

Approved 1-25-89
Date

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by Bill Buntten at
Chairperson

1:30 ~~xxx~~ p.m. on January 17, 1989 in room 514-S of the Capitol.

All members were present except: Representatives Chronister and Hoy (both excused)

Committee staff present: Ellen Piekalkiewicz, Legislative Research
Debra Duncan, Legislative Research
Ed Ahrens, Legislative Research
Jim Wilson, Revisor of Statutes
Sharon Schwartz, Administrative Aide
Sue Krische, Committee Secretary

Conferees appearing before the committee:

Michael O'Keefe, Director of the Budget

Others attending: See attached list.

Michael O'Keefe, Director of the Budget, reviewed the Governor's recommended adjustments to the FY 1989 Budget and provided an overview of the Governor's Budget for FY 1990. Mr. O'Keefe explained that Volume I of the Budget Report includes "Schedules" detailing state expenditures from various perspectives and "Appendices" providing trend data on revenues and expenditures. In response to a question, Mr. O'Keefe noted that under the Washburn University Plan on Appendix F, the reserve of \$6 million in Washburn's general fund will be depleted in regular increments over the five year period of the plan.

Mr. O'Keefe advised that the estimated ending balance for FY 1989 is \$382.7 million. The Governor is recommending revisions to the approved FY 1989 budget of \$56.1 million reducing the ending balance to \$326.6 million. The major areas of FY 1989 adjustments are \$10.4 million for state employee health insurance, \$8 million for automatic increases in demand transfers, \$15.1 million for capital improvements, \$6.6 million for Department of Corrections, \$13.7 in SRS, and \$3.7 million for the Kansas Bureau of Investigation to purchase the automated fingerprint identification system. Mr. O'Keefe explained that all of the adjustments listed in Schedule 10 of the Budget, Volume I, will not appear in the supplemental appropriations bills because in some cases the adjustment was covered by reductions in the specific agency's approved budget.

For FY 1990, the Governor recommends ending balances of \$196.8 million. Mr. O'Keefe noted the tax measures included in the Governor's budget are explained on pp. 1-8 and 1-9 of Volume I. Total expenditures from all funds in the FY 1990 budget are \$4.6 billion and 45.2 percent of that amount is for Education. Recommended State General Fund expenditures in FY 1990 amount to \$2.4 billion. Mr. O'Keefe reviewed the funding in Education and Human Resources which represent the largest areas of expenditure from all funds in the budget. He noted that the Governor's budget has combined and reduced to six the functions of government into which the budget is divided eliminating the recreation/historical and health/hospitals functions.

The FY 1990 budget is \$191.7 million above the FY 1989 budget. Of that amount, \$119 million is in education, i.e., \$48 million in Regents, \$57 million in Department of Education, \$8 million in school district income tax and \$3.5 million in the Historical Society for construction of the new research facility. Human Resources accounts for \$31.8 million of the \$191.7 million increase with \$1.8 million in Health and Environment, \$26 million in KDOT, \$6.5 million in Agriculture and Natural Resources, \$4.2 million in the Judicial Branch, largely

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,
room 514-S, Statehouse, at 1:30 ~~am~~/p.m. on January 17, 1989

for salaries, and \$3 million in the Treasurer's budget. The Governor recommends that major maintenance no longer be funded from the State General Fund, but switched to the Building Fund.

Representative Kline moved that the minutes of June 10, 1989 be approved as presented. Representative Teagarden seconded. Motion carried.

The meeting was adjourned at 2:30 p.m.

GUEST LIST

COMMITTEE: HOUSE APPROPRIATIONS

DATE: 1-17-89

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
D. B. Dallam		Division of Budget
WALT DARLING	TOPEKA	DIVISION OF BUDGET
Mark Tallman	Topeka	ASK
Gloria Timmer	Topeka	DOB
KAY COLES	Topeka	K-NEA
Dan Mainey	Topeka	Michill - assoc.
Bob Corkins	Topeka	Kan. Hospital Assn.
Mary Entrep	Topeka	DOB
Chas Dodson	TOPEKA	KAPE
Jerry Sloan	"	OJA
Sherril Holliday	"	Budget
Marilyn Bradt	Lawrence	KINH
Lela Paslay	Topeka	ARCIS
Susan Wuffy	Topeka	Dept of Revenue
Ben Counts	"	SRS
John Sprague	KBI	
James Johnson	KBI	
Sabrina Wells	Topeka	Budget Division
Kathleen Warren	Topeka	DOB
Arthur Schuman	Topeka	KDHE
Elizabeth C. Taylor	Topeka	Ass. of Local ^{Dept} Health
Jon Duan	Topeka	Ko. for identification