

Approved 2-23-88
Date

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by Bill Bunten at
Chairperson

1:30 ~~am~~/p.m. on February 11, 1988 in room 514-S of the Capitol.

All members were present except: All present.

Committee staff present: Diane Duffy, Ellen Piekalkiewicz, Russ Mills, Ed Ahrens, Gloria Timmer, Julian Efird, Carolyn Rampey, Paul West, Lynn Holt of Legislative Research.

Jim Wilson, Revisor of Statutes
Sharon Schwartz, Administrative Aide
Sue Krische, Committee Secretary
Conferees appearing before the committee:

Others attending: See attached list.

The Committee turned to decisions on Systemwide issues for the Board of Regents' Institutions.

FY 1988 FEE RELEASES

Representative Solbach moved to adopt the Governor's recommendation that 75 percent of the fees from larger than expected enrollment be released with the expectation that the releases will be based on the actual enrollment figures when available. Seconded by Representative Dyck. Motion carried.

UTILITIES

Representative Ott moved to concur with the Governor's recommendations on utilities for the Regents' system and to reappropriate utility savings from FY 1988 and not use them for energy conservation projects in FY 1989. Seconded by Representative Fuller. Motion carried.

CLASSIFIED AND STUDENT SALARIES

Representative Lowther moved to concur with the Governor's recommendations on classified salaries and student salaries including the 4 percent salary increase as specified in the individual Regents' budgets. Seconded by Representative Mainey.

Representative Vancrum made a substitute motion that the 4 percent salary increase be removed from consideration at this time pending resolution of the State's revenue situation and that a pay plan bill be introduced following the procedure used last year. Seconded by Representative King. Discussion centered on the necessity of making preliminary decisions based on revenue estimates versus concern by some members that these decisions should not be made until the taxing questions are resolved. Substitute motion failed. Back on Representative Lowther's original motion, Chairman called for a vote and the motion carried.

ENROLLMENT ADJUSTMENT

Representative Heinemann moved to adopt the Governor's recommendation on enrollment adjustments with the request that the Wichita State University Subcommittee review the issue of whether the \$477,000 is an internal reallocation or new money. Seconded by Representative Chronister. Motion carried.

SERVICING NEW BUILDINGS

Representative Fuller moved to accept the Governor's formula and to concur with his recommendation for servicing new buildings. Seconded by Representative Shriver. Motion carried. Representative Ott will

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,
room 514-S, Statehouse, at 1:30 ~~AM~~/p.m. on February 11, 1988

request the Chairman of the Joint State Building Construction Committee to examine the formula of one FTE staff position per each 10,500 gross square feet. Representative Chronister stated that the entire question of an appropriate formula for our hospitals, Regents' buildings, and state office buildings should be addressed, along with the question of whether maintenance should be privately contracted or staffed with state employees.

OTHER OPERATING EXPENDITURES (OOE)

Representative Chronister moved to concur with the Governor's recommendation of 4 percent increase in OOE. Seconded by Representative Solbach. Motion carried.

UNCLASSIFIED SALARIES

Representative Mainey moved to adopt the Governor's recommendation of a 5 percent increase for unclassified personnel salaries. Seconded by Representative Turnquist. During discussion, Representative Chronister stated her support of the total amount of money presently in the Governor's budget and a balanced budget. She suggested the possibility of lowering the unclassified salary increase and funding at \$7.227 million the entire faculty salary line in the Margin. Representative Heinemann made a substitute motion to provide an average 4¼ percent salary increase to unclassified personnel. Seconded by Representative Chronister. Substitute motion failed. On the original motion by Representative Mainey, motioned carried.

MARGIN OF EXCELLENCE

Staff distributed an analysis sheet of FY 1989 Faculty Salary Parity Requests by the Board of Regents (Attachment 1). Chairman Bunten expressed concern that Kansas State University's request for instruction is only 55 percent of their total request and Wichita State University put 99 percent of their request in instruction, which is the only line recommended for funding by the Governor. Several members expressed concern about these inequities.

Representative Fuller moved to accept the Governor's recommendation to fund the instruction line in the Margin of Excellence at \$5,013,471 and to fund the additional amount requested by the Board of Regents of \$1,747,529 for a total of \$6,761,000. Seconded by Representative Solbach.

Chairman Bunten offered a substitute motion to concur with the total dollar figure recommended by the Governor and apply a factor of 74.15 percent to each institution's total salary request to remove the inequities. Seconded by Representative Dyck. Substitute motion failed.

Representative Chronister offered a substitute motion to accept the Governor's recommendation to fund the instructional line in the Margin of Excellence. Seconded by Representative Heinemann. Substitute motion failed. Representative Vancrum made a substitute motion to remove 20 percent of the funds approved by the Governor for Wichita State University and distribute this amount among the other five institutions in the ratio that they bear to the total. The motion died for lack of a second.

Back on the original motion by Representative Fuller to fully fund the faculty salary parity requests of the Regents' institutions--on a show of hands, motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations

room 514-S, Statehouse, at 1:30 ~~am~~/p.m. on February 11, 1988

HB 2685 - Appropriations for FY 1989, occupational and health professions licensing agencies and financial regulatory agencies.

BEHAVIORAL SCIENCES REGULATORY BOARD, Bill Sec. 6

Representative Bill Roy Jr. presented the subcommittee report (Attachment 2). The Subcommittee concurs with the Governor's recommended FY 1988 and FY 1989 expenditure limitations with adjustments. Representative Fuller moved adoption of the subcommittee report. Seconded by Representative Turnquist. Motion carried.

STATE BANK COMMISSIONER, Bill Sec. 4

Representative Diane Gjerstad presented the subcommittee report (Attachment 3). The Subcommittee concurs with the Governor's recommendations for FY 1988 and for FY 1989 with the exception of adding \$25,784 for one FTE Financial Examiner I position, plus travel expenses for the new position. Representative Williams moved adoption of the subcommittee report. Seconded by Representative Wisdom. Motion carried.

REAL ESTATE COMMISSION, Bill Sec. 13

Representative Gjerstad presented the subcommittee report (Attachment 4). The Subcommittee concurs with the Governor's recommendations in FY 1988 with a slight adjustment. For FY 1989, the Subcommittee concurs with the Governor's recommendations with several adjustments. Representative Gjerstad stated the large ending balance is maintained because of sharp fluctuations in the real estate market. Representative Turnquist moved adoption of the subcommittee report for FY 1988 and FY 1989. Seconded by Representative Wisdom. Motion carried.

BOARD OF HEALING ARTS, Bill Sec. 7

Representative Gayle Mollenkamp presented the subcommittee report (Attachment 5). The Subcommittee concurs with the Governor's recommendations for FY 1988, and for FY 1989, the Subcommittee concurs with the Governor's recommendations with the addition of \$121,957 for impaired provider programs and \$7,489 for additional office space. Representative Hamm moved adoption of the subcommittee report. Seconded by Representative Mainey. Motion carried.

BOARD OF EXAMINERS FOR HEARING AIDS, Bill Sec. 12

Representative Mollenkamp presented the subcommittee report (Attachment 6). The Subcommittee concurs with the Governor's recommendation for FY 1988 and FY 1989 with a slight adjustment. Representative Heinemann moved adoption of the subcommittee report. Seconded by Representative Chronister. Motion carried.

SECURITIES COMMISSIONER, Bill Sec. 19

Representative Fred Gatlin presented the subcommittee report (Attachment 7). The Subcommittee concurs with the Governor's recommendations for FY 1988 and for FY 1989 with the exception of adding \$106,048 in salaries and three FTE broker-dealer examiner positions. The Subcommittee recommends these positions be funded only through increased fees as proposed by the agency. A survey and analysis of registration fees was distributed (Attachment 8). Representative Heinemann moved to delete the funding and positions from the report pending passage of a bill to increase the fees. Seconded by Representative Turnquist. Motion carried. Representative Heinemann moved adoption of the subcommittee report as amended. Seconded by Representative Williams. Motion carried.

CREDIT UNION DEPARTMENT, Bill Sec. 9

Representative Kenneth Green presented the subcommittee report (Attachment 9). The Subcommittee concurs with the recommendation of the Governor for FY 1988 and FY 1989. Representative Hoy moved adoption of the subcommittee report. Seconded by Representative Turnquist. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,
room 514-S Statehouse, at 1:30 ~~am~~/p.m. on February 11, 1988

KANSAS DENTAL BOARD, Bill Sec. 10

Representative Green presented the subcommittee report (Attachment 10). The Subcommittee concurs with the Governor's recommendations with a slight reduction in the FY 1989 budget. Representative King moved adoption of the subcommittee report. Seconded by Representative Hoy. Motion carried.

STATE BOARD OF VETERINARY EXAMINERS, Bill Sec. 21

Representative Bob Mead presented the subcommittee report (Attachment 11). The Subcommittee concurs with the Governor's recommendations for FY 1988 and FY 1989. Representative Ott moved adoption of the subcommittee report. Seconded by Representative Dyck. Motion carried.

STATE BOARD OF TECHNICAL PROFESSIONS, Bill Sec. 20

Representative Mead presented the subcommittee report (Attachment 12). The Subcommittee concurs with the Governor's recommendations with the exceptions noted on the report. Representative Helgerson moved to adopt the subcommittee report. Seconded by Representative Hoy. Motion carried.

BOARD OF NURSING, Bill Sec. 14

Representative Tim Shallenburger presented the subcommittee reports. The Subcommittee concurs with the Governor's FY 1988 and FY 1989 recommendations with several adjustments (Attachments 13 and 14). Representative Ott moved adoption of the subcommittee report. Seconded by Representative Williams. Motion carried.

BOARD OF MORTUARY ARTS, Bill Sec. 11

Representative Brady stated the Subcommittee concurs with the Governor's recommendations with slight adjustments in FY 1989 resulting in a total reduction of \$3,293 (Attachment 15). Representative Brady moved the adoption of the subcommittee report. Seconded by Representative Dyck. Motion carried.

BOARD OF OPTOMETRY EXAMINERS, Bill Sec. 12

Representative Shriver stated the Subcommittee concurs with the Governor's recommendations for FY 1988 and FY 1989 (Attachments 16 and 17). Representative Shriver moved the adoption of the subcommittee reports. Seconded by Representative Dyck. Motion carried.

Representative Chronister moved to recommend HB 2685, as amended, favorably for passage. Seconded by Representative Mainey. Motion carried.

The meeting was adjourned at 4:35 p.m.

GUEST LIST

COMMITTEE: HOUSE APPROPRIATIONS

DATE: 2-11-88

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
STANLEY Z. KOPLIK	TOPEKA	REGENTS
Roy Hauke	"	Regents
D. Mills		Gov's Office
TED D. AYRES	TOPEKA	KS. BOARD OF REGENTS
Robert Walke	TOPEKA	AAUP
TERRY MAPLE	TOPEKA	K.H.P.
SAM GRANT	TOPEKA	K.H.P.
Jerry Sloan	"	OJA
Barbara Sieder	Topeka	Pete McGovern
Kathleen O'Brien	Emporia	City of Emporia
Mark Tallman	Topeka	ASK
Chris Graves	Topeka	ASK
Sam Stephens	Emporia	ESU
Ludd Tuttle	Lawrence	KDOT
Margaret Kasque	Topeka	DPS
Debrae Gonzales	Topeka	KCC
Ryde S. Jacobs	Manhattan	KSU
Richard Lamb	Topeka	KASB
Bob Kelly	Topeka	KICA
Rep. Del. Durre	HAYS	LEGISLATURE
Marty Kennedy	Topeka	Budget
Kathy Black	Topeka	ASK
Wally Jones		
Charles Dodson	TOPEKA	KAPR

FY 1989 FACULTY SALARY PARITY REQUESTS--BY BUDGET ACTIVITY

HA
2-11-88
Attachment 1

	KU	KSU	WSU	ESU	PSU	FHSU	TOTAL
INSTRUCTION *	\$1,490,000	\$1,101,267	\$1,282,159	\$274,536	\$392,455	\$473,054	\$5,013,471
RESEARCH	162,000	367,038	1,841	1,124	0	0	532,003
PUBLIC SERVICE	28,000	319,241	0	1,994	4,933	301	354,469
ACADEMIC SUPPORT **	174,000	105,727	0	24,849	33,433	46,595	384,604
STUDENT SERVICES	62,000	43,360	0	22,540	30,907	35,699	194,506
INSTITUTIONAL SUPPORT	93,000	52,070	0	23,557	34,190	46,351	249,168
PHYSICAL PLANT	18,000	11,297	0	1,400	2,082	0	32,779
TOTAL	\$2,027,000	\$2,000,000	\$1,284,000	\$350,000	\$498,000	\$602,000	\$6,761,000

* The Governor recommends the amounts included in the Instruction areas of the institutions' requests.

** Of the totals requested for academic support staff, the Board of Regents indicates that the following amounts can be attributed to library staff:

KU	63,000
KSU	33,832
WSU	0
ESU	8,449
PSU	11,033
FHS	12,115
TOTAL	\$128,429

Amounts are based on ratios of FY 1987 library unclassified salaries to total FY 1987 academic support unclassified salaries.

SUBCOMMITTEE REPORT

Agency: Behavioral Sciences Regulatory Board

Bill No. 2685

Bill Sec. 6

Analyst: Holt

Analysis Pg. No. 14

Budget Pg. No. 1-200

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 256,158	\$ 192,998	\$ 752
State General Fund	--	--	--
FTE Positions	4.0	4.0	--

Agency Request/Governor's Recommendation

The Board requests for FY 1989 an expenditure limitation of \$256,158, which is 10.2 percent more than the Board's current year estimate of \$232,357. This request assumes increased expenditures related to the registration of an additional 400 professional counselors above the number of 300 initially projected for FY 1988 and to the anticipated expansion of the Board's jurisdiction to include 200 marriage and family therapists.

The Governor recommends for FY 1989 an expenditure limitation of \$192,998, which is \$63,160 less than the Board's request and \$14,145 less than the Governor's recommendation of \$207,143 for the current fiscal year. Recommended reduced expenditures from FY 1988 to FY 1989 include funding for travel and subsistence and for professional services. This recommendation reflects no expenditure increase for an expanded level of regulatory activity. The Governor's recommendation also assumes licensure of fewer individuals than does the agency's FY 1989 projections.

FY 1988. The House Subcommittee concurs with the Governor's recommended FY 1988 expenditure limitation of \$207,143 with the following adjustments, totaling \$8,300:

1. Reduce \$8,000 for travel and subsistence. The effect of this recommendation is to fund travel and subsistence expenditures at \$7,500. The Subcommittee bases its recommendation on expenditures to date and the agency's projected travel expenditures for the remaining portion of the current fiscal year.
2. Reduce \$300 for outside rental space for Board meetings. As the Board intends to meet in Topeka this year, this space will not be needed.

FY 1989. The House Subcommittee concurs with the Governor's FY 1989 recommended expenditure limitation of \$192,998 with the following adjustments, totaling \$752.

HA
2-11-88
Attachment 2

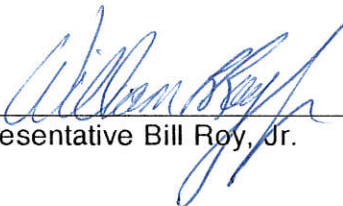
1. Reduce \$400 for the leased copier. The Subcommittee believes that the agency may incur increased copier overage charges in FY 1989, given its recently expanded regulatory oversight. Nonetheless, it appears that FY 1989 recommended expenditures of \$4,439 for the leasing of the copier and overage charges are overstated.
2. Add \$1,152 for office space. Based on the most recent information from the Division of Architectural Services, the agency will be housed in 1,058 square feet in the Landon State Office Building instead of in 960 square feet as originally anticipated. The agency now occupies 792 square feet in the Landon Building.
3. The House Subcommittee recommends that projected receipts be adjusted in FY 1988 to reflect a reduced number of professional counselor examinations and an increased number of professional counselor applications. Based on recent information from the agency, the number of professional counselor examinations is projected to decrease from the originally estimated number of 300 to 100 and the number of professional counselor applications is projected to increase from 300 to 600. As the agency does not intend to accept applications until the rules and regulations governing its expanded regulatory oversight are in effect, the Subcommittee encourages the 1989 House and Senate Subcommittees to monitor both receipts and expenditures, since it is presently unclear to what extent expanded oversight will affect the agency's operations.

The fee fund analysis below reflects the House Subcommittee adjustments to receipts and expenditures in both FY 1988 and FY 1989:

<u>Resource Estimate</u>	<u>Actual FY 1987</u>	<u>Estimated FY 1988</u>	<u>Estimated FY 1989</u>
Beginning Balance	\$ 68,899	\$ 63,303	\$ 125,380
Net Receipts	<u>111,742</u>	<u>260,920</u>	<u>143,630</u>
Total Funds Available	\$ 180,641	\$ 324,223	\$ 269,010
Less: Expenditures	<u>117,338</u>	<u>198,843</u>	<u>193,750</u>
Ending Balance	<u>\$ 63,303</u>	<u>\$ 125,380</u>	<u>\$ 75,260</u>



Representative Wanda Fuller



Representative Bill Roy, Jr.

SUBCOMMITTEE REPORT

Agency: State Bank Commissioner

Bill No. 2685

Bill Sec. 4

Analyst: Howard

Analysis Pg. No. 7

Budget Pg. No. 1-89

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue fund	\$ 2,423,126	\$ 2,486,282	\$ 25,784
FTE Positions	67.0	66.0	1.0

Agency Estimate/Governor's Recommendation

The agency requests \$2,423,126 in FY 1989, an increase of \$110,264 over the current year estimated expenditures. The request would fund 67.0 FTE positions, an increase of 0.5 FTE from the current year. The agency's request would eliminate a 0.5 FTE Keyboard Operator I position and would add a 1.0 FTE Financial Examiner I position. The agency is requesting that a field examiner be transferred to the central office to augment the review examiner staff and that an additional entry-level examiner be added to the field staff to maintain the current level of field operations. The Governor recommends \$2,486,282 in FY 1989, an increase of \$63,156 from the agency request. The recommendation would fund 66.0 FTE positions, a reduction of 1.0 FTE position from the agency request.

House Subcommittee Recommendations

FY 1988. The Subcommittee concurs with the recommendations of the Governor.

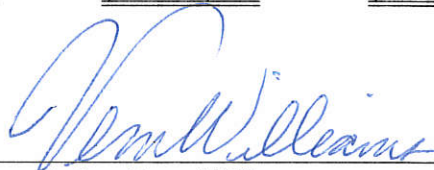
FY 1989. The Subcommittee concurs with the recommendations of the Governor with the following exceptions:

1. Add \$23,038 and 1.0 FTE for a new Financial Examiner I position. The agency plans to transfer a senior field examiner to the central office to serve as a review examiner. The Subcommittee's recommendation would allow the department to maintain its field examination staff at the current level of 51 positions. The Subcommittee received information from the Banking Department concerning the field examination work. This information indicates that the Department is only slightly exceeding its minimum examination objectives. In addition, 38 percent of banks in the state are problem banks which continue to require enhanced examination and monitoring.
2. Add \$2,746 in travel for the new examiner position.
3. Add \$500 to administrative travel and delete \$500 from hospitality to restore the amount requested by the agency for administrative travel.

*HA
2-11-88
Attachment 3*

The fee fund analysis, based on the recommendations of the Subcommittee is as follows:

<u>Resource Estimate</u>	<u>Actual FY 87</u>	<u>Estimated FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 308,749	\$ 277,981	\$ 274,967
Net Receipts	<u>2,217,276</u>	<u>2,312,862</u>	<u>2,523,126</u>
Total Available Funds	\$ 2,526,025	\$ 2,590,843	\$ 2,798,093
Less: Expenditures	<u>2,248,044</u>	<u>2,315,876</u>	<u>2,512,066</u>
Ending Balance	<u>\$ 277,981</u>	<u>\$ 274,967</u>	<u>\$ 286,027</u>



Representative Vern Williams



Representative Diane Gjerstad

2685-094/lh

SUBCOMMITTEE REPORT

Agency: Real Estate Commission

Bill No. 2796

Bill Sec. 13

Analyst: West

Analysis Pg. No. 54

Budget Pg. No. 1-217

<u>Expenditure Summary</u>	<u>Agency Req. FY 88</u>	<u>Governor's Rec. FY 88</u>	<u>Subcommittee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 443,958	\$ 433,116	\$ 750
Other Assistance	25,000	20,750	(750)
Total	<u>\$ 468,958</u>	<u>\$ 453,866</u>	<u>\$ --</u>
FTE Positions	12.0	12.0	--

Agency Request/Governor's Recommendation


The Real Estate Commission's FY 1988 state operations budget estimate is \$443,958, a decrease of \$2,399 from the budget approved by the 1987 Legislature. The current year estimate reflects a decrease in anticipated salary expenditures of \$2,899 associated with personnel turnover and revisions to fringe benefit rates and an increase of \$500 to \$17,590 for attorney fees. The additional attorney fees are associated with the defense of the Real Estate Recovery Revolving Fund and would be paid from that fund. In addition, the Commission estimates other assistance payments of \$25,000 for claims against the Real Estate Recovery Revolving Fund.


The Governor recommends an FY 1988 state operations budget of \$433,116, a decrease of \$10,842 from the Commission's estimate. Salary expenses are decreased by \$6,017 to reflect revised health insurance rates and increased turnover savings. Travel is decreased by \$2,566. Net other changes decrease total state operations expenditures by \$2,259. The Governor recommends that the expenditure limitation on the Real Estate Fee Fund be lowered from \$446,357 to \$433,116. In addition, the Governor recommends payments from the Real Estate Recovery Revolving Fund of \$20,750, including \$20,000 for claims and \$750 for legal fees.

House Subcommittee Recommendation

FY 1988. The Subcommittee concurs with the budget as recommended by the Governor, with the following adjustment:

1. Shift \$750 from other assistance to state operations to reflect attorney fees for the defense of the Real Estate Recovery Revolving Fund as a state operations expense.


 Representative Larry F. Turnquist


 Representative Diane A. Gjerstad

SUBCOMMITTEE REPORT

Agency: Real Estate Commission

Bill No. 2685

Bill Sec. 17

Analyst: West

Analysis Pg. No. 54

Budget Pg. No. 1-217

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 498,687	\$ 476,863	\$ 973
Other Assistance	25,000	20,750	(750)
TOTAL	<u>\$ 523,687</u>	<u>\$ 497,613</u>	<u>\$ 223</u>
FTE Positions	13.0	13.0	--

Agency Request/Governor's Recommendation

The Commission requests an FY 1989 state operations budget of \$498,687, an increase of \$54,729 from the current year estimate. The request includes \$14,388 for a new Office Assistant I position, \$9,100 to print a new "Homebuyers Guide" pamphlet, and \$13,870 associated with the implementation of S.B. 283. The bill, which has not passed, would permit the Commission to charge fees for the registration of real estate instructors and courses, perform background searches on license applicants, and impose civil fines on licensees found to have violated the Commission's rules and regulations. Civil fines collected from violators would be credited to the State General Fund. In addition to the state operations budget, the Commission proposes to provide a \$5,000 grant to Wichita State University to sponsor studies, surveys, and programs designed to be of benefit to real estate licensees and to develop a "Homebuyers Guide" pamphlet. The Commission estimates that claims against the Real Estate Recovery Revolving Fund will total \$20,000 in FY 1989.

The Governor recommends an FY 1989 state operations budget of \$476,863, an increase of \$43,747 from the current year recommendation. The recommendation includes funding for the requested new position and excludes funding requested for printing a new "Homebuyers Guide," implementing S.B. 283, or the grant to Wichita State University. Recommended FY 1989 payments from the Real Estate Recovery Revolving Fund total \$20,750 including \$20,000 for claims and \$750 for legal fees.

House Subcommittee Adjustments

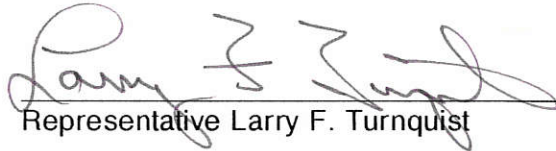
FY 1989. The Subcommittee concurs with the budget as recommended by the Governor, with the following adjustments:

1. Shift \$750 from other assistance to state operations to reflect legal fees for the defense of the Real Estate Recovery Revolving Fund as a state operations expense.
2. Add \$1,300 for a technical adjustment to health insurance.

3. Delete \$1,077 associated with maintenance contracts on three microcomputers. The Subcommittee notes that a recent study by the Division of Post Audit determined that maintenance contracts on microcomputers are not cost effective in most cases.
4. The Subcommittee notes that further FY 1989 funding for the Commission may be required if S.B. 283 is passed and recommends that any additional funding required be addressed in the omnibus appropriations bill.

The fee fund analysis, based on the House Subcommittee's recommendations, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 87</u>	<u>Estimated FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 228,002	\$ 319,176	\$ 351,744
Net Receipts	<u>484,963</u>	<u>465,684</u>	<u>465,138</u>
Total Funds Available	\$ 712,965	\$ 784,860	\$ 816,882
Less: Expenditures	<u>393,789</u>	<u>433,116</u>	<u>477,086</u>
Ending Balance	<u>\$ 319,176</u>	<u>\$ 351,744</u>	<u>\$ 339,796</u>



Representative Larry F. Turnquist



Representative Diane A. Gjerstad

2685-549/PW

SUBCOMMITTEE REPORT

Agency: Board of Healing Arts

Bill No. 2685

Bill Sec. 7

Analyst: Rampey

Analysis Pg. No. 31

Budget Pg. No. 1-205

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 741,734	\$ 677,617	\$ 129,446
FTE Positions	17.0	16.0	--

Agency Estimate/Governor's Recommendation

FY 1988. The Board estimates expenditures of \$856,276, which include funding for a new Executive Director position and \$121,957 for impaired provider programs which have been contracted for with professional associations or societies. The Governor recommends expenditures of \$727,986.

FY 1989. The Board requests an expenditure limitation of \$741,734. The FY 1989 request includes no funding for impaired provider programs because the Board's position is that the Legislature should decide whether the programs should be continued. The FY 1989 budget contains a request for two new positions and \$7,489 for additional office space. The Governor recommends expenditures of \$677,617, which include funding for one new position (an Office Assistant I). The Governor does not recommend funds for additional office space.

House Subcommittee Recommendations

FY 1988. The Subcommittee concurs with the Governor's recommendation of \$727,986.


FY 1989. The Subcommittee concurs with the Governor's recommendations, with the following exceptions:

1. Add \$121,957 to enable the Board to enter into contracts with professional societies or associations that administer impaired provider programs. The amount is the same as that available during the current year. The Board presently has contracts with three professional associations to administer impaired provider programs.
2. Add \$7,489 for rent to enable the Board to expand into larger quarters. At the present time, the Board has no office space for a new position approved as of January 1, 1988, or for a new position recommended by the Governor as of July 1, 1988.

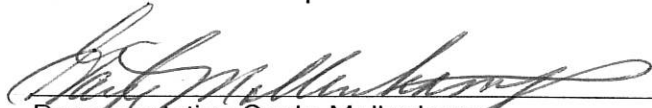
An analysis of the Board's fee fund reflecting the Subcommittee's recommendations is shown below:

*HA
2-11-88
Attachment 5*

<u>Resource Estimate</u>	<u>Actual FY 87</u>	<u>Estimated FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 512,695	\$ 619,042	\$ 625,179
Net Receipts	<u>681,997</u>	<u>734,123</u>	<u>793,534</u>
Total Available	\$ 1,194,692	\$ 1,353,165	\$ 1,418,713
Less: Nonreportable Expenditures	6,077	--	--
Less: Expenditures	<u>569,573</u>	<u>727,986</u>	<u>807,063</u>
Ending Balance	<u>\$ 619,042</u>	<u>\$ 625,179</u>	<u>\$ 611,650</u>



Representative Lee Hamm
Subcommittee Chairperson



Representative Gayle Mollenkamp

SUBCOMMITTEE REPORT

Agency: Board of Examiners for
Hearing Aids

Bill No. 2685

Bill Sec. 12

Analyst: Rampey

Analysis Pg. No. 37

Budget Pg. No. 1-207

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 13,715	\$ 13,854	\$ 149
FTE Positions	--	--	--

Agency Estimate/Governor's Recommendation

FY 1988. The Board estimates expenditures of \$13,303 for FY 1988. The Governor recommends expenditures of \$13,260, a reduction of \$43 from the Board's estimate.

FY 1989. The Board estimates expenditures of \$13,715 for FY 1989. The Governor recommends expenditures of \$13,854, an increase of \$139 over the Board's request.

House Subcommittee Recommendation

FY 1988. The House Subcommittee concurs with the Governor's recommendation of \$13,260.

FY 1989. The House Subcommittee concurs with the Governor's recommendations, with the following exception:

1. Add \$149 to the salary of the Board member who serves as Executive Director in order to be consistent with the Governor's recommendation that a merit pool be available to provide a salary increase of 5.8 percent for unclassified employees.

An analysis of the Board's fee fund reflecting the Subcommittee's recommendation is shown below:

<u>Resource Estimate</u>	<u>Actual FY 87</u>	<u>Estimated FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 26,918	\$ 25,660	\$ 22,720
Net Receipts	9,770	10,320	10,520
Total Available	\$ 36,688	\$ 35,980	\$ 33,240
Less: Expenditures	11,028	13,260	14,003
Ending Balance	<u>\$ 25,660</u>	<u>\$ 22,720</u>	<u>\$ 19,237</u>

*HA
2-11-88
Attachment 6*



Representative Robert Vancrum
Subcommittee Chairperson



Representative Gayle Mollenkamp

SUBCOMMITTEE REPORT

Agency: Securities Commissioner

Bill No. 2685

Bill Sec. 19

Analyst: Howard

Analysis Pg. No. 62

Budget Pg. No. 1-183

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
Special Revenue Fund:			
State Operations	\$ 1,018,874	\$ 879,242	\$ 134,439
Aid to Local Units	20,000	--	--
Total	<u>\$ 1,038,874</u>	<u>\$ 879,242</u>	<u>\$ 134,439</u>
FTE Positions	22.0	19.0	3.0

Agency Estimate/Governor's Recommendation

The Securities Commissioner requests \$1,038,874 in FY 1989, an increase of \$230,967 from the current year estimate. The request would fund 22.0 FTE positions, and includes \$103,373 for 3.0 FTE new positions of broker-dealer examiner. The request also provides \$36,567 for first-year participation of Securities Special Investigators in the Kansas Police and Firemen's Retirement System (KP&F), should authorizing legislation be passed. The Commissioner also requests \$20,000 for aid to local units to defray witness and litigation expenses encountered by local jurisdictions in prosecuting complex securities cases. The Governor recommends \$879,242 in expenditures for FY 1989, a reduction of \$159,632 from the agency request. The Governor's recommendation would fund 19.0 FTE positions, the same number as in the current year. The Governor does not recommend funding for the requested new positions, for participation in the KP&F retirement system or for aid to local units to defray litigation expenses.

House Subcommittee Recommendations

FY 1988. The Subcommittee concurs with the recommendation of the Governor.

FY 1989. The Subcommittee concurs with the recommendation of the Governor with the following exceptions:

1. Add \$106,048 in salaries and 3.0 FTE for the addition of three new broker-dealer examiner positions requested by the agency in order to increase enforcement activities by a program of routine on-site broker dealer examinations. Currently, such exams are performed only in response to a complaint or past disciplinary actions. The new positions would be utilized for a full-time examination program to identify broker-dealers and agents who need to be closely supervised or disciplined. The Subcommittee further recommends these positions and other operating expenditures be funded only through increased broker dealer, investment adviser, and agent of broker-dealers registration fees proposed by the agency.

HA
2-11-88
Attachment 7

2. Add \$28,391 for other operating expenditures for the three new positions, including \$15,160 for travel, \$8,922 for communications, \$1,519 for office supplies, \$240 for rents, and \$2,550 for capital outlay.

The fee fund analysis, based on the recommendations of the Subcommittee, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 87</u>	<u>Estimated FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 500,933	\$ 500,000	\$ 500,000
Net Receipts	<u>1,077,450</u>	<u>1,980,035</u>	<u>1,978,000*</u>
Total Available Funds	\$ 1,578,383	\$ 2,480,035	\$ 2,478,000
Less:			
Expenditures	795,215	798,489	1,013,681
Transfer to State Gen. Fund.	<u>283,168</u>	<u>1,181,546</u>	<u>964,319</u>
Ending Balance	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ 500,000</u>

* Estimated FY 1989 receipts do not include proposed fee increases.



Representative David Heinemann



Representative Fred Gatlin

OFFICE OF THE SECURITIES COMMISSIONER
SURVEY AND ANALYSIS OF REGISTRATION FEES

Survey of States	Broker-Dealers		Agents	
	Original	Renewal	Original	Renewal
Oklahoma	\$300	\$300	\$50	\$50
Missouri	\$200	\$100	\$50	\$50
Iowa	\$200	\$200	\$30*	\$20
Nebraska	\$100	\$100	\$20*	\$15
Average	\$200	\$175	\$37.50	\$33.75

Analysis of Kansas fees	Estimated Volume	Fees at Various rates			
		Current	Alternatives**		
Broker-Dealers:		@\$100/\$50	@\$100	@\$200	@\$300
Original	150	15,000	15,000	30,000	45,000
Renewal	850	42,500	85,000	170,000	255,000
Total		<u>\$57,500</u>	<u>\$100,000</u>	<u>\$200,000</u>	<u>\$300,000</u>
Increase			<u>\$ 42,500</u>	<u>\$142,500</u>	<u>\$242,500</u>
Agents:		@\$15/\$10	@\$20	@\$30	@\$50
Original	11,500	\$172,500	\$230,000	\$345,000	\$ 575,000
Renewal	21,500	215,000	430,000	645,000	1,075,000
Total		<u>\$387,500</u>	<u>\$660,000</u>	<u>\$990,000</u>	<u>\$1,650,000</u>
Increase			<u>\$272,500</u>	<u>\$602,500</u>	<u>\$1,262,500</u>
Range of Increase Combinations:			<u>\$42,500</u>	to	<u>\$1,505,000</u>

Note: Estimated volumes are based on annualized actual data for FY 1988 (Rounded).

* Includes Examination Fee for Original Registrations.

** Originals and Renewals at same Rates.

HA
2-11-88
Attachment 8

SUBCOMMITTEE REPORT

Agency: Credit Union Department

Bill No. 2685

Bill Sec. 9

Analyst: Howard

Analysis Pg. No. 25

Budget Pg. No. 1-109

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 424,099	\$ 424,124	\$ --
FTE Positions	10.0	10.0	--

Agency Estimate/Governor's Recommendation

The agency requests \$424,099 of expenditures for FY 1989, an increase of \$25,299 over the current year estimated expenditures. The request would maintain the current staffing level of 10.0 FTE positions. The Governor recommends \$424,124 of expenditures for FY 1989, an increase of \$25 from the agency request. The recommendation includes an increase in salaries (\$12,979) and a reduction in travel (\$12,954). The Governor's recommendation would fund the current 10.0 FTE positions.

House Subcommittee Recommendations

FY 1988. The Subcommittee concurs with the recommendation of the Governor.

FY 1989. The Subcommittee concurs with the recommendation of the Governor.

The fee fund analysis, based on the recommendations of the Subcommittee, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 87</u>	<u>Estimated FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 205,168	\$ 200,463	\$ 204,763
Net Receipts	<u>331,608</u>	<u>395,769</u>	<u>427,666</u>
Total Available Funds	\$536,776	\$596,232	\$632,429
Less: Expenditures	<u>336,313</u>	<u>391,469</u>	<u>424,124</u>
Ending Balance	<u>\$ 200,463</u>	<u>\$ 204,763</u>	<u>\$ 208,305</u>

HA
2-11-88
Attachment 9

Rex B Hoy

Representative Rex Hoy

Kenneth Green

Representative Kenneth Green

2685-159/lh

SUBCOMMITTEE REPORT

Agency: Kansas Dental Board

Bill No. 2685

Bill Sec. 10

Analyst: Mills

Analysis Pg. No. 28

Budget Pg. No. 1-203

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 124,337	\$ 119,909	\$ (4,267)
FTE Positions	1.5	1.5	--

Agency Estimate/Governor's Recommendation

FY 1988. The Dental Board requests expenditures of \$116,507 in FY 1988, as approved by the 1987 Legislature. The agency request is an increase of 4.8 percent over the actual expenditures of \$111,100 in FY 1987. The Governor's recommendation for FY 1988 totals \$113,214, which is a reduction of \$3,293 from the agency estimate. The difference is attributed to a small increase in salaries and wages (\$217), offset by reductions spread through various object codes (\$3,510).

FY 1989. The Board requests expenditures of \$124,337 in FY 1989, an increase of \$7,830 over the FY 1988 estimate. Major changes from the current year budget include an additional \$2,718 for professional services, \$2,011 for communication, and \$1,583 for travel and subsistence. The Governor's recommendation for FY 1989 totals \$119,909, which is a reduction of \$4,428 from the agency request. The difference is attributed to a slight increase in salaries and wages (\$540), offset by reductions spread through various object codes (\$4,968).

House Subcommittee Recommendation

FY 1988. The House Subcommittee concurs with the Governor's recommendation.

FY 1989. The House Subcommittee concurs with the Governor's recommendation, with the following exceptions:

1. Reduction of \$1,549 in travel, which would result in \$5,200 for travel. Actual FY 1987 expenditures for travel were \$3,379, and the agency estimates FY 1988 expenditures at \$5,700.
2. Reduction of \$2,718 in professional services, which would provide \$46,000 for professional services. Actual FY 1987 expenditures for professional services were \$52,691, and the agency estimates FY 1988 expenditures at \$46,000. The Subcommittee notes that expenditures in this area have been somewhat cyclical and the amount for FY 1989 may not need to be as great as the amount actually spent in FY 1987.

HA
2-11-88
Attachment 10

<u>Resource Estimate</u>	<u>Actual FY 1987</u>	<u>Estimated FY 1988</u>	<u>Estimated FY 1989</u>
Beginning Balance	\$ 161,606	\$ 155,505	\$ 146,951
Net Receipts	<u>105,059</u>	<u>104,660</u>	<u>104,540</u>
Total Available Funds	\$ 266,665	\$ 260,165	\$ 251,491
Less: Expenditures	<u>111,160</u>	<u>113,214</u>	<u>115,642</u>
Ending Balance	<u>\$ 155,505</u>	<u>\$ 146,951</u>	<u>\$ 135,849</u>



Representative Kenneth King



Representative Kenneth Green

2685-167/RM

SUBCOMMITTEE REPORT

Agency: State Board of Veterinary Examiners

Bill No. 2685

Bill Sec. 21

Analyst: Mills

Analysis Pg. No. 69

Budget Pg. No. 1-221

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 80,727	\$ 76,744	\$ --
FTE Positions	0.8	0.8	--

Agency Estimate/Governor's Recommendation

FY 1988. The Board requests operating expenditures of \$67,811 and a 0.8 FTE position in FY 1988, a reduction of \$13,332 from the amount approved by the 1987 Legislature. During the 1987 Session, H.B. 2466 was passed to allow the Board to employ a full- or part-time executive director. In addition, the bill provided for an increase in the license application and renewal fees.

The Governor's recommendation for FY 1988 totals \$63,875, which is a reduction of \$3,936 from the agency estimate of \$67,811. The largest area of reduction is in fees for professional services (\$4,000), offset by slight increases in salaries. The \$4,000 was budgeted for an investigator.

FY 1989. The Board requests expenditures of \$80,727 in FY 1989, an increase of \$12,916 over the FY 1988 estimate. Major changes in the Board's request include increases of \$4,908 for salaries and wages, \$10,751 for fees--other services, and a reduction of \$4,000 in fees for professional services.

The Governor's recommendation for FY 1989 totals \$76,744, which is a reduction of \$3,983 from the agency request of \$80,727. The entire reduction is found in salaries and wages. The Governor's recommendation for FY 1989 includes \$21,502 requested by the agency to contract for an executive director.

House Subcommittee Recommendations

FY 1988. The House Subcommittee concurs with the Governor's recommendation for FY 1988.

FY 1989. The House Subcommittee concurs with the Governor's recommendation for FY 1989.

The status of the fee fund, based on the House Subcommittee's recommendations, is shown below:

HA
2-11-88
Attachment 11

<u>Resource Estimate</u>	<u>Actual FY 87</u>	<u>Estimated FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 93,204	\$ 116,760	\$ 121,285
Net Receipts	<u>62,648</u>	<u>68,400</u>	<u>68,400</u>
Total Available Funds	\$ 155,852	\$ 185,160	\$ 189,685
Less: Expenditures	<u>39,092</u>	<u>63,875</u>	<u>76,744</u>
Ending Balance	<u>\$ 116,760</u>	<u>\$ 121,285</u>	<u>\$ 112,941</u>



Representative Ott
Subcommittee Chairperson



Representative Mead

2685-700/RM

SUBCOMMITTEE REPORT

Agency: State Board of Technical
Professions

Bill No. 2685

Bill Sec. 20

Analyst: Efird

Analysis Pg. No. 67

Budget Pg. No. 1-219

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations: Fee Fund	\$ 245,368	\$ 241,916	\$ (1,500)
FTE Positions	4.0	4.0	--

Agency Request/Governor's Recommendation

FY 1988. The Board makes no changes in its approved budget of \$264,834 which includes capital outlay of \$31,290 for a new computer system. The Governor reduces the Board's estimate by \$4,434 and recommends total expenditures of \$260,400, including \$31,290 for new computer equipment.

FY 1989. The Board's FY 1989 request is \$9,574 more than the approved FY 1988 budget for operations, excluding capital outlay. The FY 1989 request includes \$99,949 for salaries and wages and \$145,419 for other operating expenses. The Governor's recommendations provide for an increase of \$12,806 in FY 1989 expenditures, excluding capital outlay, over the current fiscal year recommendation. The FY 1989 recommended expenditures are \$104,247 for salaries and wages and \$137,669 for other operating expenses.

House Subcommittee Recommendations

FY 1988. The Subcommittee concurs with the Governor's recommendations with the following exceptions:

1. Reduce capital outlay by \$2,445 to provide \$28,845 for the System 36 computer system, which is the actual cost of the equipment reported by the agency.
2. Reduce professional services fees for investigative services by \$1,500 in order to reaffirm the Governor's recommendation of paying \$15,000 total expenses for legal services.
3. Reduce expenditures for examinations by \$2,600 to provide \$55,164 in the current fiscal year. This is a technical adjustment in the Governor's revised recommendation of \$57,764.

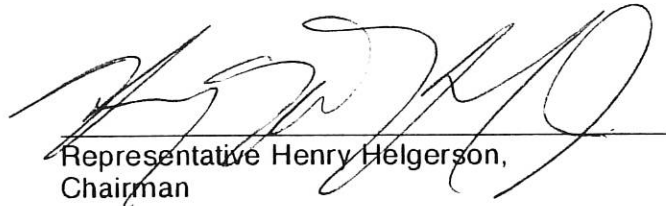
FY 1989. The Subcommittee concurs with the Governor's recommendations with the following exceptions:

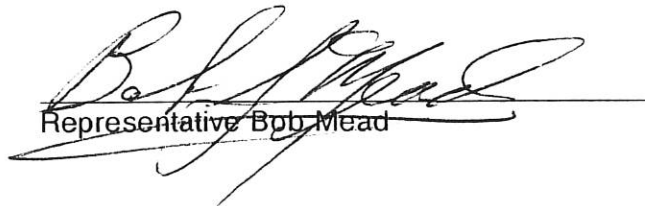
HA
2-11-88
Attachment 12

1. Reduce professional services fees for investigative services by \$1,500 in order to reaffirm the Governor's recommendation of paying \$15,000 total expenses for legal services.
2. Increase the estimated receipts to the agency's fee fund by \$1,200 to reflect the sale of data processing equipment which was supplanted by the new System 36 computer equipment. Also recommend that the Senate Subcommittee review the cost of service contracts for the new System 36 and determine if costs are within the budgeted service and repair expenditures for the old equipment.
3. Note the 20 percent Central Mail surcharge assessed to this fee agency and other fee agencies using the Department of Administration service. This 20 percent charge is in addition to the 20 percent of gross fees which goes to the State General Fund.

Fee Fund Analysis. Technical adjustments are made in the Governor's plan for financing in FY 1988 and FY 1989. The Subcommittee recommendations also are incorporated in the following matrix.

<u>Resource Estimate</u>	<u>Actual FY 87</u>	<u>Estimated FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 289,887	\$ 266,358	\$ 197,424
Net Receipts	<u>189,825</u>	<u>184,921</u>	<u>212,917</u>
Total Available	\$ 479,712	\$ 451,279	\$ 410,341
Less Expenditures	<u>213,354</u>	<u>253,855</u>	<u>240,416</u>
Ending Balance	<u>\$ 266,358</u>	<u>\$ 197,424</u>	<u>\$ 169,925</u>


Representative Henry Helgerson,
Chairman


Representative Bob Mead

SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. NA

Bill Sec. NA

Analyst: Duffy

Analysis Pg. No. 43

Budget Pg. No. 1-211

<u>Expenditure Summary</u>	<u>Agency Req. FY 88</u>	<u>Governor's Rec. FY 88</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 587,304	\$ 527,404	\$ (19,546)
FTE Positions	12.0	12.0	(1.0)

Agency Request/Governor's Recommendation

The Board of Nursing estimates expenditures of \$587,304 in FY 1988, an increase of \$57,311 over the expenditure limitation of \$529,993 approved by the 1987 Legislature. According to the agency, the excess expenditures above the limitation are associated with computer expenditures in FY 1987 and FY 1988.

The Governor recommends \$527,404, a reduction of \$59,900 from the agency's revised request and \$2,589 less than the expenditure limitation approved by the 1987 Legislature. The Governor's recommendation includes partial funding for the new Nursing Education Specialist position approved by the 1987 Legislature, a reduction in capital outlay of \$41,389 because the agency included the expenditure for the final payment on the new computer system twice. The Governor also recommends reductions in professional services and stationery and office supplies.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's FY 1988 recommendations with the following adjustments:

1. The Subcommittee was informed that in FY 1987 the Board of Nursing had accumulated expenditures exceeding the agency's expenditure authority by \$23,998. Of the \$23,998, \$18,484 was for the FY 1987 payment to DISC for a computer system and \$5,514 was owed to various vendors for other operating expenditures. The Subcommittee notes that the approved FY 1987 budget, as presented by the Board of Nursing, included adequate funding for FY 1987, including the \$18,484 owed to DISC. The Subcommittee concurs with the Governor's recommendation to shift the FY 1987 DISC payment of \$18,484 to FY 1988. The remaining outstanding debts of \$5,514 may be brought before the 1988 Legislature as an amendment to the bill proposed by the Joint Committee on Special Claims Against the State and could be paid out of the Board's FY 1988 budget. The Subcommittee is alarmed that the agency had actually "bounced" warrants and considers this an unacceptable way for any state agency to conduct business. The Subcommittee notes that the State Finance Council convened in June, 1987, and that if there were

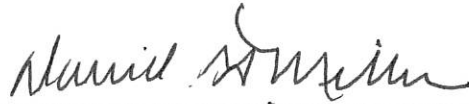
HA
2-11-88
Attachment 13

unanticipated expenditures, the Board should have been aware of the expenditure problems and appeared at that time to appeal for an increase in the Board's expenditure limitation. The Subcommittee recommends that the Board immediately develop procedures to insure that this embarrassing situation does not occur again and report to the Senate Subcommittee on the specific procedures adopted by the Board.

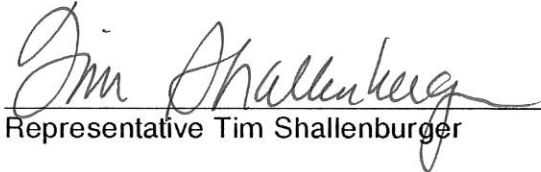
- 2. The Subcommittee recommends the reduction of \$19,546 from salaries and wages in FY 1988 and the deletion of the Nursing Education Specialist position authorized by the 1987 Legislature. The Subcommittee intends to restrict expenditures in the FY 1988 budget in an effort to restore fiscal integrity to the Board of Nursing.

The fee fund analysis, based on the House Subcommittee's adjustments is as follows:

<u>Resource Estimate</u>	<u>Actual FY 87</u>	<u>Estimated FY 88</u>
Beginning Balance	\$ 156,952	\$ 131,908
Net Receipts	<u>452,462</u>	<u>464,584</u>
Total Funds Available	609,414	596,492
Less: Expenditures	<u>477,506</u>	<u>507,858</u>
Ending Balance	<u>\$ 131,908</u>	<u>\$ 88,634</u>



Representative David Miller



Representative Tim Shallenburger

nursing/DD

SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. 2685

Bill Sec. 14

Analyst: Duffy

Analysis Pg. No. 43

Budget Pg. No. 1-211

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 566,429	\$ 518,569	\$ (56,049)
FTE Positions	12.0	12.0	(1.0)

Agency Request/Governor's Recommendation

The agency requests an expenditure limitation of \$566,429 in FY 1989, a 6.9 percent increase over the FY 1988 approved limitation of \$529,993. The FY 1989 request includes \$13,065 for printing and advertising, \$54,125 for rents, \$39,575 for travel and subsistence, \$27,000 for stationery and office supplies, and \$15,000 for capital outlay. The agency proposes no increases in the fee schedule.

The Governor recommends \$518,569 for FY 1989. The recommendation is a \$47,860 reduction from the agency's FY 1989 request. The recommendation provides an increase of \$3,416 to the request for salaries and wages and a decrease of \$51,276 to the request for other operating expenditures.

House Subcommittee Recommendations

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

1. The Subcommittee recommends the reduction of \$35,124 from salaries and wages and the deletion of the Nurse Education Specialist position authorized by the 1987 Legislature. The recommendation reflects the Subcommittee's concern over the Board's financial problems (see FY 1988 Subcommittee Report) and our intent to strictly limit expenditures to allow the Board to gain control over expenditures.
2. The Subcommittee recommends a reduction of \$8,000 from salaries and wages and \$4,000 from rents and encourages the Board to recoup expenditures paid by the Board of Nursing for the shared minicomputer system from the Board of Healing Arts and the Board of Pharmacy. According to the agency, the Board of Nursing provides a Computer Operator III (\$20,951) to operate the shared computer system and the office space to house the system. The Subcommittee directs the Board of Nursing to report to the Senate on the arrangements between the three boards to share expenses for the Computer Operator position and other overhead expenses associated with the computer.

HA
2-11-88
Attachment 14

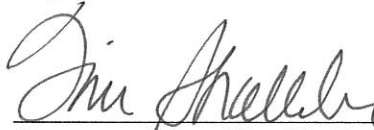
3. The Subcommittee recommends a reduction of \$3,755 from travel for a total of \$32,000, the same amount approved for FY 1988.
4. The Subcommittee recommends a reduction of \$1,360 from other contractual services for a total of \$4,000. The Subcommittee notes that memberships in professional associations, excluding the National Council of State Boards of Nursing, such as the Kansas Hospital Association (\$500) and the Topeka Chamber of Commerce (\$225), are unnecessary.
5. The Subcommittee recommends a reduction of \$3,810 from capital outlay for a total of \$8,125. The Subcommittee does not recommend expenditures for two laptop computers (\$3,000) and the associated dedicated computer line (\$810).
6. The Subcommittee is aware of H.B. 2643 which extends mandatory reporting requirements to licensed professional and practical nurses and mental health technicians. The bill also permits the Board to enter into peer assistance programs, although it does not require such agreements. The Subcommittee reviewed the large fiscal note attached to this legislation and notes that it would require another significant fee increase for licensees.

The fee fund analysis, based on the House Subcommittee's FY 1988 and FY 1989 adjustments is as follows:

<u>Resource Estimate</u>	<u>Actual FY 87</u>	<u>Estimated FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 156,952	\$ 131,908	\$ 83,955
Net Receipts	<u>452,462</u>	<u>464,584</u>	<u>590,628</u>
Total Funds Available	\$ 609,414	\$ 596,492	\$ 674,583
Less: Expenditures	<u>477,506</u>	<u>512,537</u>	<u>462,520</u>
Ending Balance	<u>\$ 131,908</u>	<u>\$ 83,955</u>	<u>\$ 212,063</u>



Representative David Miller



Representative Tim Shallenburger

SUBCOMMITTEE REPORT

Agency: Board of Mortuary Arts

Bill No. 2685

Bill Sec. 11

Analyst: Holt

Analysis Pg. No. 39

Budget Pg. No. 1-209

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ 130,108	\$ 116,111	\$ (3,293)
State General Fund	--	--	--
FTE Positions	3.0	3.0	--

Agency Estimate/Governor's Recommendation

An expenditure limitation of \$130,108 is requested for FY 1989 to finance the ongoing operations of the Board. Included in that request is a proposed increase of \$12,963 to the Executive Secretary's budgeted salary for FY 1988.

An expenditure limitation of \$116,111, which is \$13,997 less than requested, is recommended to finance the ongoing operations of the Board.

House Subcommittee Recommendation

FY 1988. The House Subcommittee concurs with the Governor's FY 1988 recommended expenditure limitation of \$105,515.

FY 1989. The House Subcommittee concurs with the Governor's FY 1989 recommendation of \$116,111 with the following adjustments, resulting in a total reduction of \$3,293:

1. Reduce \$800 for stationery and office supplies. The effect of this recommendation is to fund these supplies at \$1,200, which is \$200 more than recommended for FY 1988. The Subcommittee believes that \$1,200 should be sufficient given that all office supply expenditures associated with the agency's relocation to the Landon State Office Building, such as changes in stationery letterhead, have been realized in previous fiscal years, and expenditures for office supplies related to the requested computer would not be needed (see No. 2).
2. Delete \$2,493 for computer equipment and related furniture. The Subcommittee notes that the agency requested, and the Governor recommended, funding for an Apple II system. However, the Subcommittee does not support the purchase of computer equipment that is incompatible with other equipment in the state's information systems network. The Subcommittee also notes that the agency recently purchased two memory typewriters, one in FY 1986 and one in FY 1987. Although the Subcommittee recognizes that a computer has capabilities that transcend those of a memory typewriter and that the agency's needs might indeed be better served by a computer instead of

*HA
2-11-88
Attachment 15*

memory typewriters or in addition to them, the Subcommittee encourages the agency to reexamine its intended uses for automation and submit to the Senate Subcommittee in 1988 or the House Appropriations Subcommittee in FY 1989 a request for purchase of a computer system that is compatible with the state network.

The fee fund analysis below reflects the House Subcommittee adjustments to expenditures in FY 1989:

<u>Resource Estimate</u>	<u>Actual FY 87</u>	<u>Estimated FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 33,894	\$ 32,757	\$ 37,773
Net Receipts	<u>97,740</u>	<u>110,531</u>	<u>125,738</u>
Total Funds Available	\$ 131,634	\$ 143,288	\$ 163,511
Less: Expenditures	<u>98,877</u>	<u>105,515</u>	<u>112,818</u>
Ending Balance	<u>\$ 32,757</u>	<u>\$ 37,773</u>	<u>\$ 50,693</u>



Representative Bill Brady



Representative Kerry Patrick

2685-204/lh

SUBCOMMITTEE REPORT

Agency: Board of Optometry Examiners

Bill No. 2796

Bill Sec. 12

Analyst: Mills

Analysis Pg. No. 49

Budget Pg. No. 1-213

<u>Expenditure Summary</u>	<u>Agency Req. FY 88</u>	<u>Governor's Rec. FY 88</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 23,520	\$ 29,391	\$ --
FTE Positions	0.3	0.3	--

Agency Estimate/Governor's Recommendation

FY 1988. The agency estimates FY 1988 expenditures of \$23,520, an amount which is \$890 higher than the expenditure limitation established for FY 1988. The \$890 is being requested as an FY 1988 supplemental appropriation to cover additional expenses incurred as a result of 1987 S.B. 113, which expanded the practice of optometry to include the use of therapeutic pharmaceutical agents (TPA) by optometrists. The agency tested 216 optometrists in July of 1987 in accordance with the new law and reports additional expenses of \$400 for printing new licenses and \$490 for fees for test preparation and grading.

The Governor's recommendation for FY 1988 totals \$29,391, which is an increase of \$5,871 over the agency estimate of \$23,520. According to the Governor's Budget Report, the additional funding is to finance legal expenses and board travel expenses related to the comprehensive study of board rules and regulations mandated by the Joint Committee on Rules and Regulations.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1988.



Representative Jack Shriver



Representative Kerry Patrick

2796-488/RM

HA
2-11-88
Attachment 16

SUBCOMMITTEE REPORT

Agency: Board of Optometry Examiners Bill No. 2685 Bill Sec. 15
 Analyst: Mills Analysis Pg. No. 49 Budget Pg. No. 1-213

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 22,682	\$ 22,458	\$ --
FTE Positions	0.3	0.3	--

Agency Estimate/Governor's Recommendation

FY 1989. The agency requests FY 1989 expenditures of \$22,682, which would maintain the present staffing of a 0.3 FTE position and continue the current level of operations.

The Governor's recommendation for FY 1989 totals \$22,458, which is a reduction of \$224 from the agency request of \$22,682. The difference is attributed to an increase in salaries and wages (\$416), offset by reductions in travel (\$240) and fees for other services (\$400).

House Subcommittee Recommendation

FY 1989. The House Subcommittee concurs with the Governor's recommendation for FY 1989.

The status of the fee fund, based on the House Subcommittee recommendation, is shown below:

<u>Resource Estimate</u>	<u>Actual FY 87</u>	<u>Estimated FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 57,320	\$ 65,482	\$ 55,279
Net Receipts	<u>26,775</u>	<u>19,188</u>	<u>15,268</u>
Total Funds Available	\$ 84,095	\$ 84,670	\$ 70,547
Less: Expenditures	<u>18,613</u>	<u>29,391</u>	<u>22,458</u>
Ending Balance	<u>\$ 65,482</u>	<u>\$ 55,279</u>	<u>\$ 48,089</u>


 Representative Jack Shriver


 Representative Kerry Patrick