

Approved 2-16-89  
Date

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by Bill Bunten at  
Chairperson

1:35 a.m./p.m. on February 9, 1989 in room 514-S of the Capitol.

All members were present except: Representatives Chronister, Lowther and Wisdom  
(all excused)

Committee staff present: Ellen Piekalkiewicz, Debra Duncan, Laura Howard,  
Karen DeViney, Julian Efird, Paul West, 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.

HB 2030 - Appropriations for FY 90, occupational and health professions  
licensing agencies and financial regulatory agencies.

**BEHAVIORAL SCIENCES REGULATORY BOARD**

Representative Aldie Ensminger presented the subcommittee report  
(Attachment 1). The subcommittee added a social worker II position  
to help process social work licensure applications in a more timely  
manner per the request of SRS. Representative Shriver moved to  
amend the subcommittee report to state that a bill be introduced  
to authorize the issuance of temporary licenses for social workers  
pending passage of the social work examination, if legislation  
has not already been introduced. Representative Solbach seconded.  
Motion carried. Representative Solbach moved adoption of the  
subcommittee reports for FY89 and FY90. Representative Teagarden  
seconded. Motion carried.

**CONSUMER CREDIT COMMISSION**

Representative Ensminger reviewed the subcommittee report (Attachment 2).  
The subcommittee concurs with the Governor's recommendations for  
FY89 and FY90. Representative Mead moved adoption of the subcommittee  
report. Representative Moomaw seconded. Motion carried.

**BOARD OF TECHNICAL PROFESSIONS**

Representative Barbara Lawrence presented the subcommittee report  
(Attachment 3). The Committee discussed the declining ending  
balances and Representative Lawrence stated the Board has been  
advised to spenddown their balances. The subcommittee concurs  
with the Governor's recommendations for FY89 and FY90. Representative  
Francisco moved adoption of the subcommittee report. Representative  
Heinemann seconded. Motion carried.

**STATE DEPARTMENT OF CREDIT UNIONS**

Representative Lawrence presented the subcommittee report (Attachment 4).  
The subcommittee concurs with the Governor's recommendations for  
FY89 and FY90 with an increase each year for travel and subsistence  
due to the change in examination methods. Representative Pottorff  
moved adoption of the subcommittee report. Representative Heinemann  
seconded. Motion carried.

**REAL ESTATE COMMISSION**

Representative Barbara Allen presented the subcommittee report  
(Attachment 5). The subcommittee concurs with the Governor's  
recommendations for FY89 and FY90. Representative Solbach moved  
to amend the subcommittee report to state that the subcommittee  
notes the balances are high and makes no recommendation to reduce  
fees this year, but will review this next year. Representative

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,  
room 514-S Statehouse, at 1:35 ~~am~~/p.m. on February 9, 1989

Turnquist seconded. Motion carried. Representative Brady moved adoption of the subcommittee report as amended. Representative Teagarden seconded. Motion carried.

**BOARD OF OPTOMETRY EXAMINERS**

Representative Alex Scott presented the subcommittee report (Attachment 6). The subcommittee concurs with the Governor for FY89 and FY90 with the addition in FY90 of \$7,000 for legal fees and \$2,000 for travel. Representative Heinemann indicated the Board is very interested in policing the profession and these funds will make that possible. Representative Heinemann moved adoption of the subcommittee report. Representative Fuller seconded. Motion carried.

**BOARD OF BARBER EXAMINERS**

Representative Alex Scott presented the subcommittee report (Attachment 7). The subcommittee concurs with the Governor's recommendations for FY89 and FY90 with an adjustment for compensation of the new administrative officer of the Board. Staff will correct the subcommittee report to show the resource estimate for FY90 on the FY90 report. Representative Hoy moved adoption of the subcommittee report. Representative Heinemann seconded. Motion carried.

**ABSTRACTERS' BOARD OF EXAMINERS**

Representative Robert Krehbiel presented the subcommittee report (Attachment 8). The subcommittee concurs with the Governor's recommendations for FY89 and FY90 and recommends the Board raise its fees by at least \$10 effective January 1, 1990. Representative Moomaw moved adoption of the subcommittee report. Representative Heinemann seconded. Motion carried.

**BOARD OF PHARMACY**

Representative Al Lane presented the subcommittee report (Attachment 9). The subcommittee concurs with the Governor's recommendations for FY89 and concurs in FY90 with one adjustment. Representative Helgerson moved adoption of the subcommittee report. Representative Heinemann seconded. Motion carried.

**BANK COMMISSIONER**

Representative Al Lane presented the subcommittee report (Attachment 10). The subcommittee concurs with the Governor's recommendations for FY89. For FY90, the subcommittee added \$53,583 for two FTE financial examiners along with funds for benefits, travel, and equipment. The agency advised there are 159 problem banks in Kansas. Staff explained that the bank commissioner assesses fees according to its own budgetary needs. Subcommittee recommendation #3 (Add \$6,728 for travel for the two new examiners) was omitted from the FY90 report. Staff will make that correction. Representative Helgerson moved adoption of the subcommittee report. Representative Teagarden seconded. Motion carried.

**BOARD OF HEARING AIDS EXAMINERS**

Representative Carol Sader presented the subcommittee report (Attachment 11). The subcommittee concurs with the Governor's recommendation for FY89 and FY90. Representative Kline moved adoption of the subcommittee report. Representative Teagarden seconded. Motion carried.

**BOARD OF HEALING ARTS**

Representative Sader presented the subcommittee report (Attachment 12). The subcommittee endorses the Board's plan to purchase a new computer system and to acquire more space. Representative Sader noted the Board is proposing implementation of a program to track certain prescriptions to prevent drug abuse and this complicates the budgeting process further. The subcommittee is delaying recommendations

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,  
room 514-S, Statehouse, at 1:35 ~~am~~/p.m. on February 9, 1989

on major items in the Board's budget until the end of the Session when more specific information should be available. The subcommittee concurs with the Governor's recommendations for FY89 and FY90 with the exceptions noted in the report. Representative Shriver moved adoption of the subcommittee report for FY89 and FY90. Representative Kline seconded. Motion carried.

**BOARD OF NURSING**

Representative Elaine Wells presented the subcommittee report (Attachment 13). The subcommittee recommendations include deleting the funding in FY89 for a peer assistance contract, as the subcommittee does not anticipate a contract will be signed in FY89. Representative Fuller stressed the importance of the Board pursuing a peer assistance program for impaired nurses and noted the subcommittee's recommendation for a total of \$60,000 funding for this contract in FY90. Representative Goossen moved adoption of the subcommittee report for FY89 and FY90. Representative Teagarden seconded. Motion carried.

**BOARD OF COSMETOLOGY**

Representative Elaine Wells presented the subcommittee report (Attachment 14). The subcommittee concurs with the Governor's recommendations for FY89 and FY90 with a slight adjustment. Representative Vancrum moved adoption of the subcommittee report. Representative Helgersen seconded. Motion carried.

Representative Heinemann moved that HB 2030, as amended, be recommended favorably for passage. Representative Teagarden seconded. Motion carried.

Chairman Buntun appointed a subcommittee of Representative Lowther, chairman, Representative Mead and Representative Wisdom to review HB 2143 concerning the grant of \$38,000 to Sedgwick county for an infant mortality project.

The meeting was adjourned at 3:20 p.m.



**SUBCOMMITTEE REPORT**

Agency: Behavioral Sciences  
Regulatory Board  
Analyst: DeViney

Bill No. 2063  
Analysis Pg. No. 12

Bill Sec. 3  
Budget Pg. No. 104

<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	\$ 192,998	\$ 194,784	\$ --
FTE Positions	4.0	4.0	--

Agency Estimate/Governor's Recommendation

The Behavioral Sciences Regulatory Board estimates expenditures of \$192,998 in FY 1989, \$752 less than the budget approved by the 1988 Legislature. The Governor recommends expenditures of \$194,784, an increase of \$1,034 to the current expenditure limit. The recommended increase is for additional health insurance costs.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendation.

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

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 62,804	\$ 78,438
Net Receipts	173,254	182,802
Total Available Funds	\$ 236,058	\$ 261,240
Less: Expenditures	157,620	194,784
Ending Balance	\$ 78,438	\$ 66,456

\_\_\_\_\_  
Representative John Solbach  
Subcommittee Chairperson

*Aldie Ensminger*  
\_\_\_\_\_  
Representative Aldie Ensminger

HA  
2-9-89  
Attachment 1

## SUBCOMMITTEE REPORT

Agency: Behavioral Sciences Regulatory Board	Bill No. 2030	Bill Sec. 6
Analyst: DeViney	Analysis Pg. No. 12	Budget Pg. No. 104

Expenditure Summary	Agency Req. FY 90	Governor's Rec. FY 90	Subcommittee Adjustments
State Operations:			
Special Revenue Fund	\$ 281,354	\$ 211,448	\$ 13,757
FTE Positions	5.0	4.0	--

### Agency Estimate/Governor's Recommendation

Currently the Board regulates social workers, Ph.D. level psychologists, masters level psychologists, and professional counselors. The FY 1990 request of \$281,354 is based on higher than anticipated workloads due to additional professional counselor registrants, and a proposal to add regulation of marriage and family therapists to the Board's responsibilities. The requested increase includes \$42,899 for one additional full-time clerical position and three intermittent positions, \$17,075 for expenditures pertaining to the proposed regulation of additional professions, and an increase of \$16,120 for professional fees pertaining to the professions already regulated.

The Governor recommends expenditures of \$211,448 in FY 1990, which is \$69,906 less than the Board's request and \$16,664 more than the Governor's recommendation for the current fiscal year. The Governor's recommendation does not include funding for new positions or for regulation of additional classes of occupations.

### House Subcommittee Recommendations

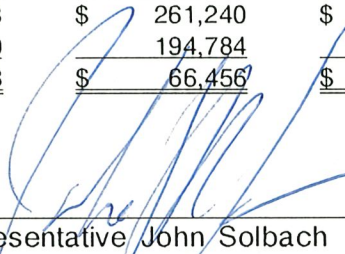
The House Subcommittee concurs with the recommendations of the Governor with the following exceptions:


1. Add \$11,957 in salaries and wages to hire a Social Worker II on an hourly basis, not to exceed 999 hours. The Social Worker II position is to assist the Executive Director of the Board in reviewing applications to determine eligibility for licensure and continuing education requests from sponsors and licensees. The Subcommittee received information from the Executive Director that the Department of Social and Rehabilitation Services is having difficulty filling social work positions throughout the state and is requesting the Board to process social work licensure applications in a more timely manner. Such measures include shorter filing deadlines, reducing the turnaround time for reporting exam results, and issuing licenses more quickly. The Board has also agreed to seek legislation for authority to issue temporary licenses pending passage of the social work examination. The Subcommittee notes that passage of legislation authorizing the issuance of temporary licenses would increase the Board's receipts and that the Board's FY 1990 budget may need to be revised at that time.

2. Add \$553 for a desk, chair, calculator, and file cabinet for the intermittent position.
3. Add \$1,247 for private investigator fees to the amount of \$1,053 recommended by the Governor, for a total of \$2,300 for this item in FY 1990. The Subcommittee learned that the Board is receiving increasing numbers of complaints which must be investigated.
4. The Subcommittee concurs with the Governor's recommendation not to include amounts for the regulation of marriage and family therapists, but notes that passage of such legislation would require revision of the Board's budget at that time.

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

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>	<u>Estimated FY 90</u>
Beginning Balance	\$ 62,804	\$ 78,438	\$ 66,456
Net Receipts	173,254	182,802	213,540
Total Available Funds	\$ 236,058	\$ 261,240	\$ 279,996
Less: Expenditures	157,620	194,784	225,205
Ending Balance	<u>\$ 78,438</u>	<u>\$ 66,456</u>	<u>\$ 54,791</u>

  
\_\_\_\_\_  
Representative John Solbach  
Subcommittee Chairperson

  
\_\_\_\_\_  
Representative Aldie Ensminger

## SUBCOMMITTEE REPORT

Agency: Consumer Credit  
Commissioner  
Analyst: Duncan

Bill No. 2030  
Analysis Pg. No. 16

Bill Sec. 13  
Budget Pg. No. 128

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 298,418	\$ 309,894	\$ --
Percentage Change	3.8%	7.4%	--
FTE Positions	7.0	7.0	--

### Agency Request/Governor's Recommendation

FY 1990. The Commissioner requests \$298,418 for FY 1990, \$11,010 (3.8 percent) above the FY 1989 estimate. The request includes \$233,715 for salaries (\$5,155 increase), \$7,408 for communications (\$8 increase), \$16,944 for rent (\$270 decrease), \$28,207 for travel (\$2,945) increase, \$6,909 for printing and advertising (\$4,152 increase) and \$5,235 for all other costs (\$980 decrease). The Commissioner proposes a reduction in the amount of volume fees paid by retail credit grantors. The proposed reduction would take effect January 1, 1990 and would consist of a reduction from \$15 to \$10 per \$100,000 average unpaid balance outstanding. No other changes in fee receipts are expected. A nonreportable payment of \$70,000 for consumer credit education would be made in FY 1990.

The Governor recommends \$309,894 for FY 1990, an increase of \$11,476 above the Commissioner's request. The recommendation includes increases of \$6,511 for a 4 percent salary increase, \$5,785 for other salary adjustments, and an \$820 decrease in travel. The Governor recommends the payment of \$70,000 to conduct a consumer education program.

### House Subcommittee Recommendation

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

FY 1990. The Subcommittee concurs with the Governor's recommendation and makes the following observations:

1. The Subcommittee notes that due to the large FY 1988 balance forward, the agency was able to reduce volume fees from \$15.00 to \$10.00 per \$100,000 outstanding, effective January 1, 1990. For FY 1990 the Commissioner was able to delete \$820 in travel expenses due to a revised estimate of FY 1989 travel expenditures. The agency's long-time ability to live within its budget indicates a commendable business management policy.
2. The Subcommittee concurs with the Governor's recommendation to transfer \$70,000 in FY 1990 to the Kansas Council on Economic Education (KCEE), an increase of \$5,000 over the agency FY 1989


HA  
2-9-89  
Attachment 2



estimate. The Subcommittee notes that this one time \$5,000 increase should be reevaluated on a yearly basis in light of program accomplishments. The KCEE contract has been ongoing for the past three years and blends well with the efforts of an active and consumer-oriented Commissioner who travels across Kansas providing additional consumer credit information directly to the public while becoming better informed herself on the level of public awareness. The Subcommittee commends the Commissioner and the KCEE in their successful efforts to ensure that the public continues to be informed about consumer credit issues.

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>	<u>Estimated FY 90</u>
Beginning Balance	\$ 280,316	\$ 327,618	\$ 363,144
Net Receipts	402,473	389,030	323,240
Total Funds Available	\$ 682,789	\$ 716,648	\$ 686,384
Less: Expenditures	290,171	288,504	309,894
Nonreportable			
Expenditures	65,000	65,000	70,000
Ending Balance	<u>\$ 327,618</u>	<u>\$ 363,144</u>	<u>\$ 306,490</u>

  
\_\_\_\_\_  
Representative Bob Mead, Chairperson

  
\_\_\_\_\_  
Representative Aldie Ensminger

SUBCOMMITTEE REPORT

Agency: Board of Technical Professions  
Analyst: Efirid

Bill No. --  
Analysis Pg. No. 54

Bill Sec. --  
Budget Pg. No. 576

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 240,416	\$ 239,313	\$ (1,250)
FTE Positions	4.0	4.0	--

Agency Request/Governor's Recommendation

The Board makes no changes in its approved budget. The Governor's recommendations reduce approved expenditures by \$1,103 in the current fiscal year, but no reduction in the Board's approved expenditure limitation is included in this year's supplemental bill.

House Subcommittee Recommendation

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

1. Make a technical change in FY 1989 fringe benefits to reflect a savings of \$1,250 based on expenditures to date.

  
 Representative Ken Francisco  
 Subcommittee Chairman

  
 Representative Barbara Lawrence

663-89

HA  
 2-9-89  
 Attachment 3

**SUBCOMMITTEE REPORT**

Agency: Board of Technical Professions  
Analyst: Efirid

Bill No. 2030  
Analysis Pg. No. 54

Bill Sec. 2  
Budget Pg. No. 576

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 288,843	\$ 252,301	\$ --
FTE Positions	4.0	4.0	--

Agency Request/Governor's Recommendation

The Board's request is \$48,427 more than the approved FY 1989 budget for operations. The primary increase in costs is \$40,000 requested to initiate a new enforcement program during FY 1990. Other increases in the Board's request are attributed to salaries and benefits at \$2,496 and other operating costs at \$5,931. The Governor's recommendations would continue the agency at its present level of operation with no new enforcement program recommended. Net increases of \$12,988 are included in the Governor's recommended expenditures.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis. The agency's fee fund is being depleted slowly of its carryover balance since the Board annually spends more than it collects in fees. The following table summarizes the status of the fee fund as recommended by the Governor and adjusted by the Subcommittee recommendations for FY 1989:

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>	<u>Estimated FY 90</u>
Beginning Balance	\$ 266,986	\$ 225,519	\$ 205,347
Net Receipts	<u>217,378</u>	<u>217,891</u>	<u>205,466</u>
Total Available	\$ 484,364	\$ 443,410	\$ 410,813
Less: Expenditures	<u>258,845</u>	<u>238,063</u>	<u>252,301</u>
Ending Balance	<u>\$ 225,519</u>	<u>\$ 205,347</u>	<u>\$ 158,512</u>

*Ken Francisco*  
\_\_\_\_\_  
Representative Ken Francisco  
Subcommittee Chairman

*Barbara Lawrence*  
\_\_\_\_\_  
Representative Barbara Lawrence

**SUBCOMMITTEE REPORT**

Agency: State Department of  
Credit Unions  
Analyst: Duncan

Bill No. 2063  
Analysis Pg. No. 21

Bill Sec. 9  
Budget Pg. No. 182

<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	\$ 462,076	\$ 465,342	\$ 19,883
FTE Positions	11.0	11.0	

Agency Estimate/Governor's Recommendation

The agency estimates expenditures of \$462,076 in FY 1989, a reduction of \$5,540 from the expenditure limitation established by the 1988 Legislature.

The Governor recommends \$465,342 for FY 1989, an increase of \$3,266 for salaries over the agency estimate.

House Subcommittee Recommendation

The Subcommittee concurs with the recommendation of the Governor, with the following exceptions:

1. Add \$19,883 for travel and subsistence; increasing the FY 1989 estimate for this object code from \$49,170 to \$69,053. The increase reflects a current year change in the examinations conducted by the agency. Formerly, three examiners were located to Lawrence and three examiners were located to Wichita. Each group of three car pooled to examination sites. For the current fiscal year, the six examiners have been relocated throughout the state, enabling the agency to more effectively cover larger examination areas.

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

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 200,967	\$ 208,556
Net Receipts	<u>395,958</u>	<u>425,517</u>
Total Available Funds	\$ 596,925	\$ 634,073
Less: Expenditures	<u>388,369</u>	<u>485,225</u>
Ending Balance	<u>\$ 208,556</u>	<u>\$ 148,848</u>

HA  
2-9-89  
Attachment 4

Representative Jo Ann Pottorff  
Representative Jo Ann Pottorff  
Subcommittee Chairperson

Rep. Barbara Lawrence  
Representative Barbara Lawrence

## SUBCOMMITTEE REPORT

Agency: State Department of  
Credit Unions

Bill No. 2030

Bill Sec. 9

Analyst: Duncan

Analysis Pg. No. 21

Budget Pg. No. 182

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 502,617	\$ 501,596	\$ 16,412
FTE Positions	11.0	11.0	

### Agency Estimate/Governor's Recommendation

The agency requests \$502,617 for FY 1990, an increase of \$40,541 (8.8 percent) over the current year estimated expenditures. To provide funding for this request, the agency would increase the operational fee scale by 10 percent. As adjusted, the fees would generate approximately \$599,949 with 20 percent to be credited to the State General Fund and \$479,959 to the Credit Union Fee Fund. The FY 1990 request would maintain current staffing levels of 11.0 FTE.

The Governor recommends expenditures of \$501,596 for FY 1990, a decrease of \$1,021 from the agency request. The recommendation includes a \$23,031 increase in salaries, an \$18,016 decrease in travel, and a \$6,036 decrease in capital outlay. The Governor's recommendation would continue funding for the current 11.0 FTE positions and fund reclassification of one Financial Examiner IV to Financial Examiner V.

### House Subcommittee Recommendation

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

1. Add \$18,016 for travel and subsistence. The increase reflects an FY 1989 change in the agency's examination methods. Formerly, three examiners were located in Lawrence and three examiners were located in Wichita. Each group of three car pooled to examination sites. As of FY 1989, the six examiners were relocated throughout the state, enabling the agency to more effectively cover larger examination areas.
2. Delete \$1,604 for the acquisition of a compax facsimile machine. Information obtained from the agency indicates that they are currently leasing a fax machine from the federal government for \$1 per year.

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

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>	<u>Estimated FY 90</u>
Beginning Balance	\$ 200,967	\$ 208,556	\$ 148,848
Net Receipts	<u>395,958</u>	<u>425,517</u>	<u>479,959</u>
Total Available Funds	\$ 596,925	\$ 634,073	\$ 628,807
Less: Expenditures	<u>388,369</u>	<u>485,225</u>	<u>518,008</u>
Ending Balance	<u>\$ 208,556</u>	<u>\$ 148,848</u>	<u>\$ 110,799</u>

*Representative Jo Ann Pottorff*  
Representative Jo Ann Pottorff  
Subcommittee Chairperson

*Rep. Barbara Lawrence*  
Representative Barbara Lawrence

159-90

SUBCOMMITTEE REPORT

Agency: Real Estate Commission      Bill No. 2063      Bill Sec. 6  
 Analyst: West      Analysis Pg. No. 44      Budget Pg. No. 486

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations	\$ 500,852	\$ 500,993	\$ --
Other Assistance	25,000	25,000	--
TOTAL	<u>\$ 525,852</u>	<u>\$ 525,993</u>	<u>\$ --</u>
 FTE Positions	 13.0	 13.0	 --

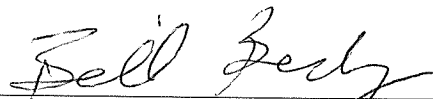
Agency Request/Governor's Recommendation

The Real Estate Commission's FY 1989 state operations budget estimate is \$500,852, a decrease of \$750 from the budget approved by the 1988 Legislature. The current year estimate reflects a decrease in attorney fees associated with the defense of the Real Estate Recovery Revolving Fund. The Commission reports that defense of the Real Estate Recovery Revolving Fund is now being managed by the Attorney General's Office. In addition, the Commission estimates payments of \$20,000 for claims against the Real Estate Recovery Revolving Fund and a one-time grant of \$5,000 to Wichita State University as approved by the 1988 Legislature.

The Governor recommends an FY 1989 state operations budget of \$500,993, an \$141 increase from the Commission's current year estimate. Salaries and wages are increased by \$2,421 to reflect revised health insurance rates. Communication expenses are decreased by \$2,189 and travel is reduced by \$91. The Governor concurs with the Commission's estimate for other assistance payments. The Governor recommends an increase in the expenditure limitation on the Real Estate Fee Fund from \$505,852 to \$505,993.

House Subcommittee Recommendation

The House Subcommittee concurs with the FY 1989 budget recommended by the Governor.



\_\_\_\_\_  
 Representative Bill Brady  
 Subcommittee Chairperson



\_\_\_\_\_  
 Representative Barbara Allen

549-89/PW

HA  
 2-9-89  
 Attachment 5



**SUBCOMMITTEE REPORT**

Agency: Real Estate Commission      Bill No. 2030      Bill Sec. 17  
 Analyst: West      Analysis Pg. No. 44      Budget Pg. No. 486

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations	\$ 543,548	\$ 529,141	\$ 1,034
Other Assistance	20,000	20,000	--
TOTAL	<u>\$ 563,548</u>	<u>\$ 549,141</u>	<u>\$ 1,034</u>
 FTE Positions	 14.0	 13.0	 --

Agency Request/Governor's Recommendation

The Commission requests an FY 1990 state operations budget of \$543,548, an increase of \$42,696 or 8.5 percent from the current year estimate. Major revisions from the current year estimate include increases of \$26,359 for a new Special Investigator III position, \$1,774 to reallocate a Keyboard Operator I to Keyboard Operator III, \$10,005 for travel and subsistence, and \$3,606 for office supplies. Total printing expenses are decreased by \$8,421 to reflect the printing of a homebuyers guide in the current year (\$9,100) and printing cost increases for FY 1990 (\$679). Net other changes increase state operations expenditures by \$9,373. Other assistance payments are budgeted to decrease \$5,000 in FY 1990 to reflect a grant to WSU in the current year. An estimated \$20,000 in claims against the Real Estate Recovery Revolving Fund is included in the budget total.

The Governor recommends an FY 1990 state operations budget of \$529,141, an increase of \$28,208 from the current year recommendation and a decrease of \$14,407 from the Commission's request. The recommendation includes funding for the requested reallocation, for revised health insurance rates, and for employee pay raises and excludes the requested new position. Other revisions from the Commission's request include decreases in travel (\$5,374), and printing expenses (\$689). The Governor concurs with the Commission's estimate for claims payments.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's FY 1990 recommendation, with the following adjustments:

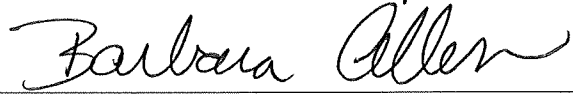
1. Add \$1,034 for a technical adjustment to salaries and wages.
2. The Subcommittee requests that the ending balances be reviewed by the agency. With the amendments to K.S.A. 58-3066 by the 1986 Legislature, a mechanism has been put in place to protect against a major claim on the agency's balances. Therefore, the Subcommittee believes the size of the balances should be reduced.

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

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>	<u>Estimated FY 90</u>
Beginning Balance	\$ 322,269	\$ 449,328	\$ 453,403
Net Receipts	<u>546,926</u>	<u>510,068</u>	<u>513,700</u>
Total Funds Available	\$ 869,195	\$ 959,396	\$ 967,103
Less: Expenditures	<u>419,867</u>	<u>505,993</u>	<u>530,175</u>
Ending Balance	<u>\$ 449,328</u>	<u>\$ 453,403</u>	<u>\$ 436,928</u>



Representative Bill Brady  
Subcommittee Chairperson



Representative Barbara Allen

SUBCOMMITTEE REPORT

Agency: Board of Optometry  
Examiners

Bill No. 2063

Bill Sec. New

Analyst: Howard

Analysis Pg. No. 39

Budget Pg. No. 448

<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	\$ 33,483	\$ 28,918	\$ 4,000
FTE Positions	0.3	0.3	--

Agency Estimate/Governor's Recommendation

The agency requests FY 1989 expenditures of \$33,483, an increase of \$4,565 from the amount approved by the 1988 Legislature as adjusted by Finance Council action. Subsequent to the 1988 Session, the State Finance Council approved expenditure limitation increases totaling \$6,460, for a revised expenditure limitation of \$28,918. The State Finance Council authorized an increase of \$3,128 for expenses incurred in FY 1988 for which the Board did not have adequate funds available from its FY 1988 appropriation. The State Finance Council also authorized an expenditure limitation increase of \$3,332 for professional services, to enable the Board to complete revision of its rules and regulations and respond to major complaints relating to optometry practitioners. The Governor recommends FY 1989 expenditures of \$28,918, as approved by the Finance Council. The Governor's recommendation is a reduction of \$4,565 from the agency request. The recommendation includes reductions in professional services (\$4,107), other services (\$450), and salaries (\$8).

House Subcommittee Recommendation

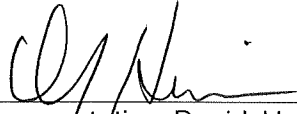
The House Subcommittee concurs with the recommendations of the Governor with the following adjustments:

1. Add \$4,000 for professional services for legal expenses associated with an increased number of complaints.

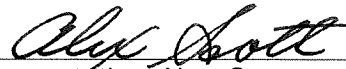
The fee fund analysis, based on the Subcommittee's recommendations, is as follows:

HA  
2-9-89  
Attachment 6

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 65,482	\$ 55,832
Net Receipts	<u>19,741</u>	<u>18,459</u>
Total Funds Available	\$ 85,223	\$ 74,291
Less: Expenditures	<u>29,391</u>	<u>32,918</u>
Ending Balance	<u>\$ 55,832</u>	<u>\$ 41,373</u>



\_\_\_\_\_  
Representative David Heinemann  
Subcommittee Chairperson



\_\_\_\_\_  
Representative Alex Scott

488-89

SUBCOMMITTEE REPORT

Agency: Board of Optometry  
Examiners  
Analyst: Howard

Bill No. 2030  
Analysis Pg. No. 39

Bill Sec. 15  
Budget Pg. No. 448

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 27,082	\$ 24,701	\$ 9,000
FTE Positions	0.3	0.3	--

Agency Estimate/Governor's Recommendation

The agency requests expenditures of \$27,082 in FY 1990, a reduction of \$6,401 from the revised current year request. The request would continue the present staffing of a 0.3 FTE position and continue the current level of operations.

The Governor recommends FY 1990 expenditures of \$24,701, a reduction of \$2,381 from the agency request. The recommendation includes reductions in professional services (\$2,000), travel (\$500), and other expenditures (\$76), and an increase in salaries (\$195).

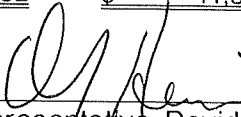
House Subcommittee Recommendation

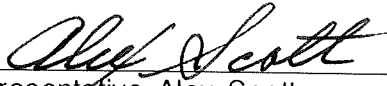
The House Subcommittee concurs with the recommendations of the Governor, with the following exceptions:

1. Add \$7,000 to professional services for legal fees associated with disciplinary complaints and costs associated with a Federal Trade Commission ruling concerning the practice of optometry.
2. Add \$2,000 to travel for costs associated with administering the State Board Examination and attendance at national professional conventions.

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

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>	<u>Estimated FY 90</u>
Beginning Balance	\$ 65,482	\$ 55,832	\$ 41,373
Net Receipts	<u>19,741</u>	<u>18,459</u>	<u>21,739</u>
Total Funds Available	\$ 85,223	\$ 74,291	\$ 63,112
Less: Expenditures	<u>29,391</u>	<u>32,918</u>	<u>33,701</u>
Ending Balance	<u>\$ 55,832</u>	<u>\$ 41,373</u>	<u>\$ 29,411</u>

  
\_\_\_\_\_  
Representative David Heinemann  
Subcommittee Chairperson

  
\_\_\_\_\_  
Representative Alex Scott

488-90

6-4

SUBCOMMITTEE REPORT

Agency: Board of Barber  
Examiners

Bill No. 2063

Bill Sec. 2

Analyst: Piekalkiewicz

Analysis Pg. No. 10-11

Budget Pg. No. 103

<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	\$ 79,799	\$ 80,831	\$ 3,693
FTE Positions	2.5	2.5	--

Agency Estimate/Governor's Recommendation

The Board's FY 1989 estimate of \$79,799 is the amount approved by the 1988 Legislature.

The Governor recommends \$80,831, an increase of \$1,032 in the expenditure limitation for increased health insurance rates.

House Subcommittee Recommendation

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

1. Add \$3,693 to salaries and wages. The Governor appointed a new member to the Board and designated him as the Administrative Officer, replacing a member of the Board whose term expired two years ago. The recommended increase in salaries and wages reflects a higher salary for the new Administrative Officer whose salary was set by the Governor at a higher level than the salary of the outgoing Administrative Officer.

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

HA  
2-9-89  
Attachment 7

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>	<u>Estimated FY 90</u>
Beginning Balance	\$ 47,372	\$ 47,490	\$ 37,106
Net Receipts	<u>74,344</u>	<u>74,140</u>	<u>76,080</u>
Total Funds Available	\$ 121,716	\$ 121,630	\$ 113,186
Less: Expenditures	<u>73,547</u>	<u>84,524</u>	<u>88,134</u>
Ending Balance	<u>\$ 48,169</u>	<u>\$ 37,106</u>	<u>\$ 25,052</u>

*Rex B Hoy*

Representative Rex Hoy  
Subcommittee Chairman

*Alex Scott*

Representative Alex Scott



## SUBCOMMITTEE REPORT

Agency: Board of Barber Examiners Bill No. 2030

Bill Sec. 5

Analyst: Piekalkiewicz

Analysis Pg. No. 10-11

Budget Pg. No.

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 84,743	\$ 88,134	\$ --
FTE Positions	2.5	2.5	--

### Agency Estimate/Governor's Recommendation

The budget request totals \$84,743, an increase of \$4,944 (6.2 percent) above the FY 1989 estimate of \$79,799. The request includes increases of \$1,843 for salaries and wages and \$2,516 for travel and subsistence, and a reduction of \$425 for printing and advertising. For FY 1990, the agency requests a fee increase.

The Governor recommends \$88,134 for FY 1990, an increase of \$3,391 above the Board's request. The recommendation includes an increase of \$4,875 in salaries and wages to reflect a 4.0 percent increase for classified employees, a 5.8 percent merit pool for the Board's Administrative Officer, and a health insurance rate adjustment; and a \$1,384 reduction in travel and subsistence and a \$100 reduction in other operating expenditures. The recommendation provides for per diem compensation for an additional Board member. The recommendation does not reflect a fee increase.

### House Subcommittee Recommendation

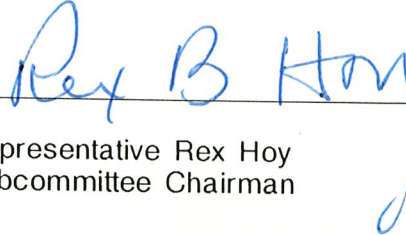
**FY 1990.** The Subcommittee concurs with the Governor's recommendation with the following comments:

The Subcommittee acknowledges that the Board will need in FY 1990 an additional \$3,555 for the salary differential for the new Administrative Officer; however, the Subcommittee did not recommend this amount because of its concern for the Board's decreasing balances and pending legislation. There has been a bill introduced, S.B. 66, which would merge the administrative functions of the Board of Barber Examiners and the Board of Cosmetology. In its present form, the bill eliminates the position of the Administrative Officer for the Board of Barber Examiners and establishes one Executive Director for both Boards. This would result in a cost savings and the Board of Barber Examiners would not require the requested increase in salaries and wages.

In addition, the Subcommittee was informed that legislation will be introduced to increase the statutory maximums for fees. The Subcommittee feels it would be imprudent to include an increase in expenditures for FY 1990 without knowing if there will be an increase in fees.

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

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 47,372	\$ 47,490
Net Receipts	74,344	74,140
Total Funds Available	\$ 121,716	\$ 121,630
Less: Expenditures	73,547	84,524
Ending Balance	<u>\$ 48,169</u>	<u>\$ 37,106</u>



Representative Rex Hoy  
Subcommittee Chairman



Representative Alex Scott

SUBCOMMITTEE REPORT

Agency: Abstracters Board of Examiners

Bill No. 2063

Bill Sec. 12

Analyst: Efird

Analysis Pg. No. 1

Budget Pg. No. 2

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 15,822	\$ 16,062	\$ --
FTE Positions	--	--	--

FY 1989 Agency Request/Governor's Recommendation

No change is requested by the Board in the approved expenditure limitation of \$15,822. The Governor's recommendations include a net increase of \$525 in the expenditure limitation to finance fringe benefits as adjusted for new rates. Reductions of \$285 in contractual services are recommended.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation for a \$525 increase in the Board's expenditure limitation.

  
\_\_\_\_\_  
Representative Max Moomaw  
Subcommittee Chairman

  
\_\_\_\_\_  
Representative Robert Krebiel

SUBCOMMITTEE REPORT

Agency: Abstracters Board of  
Examiners

Bill No. 2030

Bill Sec. 2

Analyst: Efirid

Analysis Pg. No. 1

Budget Pg. No. 2

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 15,677	\$ 16,899	\$ --
FTE Positions	--	--	--

FY 1990 Agency Request/Governor's Recommendation

The Board's request of \$15,677 is a reduction of \$145 from its current year estimate. The Governor recommends \$837 of increased expenditures next fiscal year to fund higher fringe benefits and salary adjustments of the Board's part-time staff.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation for FY 1990 expenditures of \$16,899. To finance Board expenses and to avoid a possible cashflow problem in FY 1991, the Board should raise its fees by at least \$10 per licensee, effective January 1, 1990. The Subcommittee is concerned about possible cashflow problems in FY 1990 prior to when most license fees are collected beginning in December of 1989. Several technical adjustments are made in the status of the fee fund to reflect the agency's current patterns of expenses and receipts as well as the impact of increased receipts in FY 1990 due to higher license fees.

Fee Fund Analysis. The agency's fee fund is being depleted of its carryover balance since the agency annually spends more than it collects in fees. K.S.A. 58-2801 permits the Board to charge annual license fees not to exceed \$50 and directs the Board to set license fees by rule and regulation. The Governor's revenue estimates for FY 1989 and FY 1990 assume license fees of \$25 each fiscal year. The following table summarizes the status of the fee fund as recommended by the Governor and adjusted by the Subcommittee to reflect \$5,720 of higher license fees in FY 1990, a \$98 technical adjustment reducing FY 1989 salary and fringe benefits, and \$85 of additional FY 1989 revenue not included in the Governor's estimate.

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>	<u>Estimated FY 90</u>
Beginning Balance	\$ 11,520	\$ 9,391	\$ 6,852
Net Receipts	13,000	13,425	19,060
Total Available	\$ 24,520	\$ 22,816	\$ 25,912
Less: Expenditures	15,129	15,964	16,899
Ending Balance	<u>\$ 9,391</u>	<u>\$ 6,852</u>	<u>\$ 9,013</u>

8-2

*Max Moomaw*

Representative Max Moomaw  
Subcommittee Chairman

*Robert Krebiel*

Representative Robert Krebiel

SUBCOMMITTEE REPORT

Agency: State Board of Pharmacy Bill No. 2063 Bill Sec. 15

Analyst: West Analysis Pg. No. 41 Budget Pg. No. 464

<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	\$ 304,735	\$ 307,212	\$ --
FTE Positions	6.0	6.0	--

Agency Request/Governor's Recommendation


The Board's current year estimate of expenditures is \$304,735, a reduction of \$556 from the amount approved by the 1988 Legislature. Major internal shifts include increases for maintenance of the Board's computer system (\$3,756) and travel and subsistence expenses (\$3,639). Reductions from budgeted expenditures are estimated for the purchase of examination supplies (\$4,500), printing expenses (\$1,816), salaries and wages (\$838), and communication expenses (\$776). Net other changes increase total expenditures by \$21.

The Governor recommends an FY 1989 budget of \$307,212, an increase of \$2,477 for revised health insurance rates from the Board's estimate. The Governor recommends an increase in the expenditure limitation on the State Board of Pharmacy Fee Fund from \$305,291 to \$307,212.

House Subcommittee Recommendation

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

  
 Representative Henry Helgerson, Jr.  
 Subcommittee Chairperson

  
 Representative Al Lane

## SUBCOMMITTEE REPORT

Agency: State Board of Pharmacy      Bill No. 2030      Bill Sec. 16  
 Analyst: West      Analysis Pg. No. 41      Budget Pg. No. 464

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 323,974	\$ 326,491	\$ 5,000
FTE Positions	6.0	6.0	--

### Agency Request/Governor's Recommendation

The Board requests an FY 1990 budget of \$323,974, an increase of \$19,239 or 6.3 percent from the current year estimate. The budget request includes increases of \$9,160 for the Impaired Pharmacist Program, \$4,637 for travel and subsistence, and \$4,572 for salaries and wages. Net other changes increase total expenditures by \$870.

The Governor recommends an FY 1990 budget of \$326,491, an increase of \$19,279 from the current year recommendation. Compared with the agency's FY 1990 request, the recommendation reflects an increase of \$12,721 for salaries and decreases of \$10,000 for the Impaired Provider Program and \$204 for printing from the Board's request.

### House Subcommittee Recommendation


The House Subcommittee concurs with the Governor's FY 1990 recommendation, with the following adjustment:

1. Add \$5,000 to provide a total of \$30,000 for the Impaired Provider Program, based on an analysis of current year program expenditures.
2. The Subcommittee notes that the agency is considering a new computer system to replace the system currently shared with the Board of Healing Arts and the Board of Nursing. The Subcommittee has been informed that the agency's research into the type of system desired is not complete, nor has a system analysis been performed by DISC. The Subcommittee recommends that the Senate Ways and Means Subcommittee for this agency review this item in greater detail should additional information be developed.
3. The Subcommittee notes with concern the decline in the ending balances on the agency's fee fund and urges the Board to review current fees and balances and report to the 1990 Legislature on the need for any fee increases.

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

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>	<u>Estimated FY 90</u>
Beginning Balance	\$ 172,377	\$ 161,972	\$ 144,442
Net Receipts	<u>257,171</u>	<u>289,682</u>	<u>286,512</u>
Total Funds Available	\$ 429,548	\$ 451,654	\$ 430,954
Less: Expenditures	<u>267,576</u>	<u>307,212</u>	<u>331,491</u>
Ending Balance	<u>\$ 161,972</u>	<u>\$ 144,442</u>	<u>\$ 99,463</u>

  
\_\_\_\_\_  
Representative Henry Helgerson, Jr.  
Subcommittee Chairperson

  
\_\_\_\_\_  
Representative Al Lane



**SUBCOMMITTEE REPORT**

Agency: State Bank Commissioner      Bill No. 2063      Bill Sec. 11

Analyst: Duncan      Analysis Pg. No. 7      Budget Pg. No. 100

<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	\$ 2,492,068	\$ 2,512,825	\$ --
FTE Positions	67.0	67.0	--

Agency Estimate/Governor's Recommendation

The agency estimates FY 1989 expenditures of \$2,492,068, an amount of \$20,498 below the expenditure limitation of \$2,512,566 approved by the 1988 Legislature.

The Governor recommends FY 1989 expenditures of \$2,512,825, which includes an increase of \$17,826 in salaries and \$2,931.08 for a voucher transfer to the Department of Administration to cover payment for motor pool expenses incurred in FY 1988. The recommendation increases the agency's FY 1989 expenditure limitation from \$2,512,566 to \$2,515,497.

House Subcommittee Recommendation

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

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

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 280,936	\$ 288,582
Net Receipts	2,323,478	2,524,432
Total Available Funds	\$ 2,604,414	\$ 2,813,014
Less: Expenditures	2,315,832	2,509,894
Non-expense Items	0	2,931
Ending Balance	<u>\$ 288,582</u>	<u>\$ 300,189</u>



Representative Larry Turnquist  
Subcommittee Chairman



Representative Al Lane

HA  
2-9-89  
Attachment 10

SUBCOMMITTEE REPORT

Agency: State Bank Commissioner Bill No. 2030 Bill Sec. 4

Analyst: Duncan Analysis Pg. No. 7 Budget Pg. No. 100

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 2,645,692	\$ 2,690,028	\$ 70,997
FTE Positions	69.0	67.0	2.0

Agency Estimate/Governor's Recommendation

The agency requests \$2,645,692 in FY 1990, an increase of \$153,624 over the current year estimated expenditures. The request would fund 69 positions, an increase of two positions. The agency's FY 1990 request would provide salary step movement and benefit adjustments for existing employees, and reclassify seven Financial Examiners III to Financial Examiners IV. The agency requests two new FTE positions be added (Financial Examiner V and Financial Examiner I) to examine trust departments and trust companies.

The Governor recommends \$2,690,028 in FY 1990, an increase of \$44,336 from the agency request. The recommendation would fund 67.0 FTE positions, a reduction of 2.0 FTE positions from the agency request. The Governor does not recommend reclassification of the 7.0 Financial Examiners III. Compared to the agency request, the recommendation provides an increase of \$52,554 in salaries and reductions of \$6,728 in travel and \$1,489 in capital outlay expenditures.

House Subcommittee Recommendation

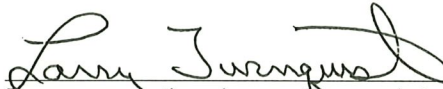
The Subcommittee concurs with the recommendations of the Governor, with the following exceptions:

1. Add \$53,583 and 2.0 FTE for one new Financial Examiner V (\$32,579) and one new Financial Examiner I (\$21,004) positions. The agency plans to utilize these two new positions to conduct trust examinations. The Subcommittee received information from the Banking Department concerning trust examination work. Currently, 112 state bank trust departments and five trust companies are authorized to provide fiduciary services in Kansas. The information indicates that the Department is only slightly exceeding its minimum examination objectives. In addition, there has been an increase of 48.6 percent in problem banks in the last year. These banks continue to require enhanced examination and monitoring. Because of the time commitment required for examining problem banks, only 28 trust examinations were conducted in FY 1988. The Subcommittee recognizes the technical nature of trust activities and the need for examiners with special expertise focused in the area of trusts. Plus, the addition of these two positions will allow other examiners to concentrate on banks.
2. Add \$9,197 in fringe benefits for the two new examiner positions.

- 4. Add \$1,489 for one lap top computer (\$1,299) and one printer (\$190) for use by the new examiners.

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

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>	<u>Estimated FY 90</u>
Beginning Balance	\$ 280,936	\$ 288,582	\$ 300,189
Total Receipts	<u>2,323,478</u>	<u>2,524,432</u>	<u>2,594,979</u>
Total Available Funds	\$ 2,604,414	\$ 2,813,014	\$ 2,895,168
Less: Expenditures	2,315,832	2,509,894	2,761,025
Non-expense items	<u>0</u>	<u>2,931</u>	<u>0</u>
Ending Balance	<u>\$ 288,582</u>	<u>\$ 300,189</u>	<u>\$ 134,143</u>

  
\_\_\_\_\_  
Representative Larry Turnquist  
Subcommittee Chairman

  
\_\_\_\_\_  
Representative Al Lane

094-90

**SUBCOMMITTEE REPORT**

Agency: Board of Examiners for  
Hearing Aids

Bill No. 2030

Bill Sec. 12

Analyst: Rampey

Analysis Pg. No. 30

Budget Pg. No. 282

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 14,283	\$ 13,816	\$ --
FTE Positions	--	--	--

Agency Estimate/Governor's Recommendation

FY 1989. Expenditures are estimated to be \$14,003, the amount approved by the 1988 Legislature. The Governor recommends expenditures of \$12,639, a reduction of \$1,364 from the Board's estimate.

FY 1990. The Board estimates expenditures of \$14,283 for FY 1990. The Governor recommends expenditures of \$13,816, a reduction of \$467 from the Board's request.

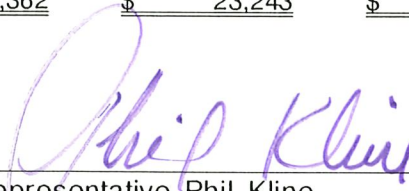
House Subcommittee Recommendations

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

FY 1990. The Subcommittee concurs with the recommendations of the Governor.

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

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>	<u>Estimated FY 90</u>
Beginning Balance	\$ 25,660	\$ 25,362	\$ 23,243
Net Receipts	<u>10,158</u>	<u>10,520</u>	<u>10,159</u>
Total Available	\$ 35,818	\$ 35,882	\$ 33,402
Less: Expenditures	<u>10,456</u>	<u>12,639</u>	<u>13,816</u>
Ending Balance	<u>\$ 25,362</u>	<u>\$ 23,243</u>	<u>\$ 19,586</u>

  
\_\_\_\_\_  
Representative Phil Kline,  
Subcommittee Chairperson

  
\_\_\_\_\_  
Representative Carol Sader

## SUBCOMMITTEE REPORT

Agency: Board of Healing Arts                      Bill No. --                                      Bill Sec. --  
 Analyst: Rampey    Analysis Pg. No. 27                              Budget Pg. No. 250

<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	\$ 807,063	\$ 873,871	\$ (69,989)
FTE Positions	16.0	16.0	--

### Agency Estimate/Governor's Recommendation

FY 1989. For FY 1989, the Board is estimating expenditures of \$807,063, the amount approved by the 1988 Legislature. The Board has money in the current year (\$7,489) to rent more space, but has made no decision about relocating because it wishes to add more people in FY 1990 and to purchase a computer system that is separate from the present system shared with the Board of Nursing and the Board of Pharmacy. Thus, the Board cannot make a decision about space until it knows the outcome of its request for more staff and the space requirements of a new computer system.

The Governor recommends expenditures of \$873,871 for FY 1989, an increase of \$66,808 over the Board's estimate. The addition consists of \$4,308 to increase staff fringe benefits and \$62,500 with which to purchase an independent computer system. (The money for the computer system had been requested for FY 1990, but the Governor recommends that the system be purchased as soon as possible.) At the present time, the Board is selecting a consultant to assess its computer needs and tell it how much a new computer system will cost.

### House Subcommittee Recommendations

The Subcommittee wishes to preface its recommendations by explaining that the Board of Healing Arts is currently in a situation that makes it difficult for the Subcommittee to determine its budgetary needs for both FY 1989 and FY 1990. The Subcommittee agrees with the Board that it should purchase an independent computer system and that it needs more space to accommodate its expanding operations. The problem is that, until a consultant is selected to assess the Board's computer needs (for a consultant's fee that is presently unknown), the Board and the Subcommittee have no idea how much a new computer system will cost or in which fiscal year (FY 1989 or FY 1990) the purchase can be made. And, until it is known what the space requirements of the new computer system are, it is not possible for the Board to make a decision about relocating or renting more space.

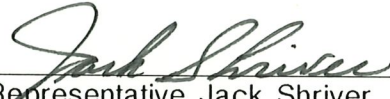
All the Subcommittee can do at this point is to endorse the Board's plan to purchase a new computer system and to acquire more space. However, the Subcommittee has no choice but to say that most decisions about this budget will

HA  
 2-9-89  
 Attachment 12

have to be postponed until the end of the Session when, it is hoped, the Board will have more information to provide the Legislature.

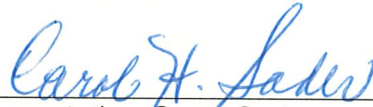
FY 1989. The Subcommittee concurs with the recommendations of the Governor, with the following exceptions:

1. Delete \$7,489 for the rent of additional space until it is known how much space will be needed for the new computer system and additional staff.
2. Delete \$62,500 for computer equipment. The Subcommittee does not think anyone knows at this time what a new computer system will cost. In this connection, the Subcommittee thinks consideration should be given to the possibility of the Board recovering some of the money it has already spent on computer equipment from the Board of Nursing, which could emerge as the only agency using the system that was jointly purchased by three Boards.



---

Representative Jack Shriver  
Subcommittee Chairperson



---

Representative Carol Sader

105-89/cr

SUBCOMMITTEE REPORT

Agency: Board of Healing Arts                      Bill No. 2030                                      Bill Sec. 7  
 Analyst: Rampey    Analysis Pg. No. 27                                      Budget Pg. No. 250

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 988,022	\$ 923,124	\$ (66,987)
FTE Positions	19.0	19.0	(3.0)

Agency Estimate/Governor's Recommendation

FY 1990. For FY 1990, the Board requests expenditures of \$988,022. The amount includes \$52,241 for 3.0 FTE new positions and \$68,037 for capital outlay. Most of the capital outlay request (\$62,250) is for new computer equipment. The Board proposes a new program, the multiple copy prescription program, whereby copies of all prescriptions written in Kansas for certain controlled substances would be entered into a data bank. The requested new positions are associated with this program, which would have to be implemented statutorily.

Since submitting its budget, the Board has made a request directly to the Subcommittee for 4.0 FTE additional positions, at a cost of \$92,385. That amount is in addition to the requested amounts discussed thus far in this report. The positions, an Attorney, an Investigator, and two Secretaries, would be associated with increased disciplinary activities of the Board.

The Governor recommends expenditures of \$923,124 for FY 1990, a reduction of \$64,898 from the Board's request. The Governor approves the addition of the three new positions originally requested, contingent upon the passage of legislation to authorize the multiple copy prescription program. A large part of the Governor's reduction is due to shifting \$62,500 for a new computer system from FY 1990 to the current year.

House Subcommittee Recommendation

The uncertainty about the Board's computer and space needs discussed in the report for FY 1989 is compounded by the fact that the Board is proposing the implementation of a program that could require additional staff and computer capacity. Whether the proposal to track certain prescriptions is adopted adds another variable that ultimately must be taken into account when the Board's budget is set. Finally, the Board has submitted a request for four more staff in connection with its disciplinary activities. It is probably not possible to fit four more people into the space the Board presently has.

As noted earlier, the Subcommittee endorses the purchase of a new computer system and the acquisition of larger quarters. It also believes the Board's disciplinary activities should be expanded by the addition of an Attorney, an Investigator, and a Secretary (at a cost of \$73,833). But until the

Board knows how much space its computer system will take, it is not possible to make a decision about new quarters. Nor is it possible to make a decision about office space when the Board's request for new positions is for 4.0 FTE now and 3.0 FTE more if the new prescription program is implemented.

The Subcommittee has no choice but to delay recommendations on major items in the Board's budget until the end of the Session when they can be considered in the Omnibus Bill. The Subcommittee's specific recommendations are the following:

FY 1990. The Subcommittee concurs with the Governor, with the following exceptions:

1. Delete \$12,869 for rent of additional office space, pending a determination of what the Board's space needs actually are.
2. Delete \$54,118 in salaries and benefits for 3.0 FTE new positions (an Office Assistant II and two Keyboard Operators) who would be associated with the multiple copy prescription program, pending the passage of legislation to implement the program.

The Legislature should be aware of the possibility that it may not have all of the information it needs to make a decision on the Board's budget during the 1989 Session. One alternative would be for the Board to go to the State Finance Council to get authority to increase its expenditure limitation. The Finance Council cannot approve an expenditure that has been rejected by the previous Session, nor can it approve an expenditure that is contrary to legislative policy.

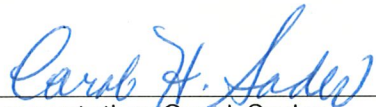
Therefore, the Subcommittee wishes to make it clear that, if the Board finds it necessary to go to the Finance Council, the Subcommittee supports the acquisition of a new computer system, the expansion or relocation of the Board to larger quarters, the addition on an Attorney, an Investigator, and a Secretary if space can be found for them, and adequate funding to carry out the Board's disciplinary activities. With regard to the latter, the Subcommittee would support any request by the Board to increase its expenditure limitation to pay for costs associated with disciplinary actions and hearings involving licensees and registrants.

A fee fund analysis based upon the Subcommittee's recommendations for FY 1989 and FY 1990 is shown below:



<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>	<u>Estimated FY 90</u>
Beginning Balance	\$ 633,822	\$ 947,309	\$ 973,897
Net Receipts	<u>1,007,033</u>	<u>830,470</u>	<u>844,666</u>
Total Available	\$ 1,640,855	\$ 1,777,779	\$ 1,818,563
Less: Nonreportable Expend.	3,550	--	--
Less: Expenditures	<u>689,996</u>	<u>803,882</u>	<u>856,137</u>
Ending Balance	<u>\$ 947,309</u>	<u>\$ 973,897</u>	<u>\$ 962,426</u>

  
\_\_\_\_\_  
Representative Jack Shriver  
Subcommittee Chairperson

  
\_\_\_\_\_  
Representative Carol Sader

105-90/cr

12-5

## SUBCOMMITTEE REPORT

Agency: Board of Nursing                      Bill No. 2063                      Bill Sec. New  
 Analyst: Howard                                      Analysis Pg. No. 35                      Budget Pg. No. 446

<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	\$ 610,444	\$ 603,017	\$ (75,703)
FTE Positions	14.0	14.0	--

### Agency Estimate/Governor's Recommendation

The Board of Nursing estimates expenditures of \$610,444 in FY 1989 as approved by the 1988 Legislature. The Governor recommends FY 1989 expenditures of \$603,017, a reduction of \$7,427 from the agency estimate. The recommendation includes an increase in salaries of \$6,055, and a reduction of \$13,482 in savings from the peer assistance contract.

### House Subcommittee Recommendation

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

1. Delete \$33,000 in projected salary savings due to delays in filling new and vacant positions.
2. Add \$4,165 for office renovation costs to allow the Board of Nursing to modify its existing office arrangement to accommodate new staff.
3. Delete \$46,868 for the peer assistance contract. The subcommittee was informed that a contract has not yet been signed for administration of the peer assistance program for impaired nurses. The Subcommittee is in full support of the peer assistance program and believes that it should be funded in full once a contract is in place. The Subcommittee encourages the Board of Nursing to actively pursue a contract for the program. The Subcommittee further recommends that the Senate Subcommittee review the status of the contract at the time of its review later in the Session to determine if funding will be necessary during this fiscal year or that the State Finance Council authorize additional expenditures if information is not available prior to the close of this Legislature.
4. The Subcommittee recommends that the Board's expenditure limitation for FY 1989 be reduced to \$527,314 to reflect these reductions.

HA  
 2-9-89  
 Attachment 13

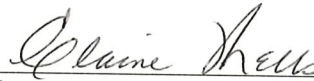
5. The Subcommittee would note that the Governor's recommendations project an ending balance of \$176,054 in FY 1989 and only \$56,959 in FY 1990. The Subcommittee believes that the FY 1990 ending balance is too low and could result in cash flow problems for the Board. However, the Subcommittee expects that actual revenues will be approximately \$60,000 higher in both FY 1989 and FY 1990 than projected by the Board. Therefore, the Subcommittee does not expect any serious problems from the ending balances.

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

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 132,281	\$ 147,815
Net Receipts	507,845	631,256
Total Funds Available	\$ 640,126	\$ 779,071
Less: Expenditures	492,311	527,314
Ending Balance	<u>\$ 147,815</u>	<u>\$ 251,757</u>



Representative Duane Goossen  
Subcommittee Chairman



Representative Elaine Wells

## SUBCOMMITTEE REPORT

Agency: Board of Nursing                      Bill No. 2030                      Bill Sec. 14  
Analyst: Howard                                  Analysis Pg. No. 35                      Budget Pg. No. 446

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations: Special Revenue Fund	\$ 655,484	\$ 656,005	\$ 32,922
FTE Positions	14.0	14.0	--

### Agency Estimate/Governor's Recommendation

The agency requests an expenditure limitation of \$655,484 in FY 1990, an increase of \$45,040 from the current year estimate. The FY 1990 request includes \$401,095 for salaries and wages for 14.0 FTE positions, the same number as the current year, and \$254,389 for other operating expenditures. The Governor recommends expenditures of \$656,005 in FY 1990, an increase of \$521 above the agency request. The request includes funding for 14.0 FTE positions and includes \$10,000 for additional costs associated with the computer system.

### House Subcommittee Recommendation

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

1. Delete \$1,508 in travel for attendance at computer training sessions. The Subcommittee would also note that it believes it is inappropriate for the Board to use its travel funding for site visits to each continuing education course which is offered, and recommends that other travel activities take precedence over these types of visits.
2. Add \$49,285 to provide a total of \$60,000 for the peer assistance contract in FY 1990. The Subcommittee assumes that a contract will be signed and a program will be operating in FY 1990 and assumes that expenses of approximately \$5,000 per month will be incurred for the program.
3. Delete \$10,000 in office supplies to provide a total of \$24,300 for office supplies in FY 1990.
4. The Subcommittee notes that the Board may have additional maintenance costs for the computer system if the Board of Healing Arts receives its own computer system. The Subcommittee recommends that the Senate Subcommittee review this item when more information is available.
5. The Subcommittee would also note that there is a need for better demographic data on the number of active licensees, location,

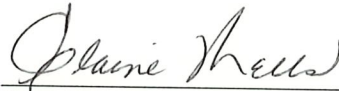
educational preparation, employment status and employment setting of the licensees regulated by the Board. The subcommittee believes this information is very important and assumes that with the additional programming funds recommended by the Governor for the computer system this kind of information will be generated and made available for use. The subcommittee believes that such information is necessary in determining accurate supply and demand projections in response to the projected nursing shortage in the state.

4. Delete \$4,855 in miscellaneous expenditures to provide a \$500 increase over the current year estimate. The Subcommittee understands that membership costs in the Board's national association will increase in FY 1990 and recommends that this increase be funded.

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>	<u>Estimated FY 90</u>
Beginning Balance	\$ 132,281	\$ 147,815	\$ 251,757
Net Receipts	<u>507,845</u>	<u>631,256</u>	<u>536,910</u>
Total Funds Available	\$ 640,126	\$ 779,071	\$ 788,667
Less: Expenditures	<u>492,311</u>	<u>527,314</u>	<u>688,927</u>
Ending Balance	<u>\$ 147,815</u>	<u>\$ 251,757</u>	<u>\$ 99,740</u>



Representative Duane Goossen  
Subcommittee Chairperson



Representative Elaine Wells

**SUBCOMMITTEE REPORT**

Agency: Board of Cosmetology      Bill No.      Bill Sec.  
 Analyst: Piekalkiewicz      Analysis Pg. No. 19-20      Budget Pg. No. 181

<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	\$ 274,999	\$ 273,758	\$ 1,241
FTE	8.0	8.0	--

Agency Estimate/Governor's Recommendation

The Board for FY 1989 estimates expenditures of \$274,999.


The Governor recommends for FY 1989 \$273,758, a reduction of \$1,241 from the Board's estimate.

House Subcommittee Recommendation

**FY 1989.** The Subcommittee recommends an addition of \$1,241 to the Governor's recommendation, restoring expenditures to the level estimated by the Board.

The fee fund analysis based on the Subcommittee adjustments is as follows:

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>
Beginning Balance	\$ 107,189	\$ 123,370
Net Receipts	271,998	275,998
Total Funds Available	\$ 379,187	\$ 399,368
Less: Expenditures	255,699	274,999
Ending Balance	\$ 123,488	\$ 124,369

  
 Representative Bob Vancrum  
 Subcommittee Chairman

  
 Representative Elaine Wells

HA  
 2-9-89  
 Attachment 14

**SUBCOMMITTEE REPORT**

Agency: Board of Cosmetology                      Bill No. 2030    Bill Sec. 8  
 Analyst: Piekalkiewicz                                      Analysis Pg. No. 19-20                                      Budget Pg. No. 181

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 288,373	\$ 292,467	\$ --
FTE Positions	8.0	8.0	--

Agency Request/Governor's Recommendation/

The agency requests \$288,373 for FY 1990.

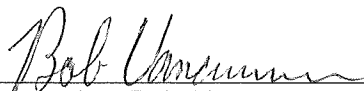
The Governor recommends FY 1990 expenditures of \$292,467, which represents an increase of \$4,094 above the Board's request. The recommendation includes a \$11,992 increase in salaries and wages, reflecting a 4.0 percent salary adjustment for classified employees, a 5.8 percent merit pool for the Board's Executive Director, and a health insurance rate adjustment. The recommendation includes reductions of \$2,425 in travel and subsistence, \$1,773 in communications, \$300 in printing and advertising, and \$400 in stationery and office supplies.

House Subcommittee Recommendation

**FY 1990.** The Subcommittee concurs with the Governor's recommendation.

The fee fund analysis based on the Subcommittee adjustments is as follows:

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Estimated FY 89</u>	<u>Estimated FY 90</u>
Beginning Balance	\$ 107,189	\$ 123,370	\$ 124,369
Net Receipts	<u>271,998</u>	<u>275,998</u>	<u>279,998</u>
Total Funds Available	\$ 379,187	\$ 399,368	\$ 404,367
Less: Expenditures	<u>255,699</u>	<u>274,999</u>	<u>292,467</u>
Ending Balance	<u>\$ 123,488</u>	<u>\$ 124,369</u>	<u>\$ 111,900</u>

  
 \_\_\_\_\_  
 Representative Bob Vancrum  
 Subcommittee Chairman

  
 \_\_\_\_\_  
 Representative Elaine Wells