

MINUTES OF THE House COMMITTEE ON Ways and Means

The meeting was called to order by Bill Bunten at _____
Chairperson

8:00 a.m./p.m. on Friday, February 24, 1984 in room 514-S of the Capitol.

All members were present except: Representatives Turnquist, Heinemann, Shriver, Rolfs & Farrar (all excused)

Committee staff present: Ed Ahrens, Legislative Research
Lyn Goering, Legislative Research
Gloria Timmer, Legislative Research
Lynne Holt, Legislative Research
Jim Wilson, Revisor's Office
Dave Hanzlick, Administrative Assistant
Nadine Young, Committee Secretary

Conferees appearing before the committee:

None

Others present (Attachment I)

Chairman called the meeting to order at 8:10 a.m.

HB 2693, an act making and concerning appropriations for the fiscal year ending June 30, 1985, for the state board of agriculture, Kansas animal health department, Kansas state grain inspection department, board of state fair managers, Kansas wheat commission, state conservation commission and Kansas water office; authorizing certain transfers and fees, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing.

ANIMAL HEALTH DEPARTMENT FY 84

Representative Dyck reported on this section. Subcommittee concurs with Governor's recommendation with a slight adjustment. (Attachment II). Representative Dyck moved the report be adopted. Seconded by Representative Miller. Motion carried.

ANIMAL HEALTH DEPARTMENT FY 85, HB 2693, Section 3. (Attachment III).

Reported on by Representative Dyck. Subcommittee recommends total expenditures of \$1,474,935 which is \$51,236 less than the Governor's recommendation. Representative Dyck moved the report be adopted. Seconded by Representative Mainey. Motion carried.

STATE CONSERVATION COMMISSION FY 84

Representative Mainey reported on this section. Subcommittee concurs with the Governor's recommendations with several exceptions (Attachment IV). Representative Mainey moved the report be adopted. Seconded by Representative Dyck. Motion carried.

STATE CONSERVATION COMMISSION FY 85, HB 2693, Section 7.

This section reported on by Representative Miller. (Attachment V). Representative Chronister made a motion to add \$25,000 to the budget on Marias Des Cygnes District #1. Seconded by Representative Meacham. Representative Arbuthnot commented that if we are going to handle this issue, it be done in this committee rather than on the floor. He expressed support of the motion. Representative Miller stated that he respectfully opposes the motion. Chairman asked for a vote. The motion carried.

Representative Miller moved that the Subcommittee report be adopted as amended. Seconded by Representative Dyck. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
 room 514-S, Statehouse, at 8:00 a.m./~~p.m.~~ on Friday, February 24, 1984

BOARD OF AGRICULTURE FY 84

Reported on by Representative Arbuthnot. Subcommittee concurs with the Governor's recommendation with several adjustments (Attachment VI). Representative Arbuthnot moved that the report be adopted. Seconded by Representative Luzzati. Motion carried.

BOARD OF AGRICULTURE FY 85, HB 2693, Section 2

Representative Arbuthnot reported on this section. Subcommittee made several conceptual recommendations. (Attachment VII). Subcommittee also recommends introduction of legislation necessary to implement these recommendations. Representative Arbuthnot moved the report be adopted. Seconded by Representative Hamm. Motion carried.

KANSAS WATER OFFICE FY 84

Reported on by Representative Arbuthnot. Subcommittee concurs with Governor's recommendations with two adjustments. (Attachment VIII). Representative Arbuthnot moved the report be adopted. Seconded by Representative Meacham. Motion carried.

KANSAS WATER OFFICE FY 85, HB 2693, Section 8.

This section reported on by Representative Arbuthnot. Subcommittee recommends several adjustments to the Governor's budget. (Attachment IX). Representative Arbuthnot moved the report be adopted. Seconded by Representative Luzzati. Motion carried.

GRAIN INSPECTION DEPARTMENT FY 84

Representative Mainey reported on this section. Subcommittee concurs with Governor's amended recommendations with certain exceptions. (Attachment X). Representative Mainey moved the report be adopted. Seconded by Representative Dyck. Motion carried.

GRAIN INSPECTION DEPARTMENT FY 85

Representative Mainey reported on this section. Subcommittee concurs with the amended recommendations of the Governor with several exceptions. (Attachment XI). Representative Mainey moved the report be adopted. Seconded by Representative Dyck. Motion carried.

STATE FAIR, HB 2693, Section 5, FY 85 and STATE FAIR FY 84

Representative Louis reported. Subcommittee concurs with Governor's recommendation for FY 84 with two adjustments. Subcommittee concurs with Governor's recommendation for FY 85 with five adjustments. (Attachment XII). Representative Louis moved the report be adopted. Representative Bussman seconded. Motion carried.

WHEAT COMMISSION FY 84

Reported on by Representative Louis. Subcommittee concurs with Governor's recommendation with four adjustments (Attachment XIII). Representative Bussman called the committee's attention to an error in Item 3 of the report. The wording "U.S. Wheat Commission" should be "U.S. Wheat Associates". Chairman stated that the correction could be handled in the House and an amendment is not necessary. Representative Louis moved the report be adopted. Seconded by Representative Bussman. Motion carried.

WHEAT COMMISSION FY 85, HB 2693, Section 6.

Representative Louis reported. Subcommittee concurs with Governor's recommendation with a few adjustments. (Attachment XIV). Representative Louis moved the report be adopted. Seconded by Representative Bussman. Motion carried.

Representative Arbuthnot moved that HB 2693, as amended, be recommended favorable for passage. Seconded by Representative Teagarden. Motion carried.

Meeting adjourned at 9:15 a.m.

GUESTS -- 1984

2-24-84

Name

Address

Representing

<u>Name</u>	<u>Address</u>	<u>Representing</u>
1. <u>Doris Nagel</u>	<u>Topeka</u>	<u>Div. of Budget</u>
2. <u>Don Jacka</u>	<u>Topeka</u>	<u>Board of Agriculture</u>
3. <u>CR Duffly</u>	<u>"</u>	<u>Ks Water Office</u>
4. <u>Charles J. Calver</u>	<u>"</u>	<u>KS WATER Office</u>
5. <u>Steven Graham</u>	<u>Hutchinson</u>	<u>KS Wheat Comm</u>
6. <u>Ken Kern</u>	<u>Topeka</u>	<u>STATE CONSERVATION Comm.</u>
7. <u>Lola Warner</u>	<u>Topeka</u>	<u>" " "</u>
8. <u>Pepe Daulton Steiner</u>	<u>Ollama</u>	<u>State Representative</u>
9. <u>Werry Duvall</u>	<u>Topeka</u>	<u>Ks Water Office</u>
10. <u>Harland Prindle</u>	<u>Topeka</u>	<u>Board of Ag.</u>
11. <u>JOE HARKINS</u>	<u>TOPEKA</u>	<u>KWD</u>
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X

Agency: Animal Health Department Bill No. NA Bill Sec. NA
 Analyst: Gilmore Analysis Pg. No. 220 Budget Pg. No. 5-17

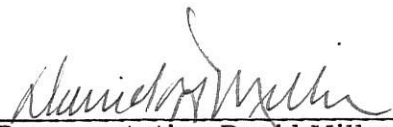
<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,534,380	\$ 1,469,626	\$ --
Other Assistance	3,867	3,867	--
TOTAL	<u>\$ 1,538,247</u>	<u>\$ 1,473,493</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ 434,669	\$ 401,560	\$ --
Other Assistance	3,867	3,867	--
TOTAL	<u>\$ 438,536</u>	<u>\$ 405,427</u>	<u>\$ --</u>
F.T.E. Positions	40.0	40.0	--


House Subcommittee Recommendation

The Subcommittee concurs with the Governor's FY 1984 recommendation with the following adjustment:

The Subcommittee learned that the Governor's recommendation to increase the expenditure limitation in the Animal Health Department Fee Fund by \$1,354 to offset expenditure reductions from the State General Fund was inadvertently omitted from the regular House supplemental bill, H.B. 2703. The Subcommittee, therefore, recommends an adjustment to the Animal Health Department Fee Fund to raise the expenditure limitation by \$1,354 to finance the Governor's recommended budget.

Note: The Subcommittee is aware that the incidence of Brucellosis diseased animals in Kansas reflects the same rate of occurrence as in FY 1983. Further, the Department implemented an increased pay schedule for veterinarians (\$1 to \$2 per head) on November 1, 1983, which has increased the expenditure estimate for the Brucellosis testing activity. The Subcommittee recommends that the Senate review this activity during their deliberations and make a recommendation based on a more accurate review of expenditure needs with respect to the primary testing period which ends during the month of April.


 Representative David Miller
 Subcommittee Chairman


 Representative Don Mainey


 Representative Harold Dyck

II

Agency: Animal Health Department Bill No. 2693 Bill Sec. 3
 Analyst: Gilmore Analysis Pg. No. 220 Budget Pg. No. 5-17


<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	\$ 1,560,546	\$ 1,522,671	\$ (51,236)
Other Assistance	50,000	3,500	—
TOTAL	<u>\$ 1,610,546</u>	<u>\$ 1,526,171</u>	<u>\$ (51,236)</u>
State General Fund:			
State Operations	\$ 480,280	\$ 409,426	\$ (25,829)
Other Assistance	50,000	3,500	—
TOTAL	<u>\$ 530,280</u>	<u>\$ 412,926</u>	<u>\$ (25,829)</u>
F.T.E. Positions	40.0	40.0	—

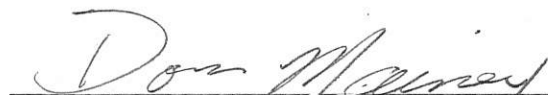
House Subcommittee Recommendation

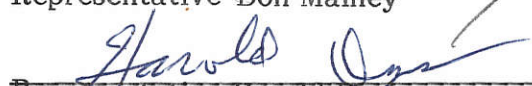
The Subcommittee recommends total expenditures of \$1,474,935 for FY 1985 which is \$51,236 less than the Governor's recommendation. The Subcommittee adjustments to the Governor's recommendations are as follows:

1. Deletion of \$43,697 for the recommended salary adjustment.
2. Deletion of \$4,880 for travel and subsistence to reflect the maintenance of FY 1984 travel rates. The reduction includes \$1,070 from the State General Fund, \$3,120 from the Livestock Brand Fee Fund, \$640 from the Livestock Market Inspection Fee Fund, and \$50 from the County-Option Brand Fee Fund.
3. Deletion of \$2,659 in State General Fund expenditures for backtagging at public livestock markets used to identify disease carrying animals. The Subcommittee's recommendation would maintain funding at the FY 1984 expenditure estimate of \$63,956.

Note: The Subcommittee is aware that S.B. 574, if enacted, would require livestock dealers to register with the Animal Health Department. The Act would also require those dealers to maintain an accurate account of all animals bought and sold on a commission basis for a period of two years or be subject to a fine of not less than \$100 nor more than \$500. The Subcommittee recommends the Senate include expenditure authority to administer this act, if passed.


 Representative David Miller
 Subcommittee Chairman


 Representative Don Maaney


 Representative Harold Dyck

III

Agency: State Conservation Commission Bill No. — Bill Sec. —Analyst: Goering Analysis Pg. No. 235 Budget Pg. No. 5-25

<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	\$ 5,170	\$ 4,761	\$ (4,503)
Aid to Local Units	—	—	—
Other Assistance	29,852	29,852	—
TOTAL	<u>\$ 35,022</u>	<u>\$ 34,613</u>	<u>\$ (4,503)</u>
State General Fund:			
State Operations	\$ —	\$ (409)	\$ (4,503)
Aid to Local Units	—	—	—
Other Assistance	29,852	29,852	—
TOTAL	<u>\$ 29,852</u>	<u>\$ 29,443</u>	<u>\$ (4,503)</u>
F.T.E. Positions	—	—	—

Agency Request/Governor's Recommendation

The Commission's FY 1984 revised estimate exceeds the current approved budget by a total of \$35,022. Of the increase, \$5,170 is estimated for state operating expenditures to be financed from federal funds carried forward from prior years. The requested increase in administrative expenditures includes \$300 for communications, \$2,500 for printing and advertising, \$1,500 for travel and subsistence, \$570 for stationery and office supplies, and \$300 for capital outlay. The balance of the total requested supplemental expenditures reflects reappropriated savings from FY 1983 of \$29,852 for the Water Resources Cost-Share Program. Neither of the requested expenditure increases necessitates legislative action.

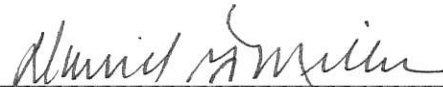
The Governor's recommendation provides a net increase of \$34,613 in supplemental expenditures over the current approved FY 1984 budget. The Governor recommends the additional budgeted expenditures as requested by the agency for nonsalary operating expenditures and for the Water Resources Cost-Share Program. However, these increases are slightly offset by a recommended reduction of \$409 in salaries and wages expenditures from the State General Fund. The adjustment recommended by the Governor reflects an increase from \$875 to \$1,225 in the amount budgeted for per diem compensation payments to eligible Commission members, a reduction from \$1,000 to \$300 for budgeted overtime pay, and associated adjustments in fringe benefits.

House Subcommittee Recommendation

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

1. Reduction of \$1,035 in State General Fund expenditures for salaries and wages, plus \$130 for associated fringe benefits, for a total reduction of \$1,165. The anticipated turnover savings results from employment of a half-time clerical worker at a salary range lower than that assumed when the original budget was approved. A portion of the savings was incurred because the position was not filled until the second payroll period in FY 1984.

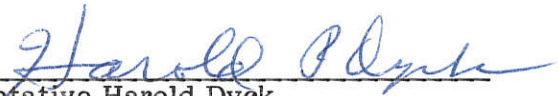
2. Elimination of \$300 recommended for overtime pay, plus \$38 for associated fringe benefits, for a total reduction of \$338 in State General Fund salaries and wages expenditures. The Subcommittee learned that no overtime expenditures had been required as of February 14, 1984, and is of the opinion that the half-time clerical position added effective FY 1984 should obviate the need for such costs in the future.
3. Reduction of \$3,000 in State General Fund expenditures for travel and subsistence. The Subcommittee notes that the agency had expended \$7,613 for travel and subsistence reimbursements as of February 14, 1984. The Governor's recommendation for FY 1984 provides \$19,970 for travel costs, of which \$18,470 would be financed from the State General Fund and \$1,500 from reappropriated federal funds. The Subcommittee has reviewed actual travel and subsistence costs incurred in prior years, and is of the opinion that a total of \$16,970 for travel should be adequate to finance such costs in FY 1984. The Subcommittee's recommendation has also taken into consideration the increases in travel reimbursement rates approved by the Secretary of Administration following adjournment of the 1983 Legislature.
4. The Subcommittee recommends that savings in state operating costs anticipated to be incurred in the current fiscal year by both the Governor (\$409) and the Subcommittee (\$4,503) be reappropriated to reduce the FY 1985 State General Fund appropriation by a total of \$4,912. The Governor had recommended lapse of the anticipated FY 1984 savings. Because savings are anticipated to be reappropriated, no legislative action is required for this agency in the supplemental appropriation bill.



Representative David Miller
Subcommittee Chairman



Representative Don Mainey



Representative Harold Dyck

SUBCOMMITTEE REPORT

Agency: State Conservation Commission Bill No. 2693 Bill Sec. 7

Analyst: Goering Analysis Pg. No. 235 Budget Pg. No. 5-25

<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	\$ 200,000	\$ 166,334	\$ (13,624)
Aid to Local Units	1,549,720	1,509,720	(50,000)
Other Assistance	1,500,000	1,420,000	(107,500)
TOTAL	<u>\$ 3,249,000</u>	<u>\$ 3,096,054</u>	<u>\$ (171,124)</u>
State General Fund:			
State Operations	\$ 200,000	\$ 166,334	\$ (13,624)
Aid to Local Units	1,549,720	1,509,720	(50,000)
Other Assistance	1,500,000	1,420,000	(107,500)
TOTAL	<u>\$ 3,249,000</u>	<u>\$ 3,096,054</u>	<u>\$ (171,124)</u>
F.T.E. Positions	5.5	4.5	—

Agency Request/Governor's Recommendation

The Commission's FY 1985 request for state operating costs includes \$23,697 for the salary and fringe benefit costs of a requested Resource Planner position. The total administrative budget request also includes \$6,652 plus fringe benefits for temporary salary expenditures for training an employee to replace the agency's current field employee upon his retirement. The budget request assumes a retirement date of October 31, 1984, and reflects salary savings anticipated to result from employing a replacement at an entry-level salary. The request also includes a total increase of \$6,581 in nonsalary operating expenditures anticipated to be necessary to finance an expanded program of state financial assistance, planning, and coordination of conservation activities.

The Governor's recommended FY 1985 state operating budget for the agency does not include funding for the additional Resource Planner position requested by the agency, nor the nonsalary operating budget increases requested for an expanded program. The Governor does recommend the requested amount for temporary salary costs, assuming retirement of the current field employee on October 31.

For the three programs of state aid, the agency's requests and the Governor's recommendations for FY 1985, together with the FY 1984 State General Fund appropriations for each program, are shown in the following table:

	<u>FY 1984 Appropriation</u>	<u>FY 1985 Agency Request</u>	<u>FY 1985 Governor's Rec.</u>
State Aid to Conservation Districts	\$ 732,675	\$ 749,720	\$ 749,720
State Aid to Watershed Districts for Dam Construction	675,000	800,000	760,000
Water Resources Cost-Share Program	1,250,000	1,500,000	1,420,000

House Subcommittee Recommendation

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

1. Deletion of \$6,542 recommended by the Governor for cost-of-living salary adjustments.
2. Addition of \$264 (\$234 for salaries and wages plus \$30 for fringe benefits) to accurately finance the half-time salary of the agency's recently employed Clerk-Typist II. This adjustment is necessary because the person employed initially for this new position was replaced in January with an employee who has previous state experience, and hence is being paid at a salary step higher than that originally assumed when the FY 1985 budget request was submitted.
3. Deletion of \$338 for overtime pay and associated fringe benefits, for the reasons cited in the FY 1984 Subcommittee report.
4. Deletion of \$7,192 (\$6,652 for salaries and wages plus \$540 for fringe benefits) recommended by the Governor for temporary salary costs. The Subcommittee learned that the Commission's field employee has revised his retirement date to July 31, 1984. Further, the person the Commission wishes to employ as his replacement has recently accepted a position with the Kansas Water Office. By cooperative agreement, the two agencies are working together in a manner which is allowing the new employee to receive the necessary field training while on the payroll of the Kansas Water Office. It is the Subcommittee's assumption in recommending this adjustment that the person currently employed by the Kansas Water Office will be employed by the Conservation Commission immediately following the retirement of the Commission's current field employee on July 31, 1984.
5. Addition of \$8,060 (\$7,150 for salaries and wages plus \$910 for fringe benefits) to increase the recommended salary for the new Resource Planner employee to a level which will ensure that the Conservation Commission is adequately financed to offer the selected candidate a competitive salary effective August 1, 1984. On an annualized basis, the Subcommittee recommends a salary of \$23,376 plus fringe benefits for the new employee who is to replace the current field employee. Assuming an August 1 starting date, a total of \$20,454, excluding fringe benefits, will be required for FY 1985 to finance the salary at this rate for 10.5 months. The Governor's recommendation for FY 1985 assumes that the annualized salary for the position, following the anticipated retirement, would be \$19,956. The amount recommended by the Governor to finance the new employee for eight months, assuming an November 1 starting date, is \$13,304, excluding fringe benefits. Given the candidate's qualifications, the Subcommittee is of the opinion that the revised salary level for this unclassified position is reasonable.

Note: The Subcommittee wishes to note that it recognizes the agency's reasons for the requested additional Resource Planner position which was not recommended by the Governor. The Subcommittee does not at this time recommend an expanded program of state financial assistance,

planning, and coordination associated with local conservation activities. However, the Subcommittee would view favorably a request for additional staffing in future years in accordance with the outcome of the statewide water planning process.

6. Reduction of \$7,014 (\$6,222 for salaries and wages plus \$792 for fringe benefits) to reflect savings in salary costs of the current employee who plans to retire three months earlier than assumed in the budget recommended by the Governor.
7. Reduction of \$562 in travel and subsistence expenditures. The total amount recommended by the Subcommittee for FY 1985 travel costs is \$16,970, which is the same amount recommended by the Subcommittee for FY 1984. The Subcommittee would note that FY 1985 travel reimbursement rates are anticipated by the Division of the Budget to remain the same as those currently approved for FY 1984, with the exception of a one cent per mile increase in Central Motor Pool vehicle rates.
8. Deletion of \$300 recommended by the Governor for payments to DISC for producing mailing labels for the Commission. The Subcommittee encourages the Commission to expedite training for its clerical employees so that the Commission can prepare mailing labels in-house using its recently acquired word processor beginning in FY 1985.
9. Reduction of \$50,000 in the amount recommended by the Governor for state aid to watershed districts for dam construction. The Subcommittee's recommended total of \$710,000 for this program was requested by the agency in its level A budget submission and allows continuation of the current program level with a 5.2 percent increase over the current year appropriation of \$675,000 for this program.
10. Reduction of \$107,500 in recommended State General Fund expenditures for the Water Resources Cost-Share Program. The total amount recommended by the Subcommittee for this program is \$1,312,500, which provides a 5 percent increase over the FY 1984 appropriation of \$1,250,000. This recommended funding level exceeds the agency's level A budget request for FY 1985 by \$18,240.
11. The Subcommittee spent a considerable amount of time reviewing a request for \$25,000 in State General Fund support submitted by Drainage District No. 5 to initiate financial support for a water resources project plan developed by and for the district. Although the Subcommittee does not recommend the requested amount for FY 1985 for this purpose, it would encourage the State Conservation Commission and the Kansas Water Office to work closely with drainage district officials in the development of the conservation component of the proposed Comprehensive State Water Plan. The Subcommittee encourages those state agencies involved in the development of the plan to address proposed projects of drainage districts, and other local governmental entities concerned with water, in the process of developing the proposed plan.

12. The Subcommittee recommends certain technical changes in the appropriation bill language to properly reflect the Governor's intentions with regard to the Water Resources Cost-Share Program and the program of state aid to watershed districts for dam construction.
13. The Subcommittee recommends the addition of provisos to each line item, except that for State Aid to Soil Conservation Districts, to allow FY 1984 savings to reappropriate to FY 1985. For the watershed dam construction program and the Water Resources Cost-Share Program appropriations, the Subcommittee recommends authority to expend any reappropriated savings from FY 1984 without limitation.

David Miller

Representative David Miller
Subcommittee Chairman

Don Maaney

Representative Don Maaney

Harold Dyck

Representative Harold Dyck

SUBCOMMITTEE REPORT

Agency: Board of Agriculture Bill No. — Bill Sec. —

Analyst: Goering Analysis Pg. No. 198 Budget Pg. No. 5-1

<u>Expenditure Summary</u>	<u>Agency Req. FY 84</u>	<u>Governor's Rec. FY 84</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 163,094	\$ 631	\$ (3,307)
Fee Funds	(92,005)	(2,896)	(40,000)
Federal Grants	(47,496)	(8,800)	8,800
Other Funds	2,500	—	(7,000)
All Funds Total	<u>\$ 26,093</u>	<u>\$ (11,065)</u>	<u>\$ (41,507)</u>

Agency Request/Governor's Recommendation

The agency's revised FY 1984 budget submitted in September, 1983, totaled \$10,228,794, an amount which is \$3,685 less than the total budget approved by the 1983 Legislature, as adjusted in June for salary plan revisions. The reduction reflects State General Fund savings of \$789 and Feeding Stuffs Fee Fund savings of \$2,896 which are attributable to fringe benefit rate revisions. The agency's FY 1984 budget estimate has not been revised to include federal fund expenditures totaling \$68,935 authorized by the Finance Council on September 30, 1983.

On January 5, 1984, the agency submitted nine supplemental expenditure requests totaling \$199,318, offset in part by proposed special revenue fund expenditure reductions totaling \$100,605. The supplemental requests included \$163,883 in proposed State General Fund appropriations. In summary, the State General Fund increase is comprised of:

1. \$37,416 to finance publication of an agricultural report in the current fiscal year;
2. \$21,065 to replace a projected deficit in revenues to the Agricultural Liming Materials Fee Fund;
3. \$9,000 to supplant a projected loss of federal reimbursements for postage costs incurred on behalf of the federal government;
4. \$18,862 to finance a portion of the costs of paying retirees for accumulated annual and sick leave;
5. \$7,000 to pay the FY 1984 membership fee to an agricultural marketing organization;
6. \$41,500 to replace a projected deficit in revenues to the Weights and Measures Fee Fund; and
7. \$29,040 to replace a projected deficit in nonfederal revenues to the Entomology Fee Fund.

VII

The agency also requests a \$2,500 increase in expenditure authority for the Wheat Quality Survey Fund to reflect increased revenues forthcoming from the Wheat Commission for services provided to that agency in addressing its newsletters. An additional \$2,496 in Fertilizer Fee Fund expenditure authority is requested to finance payments to retirees for accumulated leave. Finally, the agency requests establishment of a new "no-limit" fund to allow expenditure of \$30,439 in unanticipated federal revenues for entomology pest survey work conducted under contract with the federal Animal and Plant Health Inspection Service (APHIS).

The Governor recommends the fringe benefit expenditure reductions totaling \$3,685 as proposed by the agency. The Governor's recommended expenditure reductions, however, are offset by a net increase of \$1,420 in State General Fund expenditures for the Administrative Services and Statistical Support program and an increase of \$60,135 to reflect a portion of the federal fund expenditures authorized by the Finance Council on September 30, 1983. The Governor's recommendations do not include the remaining \$8,800 in federal grant expenditures recommended by the Finance Council for upgrade of the Marketing Division's computer system. The Governor has not addressed any of the supplemental expenditure revisions submitted by the agency on January 5, 1984.

House Subcommittee Recommendation

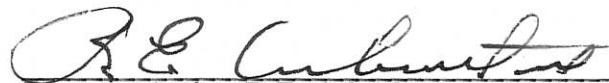
The Subcommittee concurs with the Governor's recommendation, with the following adjustments:

1. Reduction of \$1,000 in State General Fund expenditures for court reporter services in the Water Appropriation subprogram.
2. Reduction of \$6,000 in State General Fund expenditures for microfilming services in the Water Structures subprogram.
3. Reduction of \$15,000 in State General Fund expenditures for computer processing in the Division of Water Resources' Data Processing subprogram.
4. Increase of \$7,000 in State General Fund expenditures for postage costs in the Statistical Services subprogram, offset by a decrease of \$7,000 in the expenditure limitation on the Postage Reimbursable Fund. This adjustment is necessary because revenues to this special revenue fund for costs incurred in FY 1984 were actually credited to the account in state fiscal year 1983. The present expenditure limitation on the fund assumed that new revenues would be forthcoming in FY 1984 in addition to the unusually high FY 1983 receipts. Because this assumption was apparently in error, the Subcommittee recommends a State General Fund supplemental appropriation of \$7,000 to adequately finance the subprogram's communications costs in the current fiscal year.
5. Addition of \$25,000 in State General Fund expenditures for the Division of Weights and Measures, offset by a decrease of \$25,000 in expenditures currently authorized from the Weights and Measures Fee Fund.
6. Addition of \$15,000 in State General Fund expenditures for the Entomology subprogram, offset by a reduction of \$15,000 in fee expenditures currently authorized from the Entomology Fee Fund.

7. Addition of \$8,800 in special revenue expenditures approved by the Finance Council on September 30, 1983, but inadvertently omitted from the agency's revised request.
8. Reduction of \$28,307 in State General Fund salaries and wages expenditures in the Division of Water Resources.

The Subcommittee notes that Governor's Budget Amendments are anticipated to address two of the nine supplemental appropriation requests. One would allow expenditure of \$2,500 in additional revenues provided by the Wheat Commission for attaching mailing labels to its newsletters. The other would address the additional federal funds anticipated for entomology pest survey activities. The Subcommittee had not received these amendments in sufficient time to incorporate those adjustments in its recommendations, but encourages the Senate to take favorable action on these issues should the Governor so amend his budget recommendations.

The Subcommittee recommends that State General Fund savings be reappropriated to finance the FY 1985 budget, including those amounts which the Governor's budget recommendations assume would lapse at the end of FY 1984.



Representative R.E. Arbuthnot
Subcommittee Chairman




Representative Bill Buntten



Representative Keith Farrar



Representative Lee Hamm



Representative Ruth Luzzati

SUBCOMMITTEE REPORT

Agency: Board of Agriculture Bill No. 2693 Bill Sec. 2

Analyst: Goering Analysis Pg. No. 198 Budget Pg. No. 5-1

<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	\$ 12,014,527	\$ 10,961,995	\$ (428,175)
Capital Improvements	13,000	13,000	—
TOTAL	<u>\$ 12,027,527</u>	<u>\$ 10,974,995</u>	<u>\$ (428,175)</u>
State General Fund:			
State Operations	\$ 8,183,553	\$ 7,040,989	\$ (438,629)
Capital Improvements	13,000	13,000	—
TOTAL	<u>\$ 8,196,553</u>	<u>\$ 7,053,989</u>	<u>\$ (438,629)</u>
F.T.E. Positions	309.0	297.0	—

Agency Request/Governor's Recommendation

The Board of Agriculture's FY 1985 request includes funding for a total of 19.0 F.T.E. new positions, offset by savings incurred by deleting 4.0 F.T.E. existing positions, for a net increase of 15.0 personnel. The proposed new staff include one Statistician, three administrative positions associated with the proposed agency reorganization, two inspectors for the State Meat and Poultry Inspection Program, one inspector to enhance inspection and regulatory activities associated with anhydrous ammonia, four technical personnel for the Water Appropriations subprogram, two personnel to establish a state dam inspection program, one marketing analyst, two field positions for regulatory activities regarding pesticides, and three positions for enhanced coordination of local noxious weed control programs. Positions proposed for deletion under the agency's reorganization plan are four existing administrative positions.

For the Division of Water Resources, the agency requests an increase of \$64,000 in budgeted State General Fund expenditures for contractual services to perform field audits of developed water rights. The Division also proposes establishment of a new revolving fee fund to allow collection and expenditure of fees for providing data from the Water Rights Information System to government agencies and private firms.

The agency's budget request proposes further expansion of funding for the Marketing Division to allow for increased domestic and international marketing of agricultural products. A sum of \$10,500 is requested for payment of fees to participate in exhibitions, fairs, and promotions. The amount of \$19,275 is requested to finance professional contractual services, and \$7,000 is requested to finance dues for membership in the Mid-America International Agri-Trade Council (MIATCO). For official hospitality, the agency requests \$10,000. The request includes \$20,450 for a variety of items to enable the agency to prepare audio-visual presentations in-house.

Significant increases in funding are also requested for the Weights and Measures Inspection subprogram. A total of \$242,000 is requested for equipment items, including \$115,000 to replace a large-capacity scale testing truck.

The Governor's recommendation provides funding for a net increase of 3.0 F.T.E. positions. The Governor concurs with the proposed agency reorganization which results in a net reduction of one administrative position. Offsetting this decrease is a recommendation

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for restoration of 4.0 F.T.E. Engineering Technician V positions for the Water Appropriations subprogram. No other new positions requested for FY 1985 are recommended by the Governor.

The Governor recommends a total of \$160,000 from the State General Fund for contracted field audits of developed water rights, an amount which is equal to FY 1984 State General Fund amount budgeted for that purpose. The Governor does not recommend additional expenditures, nor authority to collect fees, to finance additional data processing costs to respond to requests for water rights information.

The Governor does not recommend the requested programmatic expansions in the area of agricultural marketing. However, the Governor does provide a 10 percent increase in State General Fund support for marketing activities.

For weights and measures inspection and regulation, the Governor recommends \$27,000 for equipment purchases. No funds are recommended by the Governor for purchase of the requested large-capacity scale testing truck.

House Subcommittee Recommendation

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

1. Deletion of \$402,327 for salary plan cost-of-living adjustments, to be financed as follows:

State General Fund	\$293,771
Dairy Division Fee Fund	1,306
Livestock Remedies Fee Fund	446
Grade A Milk Fee Fund	1,207
Egg Fee Fund	5,173
Federal Meat and Poultry Inspection Fund	49,364
Soil Amendment Fee Fund	33
Feeding Stuffs Fee Fund	16,013
Fertilizer Fee Fund	17,568
Agricultural Chemicals Fee Fund	332
Seed Examination Fee Fund	4,108
Federal Pesticide Enforcement Fund	3,758
Corn Commission Fund	549
Grain Sorghum Commission Fund	1,282
Soybean Commission Fund	785
Entomology Fee Fund	1,392
Pesticide Use Fee Fund	4,489
Federal Certification of Pesticide Applicators Fund	751
TOTAL	<u>\$402,327</u>

2. Deletion of \$17,271, plus \$2,198 for associated fringe benefits, recommended by the Governor to finance payments to retirees for accumulated annual and sick leave. The reduction would allow total savings of \$19,469 in State General Fund salaries and wages expenditures.
3. Reduction of \$19,130 from the State General Fund recommended by the Governor for increased rent expenditures for central office space leased from Manhattan Buildings. The Subcommittee recognizes that the agency's five-year lease will expire in April, 1985. However, the Subcommittee is of the opinion that rent expenditures should be budgeted assuming continuation of the current rate of \$6.00 annually per square foot plus an amount for utility surcharge billings, until such time as the Department of Administration finalizes its plans for the future location of the State Board's central offices.
4. Reduction of \$15,750 recommended by the Governor for printing costs of issuing a biennial agricultural report in FY 1985. The Subcommittee does not concur with the Governor's recommendation that members of the general public should pay for copies of the reports. However, the Subcommittee notes that it does not recommend a State General Fund expenditure increase to offset this expenditure reduction. Instead, the Subcommittee is of the opinion that an adequate number of biennial reports can be issued to meet the statutory requirement for such a publication given the total State General Fund expenditure level of \$24,285 recommended by the Governor for such printing costs.
5. Reduction of \$7,000 in State General Fund expenditures recommended by the Governor for postage costs in the Statistical Services subprogram, offset by an increase of \$7,000 in the expenditure limitation for the appropriate special revenue fund. The Subcommittee learned that continued federal advance payments are expected to be made available to the state agency for second class postage costs incurred by the state for mailing federal releases. The Governor's recommendation would have increased State General Fund expenditures for such costs based on the assumption that federal moneys would no longer be forthcoming. The Subcommittee also recommends a revision to the name of the fund to properly reflect the fact that federal payments to the state are not made on a cost-reimbursement basis.
6. Addition of authority to assess fees to parties requesting data from the Division of Water Resources' Water Rights Information System, which became fully operational on January 1, 1984. The Subcommittee understands that other water-related state agencies will be billed directly by DISC for services provided from the Division's data files. However, the Subcommittee is of the opinion that fees should be collected from other entities, both governmental and private, which may request information from the system. Pursuant to the 1983 Open Records Act, the Division is obligated to provide such information on request. Without the specific authority to assess fees for such information, costs of providing this service to the public would be financed from the State General Fund. The Subcommittee recommends that fees assessed be computed to cover direct data processing costs as billed to the Division by DISC. Revenues to the fund are recommended to be expended without limitation to support costs

of the Water Data Processing subprogram. The Subcommittee anticipates \$20,000 in expenditures from the fund in FY 1985, but would note that actual costs for such activities will be highly uncertain until after a full year of experience with the new system.

7. Reduction of \$2,000 in State General Fund expenditures recommended by the Governor for court reporter services in the Water Appropriation subprogram.
8. Reduction of \$5,000 in State General Fund expenditures recommended by the Governor for 35mm microfilming services in the Water Structures subprogram.
9. Addition of State General Fund expenditures totaling \$4,978, including \$4,416 for salary expenses and \$562 for associated fringe benefits, for the Marketing Division. Of the total, \$1,393 is recommended to correct a technical error in the agency's budget request. The remaining sum of \$3,585 includes \$405 for fringe benefits, and would finance reclassification of 2.0 F.T.E. professional positions in the Marketing Division.
10. Addition of \$1,773 in State General Fund expenditures for communication costs incurred by the Marketing Division. The Subcommittee notes that the total amount recommended by the Governor for such purposes in FY 1985 was \$943 less than total actual expenditures for such purposes during FY 1983.
11. Addition of \$5,000 in State General Fund expenditures for professional contractual services to facilitate the agency's efforts in marketing Kansas agricultural products.
12. Addition of \$3,750 for official hospitality expenditures incurred by the Marketing Division in hosting trade teams and buying missions. The Subcommittee notes that the Governor's recommended FY 1985 budget includes only \$1,250 for such expenses, or \$3,750 less than the amount included in the FY 1984 approved budget.
13. Increased expenditures totaling \$107,760 from a variety of special revenue funds, offset by State General Fund expenditure savings of an equal amount. This recommendation would reduce by half anticipated special revenue balances which would otherwise remain unexpended in FY 1985 based on the Governor's recommendation. Adjustments recommended by the Committee are displayed in detail in the following table:

Subprogram	Fund	Recommended Expenditure Adjustments	
		SGF	AOF
Manufacturing Milk Inspection	Dairy Division Fee Fund	\$ (5,000)	\$ 5,000
Marketing Division	Market Division Fee Fund	(127)	127
Meat and Poultry Inspection	Meat and Poultry Inspection Fee Fund	(5,000)	5,000
Entomology	Entomology Fee Fund	(3,500)	3,500
Agricultural Laboratory	Soil Amendment Fee Fund	(108)	108
Agricultural Laboratory	Agricultural Chemicals Fee Fund	(10,000)	10,000
Agricultural Laboratory	Feeding Stuffs Fee Fund	(13,750)	13,750
Agricultural Laboratory	Fertilizer Fee Fund	(6,250)	6,250
Agricultural Laboratory	Livestock Remedies Fee Fund	(1,100)	1,100
Pesticide Use Control	Pesticide Use Fee Fund	(28,250)	28,250
Grade A Milk Inspection	Grade A Milk Inspection Fee Fund	(10,000)	10,000
Seed Laboratory	Seed Examination Fee Fund	(7,500)	7,500
Inspection Division Administration	Egg Inspection Fee Fund	(17,175)	17,175
TOTAL		\$ (107,760)	\$ 107,760

The Subcommittee is concerned about the accumulation of balances in the State Board of Agriculture's fee funds. The Subcommittee urges the agency to exercise its existing statutory flexibility to reduce fees administratively, or by rule and regulation, if fees are generating more revenue than the agency deems necessary to finance the respective programs which are intended to be supported by fee revenues.

14. The Subcommittee spent a significant amount of time reviewing functions of the Division of Weights and Measures. In cooperation with agency officials, the Subcommittee has developed the following three legislative proposals relating to the regulatory activities of the Division:
 - a. Revisions to current statute to shift regulatory functions for ensuring the accuracy of large scales (over 5,000 pounds capacity) to the private sector. At present, the Division checks the accuracy of large-capacity scales on a variable-frequency or spot-check basis. To carry out this responsibility, the Division utilizes three large scale testing trucks, one of which is in need of replacement, and 3.0 F.T.E. personnel. The Subcommittee recommends that the responsibility for periodically verifying the accuracy of large-capacity scales be transferred to the approximately 12 private scale testing and service companies currently in business across the state. The Division's responsibilities would be reduced to licensing or registering the scale testing and service companies and validating the accuracy of those large scales reported to the Division as having been out of tolerance upon inspection by private licensees. A license fee of \$50 would be required annually from each testing and service firm, and a fee of \$50 would be charged by the Division for each validation of a scale which has been reported to be out of tolerance. Were this legislation to be passed, the agency anticipates up to \$72,500 in additional revenues to the Weights and Measures Fee Fund. Further, a replacement scale-testing truck would not be needed

and staffing for the current program could be reduced from three to two personnel.

- b. Revisions to current statutes to impose an inspection fee of \$50 annually for the first LPG meter used by each commercial LPG dealer in the state, and \$25 for each additional meter used by any one dealer.

In order to initiate legislative discussion on and consideration of these proposals, the Subcommittee recommends introduction of legislation necessary to implement the above conceptual recommendations. However, the Subcommittee is amenable to possible legislative amendments to the conceptual proposals, particularly in regard to the proposed fee assessments. Should such legislation pass, any additional forthcoming revenues could be used to offset a portion of the State General Fund appropriations recommended by the Governor for support of the Division in FY 1985. The Subcommittee recommends that any such adjustments be deferred for consideration in the Omnibus Bill.

- 15. The Subcommittee notes for the Committee's information that additional expenditures will be incurred by the Division of Water Resources if legislation is passed to adopt minimum streamflow standards as part of the State Water Plan. The Subcommittee recommends consideration of any additional funding or positions required by the Division for this purpose for inclusion in the Omnibus Bill.
- 16. The Subcommittee recommends the following issues for legislative study during the 1984 interim:
 - a. Fees imposed by all state agencies to recover all or any part of the state's costs for regulatory activities, with a particular emphasis on the legal issues raised by collecting such fees to finance programs which are essentially designed for the safety and protection of consumers.
 - b. The extent to which the Wheat Commission, the Grain Sorghum Commission, the Soybean Commission, and the Corn Commission should participate in the financing of the International Grains Program at Kansas State University. Also, the Subcommittee would urge interim review of the relationships between each of the four grain commodity commissions and study of alternative organizational or administrative arrangements which may be warranted to ensure a consistent degree of legislative oversight for all four grain commissions.
 - c. Possible revisions to the structure and administration of the Board of Agriculture's various fee funds, with particular emphasis on alternatives for simplifying the fee structure and for accounting separately for federal fund receipts.

17. Technical revisions to the appropriation bill are recommended by the Subcommittee to properly reflect the Governor's recommendations.
18. The Subcommittee recommends that the structure of the agency's State General Fund operating appropriations be revised to two separate line items, one for Salaries and Wages and one for Other Operating Expenditures.



Representative R. E. Arbuthnot,
Subcommittee Chairman



Representative Bill Bunten



Representative Keith Farrar



Representative Lee Hamm



Representative Ruth Luzzati

SUBCOMMITTEE REPORT

Agency: Kansas Water Office Bill No. — Bill Sec. —
 Analyst: Goering Analysis Pg. No. 239 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>
State Operations:			
All Funds	\$ 18,693	\$ 10,593	\$ (71,047)
State General Fund	9,531	1,431	(71,047)

Agency Request/Governor's Recommendation

The agency's revised FY 1984 budget estimate exceeds the current approved expenditure level by \$18,693. The increase is proposed to be financed with \$9,162 in federal funds received in FY 1983 which were carried forward to FY 1984, and \$9,531 from reappropriated State General Fund moneys approved for FY 1983 relocation expenses. Together with anticipated savings in other budgeted expenditure categories, these amounts are requested to finance a \$25,000 study to determine the amount of water lost in transit between the point of reservoir release and the point downstream at which water is withdrawn and used. Also proposed by the agency in the revised FY 1984 budget is expenditure of \$1,431 in reappropriated funds for expenses related to relocation of the office to the Mills Building in late FY 1983. Neither of the proposed expenditure revisions would require legislative action.

The Governor recommends the requested expenditure increase of \$1,431 for relocation costs. Also recommended for expenditure is a total of \$16,900 for the proposed water transit loss study. This amount is recommended by the Governor to be financed with \$9,162 in carryforward federal moneys and an additional \$7,738 in State General Fund expenditures originally approved by the Legislature for other purposes.

House Subcommittee Recommendation

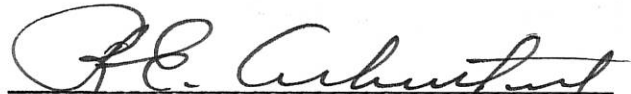
The Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. Reduction of \$69,747 in State General Fund expenditures for operation and maintenance costs associated with state-controlled water storage capacity in federal reservoirs. These savings are possible because the Office was able to defer, beyond October 1, 1983, acceptance of control of water capacity in three of the nine reservoirs. The recommended expenditure reduction incorporates savings based on the assumption that such action can be deferred for Council Grove and Milford reservoirs to a point later than March 31, 1984. The Subcommittee would note that additional action may be taken in the Omnibus Bill to further adjust this expenditure item.
2. Deletion of \$1,300 in State General Fund expenditures for express mail costs.

The Subcommittee recommends that the identified savings in freight and express be reappropriated to FY 1985 and that the State General Fund appropriation recommended for that year by the Governor be reduced accordingly. The operation and maintenance payment savings anticipated are also recommended for reappropriation, but the Subcommittee recommends that up to \$18,736 of such savings remain legally expendable by the Water Office in case it is necessary to take control of storage capacity in Milford or Council Grove

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reservoirs during the period between July 1 and September 30, 1984. The Subcommittee's FY 1985 budget recommendations do not assume such action will be necessary.



Representative R.E. Arbuthnot
Subcommittee Chairman



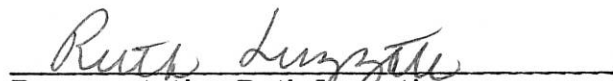
Representative Bill Buntin



Representative Keith Farrar



Representative Lee Hamm



Representative Ruth Luzzati

Agency: Kansas Water Office Bill No. 2693 Bill Sec. 8

Analyst: Goering Analysis Pg. No. 239 Budget Pg. No. 5-43

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
State General Fund:			
Federal Reservoir			
Payments	\$ 1,797,071	\$ 1,797,071	\$ --
Other State Operations	1,307,924	1,262,426	(30,968)
TOTAL	<u>\$ 3,104,995</u>	<u>\$ 3,059,497</u>	<u>\$ (30,968)</u>
F.T.E. Positions	24.5	24.5	(.5)

Agency Request/Governor's Recommendation

The agency's FY 1985 budget request would continue its current level of operations. The requested \$1,797,071 for federal reservoir payments includes \$1,495,671 for construction cost repayments to the U.S. Corps of Engineers on the state's share of water storage capacity in nine federal reservoirs. The remaining \$301,400 would finance the state's share of ongoing operating and maintenance costs associated with those reservoirs. The agency's operating budget request includes continued salary costs for 24.5 F.T.E. authorized permanent positions plus an additional \$24,456 (excluding fringe benefits) for continuation of a full-time unclassified Special Project Worker position to provide staff support specifically for the chairman of the Kansas Water Authority. The request includes a total of \$255,566 for contractual services to be provided by the U.S. Geological Survey office in Lawrence, including \$240,941 for continuation of a cooperative streamflow level data collection system and \$14,625 for improvements to that system to allow the Office to monitor, by telephone, streamflow levels in four Kansas Rivers. Those streams would be subject to minimum streamflow standards proposed by the Kansas Water Authority to be incorporated as part of the State Water Plan. The request also includes \$8,153 to finance contractual services to prepare a plan for conducting research on the interaction of surface and groundwater in streams. A sum of \$22,370 is requested to finance the agency's continued participation in the Missouri Basin States' Association (MBSA) during FY 1985. Also requested is \$7,000 services to allow the agency to develop a computerized bibliography of water-related information.

The Governor's recommendation includes the amounts requested for federal reservoir payments. The Governor recommends adequate funding to continue the agency's present permanent staffing level, but does not recommend salary support for continuation of the Special Project Worker position assigned to the Chairman of the Kansas Water Authority. The Governor recommends a total of \$249,641 for contractual services to be provided by the U.S. Geological Survey, including the requested amount for ongoing streamflow level data collection and \$8,700 for system enhancements to allow telephone monitoring of streamflow levels in the four streams potentially subject in FY 1985 to minimum streamflow standards. The Governor recommends the requested amounts for MBSA participation and for preparation of a research plan for studying the impact of surface and groundwater interaction on stream levels. The Governor recommends \$3,000 for data processing charges and sufficient additional funds for acquisition of a microcomputer, which is anticipated to enable the agency to develop computer models for water resource and demand projections and which could be used to develop a water information bibliography.

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House Subcommittee Recommendation

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

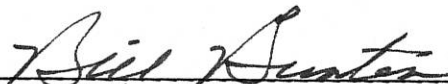
1. Deletion of \$43,205 in the State General Fund expenditures recommended by the Governor for salary plan cost-of-living adjustments.
2. Addition of \$23,441 in State General Fund expenditures for an unclassified administrative assistant position, to be assigned for nine months in FY 1985 to provide staff support to the Chairman of the Kansas Water Authority. Of the total, \$18,342 is to be expended for the base salary of the position, \$3,099 for fringe benefits, and \$2,000 for incidental other operating expenditures associated with the position. The Subcommittee recommends that a proviso be attached to the agency's salaries and wages appropriation line item to require expenditures in these amounts. This recommendation is intended to ensure that the Chairman will be provided the direct staff assistance deemed necessary to enable the Chairman to carry out the important responsibility of overseeing development of a comprehensive state water plan for submission to the 1985 Legislature.
3. Deletion of \$1,378 in State General Fund expenditures recommended by the Governor for express mail service.
4. Deletion of a .5 F.T.E. Engineering Technician II position and a total of \$9,826 in salaries and wages expenditures recommended by the Governor, of which \$7,812 is for base salaries and \$2,014 is for associated fringe benefits. This half-time position is currently on the state payroll but is housed at the U.S. Geological Survey Office in Lawrence. The salary cost of the position is considered part of the state's financial contribution to the U.S.G.S. cooperative agreement for the collection of data on Kansas streamflow levels. The Subcommittee encourages the agency to continue efforts to increase its participation in negotiating a contract which provides the data gathering services needed by the Kansas Water Office at the lowest possible cost to the state.
5. Technical adjustments to the language in the appropriation bill to properly reflect the recommendation of the Governor regarding authorized official hospitality expenditures.
6. Separation of the single line item recommended by the Governor for operating expenditures for the office into two line items, one for Salaries and Wages and another for Other Operating Expenditures.
7. Addition of reappropriation provisos to the Other Operating Expenditure appropriation line item and the Operation and Maintenance Charges on Reservoirs line item, to allow FY 1984 savings recommended by the Subcommittee to reappropriate to partially finance the FY 1985 budget.

The Subcommittee reviewed at length the agency's reorganization proposal and the policy questions raised by S.B. 501, which would unclassify all professional and technical positions (other than financial management employees). The Subcommittee endorses passage of S.B. 501. For the Committee's information, additional adjustments to the agency's budget may be considered in the Omnibus Bill. At that time the actual budgetary impact of S.B. 501 may be available for legislative review.

The Subcommittee also recommends that the full Committee take action to recommend favorably S.B. 311, which would allow payment of per diem compensation, travel, and subsistence to members of the Kansas Water Authority for other official activities in addition to formal meetings of that organization.




Representative R.E. Arbuthnot
Subcommittee Chairman



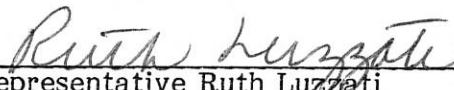
Representative Bill Bunten



Representative Keith Farrar



Representative Lee Hamm



Representative Ruth Luzzati

SUBCOMMITTEE REPORT

Agency: Grain Inspection Department Bill No. NA Bill Sec. NA

Analyst: Holt Analysis Pg. No. 224 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	\$ 4,973,309	\$ 4,534,511	\$ (1,849)
State General Fund	—	—	—
F.T.E. Positions	207.0	207.0	—

House Subcommittee Recommendations

With certain exceptions, the Subcommittee concurs with the Governor's amended recommendations for the current fiscal year, which reflect the deletion of \$545,000 in nonreportable user fee payments to the federal Grain Inspection Service.

The exceptions include the following:

1. Reduction of \$11,555 in expenditures for other supplies, materials, and parts in the Inspection Division.
2. Reduction of \$600 in expenditures for stationery and office supplies in the Administration Division.
3. Reduction of \$1,000 in expenditures for stationery and office supplies in the Inspection Division.
4. Reduction of \$8,694 in repairing and servicing expenditures in the Inspection Division.
5. Addition of \$20,000 for expenditures related to contract sampling in the Inspection Division.

David Miller

Representative David Miller
Subcommittee Chairperson

Harold Dyck

Representative Harold Dyck

Donald E. Maaney

Representative Donald Maaney

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SUBCOMMITTEE REPORT

Agency: Grain Inspection Department Bill No. 2693 Bill Sec. 4

Analyst: Holt Analysis Pg. No. 224 Budget Pg. No. 5-35

<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	\$ 5,301,815	\$ 4,851,030	\$ (232,770)
State General Fund	—	—	—
F.T.E. Positions	187.0	187.0	—

Agency Request/Governor's Recommendation

The agency's budget request totals \$5,301,815 excluding payments of \$545,000 of user fees collected for the federal Grain Inspection Service. Of that total, \$4,523,703 is requested for salaries and wages including \$876,040 in wages for overtime and temporary workers, and \$778,112 is requested for other operating expenses.

The Governor's original recommendation of \$5,396,030 was amended to \$4,851,030 to delete the sum of \$545,000 in nonreportable expenditures. This recommendation provides for \$4,124,661 in salaries and wages, including \$402,460 in wages for overtime and temporary workers, and \$726,369 for other operating expenses.

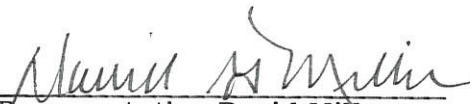
House Subcommittee Recommendations

The Subcommittee concurs with the amended recommendations of the Governor with the following exceptions:

1. In accordance with Committee policy, deletion of \$229,557 in salary plan revision.
2. Reduction of \$5,917 in rental expenditures for office space, the cost of which would be shared by the Administration and Warehouse Divisions. At the time of its FY 1985 budget submittal, the agency did not know to which office it would be moving and consequently overestimated its rental expenditures.
3. Reduction of \$500 in travel and subsistence expenditures in the Administration Division.
4. Reduction of \$5,485 in travel and subsistence expenditures in the Inspection Division.
5. Reduction of \$4,000 in travel and subsistence expenditures in the Warehouse Division.
6. Reduction of \$900 in stationery and office supplies expenditures in the Inspection Division.
7. Reduction of \$5,711 in repairing and servicing expenditures in the Inspection Division.
8. Reduction of \$10,700 in expenditures for other supplies, materials, and parts in the Inspection Division.

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9. Addition of \$30,000 for a trial project involving the installation of a sub-inspection station in the Salina area which would provide grain inspection services for trucks. The agency's justification for the installation of this sub-station is attributable to the Staggers Act, effective since 1981, which has caused much of the grain within the state to be transported by truck instead of by hopper cars. According to the agency, inspections of grain transported by trucks and taken from two elevators in Salina could generate as much as \$82,500 per annum. The requested sum of \$30,000 which was not included in the agency's original budget request for FY 1985 would include \$8,400 for rent (including utilities), \$14,000 for a mechanical probe, \$1,200 for telecommunications, \$2,000 for a four-way rotary divider, \$1,600 for a dockage machine, \$1,900 for a scale, \$750 for a typewriter, and \$150 for sieves and pans. No additional personnel is requested, as the agency intends to use its present employees for this project.


Representative David Miller
Subcommittee Chairperson


Representative Harold Dyck


Representative Donald Mainey

SUBCOMMITTEE REPORT

Agency: State Fair Bill No. 2693 Bill Sec. 5

Analyst: Timmer Analysis Pg. No. 227 Budget Pg. No. 5-27

<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	\$ 2,310,916	\$ 2,274,088	\$ (19,157)
Capital Improvements	2,015,000	850,000	(660,000)
TOTAL	<u>\$ 4,325,916</u>	<u>\$ 3,124,088</u>	<u>\$ (679,157)</u>
State General Fund:			
State Operations	\$ —	\$ —	\$ —
Capital Improvements	2,015,000	850,000	(660,000)
TOTAL	<u>\$ 2,015,000</u>	<u>\$ 850,000</u>	<u>\$ (660,000)</u>
F.T.E. Positions	16.0	15.0	—

House Subcommittee Report

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

1. Deletion of \$12,000 appropriated for a new roof for the rabbit building. The Subcommittee understands the Fair is requesting funds for a new rabbit building in FY 1985 and therefore will not be reroofing the old.
2. The Subcommittee commends the State Fair for the steps taken toward fee increases and charges for utility usage suggested in last year's report, and recommends that the Fair continue to monitor these items on a yearly basis. The Subcommittee understands that the Fair is projecting FY 1985 revenue increases of approximately \$92,000 due to the various fee increases.

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

1. Deletion of \$44,157 recommended for the salary plan revision.
2. The Subcommittee concurs with the Governor's recommendation of \$24,800 for capital outlay but does not choose to specify which items should be purchased.
3. The Subcommittee notes that the Governor recommended \$10,500 for reclassification of five administrative positions and \$2,730 for reclassification of two maintenance positions. The Subcommittee understands that the Division of Personnel is currently studying the various job and position descriptions and will have a recommendation pertaining to the reclassifications. The Subcommittee recommends that the Senate Subcommittee review the Division of Personnel's analysis and make appropriate adjustments to the Governor's recommendations.

XVII

4. The agency requested \$1,750,000 for the renovation of the grandstand. As stated in last year's report, the Subcommittee recognizes the need for the renovation and that the project cannot be postponed indefinitely. The Joint Committee on Building Construction has had extensive hearings on the renovation and is recommending an FY 1985 appropriation of \$50,000 for planning funds; \$25,000 from the State General Fund, and \$25,000 from the State Fair Fee Fund. The Subcommittee concurs with that recommendation.

Additionally, a Post Audit report on Financing of the State Fair Grandstand has been completed but was not released until February 22, 1984. The Subcommittee was not able to review the contents of the audit that pertain to alternative methods of financing the renovation and recommends the Senate Subcommittee review this material in conjunction with the Joint Committee on Building Construction's recommendations.

5. The deletion of \$660,000 State General Fund moneys for capital improvements. The Subcommittee concurs with the recommendations of the Joint Committee on Building Construction of \$100,000 from the State General Fund for special maintenance, \$65,000 from the State General Fund for construction of a new rabbit building, and \$50,000 for the planning of the grandstand renovation to be funded as discussed in item 4.



Representative David Louis
Subcommittee Chairman



Representative Ralph Bussman



Representative John Solbach

SUBCOMMITTEE REPORT

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

Analyst: Holt Analysis Pg. No. 230 Budget Pg. No. 2-1

<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	\$ —	\$ —	\$ (20,236)
State General Fund	—	—	—

House Subcommittee Recommendations

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

1. Reduction of \$4,000 for office rental expenditures. The Governor's recommendation was based on the assumption that the Commission would move its office headquarters from Hutchinson to Manhattan in January, 1984. The Commission has subsequently revised its plans and now claims that the move is scheduled for the beginning of May. For that reason, office rental expenditures have been adjusted to reflect approximately ten months of office rental in Hutchinson and two months in Manhattan.
2. Deletion of \$16,236 for salaries and wages for the Nutritionist position in the current fiscal year. This position has been vacant since January, 1983 and the Commission has expressed no intention of filling it until after its move to Manhattan. Because of the Commission's imminent relocation and proximity to the Kansas State University Extension Service in Manhattan, the Subcommittee encourages the Commission to investigate the possibility of coordinating with the Extension Service to use the services of one of its Nutritionists.
3. It should be noted that the Commission's FY 1984 budget includes \$10,000 which would enable the Commission to contract for an evaluation of its projects. To date, no funds have been expended for that purpose. Therefore, the Subcommittee strongly urges the Commission to enter into a contract for such an evaluation during this current fiscal year because it considers this activity to be extremely important. The Subcommittee requests that this evaluation also examine the projects funded by the U.S. Wheat Commission in an effort to determine if that organization's promotional level of hard red winter wheat is commensurate to the amount of funding contributed annually by Kansas.
4. The Commission had budgeted \$6,000 for utilities expenditures because office rental in Manhattan would not include these costs. Since the Commission has postponed its move to Manhattan to a later date than had originally been anticipated, it does not foresee the need to expend the entire amount for that purpose. The Commission has recently indicated, however, that it plans to purchase its telecommunications equipment and had not budgeted for that purchase. Therefore, the Subcommittee recommends that funds not used to pay for utility expenses be reallocated to purchase telecommunications equipment.

XIII



Representative David Louis
Subcommittee Chairman



Representative Ralph Bussman



Representative John Solbach

SUBCOMMITTEE REPORT

Agency: Kansas Wheat Commission Bill No. 2693 Bill Sec. 6
 Analyst: Holt Analysis Pg. No. 230 Budget Pg. No. 5-45

<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	\$ 1,761,004	\$ 1,708,710	\$ (24,757)
State General Fund	—	—	
F.T.E. Positions	8.0	8.0	

Agency's Request/Governor's Recommendation

The Commission's FY 1985 request totals \$1,761,004 which includes \$209,857 in salaries and wages for 8.0 F.T.E. positions. This request also provides for \$1,178,465 in contractual funding in the Promotion and Research Program. As part of this contractual request, the International Grains Program would be funded at \$300,000 and U.S. Wheat Associates, including the Special Projects offered under its auspices, at \$610,000.

The Governor's FY 1985 recommendation totals \$1,708,710 which includes \$220,888 in salaries and wages for 8.0 F.T.E. positions. The Governor's recommended expenditures for salaries and wages include \$7,188 for the reclassification of several positions. A total of \$1,171,965 is recommended to fund contracts for such programs as the International Grains Program (\$300,000) and U.S. Wheat Associations, including Special Projects (\$610,000).

House Subcommittee Recommendations

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

1. Deletion of \$11,569 for salary plan revision.
2. Deletion of \$6,000 in travel and subsistence expenditures because the Commission considers the Governor's recommendation to be overstated. In FY 1983 \$53,528 was expended for travel and subsistence. Although the recommended funding level for the current fiscal year is \$70,000, less than one-half of that amount has been expended to date.
3. Deletion of \$7,188 recommended for the reclassification of two positions. The Subcommittee supports the effort to identify for budget planning purposes the possible need for upgrading salaries based upon changes in duties and responsibilities. However, with respect to the recommended reclassifications, the Subcommittee was informed that detailed position descriptions, which are critical to making a reclassification determination, had not been submitted to the Division of Personnel Services. Therefore, the Subcommittee chooses at present to take no position on this recommended reclassification. The Senate is encouraged, however, to review the pertinent information once it is submitted to the Division of Personnel and, based on its findings, make appropriate adjustments to the amount designated for that purpose.

XIV

4. Although the Subcommittee concurs with the Governor's recommendation to fund U.S. Wheat Associates at \$460,000 and Special Projects under its auspices at \$150,000 in FY 1985, it should be noted that the Subcommittee is concerned that U.S. Wheat Associates might not be promoting hard red winter wheat to the extent that Kansas' contribution to those activities would perhaps suggest. In June 1980, the mill tax levy was increased from three to four, in large part, to provide the Commission with sufficient funds to undertake promotion activities.

5. The Subcommittee expresses concern about the projected decrease in the Commission's fee fund balance in FY 1985. Based on the Subcommittee's adjustments in fiscal years 1984 and 1985, the fee fund analysis is as follows:

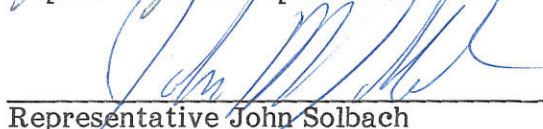
<u>Resource Estimate</u>	<u>Actual FY 1983</u>	<u>Estimated FY 1984</u>	<u>Estimated FY 1985</u>
Beginning Balance	\$ 619,134	\$ 822,162	\$ 851,034
Net Receipts	1,493,979	1,565,580	1,563,500
Total Funds Available	<u>\$ 2,113,113</u>	<u>\$ 2,387,742</u>	<u>\$ 2,414,534</u>
Less: Expenditures	1,290,951	1,536,708	1,777,553
Ending Balance	<u><u>\$ 822,162</u></u>	<u><u>\$ 851,034</u></u>	<u><u>\$ 636,981</u></u>



Representative David Louis
Subcommittee Chairman



Representative Ralph Bussman



Representative John Solbach

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

Your Committee on Ways and Means

Recommends that House Bill No. 2693

"AN ACT making and concerning appropriations for the fiscal year ending June 30, 1985, for the state board of agriculture, Kansas animal health department, Kansas state grain inspection department, board of state fair managers, Kansas wheat commission, state conservation commission and Kansas water office; authorizing certain transfers and fees, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing."

Be amended:

On page 1, by striking all in line 37 and inserting in lieu thereof the following material to read as follows:

"Salaries and wages.....\$4,922,218
Other operating expenditures..... 1,584,260";

Also on page 1, in line 39, preceding "That" by inserting the following: "That any unencumbered balance in excess of \$100 as of June 30, 1984, in the administrative and statistical services program account, any unencumbered balance in excess of \$100 as of June 30, 1984, in the regulation of agricultural supplies program account, any unencumbered balance in excess of \$100 as of June 30, 1984, in the regulation of agricultural products program account, any unencumbered balance in excess of \$100 as of June 30, 1984, in the regulation of weights and measures program account, any unencumbered balance in excess of \$100 as of June 30, 1984, in the regulation of water resources program account, any unencumbered balance in excess of \$100 as of June 30, 1984, in the agricultural market development program account, any unencumbered balance in excess of \$100 as of June 30, 1984, and in the regulation of pesticides and plant pests and diseases program account are hereby reappropriated to the other operating expenditures account for fiscal year 1985: Provided, however,

That expenditures from such reappropriated balance shall not exceed \$95,882 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto: Provided further,"; in line 40, by striking the comma; in line 41, by striking "however" and inserting in lieu thereof "further"; in lines 42 and 43, by striking "Provided" and inserting in lieu thereof "And provided"; in line 45, preceding the period by inserting the following: ": And provided further, That expenditures from this account for official hospitality shall not exceed \$5,000"; by striking all in lines 46 to 56, inclusive;

On page 2, in line 58, after "boiler" by inserting "and cooling tower"; in line 62, by striking "\$7,053,989" and inserting in lieu thereof "\$6,519,478"; in line 69, by striking "\$2,685" and inserting in lieu thereof "\$2,760"; in line 71, by striking "312,441" and inserting in lieu thereof "310,178"; in line 73, by striking "406,476" and inserting in lieu thereof "395,158"; in line 75, by striking "117,186" and inserting in lieu thereof "126,854"; in line 77, by striking "21,237" and inserting in lieu thereof "21,891"; in line 81, by striking "73,969" and inserting in lieu thereof "77,361"; in line 83, by striking "5,000" and inserting in lieu thereof "5,127"; in line 85, by striking "188,235" and inserting in lieu thereof "187,686"; in line 89, by striking "395,434" and inserting in lieu thereof "394,152"; in line 93, by striking "397,082" and inserting in lieu thereof "396,297"; by striking all in line 97 and inserting in lieu thereof the following material to read as follows:

"U.S. crop and livestock reporting service postage
 fund..... 8,000";

Also on page 2, in line 99, by striking "150,504" and inserting in lieu thereof "162,506"; by striking all in lines 103 to 112, inclusive; in line 113, by striking "151,830" and

inserting in lieu thereof "175,591"; in line 115, by striking "49,000" and inserting in lieu thereof "51,108"; in line 117, by striking "62,604" and inserting in lieu thereof "67,604"; in line 119, by striking "1,038,032" and inserting in lieu thereof "988,668"; in line 121, by striking "67,499" and inserting in lieu thereof "71,193"; in line 123, by striking "147,000" and inserting in lieu thereof "155,793"; in line 131, by striking "19,300" and inserting in lieu thereof "18,549"; in line 133, by striking "160,697" and inserting in lieu thereof "156,939";

On page 3, by striking all in lines 146 to 157, inclusive, and inserting in lieu thereof the following material to read as follows:

"Water rights information system fees fund..... No limit

Provided, That the state board of agriculture is hereby authorized to fix, charge and collect fees for water data provided at the request of nonstate government agencies and the general public: Provided further, That such fees shall be fixed in order to recover all of the direct data processing expenses incurred in preparation of requested water data: And provided further, That such fees shall be deposited in the state treasury and credited to this fund: And provided further, That expenditures may be made from this fund to pay the costs incurred by the division of water resources for data processing services to prepare requested water data.";

Also on page 3, by striking all in lines 170 to 179, inclusive, and inserting in lieu thereof the following material to read as follows:

"(c) On July 1, 1984, the director of accounts and reports shall transfer all moneys in the postage reimbursable fund to the U.S. crop and livestock reporting service postage fund. On July 1, 1984, all liabilities of the postage reimbursable fund are hereby imposed on the U.S. crop and livestock reporting service postage fund and the postage reimbursable fund is hereby abolished.";

Also on page 3, in line 185, by striking "\$84,026" and inserting in lieu thereof "\$76,936"; in line 187, by striking "325,400" and inserting in lieu thereof "311,202"; in line 195, by striking "\$409,426" and inserting in lieu thereof "\$388,138";

On page 4, in line 204, by striking "\$315,216" and inserting in lieu thereof "\$306,338"; in line 206, by striking "127,096" and inserting in lieu thereof "120,544"; in line 208, by striking "43,285" and inserting in lieu thereof "42,075"; in line 210, by striking "155,991" and inserting in lieu thereof "147,274"; following line 218, by inserting the following material to read as follows:

"Animal scabies fee fund..... No limit";

Also on page 4, in line 228, by striking "\$4,851,030" and inserting in lieu thereof "\$4,618,260"; in line 240, by striking "\$200,000" and inserting in lieu thereof "\$100,000"; following line 240, by inserting the following material to read as follows:

"Construction of rabbit building.....	65,000
Renovation of grandstand -- planning.....	25,000
Total.....	<u>\$190,000</u> ";

Also on page 4, in line 248, by striking "\$1,496,242" and inserting in lieu thereof "\$1,477,085";

On page 5, in line 270, by striking "\$1,708,710" and inserting in lieu thereof "\$1,683,953"; in line 289, by striking "\$166,334" and inserting in lieu thereof "\$147,798"; following line 289, by inserting the following material to read as follows:

"Provided, That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided, however, That expenditures from such reappropriated balance shall not exceed \$4,912 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.";

Also on page 5, in line 291, by striking "1,420,000" and inserting in lieu thereof "1,312,500"; in line 293, preceding "That" by inserting the following: "That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided further,"; in line 297, by striking "Provided" and inserting in lieu thereof "And provided";

by striking all in lines 306, 307 and 308; in line 309, by striking all preceding "And"; in line 314, by striking "760,000" and inserting in lieu thereof "710,000"; following line 314, by inserting the following material to read as follows:

Provided, That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided, however, That no expenditures shall be made from this account for any project which is on a site approved in a watershed district plan and which is eligible for federal funding under public law no. 83-566.

Marais des Cygnes drainage district no. 1..... 25,000";

Also on page 5, in line 318, by striking "\$3,096,054" and inserting in lieu thereof "\$2,945,018";

On page 6, following line 324, by inserting the following material to read as follows:

"Salaries and wages..... \$729,719

Provided, That expenditures shall be made from this account for the salary and wages, including fringe benefits, of an administrative assistant for the chairperson of the Kansas water authority during the period from July 1, 1984, through March 31, 1985, who shall be in the unclassified service under the Kansas civil service act and shall be appointed by the chairperson: Provided, however, That such expenditures from this account for the administrative assistant shall not exceed \$21,441 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.";

Also on page 6, in line 325, by striking "Operating" and inserting in lieu thereof "Other operating"; also in line 325, by striking "\$1,262,426" and inserting in lieu thereof "437,439"; in line 327, preceding "That" by inserting the following: "That any unencumbered balance in excess of \$100 as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided, however, That expenditures from such reappropriated balance shall not exceed \$1,300 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments

thereto: Provided further, That expenditures shall be made from this account for incidental other operating expenditures of the chairperson of the Kansas water authority: And provided further, That expenditures from this account for such incidental other operating expenditures shall not exceed \$2,000 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto: And provided further,"; in line 328, by striking "\$250" and inserting in lieu thereof "\$265"; following line 350, by inserting the following material to read as follows:

"Provided, That any unencumbered balance in excess of ~~\$100~~ as of June 30, 1984, is hereby reappropriated for fiscal year 1985: Provided, however, That expenditures from such reappropriated balance shall not exceed \$18,736 except upon approval of the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.";

Also on page 6, in line 354, by striking "\$3,059,497" and inserting in lieu thereof "\$3,028,529"; in line 386, by striking "24.5" and inserting in lieu thereof "24.75";

And the bill be passed as amended.

Chairperson