

Approved 3-28-88
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 March 17, 1988 in room 514-S of the Capitol.

All members were present except: Representative Mainey (excused)

Committee staff present: Diane Duffy, Ellen Piekalkiewicz, Robin Hunn, Scott Rothe,
Legislative Research
Jim Wilson, Revisor of Statutes
Sharon Schwartz, Administrative Aide
Sue Krische, Committee Secretary

Conferees appearing before the committee:

Other attending: See attached list.

Representative Knopp forwarded for introduction a bill at the request of an LCC subcommittee amending requirements for the contents and materials to be utilized for the Kansas Statutes Annotated. Representative Miller moved introduction of the bill. Seconded by Representative Teagarden. Motion carried.

SB 543 - An Act making and concerning appropriations for the fiscal year ending June 30, 1989, for the department of transportation and Kansas highway patrol; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing.

KANSAS DEPARTMENT OF TRANSPORTATION

The subcommittee concurs with the Senate recommendations for FY 1988 and concurs with adjustments for FY 1989 (Attachment 1). Representative Solbach presented his minority report.

Representative Wisdom submitted a proposed amendment to SB 543 to prohibit the purchase of high performance sign sheeting for use in work zone traffic control unless required by the federal government (Attachment 2). He offered this amendment as a potential for saving funds and because of the questionable durability of high performance sheeting. Representative Wisdom moved adoption of the amendment. Seconded by Representative Ott. KDOT has a study of high performance sheeting which will be available in two to three weeks. Representative Wisdom quoted the report as stating this sheeting is appropriate for use. Motion carried.

The subcommittee recommended the addition of \$1.5 million in oil overcharge funds for highway and bridge projects to address the flooding problem in Rossville. The \$1.5 million will draw \$4.1 million in federal funds for this crisis situation. Representative Helgerson does not feel this is an appropriate use of oil overcharge funds. Representative Helgerson made a motion to delete House subcommittee recommendation #1. Seconded by Representative Teagarden. Representative Solbach made a substitute motion to delete the last sentence in Recommendation #1 which states support for the Governor's plan to spend approximately \$12.5 million from oil overcharge funds on highway and bridge projects over a five-year period. Seconded by Representative Vancrum. A member noted it is important to support the \$1.5 million to draw the federal matching funds, but not at this time to take a position on a five-year program on use of oil overcharge funds. On Representative Solbach's substitute motion, motion carried.

Representative Teagarden questioned the use of \$1.2 million from the State Highway Fund on park roads. Representative Teagarden made a

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations

room 514-S, Statehouse, at 1:30 ~~xx~~ a.m./p.m. on March 17, 1988

motion to add a paragraph #7 to the House subcommittee report to delete the \$1.2 million recommended by the Governor to be expended from the State Highway Fund for park roads. Seconded by Representative Hamm. Motion carried.

Representative Lowther moved adoption of the subcommittee report for FY 1988 and FY 1989, as amended. Seconded by Representative King. Representative Solbach made a substitute motion to adopt the minority report. Seconded by Representative Lowther. Motion failed. On Representative Lowther's motion to adopt the majority report as amended, motion carried. Representative Solbach noted he will request the Committee's introduction of a bill when drafted to index the major sources of revenue to the State Highway Fund.

HIGHWAY PATROL

The subcommittee concurs with the Senate's recommendations on FY 1988 with adjustments noted in the report (Attachment 3). Representative King moved adoption of the FY 1988 subcommittee report. Seconded by Representative Solbach. Motion carried.

Representative Lowther presented the FY 1989 House subcommittee report and Representative King submitted a minority report (Attachment 4).

Representative Solbach made a motion to amend paragraph #2 to read: "Add \$111,514 from the State General Fund to provide overtime pay for uniformed personnel in the KHP-Operations program. The addition will enable the Patrol to provide up to 5,922 hours of overtime pay for field personnel thereby reducing the amount of compensatory time off. Federal regulations require the use of compensatory time off at the rate of time-and-a-half for each hour worked by a Trooper in excess of 171 hours per 28-day period if overtime pay is not provided. This is the equivalent of three new troopers," and to amend paragraph #7 adding the phrase to the end--"if such can be done without unduly compromising officer safety and effectiveness." Seconded by Representative Lowther. Motion carried.

Representative King moved adoption of the minority report. Seconded by Representative Chronister. The Chair divided the question. On the question to delete the 10 new FTE Troopers and \$487,415 SGF, motion failed. On the second part of the question, Representative King made a motion to delete \$111,514 from the budget for overtime pay. Seconded by Representative Miller. Representative Solbach opposed the motion because troopers should have the opportunity to make extra pay for overtime as they are prohibited from taking any outside employment. On the motion to delete overtime pay, motion failed.

Representative Teagarden asked the value of the services the Highway Patrol provided at the State Fair this year. Staff advised it was \$84,183. Representative Teagarden made a motion to amend the subcommittee report to charge the State Fair full compensation for the Highway Patrol officers that work on the State Fair grounds. Seconded by Representative King. Discussion centered on who is served by the troopers at the Fair and whether they are there at the request of the Fair or for various other reasons. Also part of the question are the troopers that work large functions at the universities. Following discussion, Representative Teagarden requested permission to withdraw his motion. The second, Representative King, denied permission to withdraw. Representative Miller offered a substitute motion to amend the subcommittee report to request an interim study of potential other revenue for the Highway Patrol for extraordinary activities where they are called upon to render services such as those at the State Fair. Seconded by Representative Helgerson. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations

room 514-S Statehouse, at 1:30 ~~am~~/p.m. on March 17, 1988

Representative Chronister made a motion to delete paragraph #4 adding \$372,396 in salaries and wages. Seconded by Representative Fuller. Representative Chronister feels if this were appropriate the troopers would have been addressed by the Division of Personnel in Phase III of the job study. Representative Lowther indicated the subcommittee felt this upgrade for senior officers would provide a necessary career ladder for retention. On Representative Chronister's motion to delete paragraph #4, motion failed.

Representative Williams moved to amend the report to add a provision that employees who perform the functions and duties of the Motor Carrier Inspection Department will continue to be covered by KPERS retirement plan after transferred to the Highway Patrol. Seconded by Representative Ott. Motion carried. Representative Lowther moved adoption of the FY 1989 subcommittee report as amended. Seconded by Representative King. Motion carried. Representative Chronister moved that SB 543, as amended, be recommended favorably for passage. Seconded by Representative King. Motion carried.

The meeting was adjourned at 3:40 p.m.

GUEST LIST

COMMITTEE: HOUSE APPROPRIATIONS

DATE: 3-17-88

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Col. Don Pickett	Topeka	KNO
JACKSON ARMSTRONG	"	"
Kurt Lohse	Hanover	Hanover High School
Craig Holle	"	"
Galen Lohse	"	"
Elise Diederich	"	"
John Enos	"	"
Paul W. Samuel	Topeka	KDOT
Robert Halsey	"	"
Mike Lackey	"	"
Pete Wawnamaker	Rossville	
Harold Zimm	Rossville	City of Rossville
Laverne Spears	Rossville	Cross Creek Watershed
Dennis C. Hall	Rossville	city of Rossville
Alisa K. Paustian	Rossville	
D.B. Dallam	Topeka	Budget Div.
Chas. C. Beaman	Oakley	KDOT
Sabrina Wells	Topeka	Budget Div.
Kim Lohse	Hanover	Hanover High School
Beverly Heitgen	" "	" "
Greg Meier	" "	" "
LINDA MCGILL	TOPEKA	KS. STATE TROOPERS ASSN

SUBCOMMITTEE REPORT

Agency: Kansas Department of
Transportation

Bill No. 543

Bill Sec. 2

Analyst: Hunn

Analysis Pg. No. 73

Budget Pg. No. 73

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$138,525,215	\$133,511,249	\$ --
Aid to Local Units	82,526,046	81,817,046	--
Other Assistance	<u>325,000</u>	<u>325,000</u>	
Operating Exp.	\$221,376,261	\$215,653,295	\$ --
Capital Improvements			
	<u>275,794,136</u>	<u>254,719,281</u>	--
TOTAL	<u>\$497,170,397</u>	<u>\$470,372,576</u>	<u>\$</u>
State General Fund	\$ 0	\$ 0	\$ --
FTE Positions	3,140.0	3,140.0	--

Agency Request/Governor's Recommendation

KDOT's operating budget request for FY 1989 totals \$221,376,261, and is based on a new highway construction program to be financed with a 5 cent fuels tax, an increase of 50 percent for truck registration fees and 75 percent for passenger vehicle registration fees, and debt financing of \$1.1 billion. The proposed plan calls for new construction totaling \$1.1 billion. Under the plan, KDOT state operations, maintenance, and major modifications would be funded through FY 1997, after which KDOT would presumably need additional revenue to continue the core program. The FY 1989 operating budget request includes 131 new positions totaling \$3,477,901 and additional other operating costs of \$2,908,957, for a total of \$6,386,858 in costs related to a new highway program. Without some new source of funding, KDOT projects that there will be a shortfall in FY 1990 in the State Highway Fund if current operations are to be continued.

The Governor's budget recommendations for FY 1989 do not include a new highway program. The Governor's recommendations basically continue the existing level of state operations, with no increase in positions. The Governor's recommendation includes approximately \$3.2 million to fund a 4 percent increase for classified employees and a merit pool for unclassified employees. The Governor's recommendations also shift \$1 million from one federal mass transit account to another. The Governor's recommendations for capital improvements include \$1.5 million for shoulder projects in 5 KDOT districts and a bridge project in one district to be financed from oil overcharge funds. Also included is \$1.2 million from the State Highway Fund for park roads.

Included in the agency request and Governor's recommendation for FY 1988 is \$300,000 for a contracted management study of KDOT operations.

HA
3-17-88
Attachment 1

Senate Subcommittee Recommendations

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

FY 1989. The Subcommittee makes the following recommendations for FY 1989:

1. The Subcommittee reviewed the status of the State Highway Fund and found that in the absence of new revenues, and if maintenance programs are to be continued at the current level, KDOT will face a shortfall in funding in FY 1990. The Subcommittee learned that KDOT plans to reduce the substantial maintenance program by \$5 million in FY 1989 in an attempt to delay the shortfall. If the shortfall were to be delayed beyond FY 1990, significant reductions would have to be made in the maintenance program in FY 1990 also. Reduced levels of basic maintenance leads to more expensive major repair projects in the future. The majority of the highway plans studied during the 1987 special session acknowledged the need for additional maintenance beyond the current level, and the Subcommittee believes that a reduction to the current level of maintenance is unacceptable.

The Subcommittee notes that an increase of one cent in the fuels tax would allow KDOT to maintain the current level of maintenance, match federal aid, fund state operations, and delay the shortfall to FY 1992. The Subcommittee believes that maintenance programs are essential to the state's highway system and should not suffer during the course of debate on new highway construction.

The Subcommittee therefore recommends that a proviso be inserted in the KDOT appropriations bill to specify that KDOT shall spend not less than the current level of funding (adjusted for inflation) on maintenance projects in FY 1989.

2. The Subcommittee recommends that the \$1.5 million from Oil Overcharge funds be spent on projects designated by the Secretary of Transportation.
3. The Subcommittee reviewed the Governor's recommendation to shift \$1 million from Section 9 mass transit funding, which provides grants to urban areas, to Section 18 mass transit funding, which provides grants to areas with under 50,000 population. This shift would provide an increase of 47.6 percent in the Section 18 grants. The Subcommittee notes that the structure of the KDOT appropriations bill would not mandate this transfer, and believes that KDOT should have the flexibility to reevaluate the transfer as additional information becomes available on the demand for each type of funding.

4. The Subcommittee reviewed the Governor's recommendation to spend \$1.2 million from the State Highway Fund on park roads. The Subcommittee recommends that KDOT be required to report to the 1989 Legislature on the park projects that are to be financed from the State Highway Fund.

Senate Committee Recommendations

The Senate Committee concurs with the Subcommittee recommendations. The Committee notes that recommendations for the Highway Patrol budget increase available revenue for the State Highway Fund by \$228,446.

Senate Committee of the Whole Recommendations

The Senate deletes the \$1.5 million in oil overcharge funds for highway and bridge projects.

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Senate Rec. FY 89</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ --	\$133,511,249	\$ --
Aid to Local Units	--	81,817,046	--
Other Assistance	--	325,000	--
Subtotal -- Operating Expenditures	\$ --	\$215,653,295	\$ --
Capital Improvements	(1,500,000)	253,219,281	1,563,656
TOTAL	<u>\$ (1,500,000)</u>	<u>\$468,872,576</u>	<u>\$ 1,563,656</u>
State General Fund	\$ --	\$ --	\$ --
FTE Positions	--	3,140.0	--

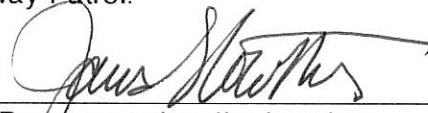
House Subcommittee Recommendations

FY 1988. The Subcommittee concurs with the Senate recommendations.

FY 1989. The House Subcommittee concurs with the Senate recommendations with the following adjustments:

1. The Subcommittee recommends the addition of the \$1.5 million in oil overcharge funds for highway and bridge projects. The Subcommittee learned of a flooding problem in Rossville and believes that emergency situations such as the Rossville bridge project are appropriately financed from oil overcharge funds. The Subcommittee supports the general concept of the Governor's plan to spend approximately \$12.5 million from oil overcharge funds on highway and bridge projects over a five-year period, but believes that the proposed projects should be reviewed each year to allow the funds to be used for emergency-type projects.

2. The Subcommittee reviewed the Senate's recommendation that maintenance contracts in FY 1989 should not be reduced from the current level. The Secretary of KDOT testified that, although there are a number of uncertainties regarding future funding, KDOT could operate within the Senate recommendations in FY 1989. The Subcommittee therefore concurs with the Senate's recommendations to sustain the current level of maintenance in FY 1989.
3. The Subcommittee reviewed the issue of maintenance of park roads. During the 1987 Session, the Subcommittee had requested that KDOT and the Parks Authority work together to develop an agreement on this issue. KDOT developed a proposal, but the Parks Authority did not respond to this proposal. The Subcommittee notes that this issue will be an area of review in the Department of Wildlife and Parks budget.
4. The Subcommittee reviewed KDOT concerns regarding the classified employees job study and found that engineer and technician job classes are not part of Phase III and no time frame has been set for study and implementation of that phase of the study. KDOT noted that because maintenance job classes were part of Phase II (funded in FY 1988), that there is now an inappropriate differential between maintenance job classes and technician job classes. KDOT also noted recruitment and retention problems with engineering staff because of salary levels.
5. The Subcommittee learned that KDOT may begin soliciting bids for asphalt contracts more frequently than once a year and that this could result in savings. The Subcommittee recommends that any savings in asphalt costs be used to support the balance of the State Highway Fund.
6. The Subcommittee recommends the addition of \$63,656 from the State Highway Fund for two fuel storage tanks (\$31,828 each for Salina and Topeka) for the Highway Patrol.



Representative Jim Lowther
Subcommittee Chairperson



Representative Kenneth King

Representative John Solbach

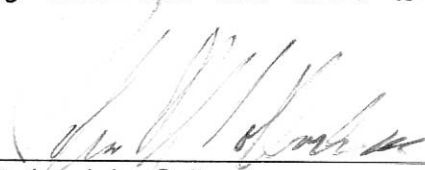
STATE HIGHWAY FUND-PROJECTIONS-EXISTING REVENUE SOURCES

(\$ IN 000)	FY 1986	FY 1989	FY 1990	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	TOTAL
REVENUES											
R FUEL	\$78,500	\$77,300	\$77,200	\$78,000	\$77,600	\$77,300	\$77,000	\$76,400	\$76,700	\$77,000	\$773,000
VEHICLE REG.	\$70,000	\$70,500	\$70,500	\$70,500	\$71,000	\$71,000	\$71,000	\$71,500	\$71,500	\$71,500	\$709,000
SGF TRANSFER	\$20,500	\$32,200	\$43,300	\$47,500	\$48,900	\$50,400	\$51,900	\$53,500	\$55,100	\$56,700	\$460,000
MISCELLANEOUS	\$7,563	\$6,947	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700	\$60,110
TRANSFERS	\$14,096	\$14,767	\$13,098	\$12,240	\$12,264	\$5,029	\$3,209	\$3,209	\$3,209	\$3,209	\$84,330
FEDERAL AID REIMBURSEMENTS	\$157,005	\$120,035	\$120,057	\$98,957	\$101,004	\$98,821	\$98,821	\$98,821	\$98,821	\$98,821	\$1,091,163
SUBTOTAL-REVENUES	\$347,664	\$321,749	\$329,855	\$312,897	\$316,468	\$308,250	\$307,630	\$309,130	\$311,030	\$312,930	\$3,177,603
EXPENDITURES											
STATE OPERATIONS & MISC.	\$163,616	\$173,606	\$176,092	\$181,843	\$185,749	\$192,768	\$198,633	\$205,868	\$213,385	\$221,357	\$1,912,918
SUBSTANTIAL MAINTENANCE	\$34,386	\$40,624	\$47,512	\$49,983	\$52,582	\$55,316	\$58,193	\$61,219	\$64,402	\$67,751	\$531,970
MAJOR MODIFICATIONS	\$171,354	\$125,192	\$125,695	\$104,959	\$107,494	\$104,930	\$104,930	\$104,930	\$104,930	\$104,930	\$1,159,344
TOTAL-STATE OPS., SUBST. MAINT., AND MAJOR MODIFICATIONS	\$369,356	\$339,422	\$349,299	\$336,785	\$345,825	\$353,014	\$361,757	\$372,017	\$382,718	\$394,038	\$3,604,232
REVENUES MINUS EXPENDITURES	(\$21,692)	(\$17,673)	(\$19,444)	(\$23,888)	(\$29,357)	(\$44,764)	(\$54,127)	(\$62,887)	(\$71,688)	(\$81,108)	(\$426,629)
BEGINNING BALANCE	\$60,499	\$38,807	\$21,134	\$1,690	(\$22,198)	(\$51,555)	(\$96,319)	(\$150,446)	(\$213,333)	(\$285,021)	
CUMULATIVE BALANCE	\$38,807	\$21,134	\$1,690	(\$22,198)	(\$51,555)	(\$96,319)	(\$150,446)	(\$213,333)	(\$285,021)	(\$366,129)	

MINORITY REPORT

I concur with the Subcommittee recommendations with the following exception:

I recommend that a bill be introduced to index the major sources of revenue to the State Highway Fund. Both the Governor's Highway Task Force and the Governor's recommendations during the 1987 Special Session recognized that indexing is necessary to avoid periodic funding problems for the state highway system. Indexing motor fuels taxes, vehicle registration fees, and the driver license fees would allow the state to avoid the current crisis management nature of highway finance. Without indexing or another source of additional revenue for KDOT, there is a projected shortfall of approximately \$366 million for the time period FY 1988-FY 1997. If indexing was utilized, it is estimated that approximately \$411 million would be generated over that time period, thus covering the projected shortfall. I recommend that action be taken now to allow the indexing revenue to fund KDOT's basic maintenance and construction program. Funding a new construction program (if such is proposed) could then be accomplished simply by raising the fees and gallonage taxes sufficient to fund the new project without damaging maintenance. Further, there would thus be no necessity of over-raising such fees and taxes to account for inflationary erosion.



Representative John Solbach

STATE HIGHWAY FUND-PROJECTIONS-EXISTING REVENUE SOURCES-PLUS MAJOR SOURCES INDEXED

(\$ IN 000)	FY 1988	FY 1989	FY 1990	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	TOTAL
REVENUES											
MOTOR FUEL	\$78,500	\$77,300	\$77,200	\$78,000	\$77,600	\$77,300	\$77,000	\$76,400	\$76,700	\$77,000	\$773,000
VEHICLE REG.	\$70,000	\$70,500	\$70,500	\$70,500	\$71,000	\$71,000	\$71,000	\$71,500	\$71,500	\$71,500	\$709,000
SGF TRANSFER	\$20,500	\$32,200	\$43,300	\$47,500	\$48,900	\$50,400	\$51,900	\$53,500	\$55,100	\$56,700	\$460,000
MISCELLANEOUS	\$7,563	\$6,947	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700	\$60,110
TRANSFERS	\$14,096	\$14,767	\$13,098	\$12,240	\$12,264	\$5,029	\$3,209	\$3,209	\$3,209	\$3,209	\$84,330
FEDERAL AID REIMBURSEMENTS	\$157,005	\$120,035	\$120,057	\$98,957	\$101,004	\$98,821	\$98,821	\$98,821	\$98,821	\$98,821	\$1,091,163
ADD: INDEX MOTOR FUELS TAX	\$0	\$3,454	\$10,598	\$16,085	\$21,480	\$27,209	\$33,409	\$39,462	\$45,965	\$53,320	\$250,983
INDEX VEHICLE REG. FEES	\$0	\$3,318	\$4,904	\$8,641	\$12,482	\$16,408	\$20,735	\$25,420	\$30,351	\$35,443	\$157,700
INDEX DRIVER LICENSE FEES	\$0	\$120	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$2,040
SUBTOTAL-REVENUES	\$347,664	\$328,641	\$345,597	\$337,863	\$350,670	\$352,107	\$362,014	\$374,252	\$387,586	\$401,933	\$3,588,326
EXPENDITURES											
OPERATIONS & MISC.	\$163,616	\$173,606	\$176,092	\$181,843	\$185,749	\$192,768	\$198,633	\$205,868	\$213,385	\$221,357	\$1,912,918
SUBSTANTIAL MAINTENANCE	\$34,386	\$40,624	\$47,512	\$49,983	\$52,582	\$55,316	\$58,193	\$61,219	\$64,402	\$67,751	\$531,970
MAJOR MODIFICATIONS	\$171,354	\$125,192	\$125,695	\$104,959	\$107,494	\$104,930	\$104,930	\$104,930	\$104,930	\$104,930	\$1,159,344
SUBTOTAL-STATE OPS., SUBST. MAINT., AND MAJOR MODIFICATIONS	\$369,356	\$339,422	\$349,299	\$336,785	\$345,825	\$353,014	\$361,757	\$372,017	\$382,718	\$394,038	\$3,604,232
REVENUES MINUS EXPENDITURES	(\$21,692)	(\$10,781)	(\$3,702)	\$1,078	\$4,845	(\$907)	\$257	\$2,234	\$4,869	\$7,895	(\$15,906)
BEGINNING BALANCE	\$60,499	\$38,807	\$28,026	\$24,324	\$25,402	\$30,247	\$29,340	\$29,597	\$31,831	\$36,700	
CUMULATIVE BALANCE	\$38,807	\$28,026	\$24,324	\$25,402	\$30,247	\$29,340	\$29,597	\$31,831	\$36,700	\$44,595	

PROPOSED AMENDMENTS TO S.B. NO. 543

On page 3, following line 155, by inserting the following material to read as follows:

"(e) No expenditures shall be made for fiscal year 1989 by the department of transportation, from any appropriations made by this or any other appropriations act of the 1988 regular session of the legislature, to acquire or install high-intensity or high-performance sign sheeting for use in work zone traffic control or to reimburse the costs of any such acquisition or installation for such use incurred by a county, township or city for fiscal year 1989, except that expenditures for fiscal year 1989 may be made for such acquisition, installation or reimbursement for such purposes if the use of high-intensity or high-performance sign sheeting is specified for such purposes by applicable provisions of the work zone traffic control standards and guidelines issued by the federal highway administration of the United States department of transportation."

HA
3-17-88
Attachment 2

SUBCOMMITTEE REPORT

Agency: Highway Patrol

Bill No. 571

Bill Sec. 16

Analyst: Rothe

Analysis Pg. No. 87

Budget Pg. No. 4-37

<u>Expenditure Summary</u>	<u>Agency Est. FY 88</u>	<u>Governor's Rec. FY 88</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 21,929,943	\$ 21,970,184	\$ --
Aid to Local Units	206,000	206,000	--
Subtotal -- Operating	22,135,943	22,176,184	\$ --
Capital Improvements	1,132	1,132	--
TOTAL	\$ 22,137,075	\$ 22,177,316	\$ --
State General Fund:			
State Operations	\$ 18,228,752	\$ 18,263,952	\$ --
Aid to Local Units	154,000	154,000	--
Subtotal -- Operating	18,382,752	18,417,952	\$ --
Capital Improvements	1,132	1,132	--
TOTAL	\$ 18,383,884	\$ 18,419,084	\$ --
FTE Positions:			
Uniformed Troopers	428.0	428.0	--
Capitol Area Security	64.5	64.5	--
Motor Carrier Inspection	--	--	--
All Others	120.0	120.0	--
TOTAL	612.5	612.5	--

Agency Estimate/Governor's Recommendation

The agency's revised FY 1988 estimate of operating expenditures of \$22,135,943 is a decrease of \$66,669 below the amount approved by the 1987 Legislature. The revised estimate includes a reduction of \$66,669 in federal funds from the Emergency Medical Services program, a shift of \$15,965 from the State General Fund from the Patrol-Operations program to the Patrol-Data Processing program, and a supplemental request of \$38,162 from the State General Fund to offset a projected shortfall of \$38,162 in General Fee Fund receipts. Reduced receipts are due to a decline in the number of vehicles sold in FY 1987, an increase in the mile-out rate which reduces sale value, and the imposition of a 15 percent handling charge for the sale of vehicles through the Division of Surplus Property.

The Governor recommends total FY 1988 operating expenditures of \$22,176,184, an increase of \$40,241 above the agency's revised estimate due to health insurance and FICA rate adjustments. The Governor concurs with the agency's supplemental State General Fund request of \$38,162. In addition, the Governor recommends a State General Fund supplement of \$35,256 and special revenue fund expenditure limitation increases totaling \$5,041, both due to salary adjustments.

*HA
3-17-88
Attachment 3*

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

Senate Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

Senate Committee of the Whole Recommendation

The Senate concurs with the Committee's recommendation.

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Senate Rec. FY 88</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ --	\$ 21,970,184	\$ 22,484
Aid to Local Units	--	206,000	--
Subtotal -- Operating	\$ --	\$ 22,176,184	\$ 22,484
Capital Improvements	--	1,132	--
TOTAL	<u>\$ --</u>	<u>\$ 22,177,316</u>	<u>\$ 22,484</u>
State General Fund:			
State Operations	\$ --	\$ 18,263,952	\$ 22,484
Aid to Local Units	--	154,000	--
Subtotal -- Operating	\$ --	\$ 18,417,952	\$ 22,484
Capital Improvements	--	1,132	--
TOTAL	<u>\$ --</u>	<u>\$ 18,419,084</u>	<u>\$ 22,484</u>
FTE Positions:			
Uniformed Troopers	--	428.0	--
Capitol Area Security	--	64.5	--
Motor Carrier Inspection	--	--	--
All Others	--	120.0	--
TOTAL	<u>--</u>	<u>612.5</u>	<u>--</u>

House Subcommittee Recommendation

FY 1988. The Subcommittee concurs with the Senate's recommendation with the following adjustments:

1. Add \$22,484 in salaries and wages from the State General Fund for the Capitol Area Security Patrol (CASP). No turnover savings have been realized to date in FY 1988. The Governor's recommendation includes turnover savings of \$19,083, or 5 percent. In addition, a pending retirement is expected to result in unbudgeted separation pay costs of \$3,401.

2. Increase the Vehicle Identification Number (VIN) expenditure limitation from \$260,000 to \$300,000. The Subcommittee recommends that \$40,000 from VIN receipts be utilized to cover a shortfall in vehicle sale receipts of up to \$30,000 and a shortfall of \$10,000 in the federal fuel excise tax refund due to new federal regulations which will result in a delay in the fourth quarter refund until the following fiscal year.



Representative James Lowther
Subcommittee Chairperson



Representative Kenneth King



Representative John Solbach

SUBCOMMITTEE REPORT

Agency: Highway Patrol

Bill No. 543

Bill Sec. 3

Analyst: Rothe

Analysis Pg. No. 87

Budget Pg. No. 4-37

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 25,059,165	\$ 28,437,296	\$ (513,976)
Aid to Local Units	<u>274,000</u>	<u>154,000</u>	<u>(154,000)</u>
Subtotal -- Operating	\$ 25,333,165	\$ 28,591,296	\$ (667,976)
Capital Improvements	<u>77,240</u>	<u>205,453</u>	<u>--</u>
TOTAL	<u>\$ 25,410,405</u>	<u>\$ 28,796,749</u>	<u>\$ (667,976)</u>
State General Fund:			
State Operations	\$ 21,489,695	\$ 20,332,683	\$ (262,560)
Aid to Local Units	<u>274,000</u>	<u>154,000</u>	<u>(154,000)</u>
Subtotal -- Operating	\$ 21,763,695	\$ 20,486,683	\$ (416,560)
Capital Improvements	<u>77,240</u>	<u>13,584</u>	<u>--</u>
TOTAL	<u>\$ 21,840,935</u>	<u>\$ 20,500,267</u>	<u>\$ (416,560)</u>
FTE Positions:			
Uniformed Troopers	456.0	450.0	(2.0)
Capitol Area Security	67.5	64.5	--
Motor Carrier Inspection	--	174.0	--
All Others	<u>133.5</u>	<u>122.0</u>	<u>(8.0)</u>
TOTAL	<u>657.0</u>	<u>810.5</u>	<u>(10.0)</u>

Agency Request/Governor's Recommendation

The agency requests FY 1989 operating expenditures of \$25,333,165, an increase of \$3,197,222 (14.4 percent) above the revised FY 1988 estimate of \$22,135,943. Of the increase, \$1,529,794 (47.8 percent) is attributable to salaries and wages, \$1,223,684 (38.3 percent) to capital outlay, \$129,780 (4.1 percent) to vehicle fuel and supplies, and \$313,964 (9.8 percent) to other operating expenditures. The request includes \$21,763,695 from the State General Fund (an increase of \$3,380,943), and \$3,569,470 from special revenue funds (a decrease of \$183,721).

The Governor recommends \$28,591,296 of operating expenditures for FY 1989, an increase of \$3,258,131 above the agency's request. The recommendation includes \$20,486,683 from the State General Fund (a reduction of \$1,277,012), and \$8,104,613 from special revenue funds (an increase of \$4,535,143). The recommendation includes the transfer of the Motor Carrier Inspection Program from the Department of Revenue to the Highway Patrol (\$4,420,501 from special revenue funds), a 4 percent classified salary adjustment (\$596,053 from the State General Fund and \$238,538 from special revenue funds), and a decrease of \$869,237 from the State General Fund from the Emergency Medical Services program. The adjusted recommendation includes a reduction of \$511,960 from the State General Fund in salaries and wages as a result of a technical adjustment included in a Governor's Budget Amendment.

HA
3-17-88
Attachment 4

Senate Subcommittee Recommendation

FY 1989. The Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Delete \$497,198 from the State General Fund, \$46,000 from other funds, and 8.0 FTE positions from the Emergency Medical Services (EMS) program. The recommendation to delete all EMS financing from the Kansas Highway Patrol is made pending final action on Substitute for H.B. 2639 which would establish the Emergency Medical Services Board as a free-standing agency.
2. Delete \$96,985 from the State General Fund and 2.0 FTE Troopers from the KHP-Operations program. The Subcommittee deletes two of the 20 new Troopers recommended by the Governor. Reductions include \$54,263 from salaries and wages and \$42,722 from other operating expenditures.
3. Delete \$228,446 from the Motor Carrier Inspection Fund (Highway Fund) from salaries and wages in the Motor Carrier Inspection program. The Subcommittee recommends an increase in the salary turnover rate from zero to 6 percent as had been requested by the Department of Revenue. (The Governor's FY 1989 recommendation includes the transfer of Motor Carrier Inspection field operations from the Kansas Department of Revenue to the Kansas Highway Patrol.)
4. Add \$124,936 to salaries and wages to increase the number of paid holidays for road patrol personnel from four days to six. The recommendation includes \$116,408 from the State General Fund for the KHP-Operations program and \$8,528 from the Turnpike Fund.
5. Add \$49,838 to salaries and wages to increase the annual cleaning allowance for each sworn uniformed position from \$250 per year to \$350. The recommendation includes \$43,736 from the State General Fund for the KHP-Operations program, \$2,034 from the Motor Carrier Safety Assistance Program (MCSAP) Fund, and \$4,068 from the Turnpike Fund.
6. Add \$8,400 from the MCSAP Fund for computer equipment which would enhance the agency's data entry connection with the Safety Net Data Base in Washington, D.C.
7. Add \$17,479 in salaries and wages to the KHP-Operations program as a technical adjustment to the Patrol's appropriation bill (S.B. 543). The Subcommittee anticipates a Governor's Budget Amendment on this item.
8. The Subcommittee directs the Patrol to look into the possibility of shifting a greater proportion of Vehicle Identification Number (VIN) inspections from private designees to local law enforcement agencies. In FY 1987, 18 private designees performed 96,235 VIN

inspections, the Patrol performed 14,782 inspections, and local law enforcement agencies performed 32,495 inspections.

9. The Subcommittee requests the House Subcommittee review the issue of closing MCIB ports of entry. During the 1987 Session, the Department of Revenue recommended the closing of 17 stations, the termination of 51.0 FTE positions, and a reduction of \$972,000 (from highway funds) in related expenditures. The question was not raised until it was too late for the Senate Subcommittee to adequately address the issue.
10. The Subcommittee does not concur with the recommendation of the Joint Committee on State Building Construction to add \$63,656 from the State General Fund for the construction of two fuel storage tanks. The Governor did not recommend the projects.

Senate Committee Recommendation

The Committee concurs with the Subcommittee's recommendations.

Senate Committee of the Whole Recommendation

The Senate concurs with the Committee's recommendation with the following adjustments:

1. Delete \$387,940 from the State General Fund and 8.0 FTE Troopers from the KHP-Operations program. The Senate recommends a total of ten of the 20 new Troopers recommended by the Governor. Reductions include \$217,052 from salaries and wages and \$170,888 from other operating expenditures.
2. Add \$396,360 in salaries and wages to provide 322 Troopers with a per diem meal allowance of \$4.50 per day. The recommendation includes \$340,447 from the State General Fund, \$19,448 from the MCSAP Fund, and \$36,465 from the Turnpike Fund.

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Senate Rec. FY 89</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ (505,556)	\$ 27,931,740	\$ 168,731
Aid to Local Units	<u>(154,000)</u>	<u>--</u>	<u>--</u>
Subtotal - Operating	\$ (659,556)	\$ 27,931,740	\$ 168,731
Capital Improvements	<u>--</u>	<u>205,453</u>	<u>--</u>
TOTAL	<u>\$ (659,556)</u>	<u>\$ 28,137,193</u>	<u>\$ 168,731</u>
State General Fund:			
State Operations	\$ (310,053)	\$ 20,022,630	\$ 133,134
Aid to Local Units	<u>(154,000)</u>	<u>--</u>	<u>--</u>
Subtotal - Operating	\$ (464,053)	\$ 20,022,630	\$ 133,134
Capital Improvements	<u>--</u>	<u>13,584</u>	<u>--</u>
TOTAL	<u>\$ (464,053)</u>	<u>\$ 13,584</u>	<u>\$ 133,134</u>
FTE Positions:			
Uniformed Troopers	(10.0)	440.0	--
Capitol Area Security	--	64.5	--
Motor Carrier Inspection	--	174.0	--
All Others	<u>(8.0)</u>	<u>114.0</u>	<u>--</u>
TOTAL	<u>(18.0)</u>	<u>793.0</u>	<u>--</u>

House Subcommittee Recommendation

FY 1989. The Subcommittee concurs with the Senate's recommendations with the following adjustments:

1. Delete \$396,360 in salaries and wages and eliminate the per diem allowance of \$4.50 for 322 Troopers added by the Senate. The reduction includes \$340,447 from the State General Fund, \$19,448 from the MCSAP Fund, and \$36,465 from the Turnpike Fund.
2. Add \$111,514 from the State General Fund to provide overtime pay for uniformed personnel in the KHP-Operations program. The addition will enable the Patrol to provide up to two days of overtime pay for each of 329 field personnel thereby reducing the amount of compensatory time off. Federal regulations require the use of compensatory time off at the rate of time-and-a-half for each hour worked by a Trooper in excess of 171 hours per 28-day period if overtime pay is not provided.
3. Add \$81,181 to provide a salary shift differential of \$.20 per hour, or approximately \$250 per year, for 329 Patrol personnel. The recommendation includes \$71,667 from the State General Fund (\$69,072 for the KHP-Operations program and \$2,595 for the Capitol Area Security Patrol program), \$1,984 from the CASP-Intergovernmental Fund, and \$7,530 from the Turnpike Fund. The Patrol currently pays shift differential to CASP Security Officers and to Communications Operators.

4. Add \$372,396 in salaries and wages, including \$273,756 to provide a one-range salary increase (from 22 to 23) for 168 Troopers with more than nine years of service and \$98,640 to provide a one-range salary increase (from 23 to 24) for 57 Sergeants with more than nine years of service. The recommendation includes \$290,400 from the State General Fund, \$29,648 from the MCSAP Fund, and \$52,248 from the Turnpike Fund. Troopers would continue to advance from their starting salary range of 21 to range 22 after four years of service.
5. The Subcommittee recommends the introduction of a bill to increase the Vehicle Identification Number (VIN) fee from \$10 to \$12 per inspection. Currently, private designees and local law enforcement agencies selected by the Superintendent to inspect VINs retain \$9 of each \$10 fee collected and remit the remaining \$1 to the Patrol's VIN Fee Fund. For fees collected on VINs inspected by the Patrol (approximately 10 percent of the 145,000 annual VIN inspections), the entire \$10 is deposited in the Patrol's VIN Fee Fund. Of the \$1,435,811 collected from VIN inspections in FY 1987, \$277,241 was deposited in the State General Fund (beginning in FY 1988, VIN fees formerly remitted to the State General Fund were deposited in the new VIN Fee Fund). The Subcommittee recommends that \$3 of the proposed \$12 fee be deposited in the VIN Fee Fund. Estimated FY 1989 receipts of \$1,740,000 would result in the deposit of \$570,000 in the VIN Fee Fund. The Governor has recommended an expenditure of \$300,000 from the VIN Fee Fund for various Patrol activities, which would leave a balance of approximately \$270,000 in the Fund if the fee was increased from \$10 to \$12.
6. The Subcommittee notes that the Joint Committee on State Building Construction recommends the expenditure of \$63,656 from the State General Fund for the construction of two underground fuel storage tanks to be located at Patrol Division headquarters in Salina and Topeka. The House Subcommittee concurs with the expenditure, but recommends the projects be shifted to the KDOT budget to be financed from the highway fund. Three tanks were constructed for the Patrol by KDOT in FY 1987. Existing tanks, located in Chanute, Garden City, Hays, Olathe, and Wichita, are also used by the Central Motor Pool and the Departments of Revenue, Transportation, and Wildlife and Parks. The Patrol estimates that the four state agencies utilize 24 percent of the fuel stored in the bulk tanks.
7. The Subcommittee notes that the Governor has recommended \$1,258,370 for the annual replacement of 112 vehicles, most of which average 13.7 miles per gallon. The Subcommittee recommends that the Patrol, within the existing appropriation, acquire at least ten to 20 mid-sized vehicles with improved fuel mileage in a pilot program to increase the fleet fuel efficiency.
8. The Subcommittee encourages the House Committee to hold a hearing on HCR 5029. Introduced during the 1987 Session, the resolution urges the Secretary of Revenue to effectuate a plan

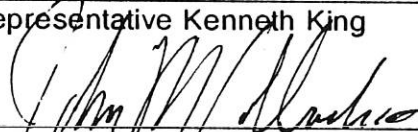
for closing all nonscale motor carrier inspection stations with the exception of those located at Kansas City, Belleville, Liberal, and Fort Scott. The Subcommittee notes that Motor Carrier Inspection Bureau (MCIB) field operations have been transferred to the Patrol by the Governor for FY 1989. As noted by the Senate, the closing of 17 MCIB ports of entry would result in the elimination of 51.0 FTE positions and a reduction of approximately \$972,000 (from highway funds) in related expenditures.

9. The Subcommittee encourages the Committee to hold hearings on H.B. 2027 which would authorize the assumption of equity in homes owned by Troopers who are required by management to relocate in order to achieve a proper allocation of manpower. The bill, introduced during the 1987 Session, places a sunset date of June 30, 1989 on the act. The Subcommittee recommends that the bill be amended to make the act an ongoing management tool in order to facilitate the distribution of field Troopers to areas of the state where Troopers are most needed.



Representative James Lowther
Subcommittee Chairperson

Representative Kenneth King

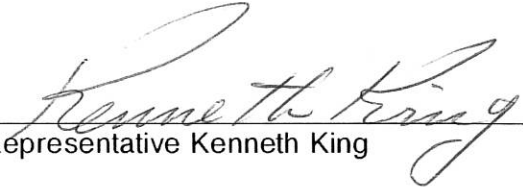


Representative John Solbach

MINORITY REPORT

The Governor's FY 1989 recommendation includes the addition of 20.0 FTE Troopers. The Senate recommends the deletion of ten Troopers. I recommend the deletion of the remaining ten new Troopers, including the deletion of \$487,415 from the State General Fund (\$273,805 in salaries and \$213,610 in other operating costs). According to the Highway Patrol's Manpower Allocation Model, most of the 20 new Troopers would be located in rural areas rather than in the growing urban areas of Kansas where new Troopers are needed.

I also note that the \$111,514 added by the Subcommittee for overtime pay would, over the course of a year, provide the equivalent of three Troopers to the patrol of Kansas roads. If ten new Troopers remain in the appropriations bill, I would support the deletion of \$111,514 from the State General Fund for overtime pay.



Representative Kenneth King