

4-1-85

MINUTES OF THE House COMMITTEE ON Ways and MeansThe meeting was called to order by Bill Buntten at
Chairperson2:15 ~~am~~/p.m. on Wednesday, March 27, 1985 in room 514-S of the Capitol.

All members were present except: Representative Turnquist (excused)

Committee staff present:

Gloria Timmer	-	Legislative Research
Laura Howard	-	Legislative Research
Jim Wilson	-	Revisor's Office
Sharon Schwartz	-	Administrative Aide
Nadine Young	-	Committee Secretary

Conferees appearing before the committee:

Representative Brandon
 Marshall Crowther, KPERS
 Bill Kauffman, Board of Regents
 Mary Ann Gabel, Behavioral Sciences Regulatory Board

Others present (Attachment 1)

Chairman Buntten called the meeting to order at 2:15 p.m.

Chair recognized Secretary Robert Harder who requested introduction of a bill concerning care and treatment of mentally ill persons. (Attachment 2)
 Representative Chronister moved that the bill be introduced. Seconded by Representative Mainey. Motion carried.

HB 2219 -- an act concerning the Kansas police and firemen's retirement system; relating to retirement benefits of members' spouses; amending K.S.A. 1984 Supp. 74-4958 and repealing the existing section.

Representative Branson presented the bill which would allow a surviving spouse to receive KPERS benefits if he/she remarries, from the police and fireman's retirement fund. It also provides that no person shall be entitled to receive more than one benefit. An additional amendment was suggested that would take out the wording "or remarries" on Line 57 and reinsert the wording beginning on line 57 "However, and ending on line 64, with "unmarried person". Representative Solbach moved that this amendment be approved. Seconded by Representative Hamm. Motion carried. It was noted that this amendment would put the fiscal note back to a negligible amount. *

Representative Solbach moved that HB 2219, as amended, be recommended favorable for passage. Seconded by Representative Mainey. Motion carried.

HB 2568 -- an act concerning issuance of refunding revenue bonds; amending K.S.A. 76-6a18 and repealing the existing section.

Bill Kauffman, representing Kansas Board of Regents, addressed the committee and explained the provisions of the bill. HB 2568 concerns the issuance of refunding revenue bonds. He proposed that use of the refunding mechanism will lower the total cost of revenue bonds. It would also allow the Regents the same authority as municipalities. Mr. Kauffman offered an amendment (Attachment 4) that would allow combination of new issues with refinancing. Representative Shriver moved that the amendment be adopted. Seconded by Representative Duncan. Motion carried.

Representative Solbach moved that HB 2568, as amended, be recommended favorable for passage. Seconded by Representative Luzzati. Motion carried.

HB 2504 -- an act concerning the licensing of social workers; relating to fees; amending K.S.A. 75-5359 and repealing the existing section.

Mary Ann Gabel appeared before the committee in support of the bill. The bill would increase the fees for social work licensure. Part of the increased revenue would be used for purchase of a computer to handle the Board's records

* (see Attachment 3)

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514-S, Statehouse, at 1:30 a.m./p.m. on Wednesday, March 27, 19 85

Written testimony by Behavioral Sciences Regulatory Board is attached.
(Attachment 5).

Representative Fuller moved that HB 2504 be recommended favorable for passage. Seconded by Representative Chronister.

Representative Louis offered a substitute motion that the increase of fees be raised to \$65 each of the three categories. Seconded by Representative Helgerson. Representative Louis noted that the request increase represents a 30% increase and feels they are asking for too much. On a show of hands the vote resulted in 8 in favor and 10 opposed. The motion failed.

Returning to the original motion that HB 2594 be recommended favorable for passage, the motion carried.

Chairman turned to consideration of subcommittee reports on SB 78 -- FY 1986 appropriations.

DEPARTMENT OF REVENUE, Section 3

Represented Duncan presented the subcommittee report (Attachment 6) for FY 1985 and FY 1986. There was no discussion regarding the FY 1985 and it was moved the report be adopted. Seconded by Representative Shriver. Motion carried.

Relative to Item 17 on page 6 of the subcommittee report, Representative Shriver moved that this item be amended by reinstating the \$107,470 of SGF money for the corporate field auditors. Representative Ott seconded. Motion carried.

Representative Duncan moved that the subcommittee report for Department of Revenue, as amended, be adopted. Seconded by Representative Shriver. Motion carried.

Kansas Public Employees Retirement System (KPERs), Section 4 (Attachment 7)
Representative Teagarden reported on the FY 1985 portion of the subcommittee report. After brief discussion, he moved for adoption of the report. Seconded by Representative Miller. Motion carried.

Representative Luzzati presented the FY 1986 portion of the subcommittee report. The House subcommittee added \$903,431 and 2 FTE positions for the agency to acquire and operate a distributive data entry minicomputer. This will enable data processing functions to be carried out at the agency site before the information is sent to the DISC mainframe computer. Representative Luzzati moved for adoption of the report. Representative Miller seconded. Motion carried.

Representative Chronister moved that SB 78, as amended, be recommended favorable for passage. Seconded by Representative Heinemann. Motion carried.

Representative Heinemann requested introduction of a bill relating to the protection of surface and groundwater and recommended it be referred to the Energy Committee. (Attachment 8) Seconded by Representative Chronister. Motion carried.

Chairman Buntin brought a bill before the committee concerning the Charles Curtis home (Attachment 9). Representative Snowbarger requested the bill. Representative Miller moved to introduce the bill and Representative Wisdom seconded. Motion carried.

A bill concerning scholarships for medical students (Attachment 10) was also presented to the committee. It relates to selection of service commitment areas. Representative Chronister moved that the bill be introduced. It was seconded by Representative Heinemann. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,
room 514-S, Statehouse, at 1:30 ~~am~~/p.m. on WED, MARCH 27
Thursday, March 28, 1985

Chairman turned to consideration of subcommittee reports on SB 87 - FY 1986 appropriations for agricultural and natural resources agencies.

KANSAS WATER OFFICE FY 1985

Representative Hamm presented the report. House subcommittee made several adjustments in the budget. (Attachment 11)

Representative Hamm moved for adoption of the subcommittee report and it was seconded by Representative Mainey. Motion carried.

Representative Chronister presented the subcommittee report for FY 1986 and moved for adoption of the report. Representative Duncan questioned Item #2, page 3, which refers to financing of \$99,000 for research on the Dakota aquifer. He offered a motion to delete this item. Representative Hamm seconded. The motion lost.

Representative Louis expressed concern relating to Item 10 on page 4, relating to contract payments to the U.S. Geological Survey. He suggested that someone needs to follow up with the agency to make sure they actually carry out the subcommittee's instructions. Representative Chronister suggested a letter be addressed to the agency from the subcommittee giving specific instructions. Representative Chronister then moved for adoption of the subcommittee report. Representative Mainey seconded. Motion carried.

ANIMAL HEALTH DEPARTMENT, Section 3 (Attachment 12)

Representative Guldner reported on this section. House subcommittee concurs with Senate with slight adjustment. Representative Guldner moved for adoption of the report. Seconded by Representative Dyck. Motion carried.

Representative King requested that committee be allowed to reconsider the action taken on Utilities in the Regents' budget. He subsequently offered a motion that Utilities be included in OOE rather than a separate line item. Seconded by Representative Duncan. The motion lost.

Meeting adjourned at 4:20 p.m.

1985
GUESTS

Date 3-27-85

Name	Address	Representing
Ric Hohm	Topeka	K.S.BA
Jim Nelson	Topeka	
Bob Eds	"	Dept of Revenue
Larry Thomas	Lawrence	"
H. Duncan	Topeka	Dept of Revenue
Eugene Brandt	Topeka	Dept of Revenue
Ed J. Stegman	Mauchly	Div. of Budget
James Stupp	Topeka	Budget
Dwight Shultz	Arkansas City	"
Harold C. Pitts	Topeka	TAATA
Joe Wilcox	Wichita -	Bl of Budget (Gai. Sec)
Alan Popken	Emporia	ESU
Marvin Kessel	Topeka	BSRB
Phyllis Gault	Arkansas City	
Jack Hawn	Topeka	KPEKS
Marshall Crews	Lawrence	"
De Shivers	Arkansas City	LEADERSHIP ARK CITY
Kendall C. Duncan	Arkansas City	Leadership Ark City
Art Crisp	Dept of Adm	Topeka, MOA

3/27/85

(1)

DRAFT
3/21/85

*Sec. Header will
introduce Wed.*

_____ Bill No. _____

By _____

AN ACT concerning care and treatment of mentally ill persons;
amending K.S.A. 59-2932 and repealing the existing section.

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

Section 1. K.S.A. 59-2932 is hereby amended to read as follows: 59-2932. (a) Any person acting in good faith and without negligence shall be free from all liability, civil or criminal, which might arise out of ~~acting~~ actions taken pursuant to this act.

(b) State psychiatric hospitals and their employees and community mental health centers, as defined by K.S.A. 75-3307c and amendments thereto, and their employees, except for gross or wanton negligence, shall be immune from any civil liability arising out of a decision refusing admission of a person to, or discharging or conditionally releasing a person from, a treatment facility. Under no circumstances shall any employee of a state psychiatric hospital or a community mental health center performing actions pursuant to this act have a duty to, or be liable for failing to notify, advise or warn anyone concerning the nonadmission, transfer, removal of restrictions on or discharge of any person absent a showing of gross or wanton negligence.

(c) Any person who for a corrupt consideration or advantage, or through malice, ~~shall make or join~~ makes, joins in making or ~~advise~~ advises the making of any false application, report or order provided for in this act shall be guilty of a class A misdemeanor.

Sec. 2. K.S.A. 59-2932 is hereby repealed.

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

3/27/85

(2)

JESSIE M. BRANSON
REPRESENTATIVE, FORTY-FOURTH DISTRICT
800 BROADVIEW DRIVE
LAWRENCE, KANSAS 66044
(913) 843-7171



TOPEKA

HOUSE OF
REPRESENTATIVES

COMMITTEE ASSIGNMENTS
MEMBER: EDUCATION
PENSIONS, INVESTMENTS AND BENEFITS
PUBLIC HEALTH AND WELFARE

March 27, 1985

TO: Representative Bill Buntten, Chairman
and Members
House Committee on Ways and Means
FROM: Representative Jessie Branson
RE: HB 2219

Jessie

Thank you for the opportunity of presenting HB2219.

HB 2219 relates to retirement benefits of spouses of members of the police and firemen's retirement system. It basically has three provisions:

- 1) Currently, if a surviving spouse who is receiving retirement benefits remarries, he/she loses those benefits.

As introduced, HB 2219 would allow a surviving spouse who remarries to continue receiving benefits in the event that the new spouse dies. (No fiscal note).

As amended by the committee, HB 2219 would simply allow a surviving spouse to continue receiving benefits if remarriage occurs. (Fiscal note: maximum of \$40,000 to the state and \$240,000 spread throughout local units of government).

- 2) HB 2219 also provides that if a member (of the retirement system) becomes married after his/her retirement, his/her spouse shall be eligible for benefits if the couple has been married for at least five years. (No fiscal note)

3/27/85 (3)

- 3) HB 2219 also provides that no person shall be entitled to receive more than one benefit. (No double-dipping!)

Members of the committee, this is a fairness issue. It is not fair that a surviving spouse must be penalized for re-marriage, and certainly to continue being penalized by losing those benefits even after the second spouse is deceased.

It also seems unfair that if a retired member remarries after retirement, that his/her spouse would never be eligible for survivor's benefits.

Thank you for your consideration of HB 2219. I urge your favorable action on the bill, either as introduced or as amended by the PIB Committee.

HOUSE BILL No. 2568

By Committee on Ways and Means

3-14

0017 AN ACT concerning issuance of refunding revenue bonds;
0018 amending K.S.A. 76-6a18 and repealing the existing section.

0019 *Be it enacted by the Legislature of the State of Kansas:*

0020 Section 1. K.S.A. 76-6a18 is hereby amended to read as fol-
0021 lows: 76-6a18. (a) The board may issue revenue bonds ~~hereun-~~
0022 ~~der~~ under this section for the purpose of refunding outstanding
0023 revenue bonds ~~theretofore~~ issued ~~hereunder~~ under K.S.A. 76-
0024 6a13 to 76-6a35, inclusive, and amendments thereto or may
0025 issue revenue bonds ~~hereunder~~ under this section for the com-
0026 bined purposes of refunding *such* outstanding revenue bonds
0027 ~~theretofore~~ issued ~~hereunder~~ and the acquisition, equipment
0028 and furnishing of additions, improvements or extensions to such
0029 building or buildings or for the acquisition, equipment and
0030 furnishing of additional buildings. Bonds issued ~~hereunder~~
0031 under this section solely for refunding purposes ~~may either be~~
0032 sold as above provided in K.S.A. 76-6a17 at public or private sale
0033 at such price as the board may determine ~~or~~ may be delivered in
0034 exchange for the outstanding bonds being refunded. ~~If~~ sold, the
0035 proceeds *either* may be ~~either~~ applied to the payment of the
0036 bonds refunded or *may be* deposited in escrow for the retirement
0037 thereof.

0038 No bonds may be refunded hereunder unless they either
0039 mature or are callable for redemption under their terms within
0040 twelve months from the date of the issuance of refunding bonds,
0041 or unless such outstanding bonds are surrendered voluntarily by
0042 their holders at the time of issuance of such refunding bonds.

0043 (b) All bonds issued under this section shall in all respects be
0044 authorized, issued and be secured in the manner provided for
0045 other bonds issued under this act K.S.A. 76-6a13 to 76-6a35,

or in combination with bonds issued under the provisions of K.S.A. 76-6a13 to 76-6a35, inclusive, and amendments thereto

. Bonds issued for refunding purposes

, or if

3/27/85

(4)

BARBARA L. KOVAROVIC, *Chairperson*
MARY ANN GABEL, *Executive Secretary*

214 W. 6th, Room 201
Topeka, Kansas 66603
913/296-3240 KANS-A-N 561-3240



BEHAVIORAL SCIENCES REGULATORY BOARD

BOARD MEMBERS:

Public Members

JERRY W. COLE
BARBARA L. KOVAROVIC
KAY METTNER

Psychology

NANCY J. GARFIELD, Ph.D.
WILLIAM H. SMITH, Ph.D.

Social Work

PATRICIA L. EWALT, Ph.D.
MARY ROGGE, LBSW

TESTIMONY BEFORE THE

HOUSE WAYS AND MEANS COMMITTEE

ON

H.B. 2504

Wednesday, March 27, 1985

I am Mary Ann Gabel, Executive Secretary of the Behavioral Sciences Regulatory Board, appearing before you today on behalf of the board and in support of H.B. 2504. This bill was introduced by the House Public Health and Welfare Committee in response to the board's request for an increase in the statutory limitations on application, renewal, and examination fees for social work licensure.

The purpose of the fee increases is to provide needed revenue for the following reasons:

- (1) Increased costs in purchasing examinations;
- (2) Computerization of the board's records; and
- (3) Investigative Resources.

EXAMINATIONS

The board currently purchases examinations from Professional Examination Service (P.E.S.), at a 1984-85 increased contract cost of \$40 each. Pursuant to the current statutory limitations, applicants are charged \$50 per examination with 20% (\$10) of each fee remitted to the state general fund. Given this present price structure, money is not available for retention by the board to cover the handling costs. Therefore, the board fee fund is required to subsidize the handling costs for each examination which include postage, processing, etc.

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The board would like to change to another examination which has been developed by the American Association of State Social Work Boards (AASSWB). The board, having studied both available examinations; namely, P.E.S. and AASSWB, and having conducted a survey of each state social work licensing agency which examines its social work applicants, believes this new examination to be superior to that which is presently used in Kansas. The board also anticipates increased reciprocity advantages through the use of this new examination inasmuch as approximately 90% of the states regulating social work practice and requiring an examination are currently using the AASSWB examination.

It is my understanding that the cost of purchasing this examination is \$50. Given the present statutory limitations, the board is unable to purchase the AASSWB examination due to the fact that the board fee fund would be required to subsidize the cost of each examination purchased in the amount of \$10, plus handling costs. Based on the FY'84 figures, this subsidy would amount to \$3,960, plus handling costs. The board fee fund is neither able to support this subsidy nor is it appropriate to do so.

COMPUTERIZATION OF THE BOARD'S RECORDS

All records of the board are currently handheld records. The board licenses approximately 3,000 social workers and certifies approximately 450 psychologists. During FY'84 the board staff processed 396 social work examination applications. In addition to this data, social work license renewal requirements include the submission of continuing education documentation attesting to the completion of 60 clock hours. This data represents but a sampling of the work required in establishing and maintaining records of the board. Computerization is needed to provide for an accurate, efficient, and cost effective means of managing the board's information system.

INVESTIGATIVE RESOURCES

The board has experienced receipt of an increased number of complaints: FY'81--11; FY'82--15; FY'83--9; FY'84--23; and FY'85--33 to date.

Given the complexity and nature of some of the complaints involving regulated persons, a potential conflict of interest exists when the Attorney General's office conducts the investigation which may then be followed by subsequent prosecution of these regulated persons. In light of the potential of conflict of interest, the board is finding it necessary to contract with an independent, private investigator. Formal hearings require the services of a court reporter and occasionally an independent prosecutor. Each of these services represents an added expense to the board's operating budget--one which cannot be solely funded by the board's existing fee fund.

PROPOSED RULE AND REGULATION AMENDMENTS

Following passage of H.B. 2504, the board intends to promulgate rule and regulations to reflect the following fee increases:

Application fees	=	\$60	(\$10 increase)
Renewal fees	=	\$60	(\$10 increase)
Examination fees	=	\$65	(\$15 increase)

I respectfully urge your recommendation of passage of H.B. 2504. Thank you for your consideration.

Attachment

260
Fiscal No.
1985 Session
March 5, 1985

2504
Bill No.

RECEIVED

MAR 6 1985

BEHAVIORAL SCIENCES
REGULATORY BOARD

The Honorable Marvin Littlejohn, Chairperson
Committee on Public Health and Welfare
House of Representatives
Third Floor, Statehouse

Dear Representative Littlejohn:

SUBJECT: Fiscal Note for House Bill No. 2504 by Committee
on Public Health and Welfare

In accordance with K.S.A. 75-3715a, the following fiscal
note concerning House Bill No. 2504 is respectfully submitted to
your committee.

House Bill No. 2504 amends K.S.A. 75-5359 to increase the
statutory maximum for application or renewal fee for a social
work license from \$50 to \$75. The statutory maximum for the
examination fee for social workers is also increased from \$50 to
\$75.

The Behavioral Sciences Regulatory Board indicates that the
current application and renewal fees for a social work license
and the current examination fees are at the statutory maximum of
\$50. House Bill No. 2504 would allow the Board to increase
these fees to \$75. Assuming that 2,078 people apply for or
renew a social work license and 514 people take or retake an
examination, and the fees are increased to the proposed maximum,
an additional \$64,800 in revenues could be generated in fiscal
year 1986. Twenty percent or \$12,960 of the additional fees
collected would be deposited in the State General Fund, and the
remaining \$51,840 would be available for agency operations. The
Behavioral Sciences Regulatory Board indicates that it intends
to increase the license application and renewal fees by \$10 to
\$60, and the exam fee by \$15 to \$65. This would generate
\$28,490 annually, of which \$5,698 would be deposited to the
State General Fund and \$22,792 would be available for agency
operations.

Any receipts to the special revenue fund or the State
General Fund as a result of passage of House Bill 2504 would be
in addition to amounts contained in the FY 1986 Governor's
Budget Report.

Alden K. Shields
Alden K. Shields
Director of the Budget

AKS:PS:sr

Shields

STATE OF KANSAS



JOHN CARLIN
Governor

DEPARTMENT OF ADMINISTRATION

Division of Information Systems
and Communications

DIRECTOR
124-South, State Office Building
Topeka, Kansas 66612-1503
(913) 296-3463

Deputy Director
Information Systems
1152-W, State Office Building
Topeka, KS 66612-1503
(913) 296-3343

Deputy Director
Telecommunications
503 Kansas Avenue, Room 240
Topeka, Kansas 66603-3494
(913) 296-4124

March 7, 1985

Mary Ann Gable, Executive Secretary
Behavioral Sciences Board
214 West 6th, Room 201
Topeka, Kansas 66603

Dear Mary Ann:

Based on our preliminary review of your data processing needs, DISC recommends that you consider acquiring a Zenith 150 micro-computer with 320K RAM, one disk drive, and one 10 meg. hard disk. In addition, DISC recommends integrated software and a letter quality 35 CPS printer. Based on our current pricing information, the system would cost approximately:

Integrated Software	800.00
Printer	880.00
Z 150, 1 disk drive, 10 meg hard disk	2,550.00
TOTAL	<u>\$4,230.00</u>

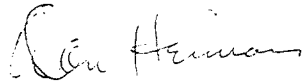
After you have received budget authority to acquire the recommended system, you should send DISC a formal request. Upon receipt of your request, our office will prepare an approval letter. As you know, this letter must accompany all purchase orders for acquiring computer resources.

Finally, since we have not finished our analysis of the data processing hardware and software options available to the State's regulatory boards, our recommendations for the Behavioral Sciences Board is preliminary. Recently, several vendors asked to have an opportunity to demonstrate their hardware and software offerings before we draft a final report. We have scheduled their presentations for next week. After the presentations are completed, DISC will draft a report summarizing our recommendations. As a part of this report, we will present our final recommendations for the Behavioral Sciences Board.

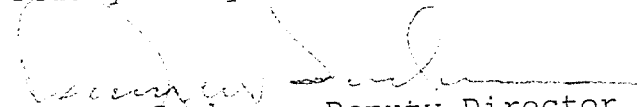
Mary Ann Gable
Page 2
March 7, 1985

If we can be of further assistance, please do not hesitate to call.

Respectfully yours,



Donald C. Heiman
Policy Analyst



Dwayne Sackman, Deputy Director
Bureau of Information Resource
Management
Division of Information Systems
and Communications

DCH:ee
dh16/DH3

SUBCOMMITTEE REPORT

Agency: Department of Revenue Bill No. 78 Bill Sec. 3

Analyst: Efird Analysis Pg. No. 75 Budget Pg. No. 1-153

<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	\$ 51,040,637	\$ 42,304,247	\$ (203,159)
State Aid	9,212,415	9,130,836	—
Other Assistance	20,000	20,000	—
Subtotal	<u>\$ 60,273,052</u>	<u>\$ 51,455,083</u>	<u>\$ (203,159)</u>
Capital Improvements	245,131	270,131	—
TOTAL	<u>\$ 60,518,183</u>	<u>\$ 51,725,214</u>	<u>\$ (203,159)</u>
State General Fund:			
State Operations	\$ 26,735,594	\$ 22,312,176	\$ (183,805)
State Aid	1,631,579	1,550,000	—
Other Assistance	20,000	20,000	—
TOTAL	<u>\$ 28,387,173</u>	<u>\$ 23,882,176</u>	<u>\$ (183,805)</u>
F.T.E. Positions	1,557.0	1,482.0	(4.0)

Agency Request/Governor's Recommendations

FY 1985. The agency requests a supplemental State General Fund appropriation of \$46,750 to pay mailing costs to notify taxpayers who received an income tax refund in CY 1984. No other adjustments in state operations are requested in FY 1985. The Governor does not recommend the supplemental funding of \$46,750. The Governor's recommendations include reductions of \$67,871 from the State General Fund and of \$148,006 from the Division of Vehicles Operating Fund to reflect savings in other operating expenses for state operations. The Governor also recommends modifications in state aid payments to reflect the November, 1984 consensus estimates for inheritance tax payments to counties, city and county bingo tax payments, and mineral tax rebates to counties and school districts.

FY 1986. The agency's budget includes operating expenditures of \$60,273,052 and two capital improvement projects of \$245,131. The Governor recommends operating expenditures of \$51,455,083 and two capital improvement projects of \$270,131. For state operations, the Governor's recommendations allow an increase of \$1,531,271 in expenditures over the revised estimate for FY 1985, including \$270,795 from the State General Fund and \$1,218,070 from the DOV Operating Fund. Major additions and enhancements include five new positions for auditing businesses (\$134,335 SGF), three new positions for a Fair Share Withholding unit (\$45,146 SGF), three new positions for VIPS programming (\$74,955 DOV), and financing for both salary range and individual reclassifications. Other recommendations include \$128,560 SGF financing for shelving to store tax records, an increase of \$431,636 DOV financing for data processing and \$363,027 DOV for license tags, and a shift from SGF to DOV financing for office rents amounting to \$315,586. State aid and other assistance payments recommended by the Governor are based upon November, 1984 consensus estimates. The additional \$25,000 for capital improvements recommended by the Governor would finance a scale at the South Haven motor carrier inspection station, which is to be constructed in FY 1986, along with one at Caney.

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Senate Subcommittee Recommendations

FY 1985. The Subcommittee concurs with the Governor's recommendations, including State General Fund reductions of \$67,871 from the State General Fund for other operating expenditures and of \$148,006 from the Division of Vehicles Operating Fund for other operating expenditures. The Subcommittee recommends that \$50,000 of the State General Fund savings in FY 1985 be reappropriated to FY 1986 to reduce new financing required next fiscal year. The remaining \$17,871 of State General Fund savings will be available in FY 1985 if needed. The Subcommittee also recommends that \$148,006 of the DOV Operating Fund savings be carried over to FY 1986 in order to reduce the transfer from the State Highway Fund by \$148,006 in FY 1986. The State Highway Fund is the primary financing source for the DOV Operating Fund which is used to support the motor vehicles activities of the department.

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

1. Delete \$133,293 of State General Fund financing and \$17,559 of DOV financing for excess retirement payments. The Subcommittee believes that these payments for accumulated sick leave and annual leave which are paid upon retirements of state employees should be handled by supplemental appropriations after they have been paid and if they cannot be financed with available savings accruing from salary turnover. These payments have previously been subsumed as part of turnover. The Subcommittee notes that not all agencies have budgeted these excess retirement payments in FY 1986 and that by deleting the financing from those agencies which have estimated their payments, a more uniform approach may be used to fund them after actual payments have been encumbered by the agencies. The Subcommittee recommends that all other Subcommittees adopt this method.
2. Delete in FY 1986 \$30,106 from the State General Fund and \$1,795 from the DOV Operating Fund for KANS-A-N charges as a result of reducing the estimated increase over FY 1985 from 31.0 percent to 17.8 percent.
3. Delete 1.0 F.T.E. new position and \$20,406 of State General Fund financing for a Property Appraiser I recommended for the State Appraisal unit of the Property Valuation Division to work on motor carrier valuation. The Subcommittee notes that in the department's justification for computerizing motor carrier valuation work (for which the Governor recommends \$25,427 in FY 1985 to continue current applications and to develop programs for motor carrier and public utilities valuation), it was pointed out that the staff would become more productive and permit reassignment of two appraisers to other duties, thus avoiding the need to hire additional staff. The Subcommittee notes that an additional \$12,663 for three microcomputers to be used in PVD are included in the FY 1986 Governor's recommendations with which the Subcommittee concurs and that \$13,154 has been spent in FY 1985 for three microcomputers.
4. Recut the appropriations bill to include salaries and wages limitations for both State General Fund and DOV Operating Fund financing as well as to include a State General Fund limitation for other operating expenditures. In addition, the Subcommittee directs that line items for capital improvements at Caney and South Haven for Motor Carrier Inspection facilities be added to the bill.

5. Recommend that the Governor submit a budget amendment which would add the necessary financing from the State General Fund and F.T.E. positions to initiate the process of statewide property reappraisal. The Subcommittee believes that in order to start the process of planning for statewide reappraisal that both financing and staff must be included in the FY 1986 budget for the department. The Subcommittee further notes that the agency had budgeted the following amounts to initiate planning for reappraisal in its FY 1986 request:

New PVD Division	\$ 841,692
Consultant Services	365,000
Software and DP Services	244,400
Data Processing	195,077
Other DP Charges	77,293
Data Processing Staff	83,173
TOTAL	<u>\$1,806,635</u>
F.T.E. Positions	35.0

6. Delete 3.0 of 11.0 new F.T.E. positions in the following areas, but do not reduce the salaries and benefits for the new positions:

	<u>Gov. Rec.</u>	<u>Adjustment</u>	<u>Gov. Rec./ Sub. Rec.</u>	
Field Audit Services	5.0	(1.0)	\$134,335	SGF
Fair Share Withholding	3.0	(1.0)	45,146	SGF
Vehicle Information Processing	3.0	(1.0)	74,955	DOV

The Subcommittee recommends that 3.0 vacant F.T.E. positions be reallocated for the new duties of the positions addressed above. The Subcommittee does not identify specific vacant positions to be abolished and does not estimate savings to be reduced from such action. Any savings which occur from abolishing existing positions would reduce the salary turnover rate for the agency.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee recommendations and further recommends that a bill be introduced to allow the Secretary to appoint three attorneys in the classified civil service.

House Subcommittee Recommendations

FY 1985. The Subcommittee concurs with the Senate's recommendation for the current fiscal year, with the following exceptions:

1. Reappropriate \$20,000 of State General Fund financing for K-BITS from FY 1985 to FY 1986 to pay the last contractual services fee for the project. The agency indicates that the Phase IV work is four to six months behind schedule and that the FY 1985 expenditure for contractual services which is recommended at \$60,592 may be partially unencumbered at the end of the fiscal year.
2. Reappropriate \$316,625 of State General Fund savings from FY 1984 that was carried into FY 1985 as a limited reappropriation and not available for expenditure in the current fiscal year. This reappropriation will not reduce FY 1985 expenditures, but will reduce the amount of new State General Fund financing in FY 1986 by \$316,625 in S.B. 78.

The Subcommittee notes that the agency's expenditures for the first eight months of FY 1985 do not reflect significant deviations from the expected patterns and that the projected patterns for the last four months will encumber most of the remaining funds. The Secretary has indicated to the Subcommittee that certain unbudgeted expenditures in FY 1985, such as the Form 1099 mailing (\$46,000), the postage rate increase (\$46,000), and the acquisition of an IBM 4341 computer (\$75,600), will be absorbed within the existing budget. The Subcommittee believes that no additional adjustments in FY 1985 should be made in order to allow the Secretary flexibility in managing the agency.

FY 1986. The Subcommittee concurs with the Senate recommendations, except for the following:

1. Recommend that three positions be assigned to initiate planning for statewide reappraisal and that the Governor's Budget Amendment requested by the Senate include the financing for these three positions and for other operating expenses relative to the planning process.
2. Add 1.0 F.T.E. new position (Tax Examiner II) and \$17,624 from the State General Fund to establish a business tax "Fair Share" unit to identify unregistered retailers and to review isolated and occasional motor vehicle sales for understated sales taxes.
3. Reduce salary turnover savings from 7.0 percent to 6.0 percent for salaries and benefits financed from the DOV Operating Fund. Estimated cost of the reduction is \$126,000 additional financing (part of which is identified in item 14).
4. Delete 4.0 F.T.E. positions in data processing. The Subcommittee recommends providing flexible scheduling for additional intermittent data entry operators to work during periods of peak workloads. The Subcommittee notes that the vacancy rate for full-time employees in data processing has ranged between 9.0 positions in February 1985 and 28.0 positions in October 1984 and that this program can allocate fewer F.T.E. positions to permanent data entry operators. The Subcommittee recommends not reducing funds relative to the 4.0 positions so that the agency might hire additional intermittent data entry operators for peak periods. These intermittents should be paid the hourly wage which permanent employees with similar experience receive (rather than lower wages). The agency

should be prepared by January 13, 1986, to recommend any legislation which might be needed in this area if intermittents need to work more than 1,000 hours in a fiscal year.

5. Reduce \$18,411 from the State General Fund in FY 1986 for rental payments relative to a move to a new storage facility which has been cancelled.
6. Add \$21,145 from the State General Fund to correct an error in calculating salaries and benefits for Audit Service personnel.
7. Add \$20,000 from the State General Fund for the Alcohol Beverage Control Board to contract for a study of the minimum price markups.
8. Delete \$128,560 from the State General Fund for shelving to store tax records. The Subcommittee suggests that this issue be addressed during the Omnibus period and that the agency should explore alternatives to this request, such as constructing a metal building with less expensive shelving adjacent to the present storage facility. The Subcommittee directs the Secretary to prepare documents showing current shelf space in the present facility and the amount of space occupied by documents; estimated annual increases in space needed to house additional records; and comparative costs for the proposed mobile shelving vs. other alternatives for storing documents.
9. Request the Governor to submit a Budget Amendment relative to the increased expenditures estimated for postage (\$128,000) and the IBM 4341 computer for distributive data processing (\$45,860).
10. Reduce \$38,769 from the State General Fund for travel expenses relative to the Mineral Tax Bureau. Based upon actual FY 1984 expenditures of \$19,928 and eight months expenses in FY 1985 which amount to \$18,930, the Governor's recommendation of \$67,164 would be reduced to \$28,395 in FY 1986.
11. Note that the Secretary indicates that \$46,750 for mailing Form 1099 is included in the FY 1986 Governor's recommendation and that the Subcommittee reluctantly agrees with this expenditure.
12. Reduce \$48,373 from the State General Fund for office supplies for the Income Tax Bureau. Based upon actual FY 1984 expenditures of \$381,811 and the Governor's FY 1985 revised estimate of \$480,000, the Subcommittee recommends \$500,000 from the State General Fund and \$13,000 from the Publication Fees Fund for FY 1986 expenditures, a 4 percent increase rather than 15 percent recommended by the Governor.
13. Delete \$645 from the State General Fund for new furniture for a position previously deleted by the Senate in the Property Valuation Division.
14. Recommend that \$122,801 of the \$1,416,612 for replacement license plates and decals be shifted to salaries and wages in order to fund a portion of the salary turnover adjustment for the Division of Motor Vehicles and other DOV Operating Fund financed positions. The Subcommittee notes that the Governor's recommended increase amounts to \$363,027 in FY 1986 or 34.5

percent above the revised FY 1985 estimate of \$1,053,585. The agency's FY 1986 request was an increase of 22.8 percent or \$263,027 based on its FY 1985 estimate of \$1,153,585. A 22.8 percent increase applied to the Governor's recommendation of \$1,053,585 in FY 1985 would produce an increase of \$240,226 in FY 1986 for a total of \$1,293,811 to produce license tags and decals. The savings of \$122,801 in FY 1986 should be used to reduce the salary turnover rate from 7 to 6 percent as recommended in item 3.

15. Reduce \$46,847 from the DOV Operating Fund for office supplies in the Division of Motor Vehicles. Based upon actual FY 1984 expenditures of \$299,973 and eight months expenditures of \$150,240 plus encumbrances of \$109,398, the Subcommittee recommends that the Governor's estimate of \$457,597 be reduced to \$410,750 in FY 1986. The Subcommittee notes that FY 1985 expenditures may be overstated, but that any savings may have to be shifted to salaries and wages if needed to help finance the last payroll of FY 1985.
16. Shift \$30,000 from the DOV Operating Fund for capital outlay for a scale at Caney to capital improvements for the new Caney Motor Carrier Inspection and Weight Station.
17. Delete 4.0 F.T.E. new positions and \$107,470 from the State General Fund for corporate field auditors. The Subcommittee recommends reallocation of 4.0 vacant positions for these duties and adds \$10,000 from the State General Fund to finance the reallocation costs of upgrading current positions to Revenue Auditors.
18. Delete \$18,400 from the State General Fund to finance reclassification of ABC enforcement officers to higher salary ranges.
19. Commend the agency for its "Fair Share" project and note the following cost-benefit data:

<u>FY 1984</u> <u>Expenditures</u>	<u>FY 1985</u> <u>Recoveries</u>	<u>Net</u> <u>Receipts</u>
\$ 156,840	\$2,148,443	\$1,991,603

20. Amend K.S.A. 8-235c to change "shall" to "may" in order to allow the agency to exercise discretion in issuing driver's licenses. Currently, persons who complete a driver training program and are issued a certificate pursuant to K.S.A. 8-277 "shall" be granted without examination a driver's license. The Secretary requested the statutory change.
21. Recommend that the department should change the language on the back of driver's licenses to reflect the wording of the Kansas Anatomical Gifts Act. The current use of the word "organ" does not accurately reflect that other parts and tissues may be donated.
22. Express concern that the current temporary trip permit (\$6.50 based on 50 gallons of fuel) does not accurately reflect use of Kansas highways by out-of-state motor carriers. The Subcommittee requests that the Department

study this matter and report to the Legislature on or before January 13, 1986. The study should include but not be limited to the possibility of a higher trip permit, a portion of which could be refunded upon proof of fuel purchase in the state.

Legislative adjustments for FY 1986 to date:

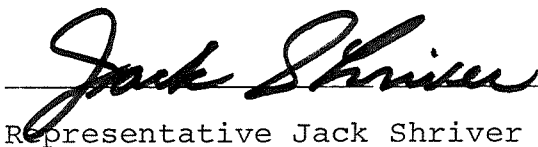
	<u>Governor's Rec.</u>	<u>Senate Adj.</u>	<u>House Ways and Means Subcommittee Adj.</u>
S&W SGF	\$15,493,551	\$ (153,699)	\$ (77,101)
OOF SGF	6,818,625	(30,106)	(214,758)
S&W DOV	\$12,620,437	(17,559)	126,000
OOE DOV	7,050,737	(1,795)	(199,648)
F.T.E.	1,482.0	(4.0)	(7.0)



Representative Sanford Duncan
Chairman



Representative Bob Ott



Representative Jack Shriver

SUBCOMMITTEE REPORT

Agency: Kansas Public Employees Retirement System (KPERs)

Bill No. 161

Bill Sec. 4

Analyst: Conroy

Analysis Pg. No. 69

Budget Pg. No. 1-145/3-33

<u>Expenditure Summary</u>	<u>Agency Req. FY 85</u>	<u>Governor's Rec. FY 85</u>	<u>Subcommittee Adjustments</u>
<u>All Funds:</u>			
State Operations	\$ 3,027,746	\$ 3,184,351	\$ (177,000)
Aid to Local Units	41,245,940	41,245,940	—
Other Assistance	91,029,192	91,029,192	—
TOTAL	<u>\$135,302,878</u>	<u>\$135,459,483</u>	<u>\$ (177,000)</u>
<u>State General Fund:</u>			
State Operations	\$ —	\$ —	\$ —
Aid to Local Units	41,245,940	41,245,940	—
Other Assistance	—	—	—
TOTAL	<u>\$ 41,245,940</u>	<u>\$ 41,245,940</u>	<u>\$ —</u>
F.T.E. Positions	57.0	57.0	—

Governor's Recommendation

The Governor recommends an expenditure limitation increase of \$177,000 in the current year. The additional funds would provide for continued development of the existing data processing plan by the Division of Information Systems and Communications (DISC) of the Department of Administration. The development of the first KPERs data processing program or membership system has proven more costly than originally estimated.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following exceptions:

Fiscal Year 1985.

1. Delete the recommended supplemental appropriation of \$177,000 for continued data processing development by DISC. The Subcommittee requests that a distributive processing study be conducted by DISC in cooperation with KPERs to determine if the agency's data processing needs could be met through decentralized data processing or if full in-house computer capabilities are needed. The Subcommittee requests that DISC complete the distributive processing study no later than April 1, 1985 for its presentation to the 1985 Legislature. Once the study is completed and a decision is reached, the Subcommittee recommends that the appropriate amount of funds, if any, be restored to the agency budget for data processing needs.
2. The Subcommittee recommends that the proposed reallocation of a Secretary II to a data processing analyst position not take place until a final determination is made on the data processing needs of the agency.

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Senate Committee Recommendations

The Senate Committee concurs with the Subcommittee recommendations.

Senate Committee of the Whole Recommendations

Concur with the recommendations of the Senate Committee.

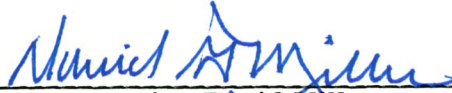
House Subcommittee Recommendations

<u>Expenditure Summary</u>	<u>Senate Adjustments to Gov. Rec.</u>	<u>Total Senate Recommend.</u>	<u>House Subcommittee Adjustment</u>
All Funds:			
State Operations	\$ (177,000)	\$ 3,007,351	\$ 141,605
Aid to Local Units	—	41,245,940	—
Other Assistance	—	91,029,192	—
TOTAL	<u>\$ (177,000)</u>	<u>\$135,282,483</u>	<u>\$ 141,605</u>
State General Fund:			
State Operations	\$ —	\$ —	\$ —
Aid to Local Units	—	41,245,940	—
Other Assistance	—	—	—
TOTAL	<u>\$ —</u>	<u>\$ 41,245,940</u>	<u>\$ —</u>
F.T.E. Positions	—	57.0	—

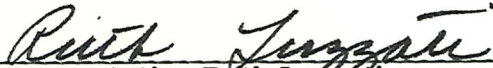
The House Subcommittee concurs with the Senate recommendations with the following exceptions:

1. Add \$177,000 for continued development by DISC for an on-line computer membership system.
2. Delete \$7,163 for salaries and wages to agree with the recommendations of the Governor in the current year.
3. Delete \$13,232 for travel and subsistence to agree with the recommendations of the Governor in the current year.
4. The Subcommittee recommends that an existing Secretary II position be reallocated to a data processing position at salary range 31. The Subcommittee notes that current resources are sufficient and no additional funds are necessary for the reallocation. The reallocation will give the agency in-house data processing expertise.
5. Delete \$15,000 for communications based on lower than estimated expenditures.
6. The Subcommittee notes that KPERS moved from the Jayhawk Tower in 1984 to the Capitol Tower, which is owned by KPERS. The agency still had

eight months remaining on the lease for the Jayhawk Tower at the time of the move. The rent for the Jayhawk Tower space will still be required to be paid unless the Department of Administration finds another tenant for the office space. The Subcommittee strongly recommends that the Department of Administration take action to procure a replacement tenant at the Jayhawk Tower.



Representative David Miller,
Subcommittee Chairman



Representative Ruth Luzzati



Representative George Teagarden

SUBCOMMITTEE REPORT

Agency: Kansas Public Employees Retirement System (KPERs) Bill No. 78 Bill Sec. 2
 Analyst: Conroy Analysis Pg. No. 69 Budget Pg. No. 1-145/3-33

<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	\$ 3,162,894	\$ 3,025,241	\$ (541,536)
Aid to Local Units	44,422,065	43,824,874	—
Other Assistance	97,701,617	97,701,617	—
TOTAL	<u>\$145,286,576</u>	<u>\$144,551,732</u>	<u>\$ (541,536)</u>
State General Fund:			
State Operations	\$ —	\$ —	\$ —
Aid to Local Units	44,422,065	43,824,874	—
Other Assistance	—	—	—
TOTAL	<u>\$ 44,422,065</u>	<u>\$ 43,824,874</u>	<u>\$ —</u>
F.T.E. Positions	61.0	57.0	—

Agency Request/Governor's Recommendation

The agency's request of \$145,286,576, while maintaining the current level of operations, also provides for the development of in-house computer capabilities. The request includes four new data processing positions, the purchase of computer equipment and supporting funds for the data processing operation.

The Governor's recommendation provides for continuation of the current level of operation and does not include funds for the development of an in-house data processing operation by the agency. The Governor does recommend funds for the continued development of the existing data processing plan by the Division of Information Systems and Communications (DISC) of the Department of Administration.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following exceptions:

Fiscal Year 1986

1. Delete \$556,606 for all data processing costs within the agency. The Subcommittee requests that DISC in cooperation with KPERs conduct a distributive processing study to determine if the agency's data processing needs could be met through decentralized data processing or if full in-house computer capabilities are needed. The Subcommittee requests that DISC complete the distributive processing study no later than April 1, 1985 for its presentation to the 1985 Legislature. Once the study is completed and a decision reached, the Subcommittee recommends that the appropriate amount of funds be restored to the agency budget for data processing needs.

2. Add \$9,670 for travel and subsistence to provide for the continued opportunity for KPERS Board of Trustees to interview prospective investment managers.
3. Add \$5,400 for a telephone facsimile machine to transmit same day investment reports and brokerage confirmations to KPERS.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee recommendations.

Senate Committee of the Whole Recommendations

Concurs with the Committee recommendations.

House Subcommittee Recommendation

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Total Senate Rec.</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ (541,536)	\$ 2,483,705	\$ 894,659
Aid to Local Units	—	43,824,874	(607,874)
Other Assistance	—	97,701,617	—
TOTAL	<u>\$ (541,536)</u>	<u>\$144,010,196</u>	<u>\$ 286,785</u>
State General Fund:			
State Operations	\$ —	\$ —	\$ —
Aid to Local Units	—	43,824,874	(607,874)
Other Assistance	—	—	—
TOTAL	<u>\$ —</u>	<u>\$ 43,824,874</u>	<u>\$ (607,874)</u>
F.T.E. Positions	—	57.0	2.0

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

Fiscal Year 1986

1. Add \$903,431 and two F.T.E. positions (a Programmer III and Technical Support Programmer I) for the agency to acquire and operate a distributive data entry minicomputer. The recommendation will permit the continued development of the on-line membership system and also allow the agency to acquire a minicomputer (the size of an IBM System 36). The minicomputer will enable data processing functions to be carried out at the agency site before the information is sent to the DISC mainframe computer. The total recommendation includes \$229,818 for the outright purchase of a minicomputer, \$96,432 for personnel costs, \$70,601 for

maintenance of equipment, and \$522,757 for operation of the old system and continued development and operation of the new on-line system.

2. Delete \$3,372 for telecommunications based on lower than anticipated expenditures.
3. The Subcommittee agrees with the \$9,670 restored by the Senate for travel and subsistence. However, the Subcommittee notes that the additional funds will not only be used by the Board of Trustees, but also for the agency's field representatives and executive secretary.
4. Delete \$5,400 for a telephone facsimile machine. The Subcommittee was informed that the recommended minicomputer may have the same capabilities as a telephone facsimile machine.
5. Delete \$607,874 for school employer retirement contributions. The deletion reflects the adjustment to the School District Equalization Act as contained in H.B. 2144.


Representative David Miller


Representative Ruth Luzzati


Representative George Teagarden

HOUSE BILL NO. _____

By Committee on Ways and Means

AN ACT concerning oil and gas; relating to the protection of surface and groundwater; amending K.S.A. 55-150, 55-153 and 55-158 and repealing the existing sections.

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

Section 1. K.S.A. 55-150 is hereby amended to read as follows: 55-150. As used in this act unless the context requires a different meaning:

(a) "Commission" means the state corporation commission;

(b) "contractor" means any person who acts as agent for an operator as a drilling, plugging, service rig or seismograph contractor in such operator's oil and gas operations;

(c) "fresh water" means water containing not more than 1,000 milligrams per liter, total dissolved solids;

(d) "operator" means a person who is responsible for the physical operation and control of a well;

(e) "person" means any natural person, partnership, governmental or political subdivision, firm, association, corporation or any other legal entity;

(f) "rig" means any crane machine used for drilling or plugging wells;

(g) "secretary" means the secretary of the department of health and environment;

(h) "usable water" means water containing not more than 10,000 milligrams per liter, total dissolved solids. In the case of the Dakota aquifer, all water in such aquifer is hereby determined to be usable;

(i) "well" means a hole drilled for the purpose of:

(1) Producing oil or gas;

(2) injecting fluid, air or gas in the ground in connection

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with the exploration for or production of oil or gas;

(3) obtaining geological information in connection with the exploration for or production of oil or gas by taking cores or through seismic operations; or

(4) disposing of fluids produced in connection with the exploration for or production of oil or gas.

Sec. 2. K.S.A. 55-153 is hereby amended to read as follows:
55-153. There is hereby established the advisory committee on regulation of oil and gas activities to be composed of ten 11 members. One member shall be appointed by each of the following associations;: Mid-continent oil and gas association, Kansas independent oil and gas association and eastern Kansas oil and gas association. One member shall be appointed by the governor from the general public. One member, who shall be a member of the house of representatives, shall be appointed by the speaker of the house of representatives, with the consent of the minority leader of the house. One member shall represent groundwater management districts and shall be appointed jointly by the presidents of each groundwater management district. All such appointees shall serve at the pleasure of the appointing authority. The following state agencies shall designate a person as a member of such committee: The commission, the department of health and environment, the Kansas geological survey, the Kansas water office and the division of water resources of the state board of agriculture. The designated person of the commission shall be the chairperson of the advisory committee. The committee shall meet at least once each quarter calendar year and upon the call of the chairperson. The committee shall review and make recommendations on oil and gas activities, including but not limited to current drilling methods, geologic formation standards, plugging techniques, casing and cementing standards and materials and all matters pertaining to the protection of waters of the state from pollution relating to oil and gas activities.

Sec. 3. K.S.A. 55-158 is hereby amended to read as follows:

55-158. Operators, shall submit to the commission and to the secretary cement bond logs and collar joint logs, and upon request of the commission or the secretary, shall--submit--cement bond-logs-or any other surveys for surface casing. The commission and the secretary shall review such logs to insure compliance with the provisions of K.S.A. 55-150 et seq., and amendments thereto. Failure to submit such logs or surveys within a reasonable period of time as prescribed by the rules and regulations of the commission shall be a class C misdemeanor.

Sec. 4. K.S.A. 55-150, 55-153 and 55-158 are hereby repealed.

Sec. 5. This act shall take effect and be in force from and after its publication in the statute book.

Draft

AN ACT authorizing the state historical society to acquire the Charles Curtis home, which possesses unusual historical interest for and in the name of the state of Kansas.

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

Section 1. The following described land is hereby declared to possess unusual historical interest: Lots 361, 363 and 365, except the west 46 1/2 feet thereof, on Topeka avenue, all in the city of Topeka, original town, Shawnee county, Kansas, upon which is located a house known as the Charles Curtis home.

Sec. 2. The state historical society is authorized and empowered to acquire by purchase or by condemnation proceedings the land described in section 1 in fee simple in the name of the state from moneys appropriated for such purpose. Before any agreement shall be made to purchase such land and house, three disinterested appraisers shall be appointed in accordance with the provisions of K.S.A. 75-3043a, and amendments thereto, to determine the market value thereof, and no agreement shall be entered into nor purchase made of the land so appraised for a consideration greater than such market value appraisal. The land shall be acquired in the name of the state of Kansas and the state historical society shall not issue a voucher in payment thereof until the attorney general shall have examined the abstract of title and deed to such land and has determined that such conveyance will convey such land in fee simple to the state of Kansas.

Sec. 3. Upon acquisition of the property as authorized by this act, the same shall be placed under the control and management of the state historical society and the society shall have power to adopt such rules and regulations relating to the use, preservation, improvement, control and maintenance thereof.

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

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DRAFT BILL NO. _____

For Consideration by Committee on Ways and Means

AN ACT concerning scholarships available to medical students; relating to selection of service commitment areas; amending K.S.A. 76-375 and repealing the existing section.

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

Section 1. K.S.A. 76-375 is hereby amended to read as follows: 76-375. (a) On or before December 31 in each year, the secretary of health and environment shall prepare a list of the areas of this state which the secretary determines to be critically medically underserved areas by specialty and the areas of this state which the secretary determines to be medically underserved areas by specialty. In preparing such a list the secretary of health and environment shall consult with representatives of the university of Kansas school of medicine and the Kansas medical society and the secretary shall consult with representatives of the state board of healing arts, any health systems agency located in whole or in part within the state and the statewide health coordinating council. All medical care facilities or institutions operated by the state of Kansas, other than the university of Kansas medical center, and all medical clinics which are located in Kansas cities, other than Kansas City, and which are operated by professional corporations that are affiliated by contract with the university of Kansas medical center are qualified for service in both service commitment area I and service commitment area II without being determined medically underserved areas, except that such medical clinics shall not qualify for such service by more than 12 persons at any one time. Every such list shall note that all medical care facilities or institutions operated by the state of Kansas qualify for such service commitments, in addition to listing those areas determined to be critically medically

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(10)

underserved or medically underserved.

(b) A service commitment area shall be designated as a service commitment area I or a service commitment area II. Service commitment area I shall be any area determined by the secretary of health and environment under subsection (a) to be, for purposes of all agreements entered into under K.S.A. 76-374 and amendments thereto with students who first entered into any such agreement prior to January 1, 1982, a medically underserved area and, for purposes of all agreements entered into under K.S.A. 76-374 and amendments thereto with students who first entered into any such agreement after December 31, 1981, any area determined by the secretary under subsection (a) to be a critically medically underserved area. Service commitment area II shall be, for purposes of all agreements entered into under K.S.A. 76-374 and amendments thereto with students who first entered into any such agreement prior to January 1, 1982, the entire state and, for purposes of all agreements entered into under K.S.A. 76-374 and amendments thereto with students who first entered into any such agreement after December 31, 1981, any area determined by the secretary to be a medically underserved area.

(c) In selecting a service commitment area I or II, whichever is applicable, prior to the commencement of the full-time practice of medicine and surgery pursuant to all agreements entered into under K.S.A. 76-374 and amendments thereto requiring service for a period of time in a service commitment area I or II, whichever is applicable, the person so selecting shall select such area from among those areas appearing on the list of areas prepared by the secretary of health and environment under this section. The service commitment area selected shall have appeared on any such list not more than ~~30~~ 36 months prior to the commencement of such full-time practice of medicine and surgery by the person selecting such service commitment area. Upon the selection of such service commitment area, the person so selecting shall inform the university of Kansas school of medicine and the secretary of health and

environment of the area selected.

(d) A person serving in a service commitment area I or II, whichever is applicable, pursuant to any agreement under this act may serve all or part of any commitment in the service commitment area initially selected by such person. If such person moves from one service commitment area I or II to another service commitment area I or II, as applicable, such person shall notify the university of Kansas school of medicine and the secretary of health and environment of such person's change of service commitment area. Service in any such service commitment area I or II, as applicable, selected from the appropriate lists of service commitment areas, shall be deemed to be continuous for the purpose of satisfying any agreement entered into under this act. Any service commitment area I or II, as applicable, selected after the initially selected service commitment area I or II shall have appeared on a service commitment area I list or on a service commitment area II list, as applicable, which shall have been prepared by the secretary of health and environment not more than 12 months prior to the move by such person from one service commitment area I or II to another service commitment area I or II, as applicable.

(e) In connection with the determination of critically medically underserved areas and medically underserved areas under this section, the secretary of health and environment shall assess annually the need in the state as a whole for medical services provided by persons engaged in the practice of medicine and surgery and shall report thereon annually to the legislature. Each report shall include any recommendations for needed legislation, including any recommended amendments to this act, which relate to the need for such medical services in the various areas of this state.

Sec. 2. K.S.A. 76-375 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: Kansas Water Office Bill No. — Bill Sec. —

Analyst: Goering Analysis Pg. No. 184 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>
All Funds:			
Reservoir Payments	\$ 1,815,807	\$ 1,812,688	\$ —
Other State Operations	1,271,025	1,264,776	(2,150)
TOTAL	<u>\$ 3,086,832</u>	<u>\$ 3,077,464</u>	<u>\$ (2,150)</u>
State General Fund:			
Reservoir Payments	\$ 1,815,807	\$ 1,812,688	\$ —
Other State Operations	1,271,025	1,264,776	(2,150)
TOTAL	<u>\$ 3,086,832</u>	<u>\$ 3,077,464</u>	<u>\$ (2,150)</u>
F.T.E. Positions	24.75	22.75	—

Agency Request/Governor's Recommendation

The agency's revised FY 1985 expenditure estimate exceeds by \$18,736 the level approved by the 1984 Legislature and Finance Council. The increase is attributable in its entirety to moneys reappropriated from FY 1984 for operation and maintenance payments on federal reservoirs. The increase constitutes a contingency expenditure for which the 1984 Legislature provided a mechanism; consequently no additional action is required to authorize expenditure of these moneys.

The Governor recommends an FY 1985 budget which is \$9,368 more than the current approved spending level. The recommendation includes \$15,617 in expenditures from reappropriated savings for operation and maintenance payments on federal reservoirs. Offsetting this increase is a net reduction of \$6,249 in other expenditures. The Governor's recommendation also deletes 2.0 F.T.E. positions for which no funding is included in the revised FY 1985 estimate.

Senate Subcommittee Recommendation

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

1. Reduction of \$2,150 for office rent costs. The Governor's recommendation assumes that the agency's rent will increase from \$6.00 per square foot to \$7.50 per square foot for the last four months of FY 1985. The Subcommittee learned that the agency's new lease is currently being renegotiated and therefore recommends funding at the current rate pending the outcome of those negotiations.
2. The Subcommittee recommends reappropriation of FY 1985 savings to reduce FY 1986 appropriations.

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The Subcommittee also learned that the agency does not plan to expend \$2,000 included in the FY 1985 recommended budget for a research plan on the interaction of surface and groundwater in streams. Also, a contract for which the Governor has recommended \$8,000 in FY 1985 has actually been negotiated for \$6,000. However, the Subcommittee learned that the agency expects a significant overexpenditure in printing costs during FY 1985 because of publication of the State Water Plan. Therefore, the Subcommittee does not recommend elimination of these savings in the current fiscal year.

Senate Committee Recommendation

The Committee concurs with the recommendations of the Subcommittee.

Senate Committee of the Whole Recommendation

The Senate concurs with the Committee's recommendation.

House Subcommittee Recommendation

<u>Expenditure Summary</u>	<u>Senate Adjustments to Gov. Rec.</u>	<u>Total Senate Recommend.</u>	<u>House Subcommittee Adjustment</u>
All Funds:			
Reservoir Payments	\$ —	\$ 1,812,688	\$ —
Other State Operations	(2,150)	1,262,626	5,164
TOTAL	<u>\$ (2,150)</u>	<u>\$ 3,075,314</u>	<u>\$ 5,164</u>
State General Fund:			
Reservoir Payments	\$ —	\$ 1,812,688	\$ —
Other State Operations	(2,150)	1,262,626	2,664
TOTAL	<u>\$ (2,150)</u>	<u>\$ 3,075,314</u>	<u>\$ 2,664</u>
F.T.E. Positions	—	22.75	—

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

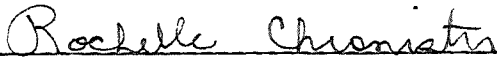
1. Restoration of \$1,089 for office rent. This adjustment provides adequate funding to finance the renegotiated lease rate of \$6.76 per square foot effective April 1, 1985.
2. Deletion of \$3,800 in State General Fund expenditures recommended by the Governor to purchase the following audiovisual equipment items:

35mm camera and zoom lens	\$ 350
Slide projector/viewer	700
16mm film projector	800
Video cassette monitor	400
Video cassette recorder/player	750
Video recording camera	800
Total	<u>\$3,800</u>

The Subcommittee recommends that the Kansas Water Office consult with the Conservation Commission and the Division of Water Resources to determine the audiovisual equipment currently available among the three agencies. The Subcommittee is open to consideration of funding for audiovisual equipment items which are not presently available to the three agencies either in the Omnibus appropriation bill or in the budget request submitted to the 1986 Legislature.

2. The Subcommittee notes that the agency intends to use microcomputers for word processing in lieu of the present word processing equipment, for which \$3,579 is budgeted in FY 1985 to complete its lease-purchase. However, the expenditures recommended by the Governor for purchase of the microcomputer equipment do not take into account the value of the used word processor. The Subcommittee therefore recommends an increase of the FY 1985 expenditure limitation on the Conversion of Materials and Equipment Fund by \$2,500, assuming the agency can generate that amount by selling the used word processing equipment. The Subcommittee recommends a comparable reduction in the State General Fund expenditures recommended by the Governor for FY 1985 purchase of four microcomputers and related equipment items.
3. Addition of \$24,122 from the State General Fund for printing expenditures. The Subcommittee learned that the agency had spent \$27,116 for printing costs as of March 11, 1985, which is significantly more than the Governor's recommendation of \$20,185. The recommended adjustment would provide a total printing budget of \$44,307 for FY 1985, based upon a revised estimate submitted by the agency to the Subcommittee. Of the total printing costs for FY 1985, the agency now estimates that \$40,882 will be necessary for printing costs associated with the State Water Plan.
4. Deletion of \$6,868 in State General Fund expenditures for communications. This adjustment is based upon annualizing actual expenditures of \$9,723 as of March 11, 1985 and would provide a total of \$14,585 for FY 1985 communications expenditures, of which \$8,841 is for KANS-A-N expenses. Actual expenditures in FY 1983 and FY 1984 were \$17,561 and \$17,860 respectively for communications.
5. Reduction of \$75 for repairs and servicing, based upon actual expenditures of \$1,143 as of March 11, 1985. This adjustment would provide a total of \$1,068 for repairing and servicing for the current fiscal year.
6. Reduction of \$2,415 in travel and subsistence expenditures. This adjustment provides a total of \$48,297 for travel costs, which is the total expended for travel in FY 1984.

7. Deletion of \$2,000 in Fees-Other Contractual Services for a contract expense for planning stream/aquifer interaction research which the agency has indicated will not be incurred in FY 1985.
8. Deletion of \$30 for maintenance materials, supplies, and parts, based on actual expenditures of \$60 as of March 11, 1985. The Governor's recommendation included \$120 for such purchases. The Subcommittee's recommended adjustment provides a total of \$90 for such costs.
9. Deletion of \$1,671 for professional and scientific supplies, based upon actual costs of \$232 as of March 11, 1985. The Subcommittee's adjustment provides a total of \$348 for such expenses in FY 1985. Actual FY 1984 costs were \$490. The reduction includes \$1,500 which had been recommended by the Governor for purchase of audiovisual supplies.
10. Deletion of \$1,188 in expenditures for purchase of stationery and office supplies, based upon actual purchases totaling \$3,378 as of March 11, 1985. This adjustment allows total expenditures of \$5,067 in FY 1985. Actual FY 1984 expenditures were \$4,718.
11. Reduction of \$2,000 for contract expenditures recommended by the Governor for a study of the water marketing program. The Governor had recommended \$8,000 for this purpose in FY 1985. However, the agency reports that the actual contract amount is \$6,000.



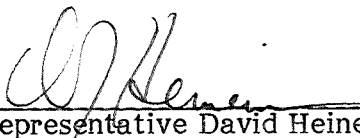
Representative Rochelle Chronister
Subcommittee Chairman



Representative Bill Bunten



Representative Lee Hamm



Representative David Heinemann



Representative Don Mainey

SUBCOMMITTEE REPORT

Agency: Kansas Water Office Bill No. 87 Bill Sec. 8
 Analyst: Goering Analysis Pg. No. 184 Budget Pg. No. 5-45

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Recommendation</u>
All Funds:			
Reservoir Payments	\$ 1,835,654	\$ 1,836,296	\$ —
Other State Operations	1,288,978	1,421,240	(53,760)
TOTAL	<u>\$ 3,124,632</u>	<u>\$ 3,257,536</u>	<u>\$ (53,760)</u>
State General Fund:			
Reservoir Payments	\$ 1,835,654	\$ 1,836,296	\$ —
Other State Operations	1,288,978	1,421,240	(53,760)
TOTAL	<u>\$ 3,124,632</u>	<u>\$ 3,257,536</u>	<u>\$ (53,760)</u>
F.T.E. Positions	22.0	22.0	—

Agency Request/Governor's Recommendation

The agency's request of \$3,257,536 for FY 1986 proposes deletion of 2.0 F.T.E. currently vacant positions as well as an administrative assistant for the Chairman of the Kansas Water Authority, for which nine months' funding was approved for FY 1985. The request includes \$2,838 for DISC data processing services to develop a data system to assist in managing Kansas river basin systems. Also requested is a total of \$276,508 to finance contract agreements with the U.S. Geological Survey. Included in the request is \$47,300 for office rent costs, assuming a rate of \$11.00 annually per square foot.

The Governor's recommendation includes financing for 22.0 F.T.E. positions. The recommendation deletes requested funding for development of a river basin management data system. The Governor does recommend \$200,000 from the State General Fund for water research, a portion of which is to be used for research on the Dakota Aquifer. The Governor's recommendation includes \$32,250 for office rent expenses, assuming a lease rate of \$7.50 per square foot for FY 1986.

Senate Subcommittee Recommendation

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

1. Deletion of \$2,136 from the amount recommended by the Governor for USGS contract agreements.
2. Reduction of \$6,450 for office rent costs and \$57 for conference room rent costs. The Subcommittee learned the agency's office space lease is currently being renegotiated. The Subcommittee recommends funding for the current lease rate of \$6.00 per square foot for the office and \$6.50 for the conference room until such time as lease negotiations are completed. Because the conference room lease will not expire until late FY 1986, the 1986 Legislature may need to adjust this expenditure item at that time.

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3. Deletion of \$3,180 recommended by the Governor for a utility surcharge on leased office space in FY 1986. The amount necessary, if any, for this purpose is contingent on the outcome of lease negotiations which have not yet been completed.
4. Reduction of \$1,937 for unemployment insurance, applying a 0.24 percent rate rather than 0.54 percent as recommended by the Governor.
5. Reduction of \$40,000 for water research. The Subcommittee recommends a total of \$160,000 for water research, of which \$99,000 is for research on the Dakota Aquifer and \$61,000 for research on stream/aquifer interaction. The Subcommittee emphasizes that these funds are intended only as a one-year commitment. The Subcommittee expects the agency to submit a status report on these research projects to the 1986 Legislature, at which time consideration may be given to funding for future years.
6. Revisions to the appropriation bill format to reflect the appropriation line items as adopted by the 1984 Legislature. The Subcommittee recommends reappropriation of any FY 1985 savings to FY 1986.

The Subcommittee learned that the agency has experienced difficulty in obtaining final reports from U.S.G.S. related to services performed under contract with the state. For example, as of November 29, 1984, the Water Office had not yet received the final report from U.S.G.S. on the data collection program for FY 1982. The Subcommittee commends the agency on its efforts to achieve cooperation from U.S.G.S. by refusing to enter into any new cooperative agreements or to release encumbered funds for these projects until all outstanding final reports on prior contract agreements have been provided to the state. The Subcommittee recommends that the 1986 Legislature review the status of these contract arrangements. If full cooperation has not been achieved by that time, the Subcommittee would urge the 1986 Legislature to remove all funding for U.S.G.S. contracts from the budget.

Senate Committee Recommendation

The Committee concurs with the recommendations of the Subcommittee with the addition of the following remarks:

1. The Committee expresses concern about the need to coordinate overlapping functions of agencies such as the Kansas Water Office, Kansas Corporation Commission, and the Department of Health and Environment regarding water and, in particular, water research. It appears that in some cases several agencies are conducting research on the same or similar areas of interest.
2. The Committee expresses concern about the extent to which the Kansas Water Office relies on the U.S. Geological Survey for contractual services rather than the Kansas Geological Survey. The Committee urges the Kansas Water Office to utilize the services of the Kansas Geological Survey whenever possible rather than U.S.G.S., the parallel federal agency.

House Subcommittee Recommendation

<u>Expenditure Summary</u>	<u>Senate Adjustments to Gov. Rec.</u>	<u>Total Senate Recommend.</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
Reservoir Payments	\$ —	\$ 1,836,296	\$ —
Other State Operations	(53,760)	1,367,480	(35,171)
TOTAL	<u>\$ (53,760)</u>	<u>\$ 3,203,776</u>	<u>\$ (35,171)</u>
State General Fund:			
Reservoir Payments	\$ —	\$ 1,836,296	\$ —
Other State Operations	(53,760)	1,367,480	(134,171)
TOTAL	<u>\$ (53,760)</u>	<u>\$ 3,203,776</u>	<u>\$ (134,171)</u>
F.T.E. Positions	—	22.0	—

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

1. Addition of \$3,365 for office rent expenditures. This adjustment finances the renegotiated lease which will be effective April 1, 1985. The total allows a rate per square foot of \$6.76 for July 1, 1985 through March 31, 1986 and \$6.85 per square foot for April 1, 1986 through June 30, 1986. Because the new lease rates include utilities, no adjustment is necessary for utility surcharge expenditures.
2. Shift in financing of \$99,000 recommended by the Senate for research on the Dakota aquifer from the State General Fund to the Conservation Fee Fund. The Subcommittee recommends inclusion of a subsection in the Kansas Water Office appropriation bill to direct the Division of Accounts and Reports to transfer this sum from the balances of the Conservation Fee Fund to a new special revenue fund for the Kansas Water Office. A proviso is to be attached to the special revenue fund to restrict expenditure of the transferred moneys solely for the purpose of conducting water research on the Dakota aquifer. The Subcommittee learned that there is concern that oil and gas drilling has caused pollution of water in the aquifer. The Subcommittee has previously recommended the introduction of legislation to permit expenditure of the Conservation Fee Fund for such purposes.
3. Appropriation in a separate State General Fund line item of \$61,000 for research on the interaction of surface and groundwater in streams. This amount was recommended by the Senate as a part of the other operating expenditure line item.
4. Deletion of the proviso recommended by the Governor which limits to \$2,000 the amount which may be expended by the Water Office for incidental other operating expenditures of the Chairman of the Kansas Water Authority. The Subcommittee concurs with the inclusion of this

expenditure amount, but recommends that no restrictions be placed on the amount which may be expended for such support. The Subcommittee's intent is that the office provide necessary assistance to the Chairman, either by reimbursing the Chairman for secretarial services, rent costs, and/or other operating expenses or by providing such services in-house.

5. Reduction of \$9,388 for communications expenditures. This adjustment provides a 17.8 percent increase to the agency's FY 1985 expenditure estimate of \$8,841 for KANS-A-N costs, for a total of \$10,415 for KANS-A-N expenses in FY 1986. The remainder of the budgeted amount for communications is recommended to be reduced to the amount of \$5,744 recommended by the Subcommittee for non-KANS-A-N communications expenses in FY 1985. The total recommended for FY 1986 communications expenditures is \$16,159. The agency's actual expenditures for communications totaled \$17,561 in FY 1983 and \$17,860 in FY 1984.
6. Reduction of \$2,213 for printing expenditures. The total recommended by the Subcommittee for FY 1986 printing is \$19,000. The Subcommittee is of the opinion that this sum should be sufficient to finance printing of new and revised components of the State Water Plan as well as river basin planning documents.
7. Reduction of \$1,936 for purchase of stationery and office supplies. The Subcommittee recommends a total of \$5,244 for such expenditures in FY 1986, which is a 3.5 percent increase above the Subcommittee's recommended amount of \$5,067 for FY 1985.
8. The Subcommittee notes that the billings for operating and maintenance costs associated with the state's share of water storage in federal reservoirs include no information regarding the method used by the Corps of Engineers to compute the state's cost. The Subcommittee therefore urges the agency to require detailed information from the Corps of Engineers to justify the amounts paid by the state each October 1. The Subcommittee intends to review this matter during the 1986 Legislative Session. If adequate justification is not provided by the Corps to the agency in support of the payments due on October 1, 1985, the Subcommittee would give serious consideration to addition of a proviso to condition payment of operating and maintenance costs in FY 1987 on receipt of detailed justification from the Corps of Engineers.
9. Reduction of \$1,739 for travel expenditures, allowing a total of \$49,987 for FY 1986. The Subcommittee's recommendation is 3.5 percent above its recommendation for FY 1985 of \$48,297.
10. Reduction of \$23,260 for contract payments to the U.S. Geological Survey, in addition to the reduction of \$2,136 recommended by the Senate. The amount recommended by the Subcommittee for FY 1986 is \$251,112, which is equal to the sum recommended by the Subcommittee for FY 1985 less one-time expenses included in the current fiscal year estimate. The Subcommittee also encourages the agency to consider whether part of this contract agreement should be open for bids by other interested agencies. In the past, it appears that the contract has been automatically renewed with the U.S. Geological Survey.




Representative Rochelle Chronister
Subcommittee Chairman



Representative Bill Bunten

Representative Lee Hamm



Representative David Heinemann



Representative Don Mainey

Agency: Animal Health Department Bill No. _____ Bill Sec. 3Analyst: Hunn Analysis Pg. No. 153 Budget Pg. No. 5-17

<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	\$ 1,543,917	\$ 1,487,841	\$ (7,037)
Other Assistance	—	—	—
TOTAL	<u>\$ 1,543,917</u>	<u>\$ 1,487,841</u>	<u>\$ (7,037)</u>
State General Fund:			
State Operations	\$ 450,000	\$ 330,189	\$ (6,567)
Other Assistance	—	—	—
TOTAL	<u>\$ 450,000</u>	<u>\$ 330,189</u>	<u>\$ (6,567)</u>
F.T.E. Positions	40.0	40.0	—

Agency Request/Governor's Recommendation

The agency's request would essentially maintain the current level of operations. The request provides for the elimination of two funds no longer needed, the consolidation of three fee funds into one fund, and the elimination of the Tuberculosis Indemnification account. The agency requests \$450,000 from the State General Fund for its FY 1986 operations, which would fund 29.2 percent of the budget.

The Governor's recommendation provides financing of \$330,189 from the State General Fund of 22.2 percent of the total recommended budget. The Governor's recommendation reduces expenditures in the areas of travel and brucellosis testing. The Governor's recommendation also changes seven county inspector positions from a salary and wage expenditure to a contractual service and deletes fringe benefits for these positions. The Governor also recommends changes in the funds structure as requested by the agency.

Senate Subcommittee Recommendations

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

1. Deletion of \$4,584 in State General Fund expenditures for communications. The Subcommittee recommends that this amount be reappropriated to reduce FY 1986 State General Fund appropriations.

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

1. Deletion of \$5,173 in State General Fund expenditures for communications. This reduction is based on recommendations of the Joint Subcommittee on Telecommunications which projects a 17.8 percent increase in KANS-A-N costs.

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2. Deletion of \$1,394 in salary and wage expenditures from the State General Fund and \$470 in salary and wage expenditures from the Livestock Brand Fees Fund. This adjustment corrects miscalculations included in the Governor's recommendation.
3. The Subcommittee concurs with the Governor's recommendation to budget the county option inspector payments as a contractual service rather than a salary and wage item. The Subcommittee notes that there may be some savings in this area as fringe benefits will no longer be paid to these inspectors.
4. The Subcommittee notes that the Governor's recommendation to merge three funds and eliminate two other funds and the Tuberculosis Indemnification Account would require statutory changes. The Subcommittee concurs with the Governor's recommendations on these fund changes, but notes that no bills have been introduced to this effect. The Subcommittee recommends that bills be introduced which would allow these changes and that, until such bills are adopted, the appropriations language for this agency should reflect existing law.

Senate Committee Recommendations

The Senate Committee concurs with the Subcommittee report.

House Subcommittee Recommendations


<u>Expenditure Summary</u>	<u>Senate Adjustments to Gov. Rec.</u>	<u>Total Senate Recommend.</u>	<u>House Subcommittee Recommendation</u>
All Funds:			
State Operations	\$ (7,037)	\$ 1,480,804	\$ (1,738)
Other Assistance	—	—	—
TOTAL	<u>\$ (7,037)</u>	<u>\$ 1,480,804</u>	<u>\$ (1,738)</u>
State General Fund:			
State Operations	\$ (6,567)	\$ 323,622	\$ (1,738)
Other Assistance	—	—	—
TOTAL	<u>\$ (6,567)</u>	<u>\$ 323,622</u>	<u>\$ (1,738)</u>
F.T.E. Positions	—	40.0	—

FY 1985. The Subcommittee concurs with the Senate recommendations with the following adjustment:

1. Reduce travel expenditures from the Livestock Brand Fee Fund by \$3,644. Based on a review of travel expenses for the first seven months, it appears there will be savings in travel for the Brand Regulation program.

FY 1986. The Subcommittee concurs with the Senate recommendations with the following adjustment:

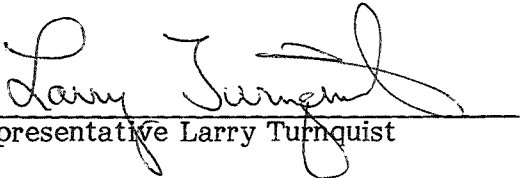
1. Reduce travel expenditures from the State General Fund by \$1,738 based on the revised estimate for FY 1985.



Representative Harold Guldner
Subcommittee Chairman



Representative Harold Dyck



Representative Larry Turnquist