12,994 reduction in salaries and wages to remove the recommended 4 percent cost-of-living increase.
2. Addition of a proviso which exempts the Fair's expenditures for performers and entertainment from the expenditure limitation. The Fair enters into a number of contracts, with varying provisions, with performers during the Fair. Anticipating and budgeting these expenditures has proven difficult and such a proviso would provide the flexibility to accommodate the various contractual provisions and expenditures.
3. The Subcommittee also recommends that the Fair Board carefully examine the fee structure, both for general admission and for charges to exhibitors and concessionaires. While the Subcommittee recognizes that an overly high charge could affect attendance, the Subcommittee feels strongly that fees could be increased, and that past increases by the Fair apparently have not kept pace with inflation.
4. The agency requested \$1,646,400 in capital improvement funding to renovate the grandstand, a project that the Governor did not recommend. The Subcommittee would like to note that this project cannot be postponed indefinitely and has asked the agency to break the project down into discrete components and identify the priority items for consideration by the Joint Committee on State Building Construction.

House Committee Recommendation

The Committee concurs with the Subcommittee recommendations, but notes that a number of refunds were required after the last State Fair when the view of the stage was obstructed for a portion of the audience. The Committee would like to advise the Fair Board to take appropriate precautions to avoid such an occurrence in the future.

Senate Subcommittee Recommendations

The Subcommittee concurs with the House recommendation with the following adjustments:

FY 1983. During discussions with the agency, it was explained that a windstorm damaged the Fair's grandstand and maintenance shop roofs late in FY 1982 and the Fair received a supplemental appropriation of \$6,600 from the State General Fund for repairs, with the stipulation that the Fair reimburse the General Fund from the State Fair Fee Fund in FY 1983. The Subcommittee believes that the reimbursement is not in keeping with the previous policy of financing all capital improvements from the State General Fund and recommends reversal of the previous decision.

FY 1984. The Subcommittee would like to note that, subsequent to the House action on this budget, the Joint Committee on State Building Construction recommended that the \$150,000 budgeted for Special Maintenance be reduced to \$138,000, with the \$12,000 difference to be appropriated separately for reroofing the rabbit building. The Subcommittee shares the Building Committees concern that this project be completed. However, based on the agency's assurance that the roofing will be completed during FY 1984 with the Special Maintenance funds, the Subcommittee chooses to concur with the Governor's recommendation, which provides the agency some additional flexibility.

<u>Expenditure Summary</u>	<u>House Adjustments to Gov. Rec. FY 1984</u>	<u>House Total Rec. FY 1984</u>	<u>Senate Subcommittee Adjustments to House Rec.</u>
All Funds:			
State Operations	\$ (12,994)	\$1,820,842	\$ —
Capital Improvements	—	150,000	—
TOTAL	<u>\$ (12,994)</u>	<u>\$1,970,842</u>	<u>\$ —</u>
State General Fund:			
State Operations	\$ —	\$ —	\$ —
Capital Improvements	—	150,000	—
TOTAL	<u>\$ —</u>	<u>\$ 150,000</u>	<u>\$ —</u>

Senate Committee Recommendation

The Committee concurs with the Subcommittee recommendation.

**SUBCOMMITTEE REPORT**

Agency: Kansas Wheat Commission Bill No. 2107 Bill Sec. 6  
 Analyst: Brown Analysis Pg. No. 235 Budget Pg. No. 5-45

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustment</u>
State Operations:			
All Funds	\$ 1,449,719	\$ 1,437,011	\$ (7,107)
State General Fund	—	—	—
TOTAL	<u>\$ 1,449,719</u>	<u>\$ 1,437,011</u>	<u>\$ (7,107)</u>
F.T.E. Positions	8.0	8.0	—

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following adjustments and recommendations:

1. Reduction of \$7,107 to remove funding for a 4 percent cost-of-living increase.
2. The agency presented the Subcommittee with two requests that were not included in either the budget submission or the Governor's recommendations. The first request was for funds to upgrade the positions of the administrator and assistant administrator at a cost of \$15,912 (excluding fringe). The Commission also requested \$48,100 for the expense of relocating the agency to Manhattan. The Subcommittee makes no recommendation at this time, pending receipt of a Governor's Budget Amendment. The Subcommittee would point out, however, that if the relocation of the agency is approved, the agency has apparently overstated the estimated moving costs by at least \$6,700. The Subcommittee further notes that the proposed relocation to Manhattan appears to have merit because of the coordination and joint efforts of the Commission and Kansas State University.
3. The Committee would like to raise a concern about the nutritionist position in the Commission's budget. This position is currently vacant and the Subcommittee believes that the Commission should carefully examine the need to fill it. While time did not permit the Subcommittee to pursue the matter in depth, it appears that many of the nutritionist's activities are similar to the home economist extension work conducted by Kansas State. The Commission may be able to achieve its purpose by working through this network rather than employing its own staff person.
4. The Subcommittee notes that the Governor's recommendations add \$10,000 to the agency's budget for contractual services to evaluate the effectiveness of agency projects. The Subcommittee strongly supports such an evaluative effort and believes the Commission needs to address more exactly the results of their activities. The Commission's budget increased dramatically from FY 1982 to FY 1983 as a result of the increased mill levy and the Subcommittee believes that the Commission should provide evidence that the increased expenditures are having the desired effect.

House Committee Recommendation

The Committee recommends addition of \$41,400 to finance the agency's relocation to Manhattan.

Senate Subcommittee Recommendation

The Subcommittee concurs with the House recommendations with the following adjustment:

1. Reduction of \$4,783 in the amount provided for membership in U.S. Wheat Associates based on recent figures provided by the agency.

<u>Expenditure Summary</u>	<u>House Adjustments FY 1984</u>	<u>House Total Rec. FY 1984</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
All Funds	\$ (7,107)	\$ 1,429,904	\$ (4,783)
State General Fund	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL	<u>\$ (7,107)</u>	<u>\$ 1,429,904</u>	<u>\$ (4,783)</u>

Agency: State Conservation Commission Bill No. 2107 Bill Sec. \_\_\_\_\_Analyst: Ahrens Analysis Pg. No. 238 Budget Pg. No. 5-24

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY84</u>	<u>Subcommittee Adjustments</u>
All Funds (All State General Fund)			
State Operations	\$ 193,394	\$ 158,247	\$ (3,907)
Aid to Local Units	1,627,175	1,227,175	--
Other Assistance	1,750,000	900,000	--
TOTAL	<u>\$ 3,570,569</u>	<u>\$ 2,285,422</u>	<u>\$ (3,907)</u>
F.T.E. Positions	5.0	4.5	--

Agency Request/Governor's Recommendation

The agency's FY 1984 request for administration includes an additional .5 F.T.E. position to employ for six months a field representative who would be trained to replace the present Assistant Director who plans to retire in the fall of 1984. The agency also requested additional amounts for administration based upon its request for an increased level of funding for watershed construction and water resources cost-sharing. The Governor does not recommend these increases and further deletes funds budgeted for seasonal and temporary help.

The following tabulation summarizes historical and proposed expenditures for other Commission programs:

	FY 1982 <u>Actual</u>	FY 1983 <u>Est.</u>	FY 1984	
			<u>Agency Req.</u>	<u>Gov. Rec.</u>
Aid to Conservation Districts	\$668,319	\$ 709,687	\$ 727,175	\$ 727,175
Watershed Construction	605,469	656,287	696,000	500,000
Water Resources Cost-Sharing	932,953	1,230,878	1,750,000	900,000

House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendations except for the following recommended changes:

1. Delete the \$3,907 for 4 percent cost-of-living salary increases.
2. Continue the prior legislative practice of reappropriating without limitation unencumbered balances in the line items for watershed construction and water resources cost-sharing.

The Subcommittee also recommends revision of the proviso to the cost-sharing line item to endorse the proposal of the State Conservation Commission to make initial allocations to districts on the basis of 60 percent of the total appropriation divided equally



among districts and 40 percent proportionate to an index composed of the measurement of nonfederal rural acreage, erosion potential, and rainfall. Prior to FY 1983, initial allocations were based entirely on equal distribution among districts. In FY 1983, initial allocations were based entirely upon the index measurements. The Commission believes priority needs would better be served by the proposed 60-40 mix. The Subcommittee has learned that the formula change is supported by the Governor but was inadvertently overlooked in the drafting of H.B. 2107.

From discussion with agency representatives, including the Commission Chairman and Executive Director, the Subcommittee was very pleased to learn that serious efforts are underway to work cooperatively with the Kansas Water Authority and Water Office in assuring that watershed construction and cost-sharing grants are in harmony with overall state goals and plans in conserving and developing water resources. The Subcommittee urges the two agencies to work together to find the proper balance and the best use of public resources for investment in soil and water conservation programs, including development of state and local awareness of potential benefits of developing watershed structures for multi-purpose uses.

House Committee Recommendation

The House Committee concurred with the recommendations of the Subcommittee.

House of Representatives in Final Action

The House of Representatives in final action added \$350,000 to the General Fund appropriation for the water resources cost-sharing program and \$175,000 to the General Fund appropriation for watershed construction.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the changes made by the House including those in final action. In addition, the Subcommittee recommends that the appropriation for aid to conservation districts be increased by \$5,500. In February 1983, the Johnson County Commission increased its contribution to the Johnson County Conservation District from the \$2,000 originally budgeted to \$7,500, thus entitling the District to additional state matching funds.

<u>Expenditure Summary</u>	<u>House Adjustments FY 1984</u>	<u>House Total Rec. FY 1984</u>	<u>Senate Subcommittee Adjustments</u>
All Funds (All State General Fund)			
State Operations	\$ (3,907)	\$ 154,340	\$ —
Aid to Local Units	175,000	1,402,175	5,500
Other Assistance	350,000	1,250,000	—
TOTAL	<u>\$ 521,093</u>	<u>\$2,806,515</u>	<u>\$ 5,500</u>
F.T.E. Positions	—	4.5	—

SUBCOMMITTEE REPORT

Agency: Kansas Water Office Bill No. 2135 Bill Sec. N  
 Analyst: Goering Analysis Pg. No. 241 Budget Pg. No. 5-43

<u>Expenditure Summary</u>	<u>Agency Req. FY 83</u>	<u>Governor's Rec. FY 83*</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 3,069,178	\$ 2,985,041	\$ (78,968)
Aid to Local Units	6,150	6,150	--
TOTAL	<u>\$ 3,075,328</u>	<u>\$ 2,991,191</u>	<u>\$ (78,968)</u>
State General Fund:			
State Operations	\$ 3,051,963	\$ 2,967,826	\$ (78,968)
Aid to Local Units	6,150	6,150	--
TOTAL	<u>\$ 3,058,113</u>	<u>\$ 2,973,976</u>	<u>\$ (78,968)</u>
F.T.E. Positions	29.5	29.5	--

\* Includes Governor's Budget Amendment No. 2, Item 4.

Agency Request/Governor's Recommendation

The agency's revised operating budget for FY 1983 includes requested expenditure of a total of \$17,215 in federal grant moneys which were not specifically approved for expenditure in the current fiscal year by the 1982 Legislature. However, legal authority to expend such funds was granted the agency by not specifying expenditure limitations on certain federal grant funds received in prior years.

The Governor concurs with the revised budget request to allow expenditure of remaining balances in these federal grant funds. In addition, the Governor amended his FY 1983 budget recommendation on February 10, 1983, to include an additional \$15,062 in State General Fund expenditures. The additional budget authority would finance expenses associated with relocating the Office from 503 Kansas to Mills Building space in close proximity to the Board of Agriculture's Division of Water Resources. The recommendation includes \$6,062 for moving expenses, \$8,000 for capital outlay costs to allow purchase of partitions for the new space, and \$1,000 to finance additional rent costs in the current fiscal year associated with use of 4,300 square feet of space in the new location. The Governor's Budget Amendment would require a supplemental appropriation to be included in H.B. 2135, since all other FY 1983 savings recommended by the Governor were lapsed in 1983 S.B. 54.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Reduction of \$3,659 in State General Fund expenditures budgeted for communications costs.
2. Reduction of \$2,680 in State General Fund expenditures budgeted for printing and advertising costs.

3. Reduction of \$4,000 in State General Fund expenditures budgeted for travel and subsistence costs.
4. Reduction of an additional \$68,629 in budgeted expenditures for financing billings for operating and maintenance costs associated with water releases from federal reservoirs during the current fiscal year. The Subcommittee learned that the agency's FY 1983 approved budget included amounts to pay such annual billings on October 1, 1982 for eight federal reservoirs. However, the state is not obligated to make payments for operating and maintenance costs until the state formally takes control of the state's share of water storage capacity for purposes of authorizing releases of water. Taking such control has not yet been necessary for three of the eight federal reservoirs, and the Subcommittee learned that the Office is not able to anticipate the exact dates on which formal control will be accepted. The Subcommittee acknowledges the fact that the Governor's FY 1983 budget recommendations included a reduction of \$29,154 for similar reasons, an amount which was lapsed in S.B. 54. The Governor's recommendation assumed specific dates in the current fiscal year on which the Office would accept control of water storage capacity and hence incur liabilities for operating and maintenance costs. Those assumed dates were anticipated by the agency in a memorandum dated October 26, 1982. At present, the uncertainty regarding actual need for water releases from the three reservoirs results in the Subcommittee's recommended deletion of remaining unexpended amounts budgeted for payment of operating and maintenance billings. The Subcommittee recommends reappropriation of such anticipated savings to reduce FY 1984 State General Fund appropriations. Such reappropriation would ensure legal availability of such funds in the current fiscal year, should the need arise for water releases prior to October 1, 1983, which is the next date on which regular billings for such costs are due.
5. The Subcommittee recommends that anticipated savings in communications, printing, and travel be reappropriated to reduce appropriations for other operating expenditures necessary for FY 1984. The Subcommittee also recommends reappropriation of any unexpended balance of the supplemental appropriation of \$15,062 recommended for relocation expenses. Although the Subcommittee's budget recommendations assume such costs will be incurred in the current fiscal year, the Subcommittee recommends such funds to remain available to the agency in FY 1984 should the actual relocation be deferred beyond June 30, 1983. The Subcommittee notes, however, that \$1,000 of the supplemental appropriation would finance additional rent costs associated with lease of space in the Mills Building for the last months of FY 1983. Should the move be delayed until July 1, 1983 or later, this amount of expenditure would not be necessary in FY 1984. Therefore, the Subcommittee recommends an FY 1984 expenditure limitation of \$14,062 on any balances reappropriated, to be used only for purposes of relocating the agency's office.

House Committee Recommendation

The Committee concurs with the Subcommittee recommendations.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House Committee recommendations.

## SUBCOMMITTEE REPORT

Agency: Kansas Water Office Bill No. 2107 Bill Sec.     Analyst: Goering Analysis Pg. No. 241 Budget Pg. No. 5-43

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84*</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 3,614,286	\$ 3,175,347	\$ (32,253)
Aid to Local Units	56,000	--	--
TOTAL	<u>\$ 3,670,286</u>	<u>\$ 3,175,347</u>	<u>\$ (32,253)</u>
State General Fund:			
State Operations	\$ 3,614,286	\$ 3,175,347	\$ (32,253)
Aid to Local Units	56,000	--	--
TOTAL	<u>\$ 3,670,286</u>	<u>\$ 3,175,347</u>	<u>\$ (32,253)</u>
F.T.E. Positions	30.5	24.5	--

\* Includes Governor's Budget Amendment No. 2, Item 4, and revised budget detail submitted February 4, 1983.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's amended budget recommendations with the following adjustments:

1. Deletion of \$29,382 associated with the recommended 4 percent cost-of-living salary increase.
2. Reduction of \$2,682 in per diem compensation and \$189 in associated fringe benefits for the 11 voting members of the Kansas Water Authority. The Subcommittee learned that the Governor's budget recommendation would finance payment of \$35 per day for activities which are not currently authorized in statute as eligible for such payment. The Subcommittee notes that S.B. 311 has been introduced by the Senate Committee on Energy and Natural Resources, and that passage of this or a similar amendment to current law would legally authorize payment of compensation for official business of the Authority, in addition to current statutory authorization only for compensation for regular and special meetings of the Authority. The Subcommittee's recommendation would delete the recommended increase from \$7,188 budgeted in the current fiscal year to \$9,870 proposed for FY 1984, pending passage of legislation to expand authorized payment of compensation, mileage and subsistence to include such activities as attendance at meetings of other water-related organizations and legislative hearings. The Subcommittee notes that the revised amount of \$7,188 per year for per diem compensation is substantially higher than actual expenditures during FY 1982 of \$3,605, allowing for additional regular and special meetings of the Authority during the current fiscal year.

3. Insertion of a proviso authorizing expenditure of \$250 for official hospitality, pursuant to the revised budget recommendation submitted on February 4, 1983.
4. Revisions to the structure of the appropriation bill to allow continuation of the traditional manner by which appropriations have been made to this agency. The Subcommittee recommends separate line item appropriations for salaries and wages and other operating expenditures.

The Subcommittee notes, with some reservations, its concurrence with the Governor's recommended full-time Special Project Worker staff person to be located in Wichita. The Subcommittee is aware that current statutes authorize the Kansas Water Office to employ only one unclassified staff person, that being the position of Director. The Subcommittee acknowledges that Special Project Worker positions are also considered unclassified, but general appointment authority for such positions is provided the Governor in a separate statute. The Subcommittee is of the opinion that the current staffing structure is operating smoothly and is facilitating progress in the resolution of serious problems in the management of water resources, which the Subcommittee views to be a high priority of the Legislature. Nevertheless, the Subcommittee does not intend the staffing arrangement recommended by the Governor for FY 1984 to be interpreted as establishing a precedent for similar arrangements in the future for this or any other state agency, board, or commission.

#### House Committee Recommendation

The Committee concurs with the Subcommittee recommendations.

#### House Committee of the Whole Recommendation

The House concurs with the House Committee recommendation.

#### Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House recommendations with the following comments:

1. The Senate Subcommittee is aware that the agency anticipates expenditure of \$1,200 for a leased conference recorder in FY 1984. The Senate Subcommittee makes no recommendation to adjust the FY 1984 budget to include such additional cost, but notes that such expenditures, if deemed necessary by the agency, can and should be absorbed within the FY 1984 operating budget as recommended by the House.
2. The Subcommittee recommends that upon passage of S.B. 311 as reported by the Senate, necessary adjustments to the FY 1984 budget be included in the Omnibus Bill.