

MINUTES OF THE HOUSE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by Rochelle Chronister at
Chairperson

1:30 ~~xx~~ p.m. on Thursday, February 14, 1985 in room 514-S of the Capitol.

All members were present except: Representatives Duncan, Rolfs, Wisdom, Hoy, Lowther, all excused.

Committee staff present: Gloria Timmer -- Legislative Research
Laura Howard -- Legislative Research
Jim Wilson -- Office of the Revisor
Sharon Schwartz -- Administrative Assistant
Nadine Young -- Committee Secretary

Conferees appearing before the committee: Attachment I

Chairperson Chronister called the meeting to order at 1:30 p.m. and presented a new bill for introduction relating to the department of corrections. This bill would give authority to contract with individuals, as they believe it is presently unclear whether or not they have that power. (Attachment II)

Representative Mainey moved the bill be introduced and Representative Hamm seconded. Motion carried.

The following subcommittee reports were presented for consideration:

BEHAVIORAL SCIENCES REGULATORY BOARD (Attachment III)

Representative Dean presented the subcommittee report. Governor's recommendation is considerably below agency request. Subcommittee concurred with the recommendation, however several observations were made and called to the attention of the committee.

Representative Fuller moved the subcommittee report be adopted and it was seconded by Representative Heinemann. Motion carried.

BOARD OF NURSING (Attachment IV)

Representative Hassler presented the subcommittee report. Subcommittee concurred with Governor's recommendation for FY 85. A slight adjustment was made in the FY 86 recommendation. In addition, subcommittee noted that the Executive Director is dissatisfied with current salary ranges and the effect it has on attracting quality personnel, and have suggested that Senate Subcommittee review this question.

Representative Miller moved for adoption of the report and Representative Teagarden seconded. Motion carried.

SAVINGS AND LOAN DEPARTMENT (Attachment V)

Representative Hassler presented the report which concurs with Governor's recommendation for FY 85. Subcommittee made a slight adjustment in the FY 86 recommendation in the area of communication. In addition, subcommittee pointed out noteworthy observation in the area of rental space and suggested this might be looked into.

Representative Teagarden moved the report be adopted and Representative Miller seconded. Motion carried.

BOARD OF VETERINARY EXAMINERS (Attachment VI)

Representative Goossen presented the report. Subcommittee concurs with Governor's recommendation for FY 85 with a small exception, and with the FY 86 recommendation with two exceptions. (see report).

Representative Ott moved the report be adopted. Seconded by Representative Heinemann and the motion carried.

DENTAL BOARD (Attachment VII)

Representative King presented the report. Subcommittee concurs with Governor's recommendation for FY 85 and makes one adjustment in the FY 86 recommendation, a deletion of \$2,100 for professional services. Representative Douville reported he was very much impressed with the agency - they appear to be very frugal in their expenditures and definitely not overstaffed.

Representative King moved the report be adopted and Representative Teagarden seconded. 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 14, 19 85.

CONSUMER CREDIT COMMISSIONER (Attachment VIII)

Representative Harder presented the report. Subcommittee concurred with the Governor's recommendation with one exception: There seems to be a real need for consumer education. Upon review, the subcommittee is recommending the Consumer Credit Commissioner be authorized to spend \$65,000 to conduct a consumer credit education program, and that a proviso be included in the contract that the amount be transferred to the Kansas Council on Economic Education in quarterly installments. The money is already in the budget, but had not been designated. Representative Solbach moved the report adopted. Representative Teagarden seconded and the motion carried.

BOARD OF EXAMINERS IN OPTOMETRY (Attachment IX)

Representative Erne presented the report. Subcommittee concurs with Governor's recommendation for FY 85 and made one exception in the FY 86 recommendation which has to do with printing. Representative Shriver moved the report be adopted and it was seconded by Representative Teagarden. Motion carried.

REAL ESTATE COMMISSION (Attachment X)

Representative Turnquist presented the report. There was considerable discussion regarding the agency's purchase of two chairs for \$1100. Representative Teagarden moved that the report be amended to state "that the Real Estate Commission contact the Prison Industries and take into consideration buying their furniture from that source". Seconded by Representative Luzzati. The motion carried.

Representative Guldner suggested this be made a condition with all agencies. Rather than have a motion alone these lines, Representative Miller suggested we wait until the subcommittee on Corrections reports and have further discussion in this matter.

Representative Turnquist moved the report be adopted and it was seconded by Representative Dyck. Motion carried.

Meeting adjourned at 2:45 p.m.

Date 2-14-85

Name	Address	Representing
Sheila Stanton	807 Welton, Pratt, KS.	
Darlene Hanson	R.R. 1 Pratt KS	
Amy Kennedy	4016 S.E. 34th Terr Topeka	
Scott Mason	2600 Eveningtide Way	
Kevin Natahi	3107 SE Burton	
Rich Schifflheim	3727 SE 21 st	
Scott Brown	5649 SE Stanley Rd	
WALT DARLING	TOPEKA KANSAS	DIVISION OF BUDGET
Dr Lois R. Scibetta	503 Kansas Ave	KS ST Bd of Nursing
Judy Loft	Berryton Kansas	Shawnee Height High School
John Whugh	5550 S.E. Stanley Rd. Tecumseh	" "
Dana Jagodzinski	1009 SE 44 th St	" "
Sheila Hutcheson	3700 SE 27 th St. Terrace	" ? "
Anita Braanson	857 Eastgate Dr	" " "
Anita Holmes	4410 SE Anna Dr	
GREG HAUG	3201 SE SKYLARK DR.	SHAWNEE HEIGHTS
Chad Buechtel	4643 SE 27 th St	Shawnee Heights
David Finnegan	3906 SE 31 st St.	Shawnee Heights

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X

BILL NO. _____

AN ACT relating to the department of corrections; concerning certain powers and duties of the secretary; amending K.S.A. 75-5205 and repealing the existing section.

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

Section 1. K.S.A. 75-5205 is hereby amended to read as follows: 75-5205. (a) The secretary of corrections shall have the general supervision and management of the correctional institutions of the state and such other facilities as may be acquired by lease, purchase or contract for the housing of persons in the secretary's custody. The secretary shall have general supervision, management and control of any manufacturing or other business that may be carried on in behalf of the state pursuant to law, other than business enterprises operating under K.S.A. 75-5288, and amendments thereto, in and about any correctional institution or facility and shall have the power to receive, take charge, sell or otherwise dispose of any articles manufactured or produced for the benefit of the state, in the manner prescribed by law, other than articles, products and services produced or provided by business enterprises operating under K.S.A. 75-5288, and amendments thereto. The secretary shall have charge and general supervision of the grounds and buildings of such correctional institutions, and the secretary is hereby authorized to purchase the necessary material and supplies therefor.

(b) For purpose of carrying out the secretary's duties, the secretary shall have the authority to receive and expend federal funds and to contract with qualified individuals, partnerships, corporations, organizations, other agencies of the state and with the federal government and its agencies.

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(c) The secretary shall devote the secretary's entire time to the duties conferred upon the secretary by this act. The secretary, may appoint such employees as may be necessary for the efficient management and administration of the department of corrections and as are within available appropriations therefor, and such employees shall be within the classified service under the Kansas civil service act unless otherwise specifically provided by law. Any person appointed as an attorney shall be in the unclassified service under the Kansas civil service act.

(d) The secretary may accept and receive for the department of corrections or a correctional institution any gift of property which the secretary determines would enhance the services provided by the department of corrections.

(e) The secretary of administration shall provide the department of corrections with office space at Topeka.

Sec. 2. K.S.A. 75-5205 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

SUBCOMMITTEE REPORT

Agency: Behavioral Sciences Regulatory Board Bill No. 2036 Bill Sec. 6

Analyst: Hauke Analysis Pg. No. 23 Budget Pg. No. 1-191

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 151,225	\$ 122,412	\$ —
State General Fund	—	—	—
F.T.E. Positions	3.0	3.0	—

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations. This concurrence comes following careful review of several potentially offsetting factors, which may impact this agency during FY 1986. In forwarding its report, the Subcommittee submits the following observations:

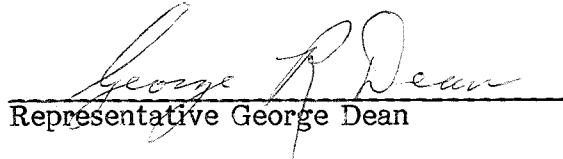
1. The Subcommittee learned that the Board is scheduled to move to the Santa Fe office building. The agency requested \$400 to finance the move and projected increased rental costs associated with the relocation. Both of these items were deleted in the Governor's recommendations. The Subcommittee learned that the Governor deleted these items pending exact detail of the schedule for moving agencies and the costs associated with that move. The Subcommittee recognizes that this budget will require adjustment during either FY 1986 or FY 1987 to finance this move.
2. The Subcommittee reviewed this agency's request for micro computing equipment, which was not included in the Governor's recommendations. The Subcommittee recognizes the potential for increased efficiency of this Board, given computerization. However, the Subcommittee also learned that the Division of Information Systems and Communications (DISC) is reviewing options for computerizing several licensing boards. Additionally, the Subcommittee believes that potential efficiencies resulting from use of the mainframe or from sharing of resources by several boards could be better achieved when the Santa Fe move is complete.
3. The Subcommittee learned that the Board has engaged a seven-member psychology advisory committee to review continuing education compliance among psychologist licensees. The agency indicates that members of this advisory committee are being paid \$50 per hour and expenditures could total \$5,000 on an annualized basis. The Subcommittee is not recommending additional funding for such an item, as it has not been through the traditional budgetary process. Given the magnitude of the item, the Subcommittee is of the opinion that it should be formally requested, preferably in the agency's budget submittal.
4. The Subcommittee learned that the agency's request and the Governor's recommendations presume a \$5 per exam increase in the amount paid for

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purchase of examinations given to social work applicants. Although such an increase is possible, formal notification of it has not been received. If such an increase does not occur, the Board would experience decreased expenditures of approximately \$2,570 which could be used to partially finance the abovementioned contingencies.



Representative Wanda Fuller,
Subcommittee Chairman



Representative George Dean

SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. 2036

Bill Sec. 14

Analyst: Howard

Analysis Pg. No. 43

Budget Pg. No. 1-203

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 487,187	\$ 390,604	\$ —
State General Fund	—	—	—
F.T.E. Positions	11.0	11.0	—

House Subcommittee Recommendations

FY 1985. The Subcommittee concurs with the Governor's recommendation for FY 1985.

FY 1986. The Subcommittee concurs with the Governor's recommendation except for the following:

Reduce printing and advertising by \$1,000 to \$6,360, and shift that \$1,000 to increase fees for other services from \$7,000 to \$8,000 to pay for data processing services and tuition fees.

In addition, the Subcommittee notes that the Executive Director has expressed dissatisfaction with the current salary ranges and the effect she feels that these have on attracting quality professional personnel. This Subcommittee has not had the necessary information to study this matter but we suggest that the Senate Subcommittee review this question if more information is available from the Division of Personnel Services.

Based upon the Subcommittee's recommendations, the balance remaining in the Board of Nursing Fee Fund will be \$135,204 at the end of FY 1985 and \$234,296 at the end of FY 1986. The fee fund analysis is shown below:

<u>Resource Estimate</u>	<u>Actual FY 1984</u>	<u>Estimated FY 1985</u>	<u>Estimated FY 1986</u>
Beginning Balance	\$ 80,040	\$ 90,889	\$ 135,204
Net Receipts	415,386	438,802	489,696
Total Funds Available	\$ 495,426	\$ 529,691	\$ 624,900
Less: Expenditures	404,537	394,487	390,604
Ending Balance	\$ 90,889	\$ 135,204	\$ 234,296


 Representative David Miller
 Subcommittee Chairperson


 Representative Elaine Hassler

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SUBCOMMITTEE REPORT

Agency: Savings and Loan Department Bill No. 2036 Bill Sec. 18
 Analyst: Howard Analysis Pg. No. 54 Budget Pg. No. 1-167

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 192,807	\$ 181,997	\$ (263)
State General Fund	—	—	—
F.T.E. Positions	5.5	5.5	—

Agency Request/Governor's Recommendation

The request for FY 1986 of \$192,807 would provide salaries and benefits for 5.5 F.T.E. positions, the same level approved for the current year, and other operating expenditures. This amount is 6.6 percent more than the current year estimated expenditures of \$180,843. The increase includes \$7,073 for a 5.5 percent salary adjustment and a \$3,364 travel expenditure increase. The estimate of net receipts for FY 1986 totals \$162,074, which is \$8,742 lower than the current fiscal year.

The Governor's recommendation for FY 1985 is \$8,950 less than the agency estimate. The Governor recommends reductions in salaries and wages (\$5,800), travel (\$2,900) and office supplies (\$250). The Governor's recommendation for FY 1986 differs from the agency request by \$10,812. The Governor removes the salary adjustment (\$7,073) and reduces unemployment insurance (\$343). He also reduces funding for travel (\$3,194) and office supplies (\$200).

House Subcommittee Recommendation

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

FY 1986. The Subcommittee concurs with the budget as recommended by the Governor with the following adjustments:

1. Elimination of \$263 recommended by the Governor for communication expenses in order to reflect a 17.5 percent increase rather than the 25.0 percent increase which was budgeted.

In addition, the Subcommittee makes the following observations:

1. The FY 1986 request for rents includes a 10 percent increase to \$11.00 per square foot suggested by the Division of Budget for state-owned office buildings. The Commissioner believes the agency could negotiate a lower rent independently in privately-owned office space, but at the current time they are statutorily directed where to rent by the Secretary of Administration. The Subcommittee suggests that authority be given to fee boards to negotiate their own leases.
2. The Subcommittee notes the decrease in the number of state-chartered associations from 42 in FY 1983 to 32 in the current fiscal year. Anticipated revenue for FY 1986 may be understated because the Commissioner believes the decline in the number of associations has ended.

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The Subcommittee encourages the agency in their intention to review their fee structure and recommend a discount if the carryforward balance is great.

Based upon adjustments to the Board's budget made by the Subcommittee in fiscal years 1985 and 1986, the fee fund analysis is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1984</u>	<u>Estimated FY 1985</u>	<u>Estimated FY 1986</u>
Beginning Balance	\$ 63,168	\$ 103,778	\$ 94,021
Net Receipts	194,566	170,816	162,074
Total Funds Available	\$ 257,734	\$ 274,594	\$ 256,095
Less: Expenditures	153,956	180,573	181,734
Ending Balance	\$ 103,778	\$ 94,021	\$ 74,361


Representative George Teagarden
Subcommittee Chairman


Representative Elaine Hassler

SUBCOMMITTEE REPORT

Agency: Board of Veterinary Examiners Bill No. 2036 Bill Sec. 10
 Analyst: Hunn Analysis Pg. No. 65 Budget Pg. No. 1-213

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 53,751	\$ 42,282	\$ (233)
State General Fund	—	—	—
F.T.E. Positions	1.0	0.5	0.5

Agency Request/Governor's Recommendation

The agency's FY 1986 request of \$53,751 would increase the staffing level from 0.5 F.T.E. to 1.0 F.T.E. and would allow the Board to rent office space. The agency's request would not expand the scope of the Board's activities but would allow the shift of administrative duties from the Board Secretary to a full-time clerical position.

The Governor's FY 1986 recommendation of \$42,282 does not provide for rental of office space or an increase in the staffing level.

House Subcommittee Recommendations

FY 1985. The House Subcommittee concurs with the Governor's FY 1985 recommended expenditures with the following adjustment:

1. Delete \$279 for the purchase of a tape recorder. The Subcommittee notes that the Board would rather purchase the tape recorder in FY 1986, rather than FY 1985.

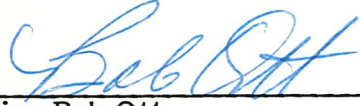
FY 1986. The House Subcommittee concurs with the Governor's FY 1986 recommendation with the following adjustments:

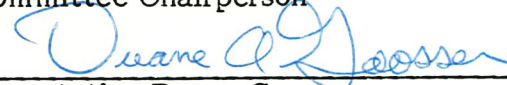
1. The Subcommittee notes the Board states it has had difficulty in hiring clerical staff given the current funding for the position. The Subcommittee also notes that KPERs and health insurance benefits are not currently provided for the .5 F.T.E. clerical position. The Subcommittee recommends increasing the salary for the clerical position from \$4,148 to \$6,000 to bring it more in line with other civil service clerical positions and also recommends funding for all fringe benefits normally provided a permanent .5 F.T.E. position. These salary adjustments result in a net increase of \$1,488 to the Governor's recommendation.
2. The Subcommittee notes that the Governor recommends \$2,500 to allow the Board to hire veterinarians to investigate complaints. In the past, the Board Secretary has investigated complaints, usually by letter or phone, rather than hire other veterinarians. The Subcommittee recommends reducing by \$2,000 the amount for investigative services.

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3. The Subcommittee recommends \$279 for a tape recorder in FY 1986 which the Subcommittee recommended be deleted from the FY 1985 budget. The Board stated it would prefer to purchase the tape recorder in FY 1986.

<u>Resource Estimate</u>	<u>Actual FY 1984</u>	<u>Estimated FY 1985</u>	<u>Estimated FY 1986</u>
Beginning Balance	\$ 35,860	\$ 44,542	\$ 48,247
Net Receipts	41,175	45,000	45,800
Total Funds Available	\$ 77,035	\$ 89,542	\$ 94,047
Less: Expenditures	32,493	41,295	42,049
Ending Balance	\$ 44,542	\$ 48,247	\$ 51,998


 Representative Bob Ott
 Subcommittee Chairperson


 Representative Duane Goossen

SUBCOMMITTEE REPORT

Agency: Dental Board Bill No. 2036 Bill Sec. 10 21
 Analyst: Hunn Analysis Pg. No. 33 Budget Pg. No. 1-195

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 116,835	\$ 112,293	\$ (2,100)
State General Fund	—	—	—
F.T.E. Positions	1.5	1.5	—

Agency Request/Governor's Recommendation

The agency's request of \$116,835 would essentially maintain the current level of operations with the current level of staffing. Significant funding for investigatory activities is requested in FY 1986 at a level 10.5 percent higher than the level estimated for FY 1985.

The Governor recommends expenditures of \$112,293 for FY 1986, which deletes the 5.5 percent salary adjustment and makes minor adjustments in the amounts budgeted for printing and travel.

House Subcommittee Recommendations

FY 1985. The Subcommittee concurs with the Governor's recommendation for FY 1985.

FY 1986. The Subcommittee makes the following adjustment to the Governor's recommendation:

1. Delete \$2,100 for professional services. The Subcommittee's recommendation reduces the budgeted amount for investigatory activities of the Board. The Subcommittee notes that the Governor's recommendation and agency request provide for a 10.5 percent increase in expenditures for investigatory activities. The Subcommittee's adjustment would allow for a 5 percent increase in expenditures for investigatory activities.

Based upon the Subcommittee's recommendation, the balance remaining in the Dental Board Fee Fund at the end of FY 1985 will be \$140,798 and will be \$126,765 at the end of FY 1986. The fee fund analysis is shown below:

<u>Resource Estimate</u>	<u>Actual FY 1984</u>	<u>Estimated FY 1985</u>	<u>Estimated FY 1986</u>
Beginning Balance	\$ 146,428	\$ 152,353	\$ 140,798
Net Receipts	97,662	96,160	96,160
Total Funds Available	\$ 244,090	\$ 248,513	\$ 236,958
Less: Expenditures	91,737	107,715	110,193
Ending Balance	\$ 152,353	\$ 140,798	\$ 126,765

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Rep Kenneth King
Representative Kenneth King, Chairperson

Rep Arthur Douville
Representative Arthur Douville

SUBCOMMITTEE REPORT

Agency: Consumer Credit Commissioner Bill No. 2036 Bill Sec. 13
 Analyst: Rothe Analysis Pg. No. 40 Budget Pg. No. 1-89

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 290,237	\$ 278,745	\$ —
F.T.E. Positions	8.0	8.0	—

Agency Request/Governor's Recommendation

The Commissioner's request for FY 1986 would maintain 8.0 F.T.E. positions as approved for the current year, but at lower classifications than originally estimated for FY 1985. The request includes other operating expenditures which are \$11,386 higher than the amount originally estimated for FY 1985. The Commissioner has included a \$50,000 transfer for consumer credit education.

The Governor's recommendation for FY 1986 includes a reduction of \$11,492 in salaries and wages. The recommendation includes no funds for consumer credit education in FY 1986.

House Subcommittee Recommendations

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

1. The 1984 Legislature authorized the Consumer Credit Commissioner to contract with the Kansas Department of Education and the Board of Regents for the purpose of evaluating the status of consumer credit education in Kansas and to recommend programs for effectively carrying out the Commissioner's mandate to provide for increased consumer credit knowledge. The Consumer Credit Commissioner transferred \$20,000 from its fee fund to the Department of Education to fund the evaluation. The Consumer Credit Commissioner set aside an additional \$10,000 in its fee fund to fund a similar evaluation to be conducted by the Kansas Council on Economic Education, a group representing the Board of Regents. The Commissioner directed the Department of Education and the Kansas Council on Economic Education to present plans on how they would utilize three levels of funding — \$30,000, \$50,000, and \$65,000 — to provide for consumer credit education. The Commissioner asks the Legislature to determine which plan and level of funding should be approved for FY 1986. Upon examination of the evaluations conducted by the Department of Education and the Kansas Council on Economic Education, the Subcommittee recommends the following:
 - a. The Consumer Credit Commissioner will be authorized to enter into a contract in the amount of \$65,000 with the Kansas


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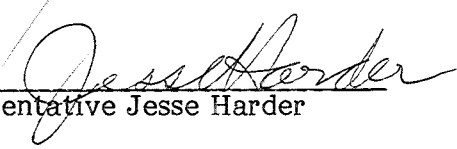
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Council on Economic Education to conduct a consumer credit education program. The Subcommittee further recommends that a proviso be included in the contract that the amount be transferred to the Kansas Council on Economic Education in quarterly installments.

The fee fund analysis, based upon the House Subcommittee's adjustment, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1984</u>	<u>Estimated FY 1985</u>	<u>Estimated FY 1986</u>
Beginning Balance	\$ 240,377	\$ 255,809	\$ 255,380
Net Receipts	327,001	295,095	301,382
Total Funds Available	\$ 567,378	\$ 550,904	\$ 556,762
Less: Transfer	65,000	30,000	65,000
Less: Expenditures	246,569	265,524	278,745
Ending Balance	<u>\$ 255,809</u>	<u>\$ 255,380</u>	<u>\$ 213,017</u>


 Representative John Solbach
 Subcommittee Chairman


 Representative Jesse Harder

SUBCOMMITTEE REPORT

Agency: Board of Examiners in Optometry Bill No. 2036 Bill Sec. 15
 Analyst: Howard Analysis Pg. No. 46 Budget Pg. No. 1-205

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 22,466	\$ 21,870	\$ (400)
State General Fund	—	—	—
F.T.E. Positions	.3	.3	—

Agency Request/Governor's Recommendation

The agency's request for FY 1986 would maintain the same staffing and operations as in the current year. The request is \$1,597 greater than FY 1985 because of the biennial printing of the rules and roster booklet.

The Governor's recommendation reduces the agency's request by \$596 for FY 1986. Areas of reduction include salaries and wages, communication, and travel.

House Subcommittee Recommendations

FY 1985. The House Subcommittee concurs with the Governor's recommendations for FY 1985.

FY 1986. The House Subcommittee concurs with the Governor's recommendations with the following exceptions:

1. Delete \$200 in communication costs.
2. Delete \$200 in printing. This reduction is made with the recommendation that rules and roster booklets only be mailed to existing members every two years upon the printing of the new booklet. The current practice is to send one to each existing member each year resulting in each member having duplicate copies.

In addition, the Subcommittee makes the following observations:

1. Consideration should be given in FY 1987 to reduce communications further due to the reduction in mailing the rules and roster booklets if they are only sent to existing members every two years.
2. The Board has again submitted a report on the number of complaints it has received in FY 1984 and FY 1985 (to date), the origin, and the status. The Subcommittee wishes to note that though hearing fees have been low in the current fiscal year the requested amounts should not be reduced because one major complaint is pending and it is difficult to predict whether further complaints will be filed.


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3. The Subcommittee wishes to note that H.B. 2282 has been introduced to add a lay person to the Board. If this bill passes, consideration should be given for salary and travel adjustments.

Based upon adjustments to the Board's budget made by the Subcommittee, the ending balance in the Optometry Board Fee Fund will be \$39,650 in FY 1985 and \$41,872 in FY 1986. The fee fund analysis is shown below:

<u>Resource Estimate</u>	<u>Actual FY 1984</u>	<u>Estimated FY 1985</u>	<u>Estimated FY 1986</u>
Beginning Balance	\$ 25,244	\$ 36,379	\$ 39,650
Net Receipts	23,507	23,676	23,692
Total Funds Available	\$ 48,751	\$ 60,055	\$ 63,342
Less: Expenditures	12,372	20,405	21,470
Ending Balance	<u>\$ 36,379</u>	<u>\$ 39,650</u>	<u>\$ 41,872</u>



Representative Jack Shriver
Subcommittee Chairperson



Representative Larry Erne

SUBCOMMITTEE REPORT

Agency: Real Estate Commission Bill No. 2036 Bill Sec. 17
 Analyst: Hunn Analysis Pg. No. 51 Budget Pg. No. 1-209

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 408,152	\$ 363,499	\$
State General Fund	—	—	
F.T.E. Positions	11.0	11.0	

Agency Request/Governor's Recommendation

The Commission's request would provide a staffing level of 11.0 F.T.E. positions and would allow the resumption of the level of activity authorized prior to funding problems experienced because a fee increase was not authorized during the 1984 Legislative Session. The Commission requests that the statutory limit on its biennial fees be increased to \$100 for brokers and \$60 for salespersons.


The Governor also recommends an increase in the statutory fee limitation and a staffing level of 11.0 F.T.E. positions as requested by the Commission. The Governor's recommendation reduces expenditures in the areas of communications, professional services, and office supplies and deletes the 5.5 percent salary adjustment.

House Subcommittee Recommendations

FY 1985. The Subcommittee concurs with the Governor's recommendation of expenditures of \$263,886. The Subcommittee notes that the Commission is under the allotment system with a limitation of \$333,600 because a requested raise in the statutory limit of the Commission's fees was not authorized during the 1984 Legislative Session.


FY 1986. The Subcommittee concurs with the Governor's recommendation with the following comments:

1. The Subcommittee notes that the Commission is currently studying alternatives in meeting their data processing needs. The Commission is investigating the possibility of contracting with an educational testing firm for these services which would not result in direct cost to the Commission, but would be covered by the examination fee charged to applicants. The Subcommittee notes that if the Commission decides on this type of contracted data processing service and discontinues their arrangement with the state's central computing services, there may be savings in this area in FY 1986. (Note: The 1984 Legislature approved \$20,258 to allow the Commission to purchase its own computer system, but the Commission was unable to because of their funding shortage.)

2/17/85 

2. The Subcommittee notes that the recommended expenditures for FY 1986 would bring the Commission's activities back to the level authorized prior to its financing problems in FY 1985. The recommended expenditures for FY 1986 are a 5.8 percent increase over the actual expenditures in FY 1984. The 1984 Legislature authorized expenditures for FY 1985 of \$376,173, which was reduced by the allotment system.
3. The Subcommittee concurs with the Governor's recommendation to increase the statutory fee limitations to \$100 for brokers and \$60 for salespersons, and raise the current fees to \$80 for brokers and \$60 for salespersons.

<u>Resource Estimate</u>	<u>Actual FY 1984</u>	<u>Estimated FY 1985</u>	<u>Estimated FY 1986</u>
Beginning Balance	\$ 61,985	\$ 24,579	\$ 24,157
Net Receipts	306,224	263,464	433,252
Total Funds Available	<u>\$ 368,119</u>	<u>\$ 288,043</u>	<u>\$ 457,409</u>
Less: Expenditures	343,540	263,886	363,499
Ending Balance	<u><u>\$ 24,579</u></u>	<u><u>\$ 24,157</u></u>	<u><u>\$ 93,910</u></u>


 Representative Larry Turnquist
 Subcommittee Chairperson


 Representative Dennis Spaniol