

Approved 3-2-84
Date

MINUTES OF THE House COMMITTEE ON Ways and Means

The meeting was called to order by Bill Bunten at
Chairperson

1:30 ~~am~~/p.m. on Thursday, February 23, 1984 in room 514-S of the Capitol.

All members were present except: Representative Duncan (excused)
Representative Luzzati (excused)

Committee staff present:

Ed Ahrens, Legislative Research	Carolyn Rampey, Legislative Research
Lyn Goering, Legislative Research	Julian Efird, Legislative Research
Gloria Timmer, Legislative Research	Jim Wilson, Office of the Revisor
Ray Hauke, Legislative Research	Dave Hanzlick, Administrative Asst.
	Nadine Young, Committee Secretary

Conferees appearing before the committee: None

Others Present: (Attachment I)

Chairman called the meeting to order at 1:30 P.M.

HB 2692; an act making and concerning appropriations for the fiscal year ending June 30, 1985, for the commission on civil rights, attorney general, attorney general - Kansas Bureau of investigation, Kansas public disclosure commission, governor's department, department of human resources, department of economic development, insurance department, Kansas arts commission, lieutenant governor, state board of tax appeals, secretary of state, Kansas soldiers' home, state treasurer and grant - veterans of world war I; authorizing certain transfers and fees, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and act incidental to the foregoing.

HB 2692, Section 2, Kansas Commission on Civil Rights Subcommittee report by Representative Miller. FY 84, subcommittee concurs with Governor's recommendations with one adjustment, reduction of \$6,400 for court reporter fees. FY 85, subcommittee recommends several adjustments (Attachment II). Representative Miller moved the report be adopted. Seconded by Representative Dyck. Motion carried.

Kansas Arts Commission Reported on by Representative Teagarden. Subcommittee concurs with Governor's recommendation with one adjustment (Attachment III). Representative Teagarden moved we adopt the report for FY 84. Seconded by Representative Chronister. Motion carried.

HB 2692, Section 10, Kansas Arts Commission Reported on by Representative Teagarden. Subcommittee concurs with Governor's recommendation with a few adjustments. Representative Teagarden moved the report be adopted. Seconded by Representative Chronister. Motion carried. (Attachment IV)

HB 2692, Section 5, Public Disclosure Commission Representative Lowther reported. Subcommittee called attention to an amendment made by 83 Legislature to the statutes relating to conflict of interest and financial disclosure. (Attachment V). Representative Lowther moved the report be adopted. Seconded by Representative Solbach. Motion carried.

Kansas Bureau of Investigation, HB 2703, Section 12 -- FY 84 Representative Chronister reported on this section. Subcommittee concurs with Governor's recommendations with some adjustments (Attachment VI). Representative Chronister moved the report be adopted. Seconded by Representative Turnquist. Motion carried.

HB 2692, Section 4, Kansas Bureau of Investigation - FY 85 Representative Chronister reported. Subcommittee concurs with the Governor's recommendations with several adjustments (Attachment VII). A proposed bill was brought before the committee for introduction and the committee asked for permission to revise the report to provide a proviso. (Attachment VIII). Representative Chronister moved the report be amended. Seconded by Representative Turnquist. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
 room 514-S, Statehouse, at 1:30 ~~am~~ p.m. on Thursday, February 23, 1984.

Representative Chronister explained the proposed bill, an act concerning state participation in national law enforcement; and moved for introduction of the bill as amended. Seconded by Representative Teagarden. Motion carried.

HB 2692, Section 15, State Treasurer Reported on by Representative Shriver. Subcommittee concurs with the Governor's recommended expenditures for FY84 as amended by Budget Amendment No. 1. Subcommittee made several recommendations concerning FY 85. (Attachment IX). Representative Shriver moved the report be adopted. Seconded by Representative Heinemann. Motion carried.

HB 2692, Section 9, Insurance Department Reported on by Representative Heinemann Subcommittee concurs with Governor's recommendations with several adjustments (Attachment X). Representative Shriver moved that the Subcommittee report be amended concerning Fireman's Relief program so as to make it clear this will be done by legislation and not by proviso. The motion was seconded by Representative Heinemann and the motion carried.

Representative Heinemann moved the subcommittee report be adopted as amended. Seconded by Representative Shriver. Motion carried.

HB 2692, Section 13, Secretary of State Reported on by Representative Farrar. Subcommittee concurs with Governor's recommendation for FY 84. For FY 85, several changes in the appropriation language are recommended by the Subcommittee (Attachment XI). Representative Farrar moved the report be adopted. Seconded by Representative Buntin. Motion carried.

HB 2692, Section 6, Governor's Department Reported on by Representative Helgerson. Subcommittee concurs with Governor's recommendation except that, in accordance with the direction of the full Committee, the \$41,295 included by the Governor for salary plan revisions is recommended to be deleted. (Attachment XII). Representative Helgerson moved the report be adopted. Seconded by Representative Solbach. Motion carried.

HB 2692, Section 11, Lieutenant Governor (Attachment XIII) Representative Helgerson reported on this section. Subcommittee concurs with Governor's recommendation except that, in accordance with the direction of the full committee, the \$3,794 included by the Governor for salary plan revision is recommended to be deleted. Representative Helgerson moved the report be adopted. Seconded by Representative Teagarden. Motion carried.

HB 2692, Section 3, Attorney General Representative Helgerson reported on this section. Subcommittee concurs with Governor's recommendation with several changes. (Attachment XIV). Representative Helgerson moved the report be adopted. Seconded by Representative Solbach. Motion carried.

HB 2692, Section 16, Grant for Veterans of World War I (Attachment XV). Reported on by Representative Louis. Subcommittee recommends no change in approved level of funding at \$2,000 for FY 84. Subcommittee concurs with Governor's FY 85 recommendation for a \$2,000 grant. Representative Louis moved the report be adopted. Seconded by Representative Chronister. Motion carried.

HB 2692, Section 12, Board of Tax Appeals Reported on by Representative Shriver. Subcommittee concurs with Governor's estimate of \$531,022 as requested by the Board FY 84. Subcommittee concurs with the Governor's recommendations FY 85 with a few exceptions. (Attachment XVI). Representative Shriver moved the report be adopted. Seconded by Representative Heinemann. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514-S, Statehouse, at 1:30 ~~am~~/p.m. on Thursday, February 23, 1984

HB 2692, Section 14, Soldiers' Home (Attachment XVII)
Reported on by Representative Chronister. No change in approved level of funding or in expenditures for FY 84. Subcommittee made several recommended changes for FY 85. Representative Chronister moved the report be adopted. Seconded by Representative Teagarden. Motion carried.

Department of Economic Development FY 84 and FY 85
Subcommittee concurs with Governor's recommendations for FY 84 and FY 85 with a few exceptions (Attachments XVIII and XIX). Representative Louis moved the reports be adopted. Seconded by Representative Bussman. Motion carried.

Chairman Bunten asked for a motion to remove Section 7, Department of Human Resources, from HB 2692. Representative Miller made the motion. Seconded by Representative Bussman. Motion carried.

Representative Louis moved that HB 2692 be recommended favorable for passage as amended. Representative Chronister seconded. Motion carried.

Chairman asked for a motion on the Minutes for February 13, 14, 15 and 16. Representative Chronister moved they be approved. Seconded by Representative Meacham. Motion carried.

Meeting adjourned at 3:20 p.m.

2-23-84

Name	Address	Representing
1. <u>Guido Curcio</u>	<u>214 W 6th St</u>	<u>KCCR</u>
2. <u>Will D. Richards</u>	<u>708 Fillmore</u>	<u>NAACP</u>
3. <u>Gregory Lattimore</u>	<u>2820 7th St W. Chita</u>	<u>KCCR - Commissioners</u>
4. <u>Robert W. Jones</u>	<u>5331 Libra, Topeka</u>	<u>KCCR</u>
5. <u>Sharon Y. McCoy</u>	<u>3760 Park East St.</u>	<u>KCCR</u>
6. <u>Tom Kelly</u>	<u>Topeka</u>	<u>KBI</u>
7. <u>Jim Green</u>	<u>Topeka</u>	<u>KBI</u>
8. <u>George Carter</u>	<u>Topeka</u>	<u>KBI</u>
9. <u>Michael Bradley</u>	<u>Topeka</u>	<u>KCCR</u>
10. <u>James E. Butler</u>	<u>Topeka</u>	<u>KCCR</u>
11. <u>Susan Marshall</u>	<u>Lincoln, Ks</u>	<u>KCCR</u>
12. <u>Susan Wade</u>	<u>Topeka</u>	<u>KCCR</u>
13. <u>Ed. Mullins</u>	<u>"</u>	<u>"</u>
14. <u>Michael Albert</u>	<u>"</u>	<u>"</u>
15. <u>John Reed</u>	<u>Topeka</u>	<u>KS Art Comm.</u>
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I

SUBCOMMITTEE REPORT

Agency: Kansas Commission on Civil Rights Bill No. 2692 Bill Sec. 2

Analyst: Brown Analysis Pg. No. 463 Budget Pg. No. 1-892

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 1,380,040	\$ 1,328,569	\$ (114,160)
State General Fund	1,140,040	1,088,569	(114,160)
F.T.E. Positions	45.7	44.7	(2.0)

House Subcommittee Recommendations

FY 1984. The Subcommittee concurs with the Governor's recommendations with the following adjustment based on expenditures to date:

1. Reduction of \$6,400 for court reporter fees.

FY 1985. The Subcommittee recommends the following adjustments to the Governor's recommendation:

1. Delete \$56,381 to remove the 5 percent plus \$17 per month salary adjustment.
2. Delete \$55,514 and 3.0 F.T.E. positions. The Subcommittee reviewed past, current, and projected caseload and is not convinced that the agency will need the addition of two investigators and a clerk in FY 1985. These new positions were requested, in part, because of the Age Discrimination in Employment Act which became effective on July 1, 1983.
3. Addition of \$45,309 and 1.0 F.T.E. position to reinstate the position of full-time hearing examiner. The Subcommittee notes that current statutes require the Commission to maintain this position. Proposed legislation was presented to the Subcommittee which would change this requirement in accordance with the Governor's recommendation to eliminate this position. While the Subcommittee is not recommending such legislation, it does want to note that the bill has been drafted should the Committee want to introduce it.
4. Deletion of \$19,300 for pro-tem examiners, funding for which will not be necessary at the level recommended if the hearing examiner's position is continued.
5. Delete \$933 for acquisition of a typewriter for the clerical worker which the Subcommittee is not recommending.
6. Delete \$9,380 for communications, a net reduction based on a \$10,980 reduction in the compliance and education subprogram and a \$1,600 addition in the hearing examiner's office.
7. Delete \$9,976 for travel, which reflects a \$11,176 reduction for travel associated with the new staff members and a \$1,200 addition for the hearing examiner's office.

II

8. A \$485 reduction in stationery and office supplies.
9. A \$7,500 reduction in court reporter fees based on historical expenditure patterns.


Representative David Miller
Subcommittee Chairman


Representative Harold Dyck


Representative Don Mainey

Agency: Kansas Arts Commission Bill No. NA Bill Sec. NA

Analyst: Holt Analysis Pg. No. 504 Budget Pg. No. 1-85

<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	\$ 256,876	\$ 256,876	\$ (857)
Aid to Local Units	75,000	75,000	—
Other Assistance	455,526	455,526	—
TOTAL	<u>\$ 787,402</u>	<u>\$ 787,402</u>	<u>\$ (857)</u>
State General Fund:			
State Operations	\$ 199,210	\$ 199,210	\$ (857)
Aid to Local Units	35,000	35,000	—
Other Assistance	191,228	188,768	—
TOTAL	<u>\$ 425,438</u>	<u>\$ 422,978</u>	<u>\$ (857)</u>
 F.T.E. Positions	 8.0	 8.0	 —

House Subcommittee Recommendations

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

1. Because the Commission is permitted to remain in its present location and is not forced to move to more expensive quarters as had been anticipated when the FY 1984 revised estimate was submitted, a savings of \$3,857 in rental expenditures should be realized. The Subcommittee therefore recommends that \$3,000 of that amount be used to purchase a micro-computer and software. The Subcommittee further recommends that the remaining \$857 in rental savings from the State General Fund be reappropriated in FY 1985.

Rochelle Chronister
 Representative Rochelle Chronister
 Subcommittee Chairperson

George Teagarden
 Representative George Teagarden

Larry Turnquist
 Representative Larry Turnquist

III

SUBCOMMITTEE REPORT

Agency: Kansas Arts Commission Bill No. 2692 Bill Sec. 10
 Analyst: Holt Analysis Pg. No. 504 Budget Pg. No. 1-85

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 309,971	\$ 276,209	\$ (17,357)
Aid to Local Units	110,000	75,000	—
Other Assistance	713,797	443,332	—
TOTAL	\$ 1,133,768	\$ 794,541	\$ (17,357)
State General Fund:			
State Operations	\$ 244,150	\$ 212,630	\$ (17,357)
Aid to Local Units	70,000	35,000	—
Other Assistance	482,618	200,853	—
TOTAL	\$ 796,768	\$ 448,483	\$ (17,357)
F.T.E. Positions	9.0	8.0	—

Agency Request/Governor's Recommendation

A total operating budget of \$1,133,768 is requested for FY 1985, an increase of \$346,366 above the Commission's estimated expenditures for the current fiscal year. The Commission's request of \$796,768 from the State General Fund in FY 1985 would represent an increase of \$371,330 or 87.3 percent above the amount estimated for FY 1984. Of the amount requested for FY 1985 from the State General Fund, \$244,150 is designated for state operations and \$552,618 for arts programming. The Commission's request of \$218,868 for salaries and wages in FY 1985 reflects the proposed addition of an Art Program Coordinator I position and reclassification of a Secretary I to a Secretary II position.

The Governor's recommendation of \$794,541 for FY 1985 represents an increase of \$7,139 above the level recommended for the current fiscal year. Of the amount of \$448,483 recommended from the State General Fund, \$212,630 is designated for state operations and \$235,853 for arts programming. The Governor's recommendation of \$196,829 for salaries and wages would maintain the number of positions at the current staffing level but provide for the reclassification of a Secretary I to Secretary II position. This amount also includes adjustments of \$10,543 to reflect the Governor's policy recommendations with respect to salary plan revision.

House Subcommittee Recommendations

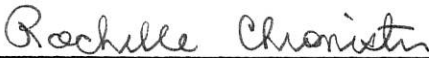
FY 1985. The Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. In accordance with Committee policy, deletion of \$10,543 in salary plan revision.
2. Deletion of \$6,814 from the State General Fund in expenditures for office space rental. The Commission should realize such a cost savings since it will remain in its present quarters rather than relocate to more expensive quarters, as was anticipated at the time of its budget submittal.

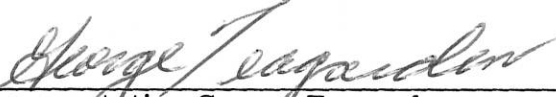
3. Note is made that \$857 from the State General Fund is recommended by the Subcommittee to be reappropriated from FY 1984.
4. Insertion of the proviso for the Promotion of the Arts Fund and the Arts Programming Grants Fund in the appropriations bill ending June 30, 1985: "Provided further, that expenditures from this fund shall be made in a manner to benefit the maximum number of Kansas communities in the development of Kansas talent and art."
5. Note is made that the Commission is expected to receive at least \$102,306 more in federal grants funding in FY 1985 than in the current fiscal year. The breakdown is as follows:

	<u>FY 1984</u> (Est.)	<u>FY 1985</u> (Est.)
Basic State Grant	\$293,800	\$358,100
Artists in Education	64,494	77,500
Folk Arts Fellowship	—	25,000
TOTAL	<u>\$358,294</u>	<u>\$460,600</u>


The Governor's recommendation does not reflect the additional estimated amount of expenditures of \$102,306.



Representative Rochelle Chronister
Subcommittee Chairperson



Representative George Teagarden



Representative Larry Turnquist

Agency: Public Disclosure Commission Bill No. 2692 Bill Sec. 5

Analyst: Rampey Analysis Pg. No. 477 Budget Pg. No. 1-149

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 231,960	\$ 188,638	\$ 6,516
State General Fund	231,960	188,638	6,516
F.T.E. Positions	6.0	5.0	6.0

House Subcommittee Recommendations

FY 1984. The Subcommittee concurs with the Governor's recommendation for FY 1984.

FY 1985. The Subcommittee wishes to call attention to an amendment made by the 1983 Legislature to the statutes relating to conflict of interest and financial disclosure. Prior to the amendment, state officers and employees who earned \$25,000 per year or more were among those required to file statements of substantial interest. As of July 1, 1983, that threshold was eliminated and agency heads are now charged with designating which of their employees, board, council, or commission members should file a statement. Agency heads are directed to identify all individuals who are in policy making positions, a position to contract, purchase, or procure, or are in a position to license, inspect, or regulate. Filings under the new law are due from April 15 to April 30.

In order to determine how many statements could be received in April, 1984, the Commission staff surveyed agency heads in July, 1983. Based upon that survey, it is possible that 17,550 statements could be filed. That number greatly exceeds the number of statements presently filed and would no doubt have a significant impact upon the Commission staff's workload. (A total of 4,275 statements of substantial interest were filed in FY 1983.)

At this time, no one knows how many statements will actually be filed, the number of requests for clarification of the statutes which may be asked of the Commission's attorney, and the cost of data processing services associated with the new reporting requirements. Because reports are not due until the end of April, for all practical purposes it will be too late for the Commission to assess the impact of the first year's experience under the new law and appeal to the Legislature for further adjustments to its FY 1985 budget.

For this reason the Subcommittee has chosen to make several additions to the Governor's recommended budget which would address the expected increase in the workload which almost certainly will occur. However, even with these changes, a significant increase in the number of statements of substantial interest filed could result in the Commission requesting a supplemental appropriation for FY 1985.

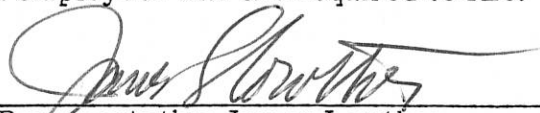
The adjustments made by the Subcommittee to the Governor's recommendations are the following:



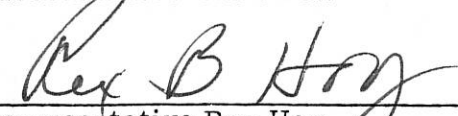
1. Delete \$6,648 for the Governor's salary plan revision.
2. Increase the position limitation from 5.0 F.T.E. positions to 6.0 F.T.E. positions and add \$16,050 in salary and wages for a new Clerk position. The Subcommittee calls attention to the fact that, until July 1, 1982, the Commission had authorization for six full-time positions and, each year since then, has sought to restore its position authorization to its prior level. Originally, the position requested for FY 1985 was a Report Examiner at a salary of \$20,975, including fringe benefits. The Commission later revised its request to ask for a Clerk whose salary and benefits would total \$16,050. The person filling the requested position would work in the conflict of interest area and would assist in contacting state agencies and processing statements of substantial interest.

In the Subcommittee's opinion, the workload of the Commission's staff will most certainly increase and the request for the clerical position is justified.

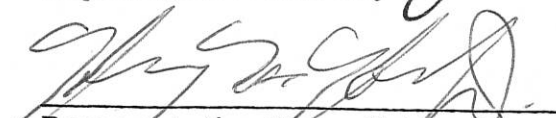
3. Delete \$740 for public service announcements.
4. Add \$254 for fees for data processing services. The additional funds would permit the staff to obtain quarterly printouts of the names of new or reassigned state employees. The Subcommittee recommends that no funds be expended for tuition for continuing education courses for the staff.
5. Delete \$2,400 for fees for professional services. As the result of the Subcommittee's recommendation, a total of \$16,050 would be available for attorney fees (\$15,000) and court reporter services (\$1,050). For the current year, \$14,500 is available for attorney fees and \$500 for court reporter fees.
6. The Subcommittee recommends that the Commission monitor changes in its workload due to the passage of new legislation. In particular, the Subcommittee believes the Commission should report to the Legislature on the impact of legislation relating to the filing of statements of substantial interest and include in its report an analysis of how many persons filed statements during FY 1984, what types of positions they held, what problems were associated with the implementation of the new requirements, and what other issues or recommendations should be considered by the Legislature. The Subcommittee would like for the Commission to include in its report a consideration of the possibility of allocating expenses connected with administering the reporting requirements among the state agencies which have officers and employees who are required to file.



Representative James Lowther
Subcommittee Chairman



Representative Rex Hoy



Representative Henry Helgerson

SUBCOMMITTEE REPORT

Agency: Kansas Bureau of Investigation Bill No. 2703 Bill Sec. 12

Analyst: Hauke Analysis Pg. No. 468 Budget Pg. No. 4-51

<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	\$ —	\$ —	\$ (139,660)
State General Fund	—	—	(139,660)

Summary of Agency Request/Governor's Recommendation

The agency requests and the Governor recommends that \$100,000 in State General Fund savings be utilized to finance purchase of additional laboratory equipment. The Governor recommends that the equipment be financed through savings of \$95,340 in salaries and wages and \$4,660 in other operating expenditures. Accordingly, the Governor is recommending that \$95,340 be lapsed from the approved salary and wage budget and an equal amount be appropriated as a supplemental line item appropriation entitled Acquisition of Laboratory Equipment.

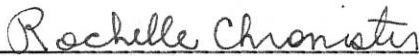
House Subcommittee Recommendations

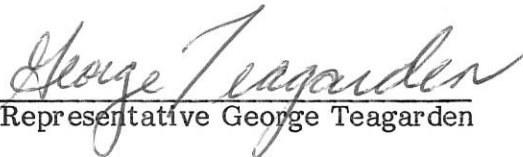
The House Subcommittee concurs with the Governor's recommendations and makes the following adjustments:

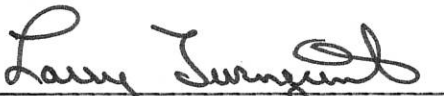
1. The Subcommittee concurs with the Governor's recommendation that a supplemental appropriation of \$95,340 be made to acquire laboratory equipment. Due to the potential relocation facing this agency, it may not be prudent to expend all of this funding prior to the end of FY 1984. Consequently, the Subcommittee recommends that reappropriation language be added, allowing unexpended portions of this line item to be reappropriated to FY 1985.
2. The Subcommittee reviewed the remainder of the KBI's budget for other operating expenditures and is of the opinion that the potential exists for considerable FY 1984 savings, based upon expenditures to date. In items 3 to 9 the Subcommittee recommends adjustments to the FY 1984 budget. The Subcommittee recommends that all savings be reappropriated to FY 1985 and be utilized to finance moving and remodeling costs, as discussed in item 3 of the FY 1985 report. The Subcommittee is of the opinion that by allowing all savings in other operating expenditures to be reappropriated, it provides an incentive for the agency to reduce costs whenever possible, as those savings would facilitate moving and remodeling costs.
3. The Subcommittee reviewed the revised FY 1984 travel and subsistence budget and recommends that it be reduced by \$75,544. This recommendation is based upon annualization of expenditures to date but also contains allowances for travel and subsistence expenditures on behalf of 11 Special Agents who will join the agency on February 27. The reductions are divided among the agency's subprograms as follows:

Investigations	\$25,924
Special Services	43,900
General Support Services	5,720
TOTAL	<u>\$75,544</u>

4. The Subcommittee reviewed FY 1984 expenditures for computer services and recommends a reduction of \$60,700, based upon expenditures to date.
5. The Subcommittee reviewed FY 1984 expenditures for data processing communications and recommends a reduction of \$54,496. This recommendation is based upon expenditures to date, but contains allowances for rate increases which became effective in January.
6. The Subcommittee reviewed communications expenditures in the General Support Services Subprogram. Based upon expenditures to date the Subcommittee increases this item by \$10,310.
7. Based upon agencywide expenditures to date, the Subcommittee recommends increase of the budget for motor vehicle parts and supplies by \$15,770.
8. Based upon past expenditure history, the Subcommittee recommends a \$10,000 increase in the agencywide budget for repair and service of equipment.
9. The Subcommittee learned that the agency will be training two Special Agents to be polygraph operators. This training will involve FY 1984 expenditures of approximately \$15,000. The Subcommittee recommends that the FY 1984 budget be increased to allow that training expenditure.


Representative Rochelle Chronister
Subcommittee Chairperson


Representative George Teagarden


Representative Larry Turnquist

SUBCOMMITTEE REPORT

Agency: Kansas Bureau of Investigation Bill No. 2692 Bill Sec. 4
 Analyst: Hauke Analysis Pg. No. 468 Budget Pg. No. 4-51

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 6,853,655	\$ 5,550,095	\$ (168,753)
Capital Improvements	205,666	—	—
TOTAL	<u>\$ 7,059,321</u>	<u>\$ 5,550,095</u>	<u>\$ (168,753)</u>
State General Fund:			
State Operations	\$ 6,820,390	\$ 5,491,279	\$ (238,491)
Capital Improvements	205,666	—	—
TOTAL	<u>\$ 7,026,056</u>	<u>\$ 5,491,279</u>	<u>\$ (238,491)</u>
F.T.E. Positions	165.0	133.0	—

House Subcommittee Recommendations

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

- The Subcommittee recommends deletion of \$193,939 from the State General Fund for salary plan revisions of 5 percent plus \$17 monthly, as the Subcommittee understands that salary revisions will be considered as a separate issue. Those salary plan reductions are as follows from the agency's subprograms:

Administration	\$16,767
Investigations	60,706
Special Services	41,574
General Support	66,783
Data Processing	8,109

- The Subcommittee notes that the Evidence Purchase and Investigation Fund is not reflected in the agency's budget, although it is continued in the FY 1985 appropriation bill. This Fund was created by the 1983 Legislature and it appears to be accomplishing its objective, which was allowing the agency to retain recoupments of "drug buy" funds. Prior to creation of the Evidence Purchase and Investigation Fund, recoupment of "drug buy" funds went to the State General Fund. The Subcommittee makes the following comments and recommendations concerning evidence purchase funding in FY 1985:

- The FY 1985 budget for evidence purchase be set at \$120,000, of which \$50,262 would be from the State General Fund and \$69,738 would be from the Evidence Purchase and Investigation Fund. This recommendation increases the total budget, as the Governor's recommendations did not include expenditures from the

VIII

Evidence Purchase Fund. However, this recommendation decreases expenditures from the State General Fund. The Subcommittee recommends that this amount be deleted from the appropriation although it may become part of funding for relocation of this agency. Comparison of the Subcommittee recommendations to those of the Governor are shown below:

	<u>Governor's Recommendations</u>	<u>Subcommittee Recommendations</u>	<u>Difference</u>
State General Fund	\$ 94,814	\$ 50,262	\$(44,552)
Evidence Purchase and Investigation Fund	—	69,738	69,738
TOTAL	<u>\$ 94,814</u>	<u>\$ 120,000</u>	<u>\$ 25,186</u>


- b. It is generally assumed that the KBI will eventually recover approximately 30 percent of total expenditures for narcotics purchase. However, recoveries fluctuate widely. This is not a problem, due to the high percentage of General Funds in this agency. The Subcommittee's recommendations are based upon expenditure of funds collected to date in FY 1984 and collection of 30 percent of expenditures in FY 1985. The Subcommittee's revenue and expenditure projections for this fund are reflected as Attachment I of the Subcommittee report.
 - c. The Subcommittee recommends that the agency include projected revenue and expenditure from this fund in future budget submittals.
3. The Subcommittee reviewed the issue of the KBI's location, as the KBI's lease at 3420 VanBuren expires on June 30, 1984. The Subcommittee believes it is unlikely that a permanent Public Safety Building will be available for occupancy in less than five years. Therefore, an interim solution is necessary for the KBI. Two options were reviewed by the Subcommittee. Option 1 would involve renewal of the agency's lease at 3420 VanBuren, with concurrent lease of additional space nearby. While this is a viable short-term option, in the Subcommittee's opinion it would not solve the agency's space needs for five years. Option 2 would involve relocation of the KBI to leased space in the former Crane Junior High School Building located at 1620 Tyler. This option involves expenditure of \$212,719 above the Governor's recommendations.

The Subcommittee is of the opinion that it would be more feasible for the KBI to relocate to the Crane Building. The Subcommittee would endorse the Crane location upon receipt of a Governor's Budget Amendment and a formal recommendation from the Department of Administration concerning the location of the KBI. The Subcommittee notes that its FY 1984 and FY 1985 State General Fund recommendations, exclusive of salary plan deletions, would finance \$184,212 of the budgetary increase.

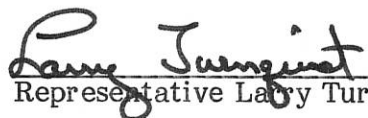
4. The Subcommittee recommends that the KBI's State General Fund appropriations be made in two line items, salaries and wages and other operating expenditures.
5. The Subcommittee reviewed the Governor's FY 1985 salary and wage recommendations and observed that they were based upon a turnover rate of 1.7 percent. The Subcommittee also reviewed the KBI's actual turnover rates for several years and observed that they were 4.8 percent in FY 1981 and 3.5 percent in FY 1982. The Subcommittee did not increase the FY 1985 turnover rate but highlights it as an area where additional reductions could be made to finance relocation to the Crane Building.
6. The Subcommittee recommends that FY 1984 savings in other operating expenditures reappropriate to FY 1985, as discussed in item 2 of the FY 1984 report.
7. The Subcommittee was disappointed to learn that efforts to obtain access to the National Crime Information Center (NCIC) - Interstate Identification Index (III) have again been delayed. The Subcommittee again urges that Kansas have access to III. Presently the Highway Patrol is the control agency for NCIC, while the KBI is the control agency for the National Law Enforcement Telecommunications System (NLETS). The Subcommittee is of the opinion that an NCIC management control agreement, satisfactory to both agencies, can be negotiated, although that is not occurring presently. The Subcommittee recommends that legislation be introduced to switch control of the NLETS system to the Highway Patrol and control of NCIC to the KBI. The Subcommittee would recommend nonpassage of said legislation upon completion of a management control agreement satisfactory to both agencies.



Representative Rochelle Chronister
Subcommittee Chairman



Representative George Teagarden



Representative Laby Turnquist

PROPOSED BILL NO. _____

AN ACT concerning state participation in national law enforcement information systems; transferring certain powers, duties, functions and property between the Kansas bureau of investigation and the Kansas highway patrol.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) On July 1, 1984, the Kansas bureau of investigation is hereby designated and shall be the control agency for the state of Kansas for purposes of participation in the national crime information center and the authority and responsibility for administering such participation which were previously exercised and assumed by the Kansas highway patrol are hereby transferred to and imposed upon the Kansas bureau of investigation.

(b) On July 1, 1984, all of the powers, duties, functions, records and property of the Kansas highway patrol which relate to the national crime information center or participation in its operations are hereby transferred to and conferred and imposed upon the Kansas bureau of investigation. The Kansas bureau of investigation shall be the successor in every way to such powers, duties and functions of the Kansas highway patrol in which the same were vested prior to the effective date of this act.

(c) Whenever the Kansas highway patrol, or words of like effect, is referred to or designated by a statute, contract or other document with regard to the participation of the state of Kansas in the national crime information center, such reference or designation shall be deemed to apply to the Kansas bureau of investigation. Whenever the superintendent of the Kansas highway patrol, or words of like effect, is referred to or designated by a statute, contract or other document with regard to the

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participation of the state of Kansas in the national crime information center, such reference or designation shall be deemed to apply to the director of the Kansas bureau of investigation.

(d) The director of the Kansas bureau of investigation shall provide for immediate access by the officers of the Kansas highway patrol to information available through the national crime information center which is required by such officers in the performance of law enforcement and other powers, duties and functions of the Kansas highway patrol.

Sec. 2. (a) On July 1, 1984, the Kansas highway patrol is hereby designated and shall be the control agency for the state of Kansas for purposes of participation in the national law enforcement telecommunications system and the authority and responsibility for administering such participation which were previously exercised and assumed by the Kansas bureau of investigation are hereby transferred to and imposed upon the Kansas highway patrol.

(b) On July 1, 1984, all of the powers, duties, functions, records and property of the Kansas bureau of investigation which relate to the national law enforcement telecommunications system or participation in its operations are hereby transferred to and conferred and imposed upon the Kansas highway patrol. The Kansas highway patrol shall be the successor in every way to such powers, duties and functions of the Kansas bureau of investigation in which the same were vested prior to the effective date of this act.

(c) Whenever the Kansas bureau of investigation, or words of like effect, is referred to or designated by a statute, contract or other document with regard to the participation of the state of Kansas in the national law enforcement telecommunications system, such reference or designation shall be deemed to apply to the Kansas highway patrol. Whenever the director of the Kansas bureau of investigation, or words of like effect, is referred to or designated by a statute, contract or other document with regard to the participation of the state of Kansas in the

national law enforcement telecommunications system, such reference or designation shall be deemed to apply to the superintendent of the Kansas highway patrol.

Sec. 3. When any conflict arises as to the disposition of any power, duty, function or property as the result of any transfer made by this act, or under authority of this act, such conflict shall be resolved by the governor and the decision of the governor shall be final.

Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.

Agency: State Treasurer Bill No. 2692 Bill Sec. 15
 Analyst: Ahrens Analysis Pg. No. 517 Budget Pg. No. 1-173

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85*</u>	<u>Subcommittee Adjustments</u>
All Funds:			
Operations	\$ 1,604,180	\$ 1,561,529	\$ (94,814)
University Debt Service	681,242	681,242	--
Aid to Local Units	50,200,100	49,497,482	--
TOTAL	<u>\$ 52,485,522</u>	<u>\$ 51,740,253</u>	<u>\$ (94,814)</u>
State General Fund:			
Operations	\$ 1,279,428	\$ 1,259,126	\$ 207,589
Aid to Local Units	42,900,000	42,244,905	--
TOTAL	<u>\$ 44,179,428</u>	<u>\$ 43,504,031</u>	<u>\$ 207,589</u>
F.T.E. Positions	57.0	55.0	(2.0)

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

FY 1984 Revised Budget

The House Subcommittee concurs with the Governor's recommended expenditures for FY 1984 as amended by Budget Amendment No. 1, which adjusted estimates of local aid to conform to actual expenditures or latest estimates of receipts. As so amended, expenditures for FY 1984 total \$48,087,609, which includes \$1,411,544 for operations, \$664,863 for university debt service and \$46,011,202 for aid to local units. F.T.E. positions are unchanged from the 51.0 authorized by the 1983 Session of the Legislature. No supplemental appropriation language is required to authorize the revised expenditure total.

FY 1985 Subcommittee Recommendations

The Governor's original FY 1985 recommendation was revised in Budget Amendment No. 1 to update estimates of local aid distributions. The Governor has recommended an increase of 4.0 F.T.E. positions — 1.0 F.T.E. position represents the full year funding for two positions added for the last half of FY 1984, 1.0 additional position is recommended for bond registration, and 2.0 positions for unclaimed property. The Subcommittee concurs with the Governor's revised recommendation with the following adjustments:

1. Delete the \$61,016 recommended for salary plan revision of which \$50,825 was to have been financed from the State General Fund, \$5,712 from the Bond Registration Fee Fund, and \$4,479 from the Unclaimed Property Expense Recovery Fund.
2. Delete the \$8,064 (State General Fund) recommended for the reclassification of five positions. The Subcommittee is supportive of the effort to identify for budget planning purposes the possible need for correcting the classification of specific positions based upon changes in duties and responsibilities. However, in the case of the five positions cited by the Governor's recommendation (of seven requested by the agency), the Subcommittee learned that detailed position descriptions, which are critical to classification audit, had not been submitted to the Division of

Personnel Services; and the Division, therefore, had not instituted an audit to determine the correctness of present classifications. It appears to the Subcommittee that, if reclassifications are to be integrated with budget planning, a procedure should be instituted by the Department of Administration to ensure timely coordination of the identification of reclassification needs by the Division of Personnel Services and provision of funds through the budgeting process.

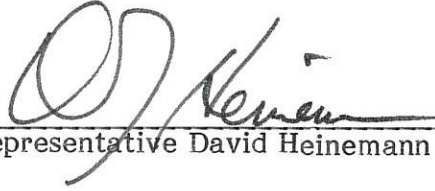
3. Delete \$13,334 and the 1.0 data entry position recommended by the Governor for the bond registration program. The amount (\$12,687 for salary and fringes and \$647 for capital outlay) was to have been financed from the Bond Registration Fee Fund. The FY 1985 budget as recommended by the Subcommittee would provide 5.0 F.T.E. positions to handle additional duties imposed by the federal government effective July 1, 1983, with respect to required registration of municipal bonds. It is not apparent that bond issuance activity will develop sufficiently to warrant a sixth position. However, should a level of activity develop that warrants it, the necessary staff addition should be submitted to the 1985 Session on a supplemental basis for FY 1985. The Subcommittee would point out that approved FY 1984 expenditures of \$250,928 from the Bond Registration Fees Fund have been revised downward in the agency's request and the Governor's recommendation to \$156,231 on the basis of a much lower level of activity than had been estimated previously.
4. Abolish effective July 1, 1984, the Bond Registration Fees Fund and finance FY 1985 and future years' expenditures by State General Fund appropriations. Receipts collected pursuant to the State Bond Registration Law (K.S.A. 10-620 et seq.), including those relating to fiscal agency services (K.S.A. 10-501 et seq.) would then be credited to the State General Fund. Creation of the Fees Fund and the crediting of receipts thereto was accomplished by FY 1984 appropriation act (Sec. 57, Chapter 26, 1983 Laws, the 1983 Omnibus Bill) and not by the basic laws cited previously. Therefore, the Subcommittee's recommendation can be accomplished by the 1984 appropriation act for FY 1985. While this recommendation of the Subcommittee increases State General Fund FY 1985 expenditures by \$161,209, it also increases FY 1985 estimated State General Fund receipts (based on the Governor's recommended budget) by \$218,769, or \$57,560 more than the additional expenditures. The principal reason for this recommendation of the Subcommittee is to ensure the financing of this important service offered by the state to its bond-issuing local units of government by avoiding possible cash flow problems which can be a characteristic of financing by a relatively small special revenue fund. For example, the Subcommittee is concerned that resources may not be sufficient to repay the State General Fund on May 1, 1984, the \$100,000 advanced to the Fees Fund on July 1. This possible problem requires continued monitoring during this Session and corrective action taken, if necessary, in the Omnibus Bill. Although the Subcommittee believes that financing of the bond registration and fiscal agency functions should be assured by using the State General Fund, the long-term policy of the state should be the charging of service fees in an amount adequate to offset costs.

5. Delete the \$12,400 (\$10,095 salary and \$2,305 other operating) and authorization for an additional Clerk Typist I position for the unclaimed properties program. The Subcommittee concurs with the recommendation of the Governor for an additional Clerk Typist II position and believes that such an addition is sufficient to handle the currently projected workload.
6. Finance the unclaimed properties program by State General Fund appropriations rather than by the Unclaimed Property Expense Recovery Fund which derives its receipts by the diversion of moneys which would otherwise be credited to the State General Fund. This will require amendments to K.S.A. 58-3919 and introduction of such legislation is recommended. In the Subcommittee's opinion nothing is gained by the present special revenue fund financing of the program and abolishment of the fund is the best way to avoid potential cash flow problems which have lead the agency to maintain an inordinately high year-end cash balance in the fund. Although the Subcommittee's recommendation would increase FY 1985 State General Fund expenditures by \$105,269, FY 1985 State General Fund receipts would increase \$299,832 based upon the Governor's recommended budget. The receipts figure is comprised of the estimated June 30, 1984, balance of \$144,832 and \$155,000 of additional receipts to the Expense Recovery Fund during FY 1985.
7. Retain the present practice of making three line item State General Fund appropriations for salaries and wages, other operating expenditures and official hospitality in lieu of the "program" items contained in H.B. 2692, as introduced. The State Treasurer requested continuation of present practices, including reappropriations of the salaries and wages and other operating expenditures items with limited expenditures. The Subcommittee recommends the appropriation of \$500 for official hospitality, an increase of \$250 above the current year level. The Governor's recommended budget includes the \$500 expenditure level, but the necessary authorizing language was omitted from the bill as introduced.

During the Subcommittee's visit to the new temporary offices of the State Treasurer in the older office building of the SBL Group, the Subcommittee observed some features of the security system that might warrant improvement, and about which the State Treasurer expressed concern. Security measures costing approximately \$50,000 have been made at state expense on advice of the Capitol Area Security Patrol and the Highway Patrol. It is the Subcommittee's understanding that these measures are transferable to the Santa Fe Building where it is planned to move the Treasurer's Office. Whether further temporary security measures should be undertaken in a privately-owned facility is not clearly evident to the Committee; but if such are desirable, the Subcommittee recommends efforts be made to determine whether improvements would serve the owner's uses after the Treasurer moves and could thus be a cooperative venture with the state. The Subcommittee requests that it receive a report on such efforts prior to adjournment of the Session.



Representative J. Sanford Duncan
Subcommittee Chairman



Representative David Heinemann



Representative Jack Shriver

SUBCOMMITTEE REPORT

Agency: Insurance Department Bill No. 2692 Bill Sec. 9

Analyst: Ahrens Analysis Pg. No. 501 Budget Pg. No. 1-129

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 6,705,659	\$ 6,709,733	\$ (171,119)
Aid to Local Units	2,261,688	2,261,688	(41,240)
Other Assistance	19,075,000	19,075,000	—
TOTAL	<u>\$ 28,042,347</u>	<u>\$ 28,046,421</u>	<u>\$ (212,359)</u>
State General Fund:			
State Operations	\$ —	\$ 3,892,350	\$ (326,498)
F.T.E. Positions	138.0	138.0	—

FY 1985 Agency Request/Governor's Recommendation

The plan for financing the agency's FY 1985 budget request was based upon a tentative proposal to finance by the assessment of new regulatory fees those programs which are presently financed by State General Fund appropriations. Such a change would require the enactment of substantive legislation. Otherwise, the agency's expenditure request does not provide for any new programs or any significant changes in existing ones. The 138.0 F.T.E. positions requested for FY 1985 is one less than the FY 1984 approved total. The reduction is the result of substituting contractual actuarial services for the current full-time actuarial position. The Governor's recommendation is based upon continuation of State General Fund financing for regulation of insurance companies. Total expenditures recommended by the Governor exceed the agency's request by \$4,074, all for state operations. This increase principally reflects adjustment of salary and benefits based upon policy recommendations regarding salary plan revision and health insurance costs.

House Subcommittee Recommendations

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

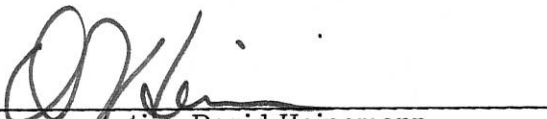
1. Delete the amount recommended for salary plan revision which totals \$171,119, of which \$161,603 is financed from the State General Fund.
2. Shift the financing of the \$41,240 of costs of administering the firemen's relief program from the State General Fund to the Firemen's Relief Fund. This Subcommittee has been assigned to work with a Subcommittee of the House Insurance Committee to work on proposed amendments to the firemen's relief program and continues to work on this matter. However, it is recommended that estimated FY 1985 salaries and wages of \$28,140 (1.0 F.T.E. position and exclusive of salary plan revision) and other operating expenditures of \$13,100 should be charged to the special revenue fund. The Subcommittee recommends that the statutory language clearly express that such administrative charges shall be limited to actual costs and be subject to legislative appropriation act. The Subcommittee further recommends that H.B. 2692 be amended to specify a limitation on such FY 1985 charges to the fund.

3. Shift the financing of the \$123,655 of costs of administering the workers' compensation program ("second injury") from the State General Fund to the Workers' Compensation Fund. Estimated FY 1985 costs are \$99,689 of salaries and wages (4.2 F.T.E. positions and exclusive of salary plan revision) plus \$23,966 of other operating expenditures. The Subcommittee recommends that the required legislation clearly express that such administrative charges shall be limited to actual costs and be subject to legislative appropriation. The Subcommittee further recommends that H.B. 2692 be amended to specify a limitation on such FY 1985 charges to the fund.
4. Continue past legislative practice of making line item State General Fund appropriations for salaries and wages, for other operating expenditures and for official hospitality, with reappropriations of prior year balances subject to expenditure limitations with respect to the first two items.

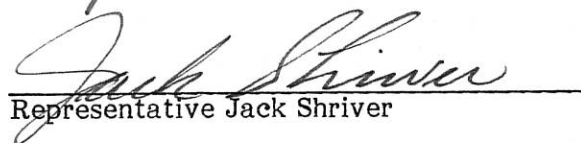
The Subcommittee strongly favors an enactment by the 1984 Session of legislation to control demands on the Health Care Stabilization Fund and to otherwise ensure its financial stability. S.B. 507, now in the House Ways and Means Committee, contains several provisions regarding this matter. This Subcommittee particularly believes that the liabilities of the Fund with regard to a single health care provider should be limited by such enactment.



Representative J. Santford Duncan
Subcommittee Chairman



Representative David Heinemann



Representative Jack Shriver

SUBCOMMITTEE REPORT

Agency: Secretary of State Bill No. 2692 Bill Sec. 13

Analyst: Ahrens Analysis Pg. No. 510 Budget Pg. No. 1-21

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 2,060,792	\$ 2,017,672	\$ (66,778)
State General Fund	1,401,822	1,356,961	(44,537)
F.T.E. Positions	60.0	60.0	—

FY 1984 Estimated Expenditures

As revised by Governor's Budget Amendment No. 1, the recommendation of the Governor for FY 1984 expenditures totals \$1,688,447. No revised appropriation language is required to authorize this total, because the net increase of \$2,807 above the estimate made following the 1983 Session is the result of expenditures from no-limit funds. No change in F.T.E. positions is requested or recommended. The Subcommittee concurs with the Governor's recommendation.

FY 1985 Subcommittee Recommendations

The agency request for FY 1985 includes 7.0 additional positions for the uniform commercial code (UCC) program in anticipation of workload growth for agricultural-related filing and inquiry which became the responsibility of the Secretary of State January 1, 1984. The Governor's recommendation concurs with the agency's estimate of expanded workload and the 7.0 F.T.E. positions. The Subcommittee concurs with the Governor's expenditure recommendations except for the deletion of \$66,778 for salary plan revision, of which \$44,537 would be financed from the State General Fund.

Several changes in the appropriation language as contained in H.B. 2692, as introduced, are recommended by the Subcommittee, as follows:

1. Continue prior legislative practice of appropriating State General Fund financing in three line items for salaries and wages (reappropriate subject to expenditure limitation), other operating expenditures (similarly reappropriate), and official hospitality.
2. Insert the reappropriation of the line item for contingency for recall procedure, which apparently was inadvertently omitted from the bill as introduced.
3. Substitute "no limit" for the Information and Copy Service Fee Fund. The Subcommittee was informed by the agency that substantial demands may be placed on this Fund as a result of response to inquiries regarding agricultural UCC transactions. By statute, a fee is charged for information copies (computer runs) to cover production costs.
4. Insert the existing Electronic Voting Machine Examination Fund, with no limit on expenditures, which was omitted from the bill as introduced.
5. Revise the title of the Riley County Abandoned Channel Fund to authorize use of the fund for any survey undertaken by the Secretary of State pursuant to K.S.A. 82a-209.



Representative R. E. Arbuthnot
Subcommittee Chairman



Representative Bill Bunten



Representative Keith Farrar



Representative Lee Hamm



Representative Ruth Lizzati

SUBCOMMITTEE REPORT

Agency: Governor's Department Bill No. 2692 Bill Sec. 6
 Analyst: Ahrens Analysis Pg. No. 479 Budget Pg. No. 1-13

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Committee Adjustments</u>
Operating Expenditures:			
All Funds	\$ 1,239,590	\$ 1,241,187	\$ (41,295)
State General Fund	1,239,590	1,241,187	(41,295)
F.T.E. Positions	32.0	32.0	—

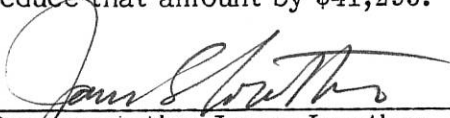
Agency Request/Governor's Recommendation

The FY 1985 budget request totals \$1,239,590, all to be financed from the State General Fund. Requested FY 1985 expenditures include \$839,929 for salaries and wages, \$379,661 for other state operations purposes and \$20,000 for other assistance, grants, and benefits. The FY 1985 request finances 32.0 F.T.E. positions, the same number of positions identified in the FY 1984 revised estimate. In his Budget Report, the Governor recommended total FY 1985 expenditures of \$1,241,187, an increase of \$1,597 over the request. The difference was the result of adjustments in the requested amounts for salary plan revision and health insurance. Of the total, \$75,000 would represent expenditures from a requested line item appropriation for contingencies, of which \$55,000 would be for contractual services and \$20,000 would be for grants. The 1983 Legislature appropriated \$75,000 for contingencies in FY 1984.

House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendation except that, in accordance with the direction of the full Committee, the \$41,295 included by the Governor for salary plan revision is recommended to be deleted.

Budget Amendment No. 1, dated February 13, contains an item relating to the budget of the Governor's Department. The Governor recommends that \$8,000 of expenditures for travel and subsistence of security staff be shifted from the FY 1985 budget of the Governor's Department to the budget of the Highway Patrol. The Governor stated in Budget Amendment No. 1 that it was his view that all expenditures of the Patrol for security of public officers should be reflected in a single budget, that of the Highway Patrol. Subsection (b) of Section 6 of H.B. 2692 authorizes payment of such expenses, and the Governor recommends retention of the language because in a few instances security travel expenses are paid from the Governor's budget and are subsequently reimbursed by affected agencies. The Governor's amended recommendation is, therefore, \$1,233,187 and Subcommittee adjustments for salary plan revision reduce that amount by \$41,295.


 Representative James Lowther
 Subcommittee Chairman


 Representative Rex Hoy


 Representative Henry Helgeson, Jr.

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SUBCOMMITTEE REPORT

Agency: Lieutenant Governor Bill No. 2692 Bill Sec. 11

Analyst: Ahrens Analysis Pg. No. 508 Budget Pg. No. 1-19

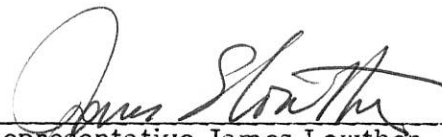
<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Committee Adjustments</u>
State Operations:			
All Funds	\$ 96,500	\$ 96,830	\$ (3,794)
State General Fund	96,500	96,830	(3,794)
F.T.E. Positions	3.0	3.0	—

Agency Request/Governor's Recommendation

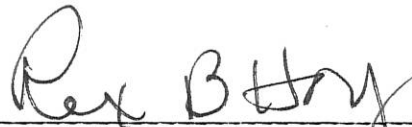
The FY 1985 budget request totals \$96,500. The Governor recommends total FY 1985 expenditures of \$96,830, or \$330 above the agency request. The Governor's addition to the request is due to adjustments for salary plan revision and health insurance.

House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendation except that, in accordance with the direction of the full Committee, the \$3,794 included by the Governor for salary plan revision is recommended to be deleted.



Representative James Lowther
Subcommittee Chairman



Representative Rex Hoy



Representative Henry Helgerson, Jr.

SUBCOMMITTEE REPORT

Agency: Attorney General Bill No. 2692 Bill Sec. 3

Analyst: Ahrens Analysis Pg. No. 465 Budget Pg. No. 1-1

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Committee Adjustments</u>
State Operations:			
All Funds	\$ 2,064,485	\$ 2,066,878	\$ (79,979)
State General Fund	1,819,622	1,822,287	(73,630)
F.T.E. Positions	54.5	54.5	—

Agency Request/Governor's Recommendation

The Attorney General requested expenditures of \$2,064,485 for FY 1985, all for state operations. Two special General Fund appropriation items for investigations and litigations costs totaling \$80,000 in FY 1984 are not requested for FY 1985. As is customary, no expenditures for claims to be paid from the Tort Claims Fund is made for FY 1985 because the fund is considered to be a contingency amount in the event of unanticipated settlements. The FY 1985 request is for the continuation of the present staff of 54.5 F.T.E. positions.

The Governor recommends FY 1985 expenditures of \$2,066,878. The recommended increase of \$2,393 above the agency request is largely the result of recalculations of amounts for salary plan revision and for health insurance based upon the Governor's policy recommendations with respect to those two items, although the Governor's recommendations reduce nonsalary expenditures by a net of \$395 below the request.

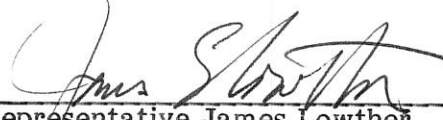
House Subcommittee Recommendations

The Subcommittee concurs with the recommendations of the Governor with the following changes:

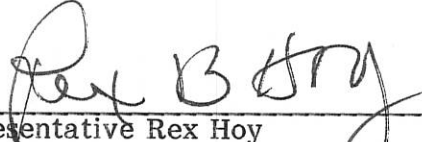
1. Delete the \$79,979 recommended for salary plan revision, of which \$73,760 is financed from the State General Fund.
2. Retain, as requested by the agency, the current legislative practice of appropriating State General Fund line items for salaries and wages, other operating expenditures, litigation costs and water rights additional costs, in lieu of the "program" line items contained in H.B. 2692, as introduced.
3. Include as a proviso to the other operating expenditures line item authorization to spend up to \$600 for official hospitality. Although expenditures recommended by the Governor include such an amount, the necessary authorizing language was omitted from the appropriation bill.
4. Remove, as requested by the agency, the expenditure limitation of \$2,000 on the Court Cost Fund in keeping with legislative practice prior to FY 1984. The estimated FY 1985 expenditure estimate would not be changed by this action. The Court Cost Fund serves as a revolving fund which is credited with receipts from court-awarded costs and receipts from other state agencies who are willing to reimburse the Attorney General for court costs advanced from his budget; and, in turn, expenditures are made from the Fund for court costs of litigation.

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The Subcommittee would also note that the FY 1985 requested and recommended budgets contain the salaries and other expenses of 1.5 positions and \$65,000 for expert contractual assistance to continue special investigation and litigation activities regarding interstate water rights, first authorized by the 1983 Legislature.



Representative James Lowther
Subcommittee Chairman



Representative Rex Hoy



Representative Henry Helgeson, Jr.

SUBCOMMITTEE REPORT

Agency: Grant - Veterans of World War I Bill No. 2692 Bill Sec. 16
 Analyst: Efird Analysis Pg. No. 521 Budget Pg. No. 1-189

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
State General Fund: Other Assistance	\$ 2,000	\$ 2,000	\$ —

House Subcommittee Recommendations

FY 1984. No change in the approved level of funding at \$2,000 is recommended for the current year.

FY 1985. The Subcommittee concurs with the Governor's FY 1985 recommendation for a \$2,000 grant to the Veterans of World War I, Department of Kansas.



 Representative David Louis
 Subcommittee Chairman

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SUBCOMMITTEE REPORT

Agency: Board of Tax Appeals Bill No. 2692 Bill Sec. 12

Analyst: Efird Analysis Pg. No. 509 Budget Pg. No. 1-171

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 630,259	\$ 590,424	\$ (22,729)
F.T.E. Positions	15.0	14.0	—

Subcommittee Recommendations

FY 1984. The Subcommittee concurs with the Governor's estimate of \$531,022 as requested by the Board.

FY 1985. The Subcommittee concurs with the Governor's recommendations with the following exceptions:

1. Remove financing of \$22,729 recommended for the 5 percent plus \$17 per month salary adjustment pending legislative determination of a state salary policy. The Subcommittee notes that the amount removed does not include financing for the fringe benefits and thus understates the total amount required to implement the Governor's salary policy of 5 percent plus \$17 per month.

Other Recommendations

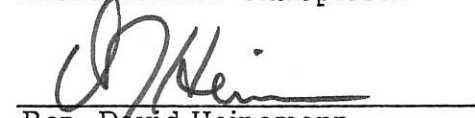
1. The Subcommittee is concerned about the recommended salary turnover savings estimated in the Governor's Budget Report and suggests two ways the Board might generate savings if needed:
 - a. rather than purchase the \$13,500 word processing equipment in FY 1985, use a lease-purchase option to spread out payments over three years, or
 - b. eliminate 1.0 F.T.E. clerical position if a two station word processor is acquired, assuming that the automated equipment will reduce the typing workload and introduce other efficiencies.

2. The Subcommittee recommends the Board study its IRB document storage problem and consider the alternative of microfilming for a cost-effective solution, then report its finding to the 1985 Legislature with funding requirements. The Subcommittee notes that a filing fee is collected when IRBs are filed which could be used to offset the cost of microfilming. The fees are currently deposited in the State General Fund.

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Rep. Sanford Duncan,
Subcommittee Chairperson

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Rep. David Heinemann

Handwritten signature of Jack Shriver in black ink, written over a horizontal line.

Rep. Jack Shriver

SUBCOMMITTEE REPORT

Agency: Soldiers' Home Bill No. 2692 Bill Sec. 14

Analyst: Efird Analysis Pg. No. 513 Budget Pg. No. 2-39

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 1,345,048	\$ 1,092,286	\$ (73,004)
General Fees Fund	1,687,539	1,957,278	(63,879)
Subtotal - Operating	<u>\$ 3,032,587</u>	<u>\$ 3,049,564</u>	<u>\$ (136,883)</u>
Capital Improvements:			
State General Fund	\$ 10,000	\$ —	\$ 10,000
Subtotal - Capital	<u>\$ 10,000</u>	<u>\$ —</u>	<u>\$ 10,000</u>
TOTAL	<u>\$ 3,042,587</u>	<u>\$ 3,049,564</u>	<u>\$ (126,883)</u>
F.T.E. Positions	132.8	132.8	—

Agency Request/Governor's Recommendations

FY 1984. No change in the approved level of funding or in expenditures is requested by the agency. The Governor concurs with the agency's estimates.

FY 1985. The agency's request for \$3,042,587 in expenditures allows for \$10,000 of capital outlay costs associated with preliminary planning for a proposed modification of its wastewater treatment facility and the remainder of the funds to be used for operating costs of the Soldiers' Home. Financing requested by the agency includes 44.5 percent from the State General Fund and 55.5 percent from the General Fees Fund to which receipts from charges paid by residents and federal reimbursements are credited.

The Governor's recommended expenditures of \$3,049,564 include funding of a \$17 per month salary adjustment in addition to a 5 percent salary increase and funding of \$10,000 for professional services to plan for the wastewater treatment facility (which is added to the agency's contractual services budget rather than treated as a capital improvement item). Financing recommended by the Governor shifts a greater proportion of expenditures to funding by the General Fees Fund (64.2 percent) and reduces the State General Fund level to 35.8 percent.

House Subcommittee Recommendations

FY 1984. The Subcommittee concurs with the current year estimates.

FY 1985. The Subcommittee notes that the increased financing from the General Fees Fund appears realistic in light of the Governor's projected carryover balances, but such a shift will be a one-time affair in all likelihood. The federal reimbursements may increase after April 1, 1984, above the amounts included in the Governor's Budget Report, but the Veterans' Commission is considering a proposal to raise the amount of comfort money (currently \$40 per month) which residents may retain for their personal use (which will decrease the receipts to the fund). The Subcommittee concurs with the Governor's recommendations with the following exceptions:

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1. Delete \$126,883 of salary adjustment financing, including \$63,004 from the State General Fund and \$63,879 from the General Fees Fund, pending legislative determination of a salary adjustment policy with respect to all state agencies.
2. Shift \$10,000 from contractual services to capital improvements for preliminary planning in regard to a wastewater treatment facility, as recommended by the Joint Committee on State Building Construction.
3. Add a proviso to allow razing of three cottages which are structurally unsound, as requested by the agency.
4. Pursuant to K.S.A. 75-3728e et seq., add a no-limit Benefit and Gift Fund account to the appropriations bill to reflect authority currently exercised by the Superintendent but not addressed by the Governor's Budget Report. The Subcommittee was informed of a proposed recreation room addition to be financed from the Fund and feels that the proposal should be reviewed by the Joint Committee on State Building Construction as the agency indicates it plans to do. However, since the agency currently uses the Fund to account for receipts, the Legislature should reflect this activity in the agency's appropriation bill.

Other Comments. The Subcommittee would note that the Superintendent reported the veteran population of the facility had reached 51 percent of total residents in recent months as had been recommended by the U.S. Veterans Administration. The facility's population may be affected by the proposed conversion of a U.S. facility at Leavenworth to nursing home care where currently some 900 veterans are housed in dormitories.

Rochelle Chronister
Representative Rochelle Chronister,
Subcommittee Chairperson

George Teagarden
Representative George Teagarden

Larry F. Turnquist
Representative Larry Turnquist

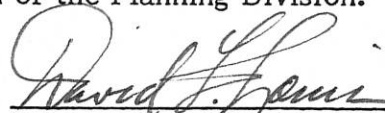
Agency: Department of Economic Development Bill No. NA Bill Sec. NAAnalyst: Stanfield Analysis Pg. No. 490 Budget Pg. No. 1-109

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
<u>All Funds:</u>			
State Operations	\$ 3,400,516	\$ 3,434,463	\$ (64,981)
Aid to Local Units	18,706,552	18,661,744	110,000
Other Assistance	270,000	270,000	—
TOTAL	<u>\$ 23,377,068</u>	<u>\$ 22,365,207</u>	<u>\$ 45,019</u>
<u>State General Fund:</u>			
State Operations	\$ 2,689,180	\$ 2,768,372	\$ (64,981)
Aid to Local Units	—	—	—
Other Assistance	270,000	270,000	—
TOTAL	<u>\$ 2,959,180</u>	<u>\$ 3,038,372</u>	<u>\$ (64,981)</u>
F.T.E. Positions	57.0	58.0	—

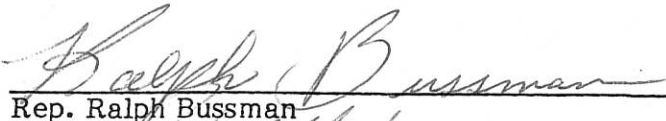
House Subcommittee Recommendations

FY 1984. The Subcommittee concurs with the Governor's recommendation, with the following adjustments:

1. Reappropriate \$43,302 in savings of salaries budgeted for the High Technology Czar position. The Subcommittee understands that this position will be filled in the last quarter of the current fiscal year.
2. Increase the expenditure limitation of the House Assistance Program — federal funds by \$110,000 pursuant to Governor's Budget Amendment No. 1-3. This recommendation will be reflected in an amendment to S.B. 577, the FY 1984 emergency supplemental bill.
3. Reappropriate \$12,309 in salary savings in the Industrial Development Program.
4. Reappropriate \$2,870 from savings in printing and contractual services in the Minority Business Division.
5. Reappropriate \$6,500 from savings in printing and travel costs in the Community Assistance program of the Planning Division.



Rep. David Louis, Subcommittee Chairman



Rep. Ralph Bussman



Rep. John Solbach

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SUBCOMMITTEE REPORT

Agency: Department of Economic Development Bill No. 2692 Bill Sec. 8

Analyst: Stanfield Analysis Pg. No. 490 Budget Pg. No. 1-109

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 6,408,532	\$ 4,047,739	\$ (86,661)
Aid to Local Units	18,961,966	18,954,135	(87,911)
Other Assistance	20,000	20,000	—
TOTAL	<u>\$ 25,390,498</u>	<u>\$ 23,021,874</u>	<u>\$ (174,572)</u>
State General Fund:			
State Operations	\$ 5,250,622	\$ 3,361,011	\$ (134,644)
Aid to Local Units	—	—	—
Other Assistance	20,000	20,000	—
TOTAL	<u>\$ 5,270,622</u>	<u>\$ 3,381,011</u>	<u>\$ (134,664)</u>
F.T.E. Positions	77.5	65.0	(3.0)

House Subcommittee Recommendations for FY 1985

The Subcommittee concurs with the Governor's recommendations with exceptions in the following areas:

Administration

1. Delete \$13,790 (State General Fund) recommended for the cost-of-living increase.
2. Delete \$14,070 budgeted for communications. This recommendation allows for a 15 percent increase over the FY 1984 recommended amount.
3. Delete \$3,000 in travel costs associated with the Kansas Economic Development Commission. This recommendation reflects a change in Department of Administration policy stated in PPM No. 3351 regarding the definition of state employees and their compensation.
4. Add \$2,000 as technical assistance for administration of the Community Resource Act.
5. Delete \$1,500 in official hospitality.

Industrial Development

1. Delete \$26,570 (\$24,944 State General Fund and \$1,626 fee funds) recommended for the cost-of-living increase.
2. The Subcommittee wishes to call attention to the fact that the 1983 Legislature recommended that the Kansas Industrial Training Program be federally funded in FY 1984 with a transfer of \$150,000 from the Department of Human Resources. The Subcommittee further understands that the recommendation also stated that upon the unavailability of federal

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funds, that the program would revert to state funding in an equal amount. The Governor has subsequently recommended, that since Department of Human Resources did not complete the transfer to Kansas Department of Economic Development, an FY 1984 supplemental appropriation of \$125,000 is necessary. The Governor's FY 1985 recommendation for the KIT program calls for a continuation of state funding. The Subcommittee is not convinced that the transfer called for in FY 1984 and also requested by the agency in the submission of its FY 1985 budget has been fully investigated by the agencies involved. Therefore, the Subcommittee reluctantly concurs with the Governor's recommendations, but the Subcommittee also recommends that the House Subcommittee reviewing the Department of Human Resources' budget obtain more data on the status of the situation.

3. KDED, as the state's designated agency on economic development, appears to be proper venue for the "one-stop permitting" project recommended by the Governor. The Subcommittee further understands that H.B. 2654 has been recommended by the House Committee on Governmental Organization, creating a similar type of effort in this regard in the Secretary of State's Office. Pending the passage of H.B. 2654, the Subcommittee recommends that the IDR position and its OOE be deleted (\$34,400 State General Fund).
4. Reduce travel by \$12,979 (State General Fund).
5. The Subcommittee recommends that KDED explore the possibility of expanding the agency's international programs to include foreign students and their studies of Kansas products, businesses, and culture.

Housing

1. Delete \$1,652 (federal funds) recommended for the cost-of-living increase.
2. Add \$13,197 (federal funds) for an intermittent position, to be used during peak workload periods.
3. The Subcommittee recommends that the line item appropriation for this Division be changed to a No Limit Account.

Travel and Tourism

1. Delete \$17,546 (\$14,974 State General Fund and \$2,572 fee funds) recommended for the cost-of-living increase.
2. The Subcommittee wishes to express its concern about the Goodland Tourist Information Center. While the Subcommittee realizes that the goal is to operate this TIC on a year-round basis, the Subcommittee concurs with agency's decision to curtail the winter operation to 10-2 Monday through Friday. This decision is supported by that fact that Goodland

utility bills in the recent months of December and January alone exceeded the entire year's appropriation for utility costs. The Subcommittee understands that this new, all-electric building was constructed without double entrance doors and concedes that this probably adds a great deal to the heating costs of the center. The Subcommittee recommends that this situation be investigated in an attempt to cut down on the wind-tunnel effect that now exists when patrons enter and exit and also review other possible energy conservation alternatives. Finally, the Subcommittee recommends a deletion of the full-time position (\$14,592 State General Fund) and recommends that additional seasonal salaries be added (\$10,152). This will allow continuation of the current practice of two staff members on duty when the TIC is open.

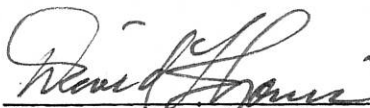
3. The Subcommittee heard a proposal to allow the Travel and Tourism Division to develop a project regarding Wildlife prints and stamps. The Subcommittee notes that while KDED is receptive to this proposal, the Subcommittee believes that the Fish and Game Commission should be contacted to learn if the Commission might be interested as it deals with wildlife issues. If the Fish and Game Commission is not receptive to this proposal, and since the Subcommittee believes this proposal has merit, the Subcommittee encourages that the program receive favorable consideration in the KDED Budget by the Senate Ways and Means Subcommittee.

Minority Business

1. Delete \$3,516 (\$2,145 State General Fund and \$1,371 federal funds) recommended for the cost-of-living increase.

Planning and Community Development

1. Delete \$31,987 (\$17,552 State General Fund and \$14,435 federal funds) recommended for the cost-of-living increase.
2. Add \$20,000 State General Fund for the Small Business Revitalization program pursuant to Governor's Budget Amendment No. 1-3.
3. Add one Economic Development Specialist position to the CDBG program (\$20,771 federal funds) pursuant to Governor's Budget Amendment No. 1-3.
4. Add \$67,140 of federal funds for CDBG other operating expenditures pursuant to Governor's Budget Amendment No. 1-3.
5. Delete \$25,849 State General Fund from the CDBG program, pursuant to Governor's Budget Amendment No. 1-3.
6. Reduce the CDBG aid-to-local units grant by \$87,911, pursuant to Governor's Budget Amendment No. 1-3.
7. In reviewing the CDBG program, the Subcommittee understands that the agency is presently attempting to fill positions and organize a staff for administration of the program. As a sense of direction, the Subcommittee recommends that the proposed Attorney position not be filled in FY 1984 and deleted in FY 1985 (\$31,449 federal funds); and recommends that \$10,000 be appropriated for contractual services to hire legal services as needed.



Rep. David Louis, Subcommittee Chairman



Rep. Ralph Bussman



Rep. John Solbach