

Approved 3-11-86
Date

MINUTES OF THE House COMMITTEE ON Ways and Means

The meeting was called to order by Chairman Buntен at
Chairperson

1:30 ~~xxx~~/p.m. on Tuesday, March 4, 1986 in room 514-S of the Capitol.

All members were present except: Representative Helgerson (excused)

Committee staff present: Jim Wilson, Revisor's Office
Gloria Timmer, Research Department
Laura Howard, Research Department
Sharon Schwartz, Administrative Aide
Nadine Young, Committee Secretary

Conferees appearing before the committee: None
See Attachment A, Guest List

Chairman Buntен called the meeting to order at 1:30 p.m.

Chairman turned to consideration of subcommittee reports in HB 2760.

DEPARTMENT OF REVENUE - HOMESTEAD PROPERTY TAX, HB 2760, Section 2
Representative Chronister presented the subcommittee report. Subcommittee concurs with \$8,200,000 estimate of payments in FY 1987. On a motion by Representative Chronister and a second by Representative Mainey, the subcommittee report was adopted. (see Attachment B)

DEPARTMENT ON AGING, HB 2760, Section 3
Representative Ott presented the subcommittee FY 86 report. Subcommittee concurs with Governor's recommendations with several adjustments (see Attachment C). Representative Duncan advised the committee that a house bill needs to be introduced to increase the state expenditure limitation on training programs for \$35,649 relating to the Alzheimer's Task Force, however, our federal expenditure authority for the \$10,000 in training funds expires on 3-31-86. He then offered a motion that this portion be included and a bill be introduced and recommended it be reported favorable for passage and be placed on the consent calendar. Chairman suggested that the bill be sent direct to the Committee of the Whole. Seconded by Representative Ott. Motion carried. (See Attachment D-Memo from K-DOA)

Representative Ott then moved that the subcommittee report be adopted. It was seconded by Representative Shriver. Motion carried.

DEPARTMENT ON AGING, HB 2760, Section 5
Representative Duncan presented the subcommittee report for FY 1987 (see Attachment E).

Representative Heinemann raised the question of whether or not the committee has a policy on recommending enactment of house bills before committee has had an opportunity to study them. Representative Duncan responded by saying the bills had just been introduced, and as a courtesy of the Task Force, it was done to let the public and everyone know that these bills are out there. He also said that with the exception of about \$10,000 funding for telephone system, there is no SGF impact on these bills.

Representative Chronister offered a motion to delete those items from the subcommittee report that refer to house bills outside this committee. Representative Turnquist seconded. Representative Duncan suggested deleting reference to the House Bill numbers and insert language "consideration of the enactment of this legislation, so the programmatic language remains in the report".

Representative Chronister objected because this committee does not know what these bills contain or the fiscal impact.

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 Tuesday, March 4, 1986

Representative Duncan offered a substitute motion to remove any language that refers to a specific house bill number and enactment of the bill, then replace that language with "consideration be given to recommendation of the Task Force". Seconded by Representative Solbach.

Representative Chronister agreed to this recommendation on the substitute motion.

The motion carried.

Funding Recommendations, Item 5

There was discussion concerning the addition of \$144 for a maintenance agreement to cover four telephones. Representative Heinemann offered a motion to remove the \$144 funding from the report. Seconded by Representative Rolfs. Motion carried.

Representative Duncan commented that with this motion passed, perhaps committee should consider doing the same thing in all other budgets, meaning the maintenance agreement for telephones would be cancelled for other budgets. He also asked to go on record as being opposed to taking out the maintenance contract because he believes it's much more economical than having to pay a service call every time there's a problem with a telephone.

Representative Heinemann moved that \$1,008 for a maintenance agreement for 28 key telephones (Item 2e) be deleted from the report. Seconded by Representative Turnquist. Motion carried.

Representative Chronister moved to remove Item 1b (\$23,419 for salary increases) and Item 5 of the last page (\$4,607) on the basis that no decision has been made as to what this will actually amount to. Representative King seconded. If this funding is left in the budget, then at the time the pay plan distribution is made, they would be double funded. The motion carried.

Representative Duncan moved that the subcommittee report, as amended, be adopted. Seconded by Representative Ott. Motion carried.

DEPARTMENT OF HEALTH & ENVIRONMENT

Representative Shriver presented the subcommittee report for FY 1986 and being no discussion, moved that it be adopted. (see Attachment F) Representative Ott seconded. Motion carried.

Representative Duncan presented the FY 1987 subcommittee report (Attachment G).

Representative Chronister raised for discussion the eight (8) new positions in the Oil Field and Environmental Geology section. She asked Representative Duncan if he had considered whether or not some positions could be transferred due to the fact there is a decrease of activity in this area.

Representative Duncan replied that all high priority rated positions had been considered. The concept of the 498 program is still unsettled and it is not known if H & E will continue to govern the Bureau of Oil and Geology after this session and subcommittee would like to see this issue left to the Senate side.

Representative Chronister pointed out to the committee that there is a recommendation of \$25,000 from conservation fee fund to complete a study of the Sandstone Aquifer, and she wanted to advise the committee that that request will be denied by the committee on corporation commission.

Representative Chronister offered a motion that the four (4) positions already present in the Field Services Division be removed (because of decrease in activity), and that those people be given the opportunity to apply for transfer to fill the four (4) new positions for the underground injection control program. Representative King seconded.

Representative Duncan objected because UIC program involves several different phases which require different classes of inspectors. Representative Hamm also opposed the motion because of his concern for pollution.

On a hand vote, the motion failed.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means

room 514-S, Statehouse, at 1:30 a.m./p.m. on Tuesday, March 4, 1986

A letter signed by Representative Justice was handed out to committee members which asks for \$988,000 to be included in the budget for prenatal care (see Attachment H). Representative Wisdom made a motion to include this in the budget. Seconded by Representative Solbach. Motion failed.

Representative Fuller offered a motion that a paragraph be added to the report to indicate that the subcommittee did discuss prenatal care and subcommittee encourages committee to keep the subject alive. Seconded by Representative Duncan. Motion carried.

Representative Duncan moved that the subcommittee report, as amended, be adopted. Seconded by Representative Ott.

Representative Chronister offered a motion that the \$190,000 from state general fund to "Aid to Local Units" - Public Health Programs", be used instead for prenatal care. Representative Wisdom seconded. Motion failed.

Representative Lowther moved that Items 7 and 9 be removed from the subcommittee report. Representative Louis seconded. Motion failed.

Representative King then moved that the \$190,000 to "Aid to Local Units" be deleted from the budget and left in SGF and that neither program be funded, since the committee seems to be divided on the issue of prenatal care versus Aid to Local Units. Representative Lowther seconded. On a hand vote, the motion failed.

Representative Duncan then moved that the subcommittee report, as amended, be adopted. Seconded by Representative Ott. Motion carried.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

Representative Rolfs presented the subcommittee report for FY 1986 (Attachment I). Several adjustments were made in the budget. Being no discussion he moved for adoption of the report. Seconded by Representative Fuller. Motion carried.

Representative Rolfs also presented the report for FY 1987 and moved that it be adopted. Seconded by Representative Wisdom. Motion carried. (see Attachment J).

Note: See Attachment K for general report concerning programmatic and financial recommendations, and the subcommittee's recommendations covering the next five years.

Note: Department of Social and Rehabilitation Services" Budget in Brief" prepared by the Office of the Secretary is available in the Ways and Means office. The report is too bulky to include with the Minutes.

MENTAL HEALTH & RETARDATION SERVICES

Representative Duncan presented the FY 1987 subcommittee report. There was considerable discussion regarding this budget, and due to the lateness of the day, Chairman Bunten made the decision to adjourn for the day and continue with this report tomorrow at 1:30. (See Attachment L for report)

Meeting adjourned at 5:00 p.m.

Date _____

Name _____

Address _____

Representing _____

LARRY FISHER

COFFEYVILLE, KS

MEDICALDONES INC

HERB MOSIER

Newton, KS

Probiotic / Amos

SUBCOMMITTEE REPORT

Agency: Department of Revenue
Homestead Property Tax

Bill No. 2760

Bill Sec. 2

Analyst: Efird

Analysis Pg. No. I-429

Budget Pg. No. 2-37

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
Other Assistance: State General Fund	\$ 8,200,000	\$ 8,200,000	--

FY 1986 Agency Request/Governor's Recommendation

The consensus estimate of November 1985 is \$8,200,000 and the Governor concurs with the estimated payments.

FY 1986 House Subcommittee Recommendation

The Subcommittee concurs with the \$8,200,000 estimate of payments in FY 1986.

FY 1987 Agency Request/Governor's Recommendations

The consensus estimate of November 1985 is \$8,200,000. The Governor concurs with the estimate for payments in FY 1987.

FY 1987 House Subcommittee Recommendations

The Subcommittee concurs with the \$8,200,000 estimate of payments in FY 1987.

*Z. W. M.
3/4/86*

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Rochelle Chronister
Representative Rochelle Chronister
Chairperson

Bill Bunten
Representative Bill Bunten

Lee Hamm
Representative Lee Hamm

David Heinemann
Representative David Heinemann

Don Mainey
Representative Don Mainey

SUBCOMMITTEE REPORT

Agency: Department on Aging **Bill No.** 2801 **Bill Sec.** 3
Analyst: Holt **Analysis Pg. No.** 500 **Budget Pg. No.** 2-1

<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	\$ 1,098,289	\$ 1,089,076	\$ (24,903)
Other Assistance	10,942,196	10,676,553	(165,664)
TOTAL	<u>\$12,040,485</u>	<u>\$11,765,629</u>	<u>\$ (190,567)</u>
State General Fund:			
State Operations	\$ 519,461	\$ 510,998	\$ (7,908)
Other Assistance	1,428,495	1,208,002	7,908
TOTAL	<u>\$ 1,947,956</u>	<u>\$ 1,719,000</u>	<u>\$ 0</u>
FTE Positions	28.3	28.3	--

House Subcommittee Recommendations

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

1. Shift \$7,908 from the State General Fund from agency operations to the OAA Nutrition program. This would be accomplished by making the following adjustments:
 - a. Reduce \$2,323 (\$2,059 from the State General Fund; \$264 from federal funds) for capital outlay expenditures. Expenditures for the key telephone system were less than the agency had anticipated.
 - b. Add \$768 (\$672 from the State General Fund; \$96 from federal funds) for a maintenance agreement for the agency's key telephone system.
 - c. Reduce \$1,775 from the State General Fund for office space rental expenditures.
 - d. Reduce \$6,346 from the State General Fund for salary savings.
 - e. Add \$1,600 from the State General Fund for professional services (Administration Program).

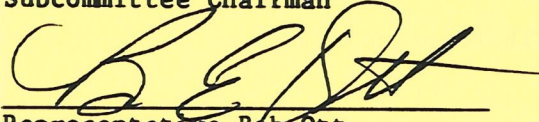
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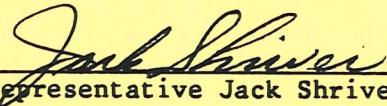
2. Shift \$2,555 in JTPA federal funds from operations to other assistance. This shift results from salary savings.
3. Add \$38,645 in federal USDA funds to reflect a restoration of \$36,802 in reimbursements and an increase in the number of OAA meals to be reimbursed under the Subcommittee's FY 1986 proposal for financing the OAA Nutrition program.
4. The Subcommittee notes that due to Gramm-Rudman-Hollings, federal Older Americans Act (OAA) funds will be reduced by \$229,212 in FY 1986. This reduction includes \$14,440 for agency administration. Due to current fiscal constraints, the Subcommittee recommends that this shortfall not be offset by additional State General Fund support and that the agency develop a contingency plan to address retrenchment.



Representative Sanford Duncan
Subcommittee Chairman



Representative Bob Ott



Representative Jack Shriver

KANSAS DEPARTMENT ON AGING



610 West 10th
Topeka, Kansas 66612-1616
Phone: 913-296-4986



JOHN CARLIN
Governor

JOYCE V. ROMERO
Secretary of Aging

TO: Representative Sandy Duncan

FROM: Joyce V. Romero *JVR*

DATE: March 4, 1986

RE: Expenditure Limitation Increase - Federal Training Funds

1985 H.B. 2619 (Omnibus Bill adjustments), increased by \$50,000 from \$387,349 to \$437,349 the expenditure limitation for state operations on the Older Americans Act federal fund. This increase financed the research and staffing associated with the Alzheimer's Task Force which the Secretary of Aging was directed to establish in FY-1986, pursuant to H.C.R. 1618.

qbl
After the '85 Session, when the funds were actually received, \$40,000 were OAA federal funds; \$10,000 were federal training funds.

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The State Expenditure Limitation on training programs set at \$35,649 does not allow for the expenditure of the additional \$10,000 in federal training funds for the Alzheimer's Task Force.

1986 H.B. 2801 contains the following: "The expenditure limitation established by the state finance council on the training programs--federal fund is hereby increased from \$35,649 to \$45,649."

However, our federal expenditure authority for the \$10,000 in training funds terminates on March 31, 1986. It is not estimated that HB 2801 will be acted on by that time.

The Department has already expended the \$10,000 in support of the Alzheimer's Task Force.

We would request any action which would expedite the increase in the expenditure limitation on training programs, federal funds, from \$35,649 to \$45,649.

Thank you.

JVR:pal

J. J. L. M.
3/4/86

D

SUBCOMMITTEE REPORT

Agency: Department on Aging

Bill No. 2760

Bill Sec. 5

Analyst: Holt

Analysis Pg. No. 500

Budget Pg. No. 2-1

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,322,469	\$ 1,115,764	\$ (61,496)
Other Assistance	<u>11,226,625</u>	<u>10,552,874</u>	<u>(170,394)</u>
TOTAL	<u>\$12,549,094</u>	<u>\$11,668,638</u>	<u>\$ (231,890)</u>
State General Fund:			
State Operations	\$ 808,887	\$ 628,734	\$ (47,380)
Other Assistance	<u>1,962,576</u>	<u>1,349,025</u>	<u>116,602</u>
TOTAL	<u>\$ 2,771,463</u>	<u>\$ 1,977,759</u>	<u>\$ 69,222</u>
FTE Positions	36.3	28.3	--

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations for FY 1987 with the following adjustments:

A. Programmatic Recommendations

1. Task Force Recommendations on Alzheimer's and Related Diseases.
The Subcommittee endorses the following proposed legislation and recommendations included in the Task Force's Final Report.

- a. Enactment of 1986 H.B. 3063 which would allow married couples to divide their shared assets, so that the property of the healthy spouse is not subject to any computation for determining the ill spouse's eligibility for medical assistance. Current property law in Kansas considers all property of a married couple to be joint property and spouses are responsible for each other's care until all resources are depleted.
- b. Enactment of 1986 H.B. 3064 which would amend existing Kansas insurance laws to require that all health care policies sold in Kansas include an option for insurance coverage of long-term care. At present, the high

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cost of nursing home care coupled with the lack of Medicare and other coverage can rapidly deplete a family's resources.

- c. Enactment of 1985 HCR 5015 with an amendment to include all patients with Alzheimer's Disease and related disorders. This bill directs the Secretaries of Aging, Health and Environment, and Social and Rehabilitation Services to jointly develop a Long Term Care Commission. The Subcommittee recommends that the Department on Aging cooperate with the Silver Haired Legislature and area agencies on aging in appointing volunteers to staff the Commission. The issue of funding the Commission is addressed in Section B(2)f.
- d. The Subcommittee notes that 1985 H.B. 2491, the Older Kansans Senior Care Act, was not passed by the House Public Health and Welfare Committee. This bill would have required that affordable and accessible home and community-based care alternatives be made available to such adults. The Subcommittee takes no position on this Task Force recommendation.
- e. Enactment of 1986 H.B. 3051, which directs the Secretary of Aging to make grants and loans to entities to provide in-home and out-of-home respite care programs in areas which lack community-based long term care programs. Although the Subcommittee supports the intent of this legislation, funding will not be available in the agency's budget to finance such grants in FY 1987.
- f. Enactment of 1986 S.B. 690 which requires the Secretary of Aging to use the existing toll-free telephone system to impart information and provide referrals on Alzheimer's and related diseases. The issue of funding this recommendation is addressed in Section B(1)a.
- g. Enactment of 1986 S.B. 691 -- the Alzheimer's Disease Assistance Act -- which would provide for the establishment of at least three regional Alzheimer's disease assistance centers and community-based services in designated regional medical facilities, including the University of Kansas Medical Center, to assist patients afflicted with Alzheimer's Disease and related disorders and their families. Due to prevailing fiscal constraints no State General Fund support is recommended for this purpose in FY 1987.
- h. Enactment of 1986 H.B. 3062 which prohibits insurers providing medical disability income protection coverage from discriminating against victims of Alzheimer's and related diseases.

- i. Use by physicians of a diagnostic protocol, developed by the Task Force, to evaluate and diagnose demented patients. It is recommended that this protocol be disseminated through state and county-level medical societies.
 - j. Research and development of protocols to be used in postmortem examinations for confirming diagnoses of progressive degenerative organic dementias. According to the Task Force, such protocols would further research on the treatment and nature of Alzheimer's Disease and related disorders.
 - k. Assurance by governing, licensing, and certifying bodies of all professionals -- physicians, registered nurses, LPNs, attorneys, social workers, physical therapists, pharmacists, clergy, and others -- that basic and continuing education be offered on Alzheimer's Disease and related disorders.
 - l. Development by appropriate state agencies of a series of statewide forums to educate the public and families of Alzheimer's victims about all aspects of the disease and related disorders.
 - m. Designation of an existing medical school library to serve as a resource center for the collection and dissemination of all current scientific data on Alzheimer's Disease and related disorders.
2. The Subcommittee recommends that the Department on Aging and area agencies publicize through posters and other means the National Eye Care Project sponsored by the Foundation of the American Academy of Ophthalmology. This project, to commence on or after March 31, 1986, would enable needy elderly Kansas residents to receive eye care at no direct charge. Program funding would come entirely from the private sector through contributions from the Academy of Ophthalmology, ophthalmologists, individual donors and major corporations.
 3. The Subcommittee notes that OAA federal funds will be reduced by \$305,616 in FFY 1986 due to Gramm-Rudman-Hollings, and that additional, perhaps more drastic, reductions may be realized in FFY 1987. (The Department's preliminary figures estimate the next reduction to be as much as \$1.7 million.) In addition, federal funds from other sources may be affected. Given existing fiscal constraints, however, the state's ability to appreciably replace in FY 1987 possible federal reductions with State General Funds is unlikely. Therefore, the Subcommittee recommends that the agency develop a contingency plan to prorate moneys for FY 1987 for the OAA Nutrition program. In setting

priorities, the agency should consider whether a local tax levy or equivalent revenue source contributes to the support of the program. The Subcommittee recommends that those communities which benefit from the program but have made minimal or no commitment to applying levied resources to program support should be the first to realize reductions.

4. The Subcommittee recommends that all congregate nutrition sites post a sliding-scale contribution schedule which lists income ranges and apposite contribution amounts. Federal law permits this, and testimony presented to the Subcommittee indicated that certain sites already post such schedules in Kansas. The low and high income ranges should not be any lower in FY 1987 than corresponding ranges established for FY 1986.

B. Funding Recommendations


1. Increase of 3.5 percent or \$69,222 from the State General Fund above the recommended amount of \$1,977,759 for FY 1987. The Subcommittee proposes State General Fund expenditures as follows:
 - a. Add \$10,000 for printing and communications associated with increased use of the agency's toll-free line to disseminate information about Alzheimer's Disease and related disorders. This was recommended by the Task Force on Alzheimer's Disease and related disorders (see Section A(1)f).
 - b. Add \$23,419 to be reserved for salary increases.
 - c. Add \$35,803 for the agency's nutrition programs, to be divided equally between the OAA Nutrition program and the state-funded In-Home Nutrition program.
2. Shift \$80,799 from the State General Fund from state operations to the agency's nutrition programs, to be divided equally between the OAA Nutrition program and the state-funded In-Home Nutrition program. This would be accomplished by making the following adjustments:
 - a. Reduce \$2,870 for KANS-A-N expenditures.
 - b. Reduce \$9,512 for office space rent. This reduction assumes that the agency will remain at its present quarters in the Forbes Building until April 1, 1987, at which time it would relocate to the State Office Building.

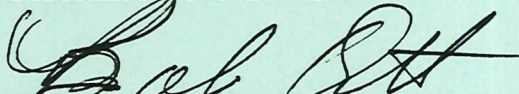
- c. Add \$3,850 for costs associated with the agency's move (\$2,250) and the reinstallation of telephones (\$1,600).
 - d. Restore \$1,725 for KPERS to increase the rate to 4.3 percent.
 - e. Add \$1,008 for a maintenance agreement for 28 key telephones.
 - f. Delete \$75,000 for the recommended Long Term Care Commission, which included \$55,301 for salaries of three twelve-months positions and \$19,699 for associated operations. The Subcommittee supports the formation of such a Commission and its objectives but notes that prevailing fiscal constraints and the higher priority of nutrition programs prevent it from funding the Commission at the present time.
3. The effect of the proposed additional support and funding shift addressed above, totaling \$116,602, would be the addition of \$58,301 from the State General Fund for each nutrition program. The table on the following page reflects the Subcommittee's proposed adjustments:

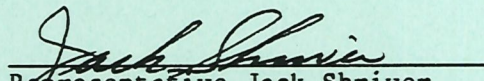
Nutrition Programs

<u>OAA Nutrition Program</u>	<u>FY 85 Act.</u>	<u>FY 86 Appr.</u>	<u>FY 86 Req.</u>	<u>FY 86 DOB</u>	<u>FY 86 House Sub-Committee</u>	<u>FY 87 C</u>	<u>FY 87 GBR</u>	<u>FY 87 House Sub-Committee</u>
No. of Meals	3,582,037	3,530,221	3,700,165	3,582,037	3,590,875	3,700,165	3,582,037	3,590,875
Cost Per Meal	\$ 2.738	\$ 2.867	\$ 2.774	\$ 2.774	\$ 2.771	\$ 2.857	\$ 2.857	\$ 2.802
Total Funds Needed	9,808,669	10,121,144	10,264,804	9,936,570	9,949,383	10,571,365	10,233,880	10,061,632
Financing								
Fed. OAA Funds	3,952,173	4,505,625	4,323,583	4,323,583	4,244,400	4,123,745	4,398,307	4,126,614
Fed. USDA Funds	1,921,838	1,832,388	1,777,786	1,732,636	1,771,281	1,885,676	1,825,476	1,829,980
Local Cash Support	687,493	717,900	731,860	731,860	738,433	731,860	731,860	738,433
Participant Con.	2,616,142	2,544,281	2,752,640	2,664,677	2,671,351	2,752,640	2,664,677	2,671,252
State General Fund	631,023	520,950	678,935	483,814	523,918	1,077,444	613,560	695,353
Low Income In-Home Nutrition Program								
No. of Meals	194,674	201,370	210,000	201,370	201,370	226,800	201,370	226,829
Cost Per Meal	\$ 2.13	\$ 3.36	\$ 2.26	\$ 2.234	\$ 2.234	\$ 2.33	\$ 2.29	\$ 2.29
State General Fund	413,643	475,232	475,232	449,860	449,860	528,444	461,137	519,438
Transportation Cost								
State General Fund	<u>172,424</u>	<u>332,313</u>	<u>174,328</u>	<u>174,328</u>	<u>142,132</u>	<u>181,688</u>	<u>174,328</u>	<u>150,836</u>
TOTAL - STATE GENERAL FUND	\$ 1,217,090	\$ 1,328,495	\$ 1,328,495	\$ 1,108,002	\$ 1,115,910	\$ 1,787,576	\$ 1,249,025	\$ 1,365,627

4. As noted above, the House Subcommittee's recommendation would provide for the addition of 8,838 OAA meals above the recommended number in FY 1986 and FY 1987. Moreover, this recommendation would also provide for the addition of 25,459 in-home meals to low-income elderly above the recommended number in FY 1987. The Subcommittee recommends that the agency, as its first priority, require communities presently offering in-home meals service to increase their service level to adequately meet the needs of recipients. Once the agency determines that the nutritional needs of the low-income elderly in those communities are sufficiently met through this program, the agency is advised to expand its in-home meals services to other communities. Conference testimony indicated that certain communities may be able to absorb some of the increased costs of providing in-home meals. The agency may exercise flexibility in shifting State General Funds to the OAA program, should it determine that the needs for in-home nutrition are adequately met.
5. Shift \$5,150 in federal funds from other assistance to agency operations, to include the addition of \$399 for the restoration of KPERS to 4.3 percent, \$144 for the maintenance agreement for four telephones, and \$4,607 for a 3.5 percent increase for federally-funded salaries.
6. Reduce \$305,616 in federal OAA funds which includes \$19,266 for agency operations. This assumes that the same amount will be reduced in FFY 1987 as in FFY 1986.
7. Add \$4,504 in federal USDA funds to reflect an increase in the number of OAA meals to be reimbursed under the Subcommittee's FY 1987 proposals for financing the nutrition program.


Representative Santford Duncan
Subcommittee Chairman


Representative Bob Ott


Representative Jack Shriver

SUBCOMMITTEE REPORT

**Agency: Department of Health
and Environment**

Bill No. —

Bill Sec. --

Analyst: Timmer

Analysis Pg. No. 481

Budget Pg. No. 6-1

<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	\$25,828,866	\$25,872,007	\$ 3,716
Aid to Local Units	6,518,654	6,529,917	--
Other Assistance	8,500,000	8,500,000	--
TOTAL	<u>\$40,847,526</u>	<u>\$40,901,921</u>	<u>\$ 3,716</u>
State General Fund:			
State Operations	\$13,978,432	\$13,635,140	\$ --
Aid to Local Units	1,294,432	1,294,432	--
Other Assistance	--	--	--
TOTAL	<u>\$15,272,864</u>	<u>\$14,929,581</u>	<u>\$ --</u>
FTE	606.23	604.23	--

House Subcommittee Recommendations

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

1. Expenditure limitation increase of \$3,716 to allow expenditure of \$46,966 from the federal Early Childhood Developmental Services Grant. The increase will allow the Department to spend carryover funds from FY 1985.

264.86

D. H. Timmer
3/4/86

4

SUBCOMMITTEE REPORT

Agency: Department of Health
and Environment

Bill No. 2760

Bill Sec. 4

Analyst: Timmer

Analysis Pg. No. 481

Budget Pg. No. 6-1

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$37,058,801	\$28,716,697	\$ (92,500)
Aid to Local Units	10,624,385	7,222,455	190,000
Other Assistance	11,008,770	9,958,770	--
TOTAL	<u>\$58,691,956</u>	<u>\$45,897,922</u>	<u>\$ 97,500</u>
State General Fund:			
State Operations	\$17,947,710	\$45,897,922	\$ (92,500)
Aid to Local Units	4,448,893	1,149,432	190,000
Other Assistance	1,050,000	--	--
TOTAL	<u>\$23,446,603</u>	<u>\$14,588,429</u>	<u>\$ 97,500</u>
FTE Positions	736.0	626.7	(1.0)

House Subcommittee Recommendations

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

1. The Subcommittee recommends that a proviso be added to the line item appropriation for "Aid to Local Units -- Child Care Licensure Inspection" which will allow KDHE to contract with private contractors to obtain licensure services when the local units of government are not willing to provide the licensure services. The Subcommittee understands that approximately \$6,000 will be shifted from Aid to Local Units to state operations to implement the contracts.
2. The Subcommittee concurs with the Governor's recommended appropriation format for the federal grants which limits the state operations expenditure and provides "no limit" appropriations for other expenditures such as grants to local units. The Subcommittee notes that federal funding levels are extremely difficult to predict and this format provides the Department with flexibility while limiting the state operations funding.
3. The Subcommittee learned that the Department will be moving some bureaus to the Santa Fe Building in FY 1987, and that Building 321 is to be vacated in March, 1987. However, the Subcommittee

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understands that remodeling of the cafeteria area in Building 740 (old hospital building) will have to be completed before Building 321 can be abandoned. The Subcommittee understands that supplemental funding of \$29,000 is included in the Department of Administration's budget for FY 1986 to plan the remodeling of Building 321 and that construction funds are included in the Department of Administration's FY 1987 budget. The Subcommittee recommends that the projects be funded.

4. During the 1985 Session, the Subcommittee approved several new federally funded positions for the Department with the proviso that they all be in the unclassified service so that if the federal funding was no longer available the positions would be deleted. The Subcommittee understands that a category of "limited term appointment" exists within the classified state service and that positions in this category can be directly related to a particular purpose such as continued existence of a federal grant. The Subcommittee notes that this category may appropriately be used for the federally funded positions at Health and Environment and recommends that the positions approved for FY 1986 and any additional federally funded positions approved for FY 1987 be placed in the category "limited term appointment." The Subcommittee concurs with the Governor's recommendation of 15 new federally funded positions for FY 1987.
5. The Subcommittee recommends that a proviso be added to the Preventive Health Block Grant which requires that the grant made to the Crime Victims Reparation Board for rape prevention programs be not less than \$35,952, the amount of the current grant. The Subcommittee believes that the rape prevention program is very important and that it should be held harmless from any funding reductions due to Gramm-Rudman-Hollings or any other federal funding cuts.
6. The Subcommittee recommends that one Public Health Nurse III position be reinstated to the Well Family Health Program to coordinate the Migrant Health Program. The Governor's recommendations deletes all positions in the Southwest Regional Migrant Health Office and requires migrant health services to be provided through contracts with local providers. The Subcommittee's recommendation allows for the coordination of the program by the public health nurse and for the provision of services through contractual arrangements.
7. The Subcommittee recommends the introduction of a bill which will allow the Secretary to collect license and application fees from retail food stores currently being inspected by the Department. The Subcommittee understands that the Department conducts inspections of food stores under the authority of the Kansas Food, Drug, and Cosmetic Act for environmental sanitation, product adulteration, and misbranding. The Department does not, however, have licensing authority. The Subcommittee recommends that an across-the-board license fee of \$40 be collected and

notes that approximately \$160,000 in fee revenue could be generated. The Subcommittee also recommends that an application fee not to exceed \$100 be collected as a part of the licensing program. The Subcommittee notes that the inspections are already being done and the recommendations would allow the State to collect fees for that work.

8. The Subcommittee held a public hearing for the Preventive Health Block Grant and Maternal and Child Health Block Grant on February 19, 1986, in order to meet federal public hearing requirements.
9. The Subcommittee recommends the introduction of a bill to amend K.S.A. 65-3407(c) to allow the Secretary to establish fees to cover the costs of the solid waste storage, treatment, processing, or disposal area permit program. Fees would be established through rules and regulations and based on the quantity of materials to be processed. The Subcommittee recommends that all facilities, with the exception of state agencies, be subject to the provisions of the bill and that a cap of \$2,500 per year for a facility or area permit be included in the bill. The Subcommittee understands that the current fee for a permit is \$50 and that it applies only to private facilities. In addition, the Subcommittee understands that all facilities, private and publicly owned, are currently monitored and that the monitoring program costs an estimated \$64,000 a year.
10. The Subcommittee recommends that \$190,000 from the State General Fund be added to the "Aid to Local Units -- General Public Health Programs" to provide a total of \$1,044,506 for these programs in FY 1987.
11. The Subcommittee concurs with the Governor's recommendation of 2.5 additional FTE to be assigned to the Data Processing Department. The Subcommittee recommends the deletion of \$60,072 and two FTE, an Architect III and an Environmental Technician III, to offset the recommended positions.
12. The Subcommittee recommends that the Power Generating Facility Fee Fund be abolished effective at the close of FY 1987 and that any balance be transferred to the State General Fund in keeping with previous transfers of fee funds to the State General fund. The Subcommittee understands that the final transfer of \$18,050 necessary to repay the loan made from the State General Fund to the fee fund in FY 1979 and 1980 will be completed in FY 1987. The Subcommittee believes that the monitoring program currently being conducted by the Department is duplicative and unnecessary.


The Subcommittee therefore recommends these changes in the Power Generating Facility monitoring activities:

- a. Elimination of all monitoring activities currently conducted by the Secretary and introduction of

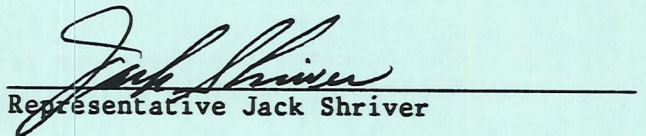
- legislation which would require the utilities to conduct monitoring activities as directed by the Secretary;
- b. Separation of all nuclear and coal fired monitoring activities and introduction of legislation to accomplish that separation.
 - c. Implementation of a random desk audit program to be conducted by Health and Environment. The Department would be responsible for the oversight of all monitoring activities conducted by the utilities through audits of the paperwork which will be maintained by the utilities.
13. The Subcommittee recommends the introduction of a bill which will amend K.S.A. 65-204 to allow the cap for a county mill levy for the funding of local health department to be raised to 2 mills from the current .5 mills. The Subcommittee also recommends that a protest petition of 10 percent be included in the bill. The Subcommittee heard testimony from representatives from local health departments describing funding difficulties under the 12-year-old limit and requesting these statutory changes.
14. Addition of a proviso to the hazardous waste cleanup fund to allow the fund to be used for water cleanup activities.
15. The Subcommittee recommends the deletion of \$32,428 from the State General Fund for data processing costs. The Subcommittee notes that the House Subcommittee which reviewed the Department of Administration budget identified savings in the DISC budget which will impact other state agencies through the reduction of data processing changes.



Representative Santford Duncan,
Subcommittee Chairman



Representative Bob Ott



Representative Jack Shriver

STATE OF KANSAS



TOPEKA

HOUSE OF
REPRESENTATIVES

March 4, 1986

NORMAN E. JUSTICE
REPRESENTATIVE, THIRTY-FOURTH DISTRICT
WYANDOTTE COUNTY
506 WASHINGTON BLVD
KANSAS CITY, KANSAS 66101-2222

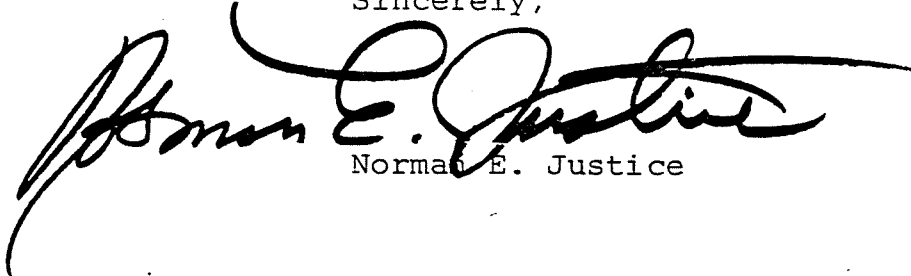
COMMITTEE ASSIGNMENTS
RANKING MINORITY MEMBER ELECTIONS
MEMBER TRANSPORTATION
UTILITIES
NATIONAL CONFERENCE OF STATE
LEGISLATORS
LEGISLATIVE ORGANIZATION AND
MANAGEMENT COMMITTEE
NATIONAL BOARD MEMBER NATIONAL BLACK
CAUCUS OF STATE LEGISLATORS

Dear Members of House Ways and Means Committee:

I appeared before you last year about this time to speak about my concern regarding black infant mortality as black babies die at two times the rate of white babies in our state. Many of these deaths could be prevented if the mother had received comprehensive prenatal care.

I am hospitalized and unable to appear this afternoon but wanted you to hear my message--my plea for healthy babies. Please pass favorably on the Governor's recommendation for funding prenatal care. You have an opportunity to act positively--to prevent needless deaths and disability. I urge you to take this opportunity. Include \$988,000 for prenatal care as recommended by the Governor in his investment budget. Invest in Kansas women and children. The return is great for all Kansans.

Sincerely,



Norman E. Justice

Z. H. M.
3/4/86

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SUBCOMMITTEE REPORT

**Agency: Department of Social and
Rehabilitation Services**

Bill No. 2801

Bill Sec. 4

Analyst: Hauke

Analysis Pg. No. 430

Budget Pg. No. 2-39

<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	\$113,978,362	\$112,409,055	\$ 309,391
Local Aid	16,556,377	16,556,377	--
Other Assistance	405,981,303	407,451,085	--
Subtotal - Operating	<u>\$536,516,042</u>	<u>\$536,416,517</u>	<u>\$ 309,391</u>
Capital Improvements	3,702,959	3,768,082	--
TOTAL	<u>\$540,219,001</u>	<u>\$540,184,599</u>	<u>\$ 309,391</u>
State General Fund:			
State Operations	\$ 48,037,516	\$ 46,618,825	\$ (11,948)
Local Aid	13,420,025	13,420,025	--
Other Assistance	195,337,190	195,222,241	--
Subtotal - Operating	<u>\$256,794,731</u>	<u>\$255,261,091</u>	<u>\$ (11,948)</u>
Capital Improvements	--	--	--
TOTAL	<u>\$256,794,731</u>	<u>\$255,261,091</u>	<u>\$ (11,948)</u>

House Subcommittee Recommendations

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

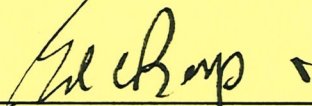
1. The Subcommittee learned that during FY 1985 approximately \$799,897 less was expended from the Social Service Block Grant than was available for expenditure. As a consequence that amount is available for expenditure during FY 1986 and was not included in the resource computations upon which the revised budget is based. The Subcommittee recommends use of this funding as follows:
 - a. to offset shortages in the homemaker program of \$230,903 which are further detailed in Item No. 2.
 - b. to offset less than anticipated turnover savings of \$95,943 in social services field operations, which are further detailed in Item No. 3; and
 - c. use of the remaining \$473,051 to minimize Social Service Block Grant reductions, that will result from Gramm-Rudman during FY 1986.

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2. The Subcommittee reviewed expenditures associated with the Homemaker Program, which is an important factor in containing nursing home costs. Salary expenditures are exceeding the Governor's revised FY 1986 budget by \$332,097 at a minimum. Travel and subsistence expenditures appear to be below budget by \$101,194, partially offsetting the salary and wage deficit. The net deficit is \$230,903 when salary and travel expenditures are combined. As mentioned in Item No. 1, the Subcommittee recommends that this deficit be financed, using the Social Service Block Grant carryover funds. In financing this deficit, the Subcommittee notes that total nursing home expenditures in the Governor's revised FY 1986 medical budget are \$116,312 less than the approved FY 1986 budget. The success of the Homemaker program is directly related to preventing nursing home placements.
3. The Subcommittee reviewed area office social service staff expenditures. Salary expenditures will exceed the revised FY 1986 budget by \$126,764. Those salary expenditures are partially offset by estimated savings of \$30,821 in the travel and subsistence budget. The Subcommittee recommends that the net deficit of \$95,943 be financed with FY 1985 carryforward Social Service Block Grant Funding.
4. The Subcommittee reviewed area office Income Maintenance expenditures. A minimum FY 1986 salary and wage deficit of \$384,331 appears in this category, due to less than anticipated turnover. The Subcommittee highlights this as an area which may require attention at a later date. The Subcommittee notes that SRS has implemented a hiring freeze in this category, the financial impact of which is not yet known. Income Maintenance is the first line of defense against fraud and abuse. Therefore, the Department should place a high priority on filling these positions, over all others.
5. The Subcommittee reviewed expenditures in Area Office Administration. A minimum salary and wage deficit of \$109,064 will occur, however, savings of \$126,519 in the telecommunications budget, largely due to KANS-A-N savings will offset this deficit. The Subcommittee recommends that the FY 1986 budget be reduced by the net savings of \$17,455, of which \$11,948 is from the State General Fund.
6. The Subcommittee reviewed expenditures in the Governor's revised FY 1986 recommendations for AFDC cash assistance. Recent computations were reviewed, including expenditure data on March 1 assistance checks. The most recent projection would forecast a deficit of approximately \$929,000, of which \$464,500 would be from the General Fund. The Subcommittee highlights this as an area that may require further review. Nevertheless, the deficit appearing at this time is approximately 1 percent of the total AFDC budget. The Subcommittee believes that a minor reduction in caseloads could erase this deficit and recommends we keep our fingers crossed.

7. The Subcommittee reviewed FY 1986 Medical Assistance expenditures in great detail, including the \$9,958,493 supplemental appropriation in the Governor's revised recommendation. Based upon actual expenditures through February, it appears possible that the Medical budget will exceed the revised FY 1986 budget. However, the share of expenditures attributable to state funds appears relatively close to the budget. Nevertheless, this expenditure category should be closely-monitored throughout remaining months of the fiscal year.
8. A deficit of approximately \$1,474,170 appears in the General Assistance Program, based upon expenditures through March 1. This estimated deficit is 12.6 percent of the revised FY 1986 budget, a proportion that is unlikely to be recovered due to minor caseload reductions which typically occur during the spring.
 - a. The Subcommittee observes a deficit totaling \$801,550 in the General Assistance Unrestricted program, which may need to be addressed during the remainder of this legislative session.
 - b. The Subcommittee observes a TGA deficit of \$672,620 in the absence of programmatic changes. The Subcommittee is recommending two programmatic changes, as discussed in the FY 1987 report. The Subcommittee recommends that those programmatic changes be implemented on May 1. The abovementioned TGA deficit would be reduced by \$367,539 due to limiting TGA to a program of six months duration, based upon data indicating that 43 percent of TGA clients had been recipients for more than six months. The deficit would be further reduced by \$20,430, based upon data indicating that 4.2 percent of recipients had not been Kansas residents for at least six months. Once these adjustments are made, the Subcommittee observes that the TGA deficit could be reduced to approximately \$284,651. Nevertheless, a deficit appears in both programs which may need to be addressed during the remainder of this legislative session.



Representative Ed Rolfs
Subcommittee Chairman



Representative Wanda Fuller



Representative Bill Wisdom

SUBCOMMITTEE REPORT

**Agency: Department of Social and
Rehabilitation Services**

Bill No. 2760

Bill Sec. 3

Analyst: Hauke

Analysis Pg. No. 430

Budget Pg. No. 2-39

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87*</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$127,232,498	\$113,950,183	\$ (171,451)
Local Aid	20,412,933	16,568,799	--
Other Assistance	<u>417,231,774</u>	<u>406,678,236</u>	<u>9,295,943</u>
Subtotal - Operating	\$564,877,205	\$537,197,218	\$ 9,124,492
Capital Improvements	<u>9,191,910</u>	<u>1,170,713</u>	--
TOTAL	<u><u>\$574,069,115</u></u>	<u><u>\$538,367,931</u></u>	<u><u>\$ 9,124,492</u></u>
State General Fund:			
State Operations	\$ 55,620,133	\$ 47,512,921	\$ 21,614
Local Aid	17,226,508	13,420,025	--
Other Assistance	<u>208,222,959</u>	<u>192,800,526</u>	<u>7,564,326</u>
Subtotal - Operating	\$281,069,600	\$253,733,472	\$ 7,585,940
Capital Improvements	--	--	--
TOTAL	<u><u>\$281,069,600</u></u>	<u><u>\$253,733,472</u></u>	<u><u>\$ 7,585,940</u></u>
FTE Positions	3,011.4	2,872.9	3.0

* Includes impact of Governor's Budget Amendment No. 1.

House Subcommittee Recommendations

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

1. In accordance with the maintenance goals described in Item No. 3 of the SRS systemwide report, the Subcommittee recommends partial restoration of the Transitional General Assistance Program. The Subcommittee believes the program should be truly transitional and therefore recommends that TGA benefits be limited to six months in a 12-month period, a change that will allow a FY 1987 expenditure reduction totaling \$1,612,202, of which \$848,430 would be cash assistance and \$763,772 would be medical assistance.

The Subcommittee recommends imposition of a six-month residency requirement on the TGA program, as a condition of eligibility. This change allows a FY 1987 expenditure reduction totaling \$339,871, of which \$178,859 would be cash assistance and \$161,012 would be medical assistance. Complete restoration of the TGA program would require expenditure of \$6.8 million. The

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Subcommittee's recommendations involve FY 1987 expenditure of \$4,878,600 from the General Fund, of which \$2,719,930 is cash assistance and \$2,158,670 is medical assistance. A table following this report details the Subcommittee recommendations concerning TGA.

2. The Subcommittee learned that the federal government has imposed a 50 percent matching requirement on administration of the commodity distribution program known as TEFAP, effective January 1, 1987. On its tours of soup kitchens, the Subcommittee learned that the commodities are an important source of nutrition to many low income individuals. The Subcommittee recommends expenditure of \$90,144 from the General Fund during FY 1987 to finance this matching requirement. Although considered administration, the portion of this program reflected in the state budget is actually contractual costs associated with transporting and storing commodities.
3. Consistent with its recommendations concerning employment the Subcommittee observes the need for an effective day care program. Accordingly, the Subcommittee recommends that the day care budget be increased by \$738,628 from the State General Fund. Of this amount, the Subcommittee is recommending that \$194,788 be expended for a 5 percent increase in day care reimbursement rates and \$543,840 be expended to increase the number of day care slots by 330. The Subcommittee believes the rate increase will facilitate assuring the availability of day care facilities for SRS clients. The additional slots will assist in keeping low-income persons from the assistance rolls or allow employment of ADC parents.
4. In accordance with its recommendations concerning employment, the Subcommittee believes that the Jobs Club programs should be given additional emphasis. Therefore, the Subcommittee recommends an increase of \$120,000 in expenditures from the General Fund for the Jobs Club program. The Subcommittee learned that a problem for the Jobs Club staff surrounds the need to purchase remedial education services or supplies for clients, to facilitate their employment. Therefore, the Subcommittee recommends that \$60,000 of the increase it is recommending be expended for remedial education services or supplies. The Subcommittee recommends that the remaining \$60,000 be expended for 3.0 FTE positions to expand the Jobs Club program, with emphasis on a mobile jobs club that would serve several small offices .
5. Consistent with its recommendations concerning Income Maintenance, the Subcommittee reaffirms the need for an effective fraud and abuse prevention program. Accordingly, the Subcommittee recommends addition of \$100,000, of which \$57,910 is from the General Fund and \$42,090 is from federal funds to the Income Maintenance staffing activities. The Subcommittee believes this funding is necessary to allow filling of income maintenance positions, which are important in fraud discovery.

6. As detailed in its goals concerning Medical Services, the Subcommittee believes the overall percentile limit or fifth capitation is unduly restrictive on the reimbursement of nursing homes. The Subcommittee is recommending that this fifth cap be phased out over a two-year period. Accordingly, the Subcommittee recommends addition of \$822,965 in FY 1987, of which \$411,483 would be from the State General Fund. Additionally, SRS reserve days are not paid if a facility has more than five vacant beds, a policy that is probably appropriate for smaller nursing homes. Nevertheless, this policy, contained in agency service manuals, is unduly restrictive on a few very large homes. The Subcommittee recommends that the agency pursue a less restrictive policy for homes having more than 200 beds.
7. In accordance with its goal of moving toward financing needs established in the minimum subsistence budget, the Subcommittee recommends a 3 percent increase in cash grants for ADC and Unrestricted General Assistance clients. This recommendation is implemented as follows:
 - a. increase the AFDC budget by \$2,640,270, of which \$1,320,135 is from the State General Fund; and
 - b. Increase the General Assistance budget by \$215,480, from the State General Fund.
8. The Subcommittee notes the adoption of the data processing recommendations of the Subcommittee on the Department of Administration and commends the Subcommittee for their excellent efforts. Therefore, the FY 1987 SRS data processing budget is reduced by \$186,217, of which \$105,957 is from the State General Fund.
9. The Subcommittee endorses Governor's Budget Amendment No. 1, concerning SRS. This budget amendment reduces the Medical Assistance Budget by \$718,312, of which \$359,156 is from the General Fund, due to delayed implementation of 24-hour licensed nursing care in adult care homes. That amendment increases the AFDC budget by \$616,590, of which \$308,295 is from the General Fund to reflect annualization of a FY 1986 mid-year cash grant increase. The net impact of Governor's Budget Amendment No. 1 is a \$101,722 decrease, of which \$50,861 is from the State General Fund.
10. The Subcommittee reviewed KANS-A-N telecommunications expenditures and recommends a decrease of \$205,234 to the Area Administration Communications budget, of which \$140,483 is from the General Fund. This recommendation is consistent with systemwide recommends made by the Subcommittee reviewing Department of Administration expenditures.

Ed Rolfs

Representative Ed Rolfs
Subcommittee Chairman

Wanda Fuller

Representative Wanda Fuller

Bill Wisdom

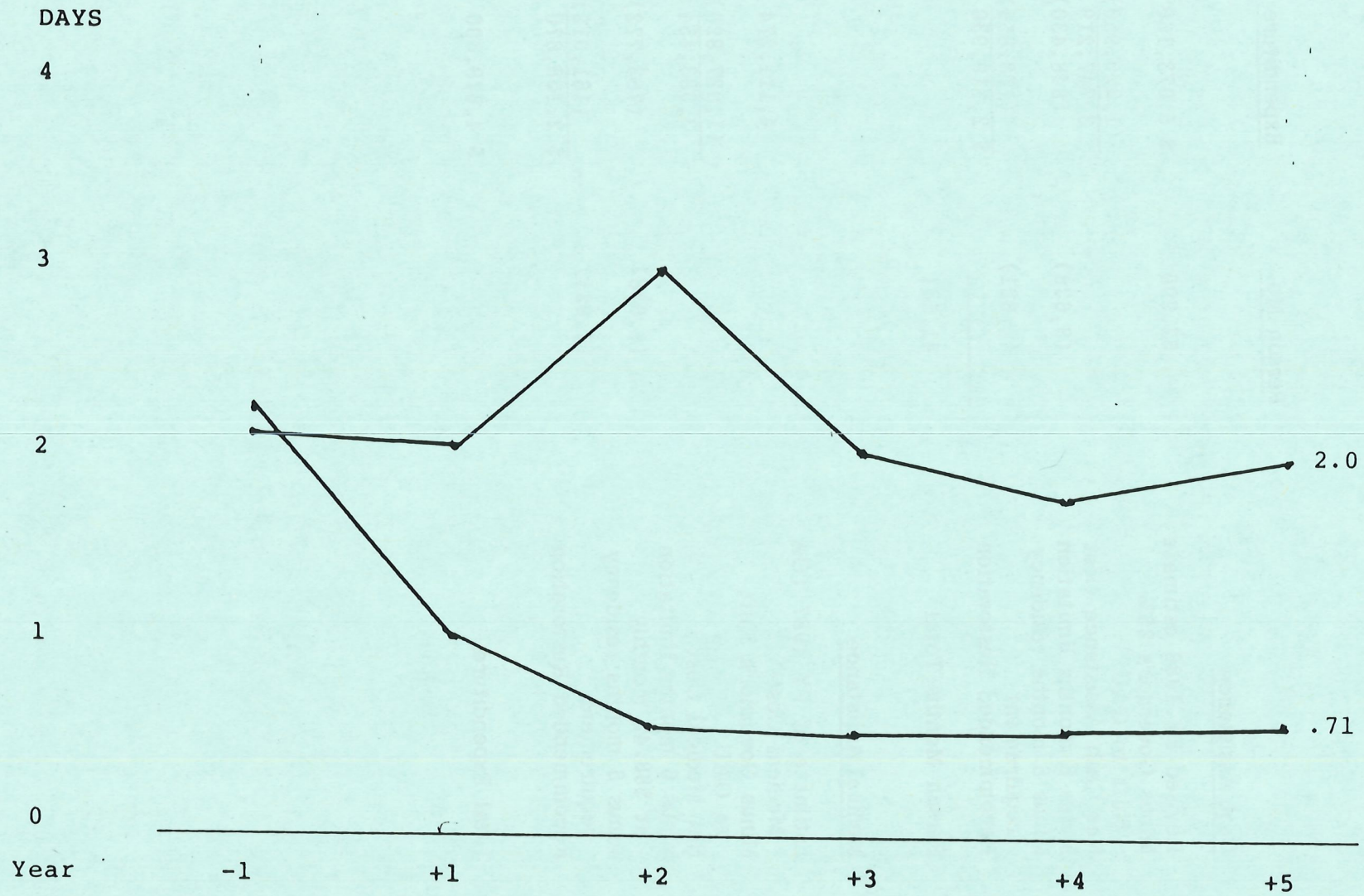
Representative Bill Wisdom

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TRANSITIONAL GENERAL ASSISTANCE
HOUSE WAYS AND MEANS SUBCOMMITTEE RECOMMENDATION

	<u>Person Mo.</u>	<u>Expenditure</u>
<u>Cash Assistance</u>		
Revised FY 1986 estimate	52,000	\$ 5,073,169
Minus Governor's 25% Shift to GAU		<u>(1,325,950)</u>
Net Cash Assistance Cost		3,747,219
Minus 6 months limitation	(8,638)	(848,430)
Minus 6 months residency requirement	(1,821)	<u>(178,859)</u>
Recommended Restoration	<hr/>	\$ 2,719,930
 Person Months Total	 41,541	
 <u>Medical Assistance</u>		
Estimate of FY 1987 TGA Medical Cost		4,111,274
Minus Governor's Shift to GAU		<u>(1,027,820)</u>
Net Medical Cost		3,083,454
Minus 6 months limitation at \$88.42 monthly	(8,638)	(763,772)
Minus 6 months residency requirement	(1,821)	<u>(161,012)</u>
Recommended Restoration		\$ 2,158,670
 Total Expenditure		 \$ 4,878,600

KAISER INSURANCE STUDY
HOSPITAL UTILIZATION
PSYCHOTHERAPY VS CONTROL GROUP



SUBCOMMITTEE REPORT SUBMITTED TO HOUSE WAYS
AND MEANS COMMITTEE

March 5, 1986

The Subcommittee submits both programmatic and financial recommendations. The financial recommendations are submitted in the traditional subcommittee report format, following this narrative. Prior to reviewing those strictly financial calculations and decisions, the Subcommittee believes it is important to reflect upon the human aspect of SRS programs, which the Subcommittee has observed during its review of this budget. The Subcommittee conducted numerous Statehouse meetings, hearings, and deliberations which traditionally underlie consideration of a major budget. The Subcommittee also toured SRS offices, local social service agencies, and talked with past and present SRS recipients. A fundamental conclusion to this Subcommittee is that no-one establishes as a goal becoming a welfare recipient. Further, few of those on welfare enjoy that status and even fewer wish to remain clients of SRS. Accordingly, the Subcommittee believes it is appropriate to establish certain goals which are in the best interests of both needy citizens and state government. The Subcommittee recommends during the next five years the agency and the Legislature should direct their efforts to five basic goals, which are listed in priority order as follows:

1. Employment;
2. Children;
3. Maintenance;
4. Medical Assistance; and
5. Services to the Mentally Ill and Mentally Retarded.

1. Employment. The Subcommittee views as top priority programs which encourage or mandate employment of SRS clients. Satisfactory employment opportunities are a key to breaking the cycle of dependence on welfare programs. Although many efforts have been directed toward encouraging employment, certain factors hinder employment. The Subcommittee wishes to highlight both the pluses and minuses.

For several years SRS has required its General Assistance clients to participate in "workfare" projects, known as work experience programs. Since 1981, SRS has taken advantage of changes in federal statute, allowing this program to be extended to recipients of Aid to Families with Dependent Children (AFDC). The Subcommittee observed welfare recipients participating in such work projects, both at local SRS offices and at church-

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operated food distribution centers. The Subcommittee learned that many clients view the work projects as giving them a sense of dignity since they are earning their assistance. In most cases the work projects have bolstered a clients self confidence to a level allowing them to become employed and self-sufficient. References made to a recent national study by the Manpower Demonstration Research Corporation, mention that clients have not found workfare programs to be as punitive as critics initially feared. The Subcommittee endorses and encourages continuation and expansion of Community Work Experience concepts.

Further, SRS operates Jobs Search and Jobs Club programs in six counties. Through these programs clients are taught job seeking skills and actually make employment contacts, while under the supervision of SRS staff. The Subcommittee learned that the rate of job location due to such programs is approximately 40 percent of participants. During FY 1985, grant reductions resulting from the Jobs Club program were approximately \$1.6 million, allowing approximately \$3.27 in savings for each dollar expended.

Nevertheless, impediments to employment exist within the present array of programs. When the Subcommittee inquired among clients and staff of factors impeding employment, a lack of child care emerged as a frequent response. A recent study by SRS reflects a waiting list of 405 income eligible families needing day care services. Additionally few school districts offer day care to allow teen parents to complete their high school education. Further, terminating AFDC also terminates medical benefits, among families having only normal medical needs. These factors sometimes combine to cause an AFDC family to terminate employment to obtain a medical card when children become ill. Transportation is also a problem in the employment of needy persons. Finally the cost of day care is directly proportional to regulations of the Department of Health and Environment. The Subcommittee recommends policies be adopted that address these employment limiting factors.

Finally, the Subcommittee notes that many tax incentives exist for businesses employing low-income persons. The existence of these benefits cause employment of cash assistance clients to be a bargain in many cases. Nevertheless, these incentives are not widely recognized among employers or have unrealistic paperwork requirements. The Subcommittee urges agencies involved with these programs to more widely advertise the availability of these incentives and to streamline administration of them.

2. Children. The Subcommittee believes that programs to adequately provide services to juveniles, are a key investment in breaking a chain of welfare dependence. The Subcommittee learned of national studies indicating that over 40 percent of the people living below poverty level are less than 18 years of age. Community social service staff emphasized to this Subcommittee the problems associated with teenage pregnancy and

its impact on the welfare dependency cycle, particularly when pregnant teens drop out of school. The Subcommittee learned of the acceptance of teen pregnancy among some low-income groups and the lack of sanctions imposed upon teen fathers. The Subcommittee believes that programs are in order which seek to reduce teen pregnancy and assure availability of continued educational opportunities for those teens who do become pregnant. The Subcommittee learned that Wisconsin has recently enacted legislation to address many of the problems observed by the Subcommittee. Included in this legislation are provisions requiring that: (1) grandparents be financially responsible for a child if the parents are below the age of majority; (2) school districts offer modified programs for school age parents, enabling continued school attendance; and (3) financing for school districts that offer specialized programs to school age parents. The Subcommittee recommends introduction of a similar bill in Kansas.

The Subcommittee reviewed the \$22.9 million foster care budget. Several alternatives to foster care exist and out-of-home placement should be a last resort. Certain juveniles are still detained in adult jails, a practice that should be discontinued.

3. Income Maintenance. The Subcommittee believes that a major component of the SRS program will continue to be provision of maintenance assistance. The Subcommittee believes that such assistance should be limited to the deserving needy. Accordingly, this Subcommittee previously recommended additional staffing for fraud and abuse investigation programs. The Subcommittee highlights directly identifiable fraud and abuse recoveries totaling approximately \$2.3 million during FY 1985, compared to fraud investigation staff expenditures of approximately \$285,000 during FY 1985. Further, a visible fraud investigation program has an unidentified deterrent impact upon potential fraudulent actions. Income maintenance caseworkers are the first line of defense against fraudulent actions. It is the caseworkers perceptions which trigger further investigation of applications. Therefore, attention should be focused upon a caseload size which allows workers to perform a thorough review of each case and each application. The thoroughness of review is substantially reduced when workers have a caseload of several hundred cases.

The Subcommittee reviewed the actual maintenance provided to recipients at the local level. The Subcommittee was impressed with the extent of maintenance activities being performed by local charitable organizations. Such local programs as soup kitchens and emergency food distribution centers perform a valuable service and one which would be extremely expensive for the state to absorb, in the absence of such local philanthropy. The Subcommittee learned that the local organizations believe they are frequently providing emergency food or clothing to public assistance clients, who have exhausted their SRS benefits by the

second or third week of a month. The Subcommittee strongly recommends that the Department of Health and Environment refrain from imposing regulations on charitable programs serving free food to needy persons.

The House and Senate Ways and Means Committees previously established a minimum maintenance budget for a three-person household, which it thought applicable to Kansans. During FY 1986 that minimum is \$655, of which \$574 (87.6 percent) is met by various forms of assistance. The Subcommittee has reviewed and updated that minimum survival budget, as reflected below.

KANSAS SURVIVAL BUDGET

FY 1987

	<u>FY</u> <u>1986</u>	<u>FY</u> <u>1987</u>	<u>%</u> <u>Incr.</u>	<u>Annual</u>
Rent	200	200	0.0%	2,400
Food*	270	269	-0.5	3,222
Utilities	75	82	9.3	984
Phone	10	12	20.0	144
Transportation	50	50	0.0	600
Clothing	20	25	25.0	300
Miscellaneous	30	30	0.0	360
Total Standard of Need	<u>655</u>	<u>668</u>	<u>1.9%</u>	<u>8,010</u>
<u>Sources of Income</u>				
AFDC Grants	368	379	3.0%	4,548
Food Stamps	178	182	2.0	2,184
LIEAP Funds	18	18	0.0	216
Housing Subsidy	10	10	0.0	120
Total Sources	<u>574</u>	<u>589</u>	<u>2.6%</u>	<u>7,068</u>

* Exemption of the sales tax (4 percent) on food purchased with food stamps is presumed for FY 1987.

The Subcommittee is recommending a 3 percent increase in cash grants to AFDC and Unrestricted General Assistance clients. This increase, combined with exemption of food purchased with Food Stamps, results in meeting approximately 88.2 percent of the minimum survival budget during FY 1987. The Subcommittee continues to recommend that the income level be gradually increased to meet this minimum survival budget.

The monthly deficit of \$79 per household in FY 1987 results in annual unmet needs of \$21.5 million, when applied to

the present caseload of approximately 22,700. This need is presently being met by a combination of personal sacrifice, charitable contributions, and illegal activity.

The Subcommittee was again faced with addressing the needs of the Transitional General Assistance population. The Subcommittee received numerous appeals from both clients and community organizations to not eliminate TGA. The community organizations believe its elimination would place an additional burden on community resources and private philanthropy, which is already in very high demand. The cost of completely restoring this program in FY 1987 is approximately \$6.8 million, all of which is from the State General Fund. The Subcommittee is recommending a partial restoration of TGA. Over 70 percent of TGA cases have been open less than six months. The Subcommittee recommends that TGA benefits be limited to a maximum of six months in a 12-month period. This adjustment to the program will reduce expenditures by approximately \$1.6 million annually. Further, approximately 4.2 percent of the TGA recipients had been Kansas residents for less than six months. The Subcommittee recommends that eligibility requirements include six months minimum Kansas residency, which will reduce expenditures by approximately \$340,000 annually.

4. Medical Assistance. The Subcommittee believes that an adequate medical assistance program is necessary to achieve the other previously-mentioned goals. The Subcommittee observes that medical programs are not equal in their cost. Services that are outpatient or wellness oriented are much less expensive than residential care in nursing homes or hospitals. The Subcommittee recommends that policies be adopted which provide medical assistance on a nonresidential or outpatient basis whenever possible. Such nonresidential care is preferable to the recipient and less expensive for the state. An example of the savings was demonstrated by a Kaiser Insurance Study of psychotherapy's impact upon mental hospital utilization. A table reflecting that impact is attached.

Nevertheless, it is inevitable that some individuals will require the more intensive residential care, due to their medical condition. The Subcommittee believes that one feature of Kansas adult care home reimbursement methods is unduly restrictive. That feature is an overall cost center limitation, which limits reimbursement to the 75th percentile of nursing home costs, in addition to individual limitations on four other cost centers. The Subcommittee recommends that this overall cost limitation (otherwise known as the fifth cost center) be eliminated and that reimbursement be the sum of the four existing cost centers. Due to the \$1.6 million cost impact of this proposal, the Subcommittee recommends that it be phased-in over a two-year period.

Finally, the Subcommittee believes the impact of Health and Environment regulation impacts the expenditures of both SRS

and the private sector. The Subcommittee recommends that SRS and the Department of Health and Environment cooperate to minimize the cost of unduly restrictive regulations.

5. Services to Mentally Ill and Mentally Retarded Persons. Although the overall Mental Health and Retardation Services (MHRSS) programs are being reviewed separately by another subcommittee, this Subcommittee believes they are very important in the overall structure of the SRS programs. The Subcommittee endorses the concept of community-based services as a goal which should eventually lead to the closure of one or more state institutions. Further, the Subcommittee urges the agency to pursue options to nursing home care of the mentally ill. Conceivably independent living arrangements, with periodic attendant care, could serve some of these people in a less restrictive setting, allowing those clients to receive federal SSI payments. Most of the services to those patients are now eligible for no federal financial participation.

6. Impact of Gramm-Rudman. The Subcommittee discussed the potential impact of Gramm-Rudman-Hollings on SRS. Although some SRS grants are held harmless by the legislation, the impact could still be considerable. It appears that programs likely to be hardest hit are those financed by the Social Service Block Grant. The Subcommittee addresses FY 1986 reductions as a financial matter in the detailed report. During FY 1987, the Subcommittee submits two recommendations. First, the Subcommittee recommends that financing from oil overcharge funds be utilized to offset federal funding reductions in weatherization and low income energy assistance. Secondly, the Subcommittee recommends that during FY 1987 SRS proceed on the assumption that federal funding reductions will not likely be replaced with state funds. Although the 1987 Legislature is likely to review those reductions on a case by case basis, this Subcommittee is of the opinion that the agency should not presume state financing of federal reductions at this juncture. Finally the Subcommittee recommends that in implementing Gramm-Rudman cuts, SRS use as priorities the goals previously cited by this Subcommittee.

7. SRS Fee Fund. A major source of financing for this agency is the SRS Fee Fund. The Governor's recommendations project no fund balance at the end of FY 1987. The Subcommittee is of the opinion that large businesses are not financed in a manner leaving no margin for error in the budgeting process. The Subcommittee believes that a balance of at least \$1.0 million should be budgeted, principally as an "escape valve" if assistance programs exceed budgetary estimates following adjournment of the Legislature. The Subcommittee learned that approximately \$700,000 in federal Child Support incentive receipts were inadvertently omitted from the agency's receipts estimates. Under normal circumstances the Subcommittee would recommend use of such unbudgeted receipts as a further offset to General Fund obligations. However, given the Subcommittee recommendations for

an ending balance, the Subcommittee recommends that this amount remain in the Fund, providing a \$700,000 ending balance.

8. SRS Properties. During its deliberations concerning methods of addressing the SRS Fee Fund balance, the Subcommittee discussed several options. One option included sale of various SRS properties and lease-back of those buildings. Another involves sale of land at various institutions, which became surplus several years ago, when the hospitals discontinued farming operations. The Subcommittee recommends sale of such land. The Subcommittee recommends introduction of legislation authorizing the Secretary of SRS to sell surplus land and deposit receipts in the SRS Fee Fund. The Secretary of the Kansas Department of Transportation (KDOT) has authority to sell certain lands under KDOT's control. Similarly, the Secretary of Administration has authority to sell certain land on behalf of the Department of Corrections. In the absence of such general legislation, it is necessary to pass bills authorizing each sale of real property.

B86-37.rh

*passed
as amended*

Comm, Secretary

SUBCOMMITTEE REPORT

**Agency: SRS -- Mental Health and
Retardation Services**

Bill No. 2760

Bill Sec. 3

Analyst: Hauke

Analysis Pg. No. 430

Budget Pg. No. 2-39

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 2,328,385	\$ 2,108,611	\$ 31,736
Aid to Local Units	20,412,933	16,568,799	1,100,000
Other Assistance	407,663	394,390	20,000
Subtotal-Operating	<u>\$23,148,981</u>	<u>\$19,071,800</u>	<u>\$ 1,151,736</u>
Capital Improvements	9,071,600	1,100,000	953,000
TOTAL	<u>\$32,220,581</u>	<u>\$20,171,800</u>	<u>\$ 2,104,736</u>
State General Fund:			
State Operations	\$ 1,572,880	\$ 1,372,786	\$ 31,736
Aid to Local Units	17,226,508	13,420,025	1,100,000
Other Assistance	407,663	394,390	20,000
Subtotal-Operating	<u>\$19,207,051</u>	<u>\$15,187,201</u>	<u>\$ 1,151,736</u>
Capital Improvements	--	--	--
TOTAL	<u>\$19,207,051</u>	<u>\$15,187,201</u>	<u>\$ 1,151,736</u>
FTE Positions	30.5	27.5	1.0

House Subcommittee Recommendations

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

1. The Subcommittee forwards its financial recommendations having carefully reviewed the report of the Special Committee on Ways and Means on Proposal No. 57. The Subcommittee wishes to highlight the major programmatic recommendations of that interim report and endorse those recommendations.
 - a. SRS Annual Reports. The Subcommittee recommends that SRS individually evaluate all institutional clients on an annual basis. In this evaluation the agency shall identify specific patients having the potential to be served in a less restrictive environment and the costs associated with moving them to a less restrictive setting. This report should be available prior to the start of each legislative session.

*D. H. M.
3/4/86*

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- b. Integrated Planning Process. The Subcommittee believes a significant problem exists in the coordination of waiting lists at community facilities, when the needs of outbound institutional clients and other community clients are combined. The Subcommittee recommends that SRS implement an integrated planning model, which would feature a combined statewide waiting list of both outbound institutional clients and persons on community facility waiting lists. The planning process should feature involvement of community facility representatives in preparing individual program plans (IPPs) for outbound institutional clients. Finally the planning process should begin for outbound institutional clients at least 24 months prior to their release and assurances should be given that those clients receive service on or before the conditional release date contained in the IPP. The Subcommittee believes such a model should be initiated immediately for mentally retarded clients and at a later date for programs serving the mentally ill.
 - c. Special Education Transitional Planning. The Subcommittee observes that no formal process exists to provide for the orderly transition of mentally retarded persons from special education programs to community programs for adults. The Subcommittee recommends that SRS and the State Department of Education cooperate to develop a planning model for such transition. This plan should be developed to provide continuity of services to persons leaving the present special educational system. The Subcommittee recommends that SRS present the model prior to the beginning of the 1987 Legislature. The Subcommittee notes that a similar planning model would be established by H.B. 2330, which was passed by the House Ways and Means Committee.
2. The Subcommittee received testimony from several community based service organizations and believes that a quiet crisis is developing within the service delivery mechanism for mentally ill and mentally retarded clients. The community organizations are faced with considerable waiting lists, of which 750 are within the community and 236 are outbound from state institutions. Additionally, pressures are placed upon the organizations by the needs of approximately 2,600 clients who will graduate from special education programs during the next five years. These pressures are enhanced by decreased federal funding. The Subcommittee believes that certain of those pressures can be reduced by better coordination and planning, which is addressed by the recommendations contained in item 1. Additionally, financial considerations are addressed by the Subcommittee in recommendations listed in the paragraphs which follow.

3. The Subcommittee believes the formula for distributing state aid to community organizations, contained in K.S.A. 65-4401 et seq., is no longer the best method of distributing assistance to community mental retardation facilities. The Subcommittee believes that aid to community mental retardation facilities can be more effectively distributed through a grant mechanism based upon numbers of clients served, rather than based upon eligible income. Therefore, the Subcommittee recommends the following:
 - a. That legislation be introduced deleting from K.S.A. 65-4401 et seq. all references to community mental retardation.
 - b. That legislation be introduced providing for grants to community mental retardation facilities, based upon full-time equivalent clients served and a daily per diem rate per client. SRS would define full-time clients and establish a statewide per diem payment rate. Quarterly grants would be made based upon reports showing actual clients served in the previous quarter. SRS would prorate the daily rate if estimated clients served would exceed funds available.
 - c. That during FY 1987 the \$5,216,286 recommended by the Governor for K.S.A. 65-4401 distribution be increased by \$175,000 and appropriated as a \$5,391,286 line item. Upon passage of the legislation requested in item b, the Subcommittee would recommend FY 1987 expenditure in accordance with the new financing mechanism. However, during FY 1987 the legislation should contain a "hold harmless" provision specifying that no community center receive less funding that it received during calendar year 1985.
4. The Subcommittee recommends that during FY 1987, the Governor's recommendations of \$230,996 for special purpose grants to community mental retardation organizations be increased by \$650,000 and appropriated as a separate \$880,996 line item for special purpose mental retardation assistance. The Subcommittee recommends that this additional funding be utilized to promote deinstitutionalization of mentally retarded clients presently served by state hospitals.
5. The Subcommittee recommends that during FY 1987 the Governor's recommendations of \$7,747,023 for aid to community mental health organizations be increased by \$175,000 for a total appropriation of \$7,922,023. This would finance state aid to community mental health at approximately 38.9 percent of eligible income.


6. The Subcommittee recommends that during FY 1987 the Governor's recommendations of \$225,720 for special purpose grants to community mental health organizations be increased by \$100,000 and appropriated as a separate \$325,720 line item for special purpose mental health assistance. The Subcommittee recommends that this additional funding be utilized to finance community grants for implementing services to 25 clients who will no longer be served by Osawatomie State Hospital.
7. The Subcommittee recommends that the Governor's FY 1987 recommendation of \$298,741 for handicapped guardianship grants be increased by \$20,000 for a total of \$318,741. Additionally the Subcommittee endorses H.B. 2906, which will reduce guardianship costs by self insuring a mandatory bond. The Subcommittee believes the \$20,000 it is recommending, combined with H.B. 2906 savings will assist in financing additional guardians. The Subcommittee is also recommending that the agency maximize use of client resources wherever appropriate.
8. The Subcommittee concurs with the recommendations of the Joint Committee on State Building Construction concerning the systemwide accounts. These recommendations increase the Governor's recommendations from the State Institutions Building Fund as follows:

<u>Account</u>	<u>Gov. Rec.</u>	<u>Bldg. Comm. Rec.</u>	<u>Increase</u>
Systemwide Major Maintenance	\$ 880,000	\$ 1,606,475	\$726,475
Systemwide Roofing	--	100,000	100,000
Emergency Maintenance	220,000	347,000	127,000
TOTAL	<u>\$1,100,000</u>	<u>\$ 2,053,475</u>	<u>\$953,475</u>

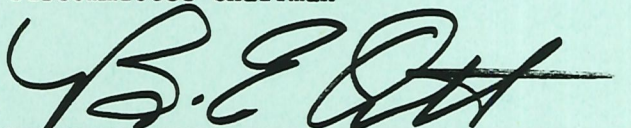
9. During its review, the Subcommittee discussed the issue of staff training at the mental retardation institutions. The Subcommittee learned that there are currently several different job categories for direct care staff at the four institutions. These job categories include Psychiatric Aides, Developmental Training Specialists, Program Technicians, Health Service Workers, Hospital Attendants, Activity Therapist Aides, and Sheltered Workshop Technicians. The Subcommittee found there was not coordination for training of these different levels of staff across the four institutions and believes there is a need for consolidation of the categories into a single job classification which would more appropriately reflect the staffing needs of the institutions to provide active treatment under the new interpretations of federal Medicaid regulations. The Subcommittee requests that the Division of Mental Health and Retardation Services, in cooperation with the Division of Personnel Services, study the issue of training and job classification for direct care staff. The study should address the following issues: (1)

appropriateness of existing job classifications, (2) consolidation of existing job classifications into a single job class which would allow career movement and licensure, and (3) direct care training programs, including academic and on-the-job training. The Subcommittee notes that each of the four institutions has unique populations and needs and any proposed job class should provide sufficient flexibility to meet those needs. The Subcommittee recommends that the results of this study be reported to the Legislature no later than January 12, 1987.

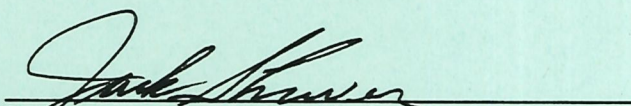
10. During the 1985 interim, the Subcommittee discussed with SRS the Home and Community Based Services (HCBS) program. The HCBS program is a Medicaid waiver program which allows Medicaid reimbursement for community placement of Medicaid eligible clients who would otherwise be placed in an adult care home or an institution. The program was developed to reduce overall institutional costs and allow clients to remain at home or in the community. The Subcommittee supports the use of the Medicaid waiver program to allow individuals to be served at the community level and to allow the costs to the state of such programs to be reduced by receipt of federal Medicaid funding. The Subcommittee recommends that SRS expand the Medicaid waiver program for mentally retarded and mentally ill clients.
11. The Subcommittee believes significant cost savings could be realized at all state institutions if more tasks such as recording resident progress and monitoring programs were computerized. The Subcommittee recommends \$31,736 from the State General Fund for a Management Analyst IV position in the MHRS central office to provide computer assistance to all institutions. The Subcommittee recommends this position be based at Parsons, allowing pilot projects to be tested at Parsons before implementation at other institutions. The Subcommittee suggests that the Senate review possible vacant positions within MHRS to finance this addition.



Representative J. Santford Duncan,
Subcommittee Chairman



Representative Bob Ott



Representative Jack Shriver

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

Your Committee on Ways and Means

Recommends that Senate Bill No. 442, As Amended by Senate
Committee

"AN ACT making and concerning appropriations for the fiscal year ending June 30, 1987, for the Kansas commission on interstate cooperation, legislative coordinating council, legislature and division of post audit; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing."

Be amended:

On page 1, in line 40, by striking "\$136,894" and inserting in lieu thereof "\$73,203";

And the bill be passed as amended.

Lee Benton Chairperson

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

Your Committee on Ways and Means

Recommends that House Bill No. 2760

"AN ACT making and concerning appropriations for the fiscal year ending June 30, 1987, for the department of revenue -- homestead property tax refunds, department of social and rehabilitation services, department of health and environment and department on aging; authorizing certain transfers and fees, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing."

Be amended:

On page 1, in line 46, by striking "\$52,805,631" and inserting in lieu thereof "\$57,369,471";

On page 2, in line 56, by striking "117,475,928" and inserting in lieu thereof "119,686,925"; in line 68, by striking "10,503,817" and inserting in lieu thereof "10,651,871";

On page 3, in line 118, by striking "18,738,477" and inserting in lieu thereof "18,480,089"; in line 123, by striking "\$427,146" and inserting in lieu thereof "\$439,094"; in line 128, by striking "23,138,221" and inserting in lieu thereof "23,876,849"; in line 139, by striking "5,214,207" and inserting in lieu thereof "5,334,207"; in line 149, by striking "1,021,212" and inserting in lieu thereof "1,052,948"; in line 160, by striking "5,216,286" and inserting in lieu thereof "5,391,286"; in line 163, by striking "7,747,023" and inserting in lieu thereof "7,922,023"; in line 165, by striking "health and"; in line 166, by striking "456,716" and inserting in lieu thereof "880,996"; preceding line 168, by inserting the following material to read as follows:

"Special purpose community mental health assistance grants..... 325,720";

Also on page 3, in line 171, by striking "298,741" and

inserting in lieu thereof "318,741"; in line 190, by striking "\$251,570,890" and inserting in lieu thereof "\$260,245,757";

On page 4, in line 203, by striking "\$113,950,183" and inserting in lieu thereof "\$113,810,468";

On page 5, in line 267, by striking "896,076" and inserting in lieu thereof "805,932"; in line 326, by striking "220,000" and inserting in lieu thereof "347,000"; in line 331, by striking "mental health and retardation" and inserting in lieu thereof "the department of social and rehabilitation"; in line 332, by striking "880,000" and inserting in lieu thereof "1,606,475"; in line 337, by striking "mental health and retardation" and inserting in lieu thereof "the department of social and rehabilitation"; preceding line 338, by inserting the following material to read as follows:

"Emergency major maintenance..... 100,000

Provided, That the secretary of social and rehabilitation services is hereby authorized to transfer moneys from this account to an emergency major maintenance account for any state institution under the jurisdiction of the department of social and rehabilitation services.";

Also on page 5, in line 343, by striking "\$1,170,713" and inserting in lieu thereof "\$2,124,188";

On page 6, in line 367, by striking "\$13,090,690" and inserting in lieu thereof "\$12,998,190"; following line 379, by inserting the following material to read as follows:

Provided, That expenditures from this account are hereby authorized to be made for contracts which are hereby authorized to be entered into by the secretary of health and environment with local health departments, private individuals and others for child care licensure activities.";

Also on page 6, in line 381, by striking "854,506" and inserting in lieu thereof "1,044,506"; in line 392, by striking "\$14,240,122" and inserting in lieu thereof "\$14,337,622";

On page 7, preceding line 417, by inserting the following material to read as follows:

Provided, That expenditures may be made from this

fund for activities under K.S.A. 65-171v and 65-3454 and amendments thereto.";

On page 9, in line 587, by striking all after the period; by striking all in lines 588 and 589; in line 603, by striking "\$476,909" and inserting in lieu thereof "\$394,610"; in line 613, by striking "1,128,532" and inserting in lieu thereof "1,245,134";

On page 10, in line 623, by striking "143,362" and inserting in lieu thereof "153,854"; in line 635, by striking "\$1,748,803" and inserting in lieu thereof "\$1,793,598"; in line 644, by striking "\$426,748" and inserting in lieu thereof "\$407,810"; in line 655, by striking "\$39,465" and inserting in lieu thereof "\$39,536";

On page 11, in line 689, by striking "2,872.9" and inserting in lieu thereof "2,876.9"; in line 701, by striking "27.5" and inserting in lieu thereof "28.5"; in line 702, by striking "626.7" and inserting in lieu thereof "625.7";

And the bill be passed as amended.

Geoff Denton Chairperson