

Approved _____

4-20-89

Date

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by Bill Bunten at _____
Chairperson

8:05 a.m./~~pm~~ on March 17, 1989 in room 514-S of the Capitol.

All members were present except: All present.

Committee staff present: Ed Ahrens, Debra Duncan, Diane Duffy, Laura Howard, Carolyn Rampey, Legislative Research Department, Jim Wilson, Revisor of Statutes, Sharon Schwartz, Administrative Aide, Sue Krische, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list.

SB 39 - Appropriations for FY90, legislative agencies, governor's department, lieutenant governor, attorney general, secretary of state, state treasurer and insurance department.

LEGISLATIVE AND RELATED AGENCIES

Representative Chronister reviewed the FY89 and FY90 subcommittee report (Attachment 1). Representative Chronister moved adoption of the subcommittee report. Representative Teagarden seconded. Motion carried.

GOVERNOR'S DEPARTMENT

The House concurs with the Governor's recommendation for FY89 and FY90 (Attachment 2). Representative Lowther moved adoption of the subcommittee report. Representative Mead seconded. Motion carried.

ATTORNEY GENERAL

Representative Fuller reviewed the subcommittee report for FY89 and FY90 (Attachment 3). The "FY 1990 Cost Analysis; Kansas v. Colorado" dated March 6, 1989 was distributed to the Committee (on file in the House Appropriations Committee office). Representative Heinemann made a motion to delete item #3 in the FY90 report in which the subcommittee recommends deletion of \$696,263 State General Fund for litigation expenses associated with the Kansas v. Colorado interstate water case. Representative Hamm seconded. Representative Heinemann advised the case is nearing resolution and he feels it is critical to fund what we have started. Expenditures on this case through FY90 will be approximately \$3.5 million. Following discussion, Representative Heinemann offered a substitute motion that the House add \$600,000 for the interstate water case. Representative Hamm seconded. Several members feel deleting \$696,263 as recommended by the subcommittee would give the House the most latitude in arriving at the appropriate figure. Representative Moomaw offered a substitute motion to delete one-half the \$696,263 which the Senate approved for the water case. Representative Heinemann seconded. Upon request of the Chairman, Representative Moomaw withdrew his substitute motion with the agreement of the second, Representative Heinemann. Representative Heinemann moved to amend his substitute motion to add one-half the \$696,263 approved by the Senate for the interstate water case. Representative Hamm seconded. Motion carried.

Representative Chronister asked staff with agreement of the Subcommittee to clarify the language in item #5 of the House Subcommittee report to state that pending passage of the legislation, deletion of \$51,638 and 1.5 FTE should be considered in the Omnibus bill.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,
room 514-S, Statehouse, at 8:05 ~~a.m.~~ on March 17, 1989

Representative Teagarden stated that when an assistant Attorney General position is transferred from the Attorney General's department into an agency, consideration should be given to deleting funding for the position in the Attorney General's department.

Representative Fuller moved adoption of the Attorney General's department subcommittee report for FY89 and FY90 as amended. Representative Kline seconded. Motion carried.

LIEUTENANT GOVERNOR

The Subcommittee concurs with the Governor and Senate on FY89 and FY90 (Attachment 4). Representative Lowther moved adoption of the subcommittee report. Representative Mead seconded. Motion carried.

CRIME VICTIMS REPARATIONS BOARD

The Committee reviewed the subcommittee report for FY89 and FY90 (Attachment 5). Representative Fuller explained that when the Board's appropriation is gone, it holds claims that have been approved to be paid in the next fiscal year. As a result, the agency estimates outstanding claims totaling \$175,000 will remain at the close of FY89. Passage of HB 2200 this session will provide additional revenues for crime victim claims. Representative Shriver feels the State General Fund should only be used for operations of the Board and not for payment of claims. Representative Shriver moved to reduce the \$150,000 State General Fund recommended by the Senate for FY89 to \$109,873 State General Fund for operations. Representative Hoy seconded. Motion carried. Representative Fuller moved adoption of the subcommittee report for FY89 and FY90 as amended. Representative Kline seconded. Motion carried.

SECRETARY OF STATE

Representative Goossen reviewed the subcommittee report for FY89 and FY90 (Attachment 6). Representative Goossen moved adoption of the subcommittee report. Representative Pottorff seconded. Motion carried.

INSURANCE DEPARTMENT

Representative Gatlin reviewed the subcommittee report for FY89 and FY90 (Attachment 7). The contract attorneys for the "second injury fund" are paid \$60 per hour. Representative Gatlin moved adoption of the subcommittee report on the Insurance Department for FY89 and FY90. Representative Brady seconded. Motion carried.

STATE TREASURER

The Committee reviewed the subcommittee report for FY89 and FY90 (Attachment 8). Representative Vancrum submitted a minority report. Representative Solbach moved adoption of the majority subcommittee report. Representative Turnquist seconded. Motion carried.

Representative Heinemann moved that SB 39, as amended, be recommended favorably for passage. Representative Teagarden seconded. Motion carried.

Representative Teagarden moved that the minutes of February 27 and 28, 1989 and March 1, 1989 be approved as written. Representative Heinemann seconded. Motion carried.

INTRODUCTION OF BILLS

Representative Helgerson requested introduction of a bill concerning recycling of waste in Sedgwick County (Attachment 9). Representative Helgerson moved introduction of the bill. Representative Hoy seconded. Motion carried.

The meeting was adjourned at 9:40 a.m.

SUBCOMMITTEE REPORT

Agency: Legislature and Related Agencies

Bill No. 39

Bill Sec. 2-5

Analyst: Ahrens

Analysis Pg. No. 97-105

Budget Pg. No. 358/422

Expenditure Summary	Agency Req. FY 90	Governor's Rec. FY 90	Senate Adjustments
State Operations -- All Funds			
Commission on Interstate Cooperation	\$ 194,267	\$ 194,802	\$ (191)
Legislative Coordinating Council:			
Council Expenses	266,620	279,749	193
Legislative Research Department	1,577,696	1,658,353	(165)
Revisor of Statutes	1,904,640	1,959,800	3,361
Educational Planning Committee	40,225	40,225	--
Legislature	8,421,937	8,736,572	(33,787)
Division of Post Audit	1,457,768	1,502,460	(119,931)
Total	\$ 13,863,153	\$ 14,371,961	\$ (150,520)
State Operations:			
State General Fund	\$ 13,688,930	\$ 14,197,738	\$ (84,738)
FTE Positions	113.6	110.9	2.7

FY 1989 Agency Request/Governor's Recommendation/
Subcommittee Recommendation

As approved by the Legislative Coordinating Council, FY 1989 revised budgets for legislative branch agencies were submitted which are \$347,236 below the amounts authorized by the 1988 Legislature, including reappropriations. The Governor's Budget Report reflects revisions which are a total of \$86,174 more than the agency revised estimates. The revisions recommended by the Governor have mostly to do with insertion of financing for the increased costs of health insurance which became known subsequent to the submission of agency budget requests. However, in the process of inserting the amounts for higher health insurance premiums, certain changes were made to other fringe benefits. In the case of three staff agencies -- the Legislative Research Department, the Revisor of Statutes, and the Division of Post Audit -- the changes were unwarranted and the Subcommittee recommends technical adjustments to these budgets. The recommended changes reduce the Research Department's budget by \$4,498 and the Revisor's Office budget by \$4,557. Adjustments to the budget of the Division of Post Audit result in no change to total expenditures. In addition, the FTE position count for the Revisor's Office was reduced from 28.5 in the agency request to 26.3 in the Governor's recommendation for FY 1989, due to difference of opinion as to how certain positions should be counted. No adjustments to expenditures are involved in this matter. In the absence of any compelling reason to change the agency estimate as approved by the Legislative Coordinating Council, the Subcommittee recommends the restoration of the 2.2 FTE deleted by the Governor's recommendation. No amendments to FY 1989 appropriations are

4A
 3-11-79
 Attached

required to implement the Subcommittee's recommendations; rather, the amounts of new appropriations for FY 1990 should be reduced appropriately.

FY 1990 Agency Request/Governor's Recommendation

The combined FY 1990 budget requests for the Legislature and its related agencies total \$13,863,153, of which \$13,688,930 would be financed from the General Fund. The FTE position total for these agencies is 113.6, a reduction of 0.5 position in the Revisor's Office from the current year estimate. As directed by the Legislative Coordinating Council, the legislative agency requests do not contain any amounts for changes to the basic salary plan but do include costs of step increases for those employees who are paid in accordance with the basic pay plan.

The Governor recommends a total of \$14,371,961 for the Legislature and related agencies, which is an increase of \$508,808 above requested amounts. The difference is financed from the General Fund and is entirely attributable to expenditures for salaries and wages. Most of the recommended changes to the budgets as requested are attributable to additions for general salary increases and higher health insurance premiums. Financing was placed in the budgets for a 4 percent increase to salaries of staff agencies, 4 percent to salaries for temporary legislative employees, 5.8 percent to salaries for full-time positions in the Legislature's budget, and approximately 5.3 percent to legislator's per diem compensation and leadership compensation. In addition, some recalculations of fringe benefits were incorporated into the Governor's recommendation which appear to be unrelated to the general salary increases. As in FY 1989, the FTE position count of the Revisor's Office was reduced from the requested number; in this case, the reduction was 2.7 FTE.

FY 1990 Senate Subcommittee Recommendation

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

1. Adjust the amounts contained in the budgets for legislator per diem compensation and leadership compensation to correspond to the amounts which would result from the application of a 4 percent increase to the state's basic pay plan in accordance with K.S.A. 46-137a and K.S.A. 46-137b.
2. Adjust fringe benefits for legislative agencies as appropriate with respect to Item 1, above, and the proper application of fringe benefit rates to these budgets. Such adjustments also include the elimination of turnover deductions which were applied in the Governor's recommendation apparently to compensate for unwarranted increases to FICA contributions above the amounts requested.
3. Reduce by \$119,931 (\$54,149 General Fund and \$65,782 Audit Services Fund) the amount originally requested by the Division of Post Audit, and concurred in by the Governor, for FY 1990 contract audits. This reduction was requested by the Chairman of the Post Audit Committee to adjust the budget to reflect contract awards which were finalized subsequent to submission of the Governor's Budget Report.

4. Restore the position count of the Revisor of Statutes to the 28.0 positions requested by the agency and approved by the Legislative Coordinating Council. The position count was reduced to 25.3 FTE in the Governor's recommendation. No expenditure adjustments are involved in this Subcommittee recommendation.

These Subcommittee recommendations would result in a net decrease of \$150,520 to the Governor's recommendation. Of the reduction, \$84,738 is financed from the General Fund.

The Subcommittee also notes that the Legislative Counsel reported a possible need for further financing of the census blocks boundary project in FY 1990. The budget of the Legislative Coordinating Council includes expenditures of \$30,474 in FY 1989 which represents the reappropriated balance from prior fiscal years and no expenditures in FY 1990. The appropriations bill, S.B. 39 as introduced, would result in the lapse of any unencumbered balance on June 30, 1989. The Subcommittee recommends that the House Appropriations Committee consider the matter if the Legislative Coordinating Council determines that additional financing is needed to complete the project.

The Subcommittee observes that passage of H.B. 2017, as introduced by the Special Committee on Ways and Means/Appropriations, would reduce the amount needed by the Revisor for printing the K.S.A. replacement volumes and supplements in FY 1990 by approximately \$25,000.

Senate Committee and Senate Committee of the
Whole Recommendations

The Senate Committee and Senate Committee of the Whole concurred with the Subcommittee recommendations.

<u>Expenditure Summary</u>	<u>Senate Adj. FY 90</u>	<u>Senate Rec. FY 90</u>	<u>House Subcommittee Adjustments</u>
State Operations -- All Funds			
Commission Interstate Cooperation	\$ (191)	\$ 194,611	\$ --
Legislative Coordinating Council:			
Council Expenses	193	279,942	10,000
Leg. Research Department	(165)	1,658,188	--
Revisor of Statutes	3,361	1,963,161	--
Educ. Plan. Committee	--	40,225	--
Legislature	(33,787)	8,702,785	--
Division of Post Audit	(119,931)	1,382,529	--
Total	\$ (150,520)	\$ 14,221,441	\$ 10,000
State Operations:			
State General Fund	\$ (84,738)	\$ 14,113,000	\$ 10,000
FTE Positions	2.7	113.6	--

FY 1989 House Subcommittee Recommendations

The Subcommittee concurs with the Senate recommendation with the following adjustments:

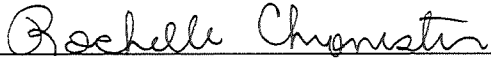
1. Reduce FY 1989 expenditures for the Legislative Coordinating Council by \$6,085 as the result of a Division of Accounts and Reports February 10 adjustment to the June 30, 1988, reappropriated balance for the Block Boundary Project account.
2. Add \$100,000 to Legislative Coordinating Council expenses to reflect House action in amending H.B. 2040 to provide special legal counsel.

FY 1990 House Subcommittee Recommendations

The Subcommittee concurs with the Senate recommendations with the following adjustment:

1. Add \$10,000 for continuation of the Block Boundary Project in FY 1990 due to delays in reporting by the U.S. Bureau of the Census. The Legislative Coordinating Council has formally requested this amendment to its FY 1990 budget. Because the project will continue into FY 1990, any FY 1989 year-end balance should be reappropriated.

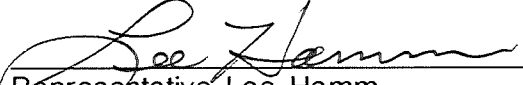
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Representative Rochelle Chronister
Subcommittee Chairman



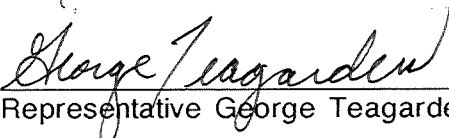
Representative Bill Bunten



Representative Lee Hamm



Representative David Heinemann



Representative George Teagarden

428-90

SUBCOMMITTEE REPORT

Agency: Governor's Department Bill No. 39 Bill Sec. 6
Analyst: Ahrens Analysis Pg. No. 106 Budget Pg. No. 236

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Senate Adjustments</u>
State General Fund: Operating Expenditures	\$ 1,321,233	\$ 1,406,342	\$ 76,500
FTE Positions	29.0	29.0	--

Governor's Recommendation

FY 1989. The FY 1989 revised expenditure estimate for the Governor's Department, as submitted originally, totals \$1,295,326, or \$51,358 less than expenditures authorized by the 1988 Legislature, including reappropriations. The recommendation contained in the Governor's Budget Report adds \$9,878, principally for higher health insurance premiums, to the original estimate.

FY 1990. The FY 1990 original agency request totals \$1,321,233, an increase of \$25,907 above the FY 1989 original estimate. Reported expenditures for FY 1990 exclude \$76,500 for contingencies, whereas the FY 1989 reported expenditure total includes the \$75,000 authorized by the 1988 Legislature for this purpose. The FY 1990 recommendation contained in the Governor's Budget Report totals \$1,406,342, an increase of \$101,138 to the recommended FY 1989 expenditures. The recommended expenditures exceed the original request by \$85,109 of salaries and wages, mainly for a 5.8 percent merit salary pool and for projected higher health insurance premiums.

Senate Subcommittee Recommendations

The Subcommittee concurs with the recommendations of the Governor for both FY 1989 and FY 1990, with the following adjustment to FY 1990:

1. Add estimated expenditures of \$76,500 to FY 1990 which represents the recommended amount for the contingencies appropriation. There is no reason to assume that this contingency amount will not be committed during the year, and its omission from the expenditures would overstate the year-end General Fund balance.

Senate Committee and Committee of the Whole Recommendations

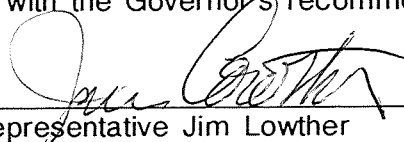
The Senate Committee and Committee of the Whole concurred with the Subcommittee's recommendation.

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Attachment 2


<u>Expenditure Summary</u>	<u>Senate Adj. FY 90</u>	<u>Senate Rec. FY 90</u>	<u>House Subcommittee Adjustments</u>
State General Fund: Operating Expenditures	\$ 76,500	\$ 1,482,842	\$ (76,500)
FTE Positions	--	29.0	--

House Subcommittee Recommendation


The House Subcommittee concurs with the Governor's recommendation.



Representative Jim Lowther
Subcommittee Chairperson



Representative Bob Mead



Representative Bill Wisdom

SUBCOMMITTEE REPORT

Agency: Attorney General

Bill No. 80

Bill Sec. 34

Analyst: Duffy

Analysis Pg. No. 109

Budget Pg. No. 86

<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	\$ 3,213,919	\$ 3,225,671	\$ --
Federal Aid to Local Units	456,040	456,040	--
Other Assistance	<u>0</u>	<u>0</u>	--
TOTAL	<u>\$ 3,669,959</u>	<u>\$ 3,681,711</u>	<u>--</u>
State General Fund:			
State Operations	\$ 2,930,041	\$ 2,941,793	\$ --
FTE Positions	60.5	60.5	--

Agency Estimate/Governor's Recommendation

FY 1989. The agency estimates \$3,213,919 in state operations expenditures in FY 1989. Of this amount, \$2,930,041 is from the State General Fund and \$283,878 is from various special revenue funds. The State General Fund total reflects the amount approved by the 1988 Legislature, including a reappropriation of \$252,403 for additional operating expenditures for water rights litigation.

The Governor recommends \$3,225,671 for state operations in FY 1989. Of the amount recommended, \$2,941,793 is from the State General Fund and \$283,878 is from special revenue funds. The FY 1989 recommendation is \$11,752 more than the amount estimated by the agency and would require a supplemental appropriation. The FY 1989 recommendation reflects an increase in salaries and wages of \$22,599 and a decrease in other operating expenditures of \$10,847.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor.

Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee's recommendation.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole concurs with the Senate Committee recommendation.

7A
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Attachment 3

<u>Expenditure Summary</u>	<u>Senate Adj. FY 89</u>	<u>Senate Rec. FY 89</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ --	\$ 3,225,671	\$ --
Federal Aid to Local Units	--	456,040	--
Other Assistance	--	0	--
TOTAL	<u>\$ --</u>	<u>\$ 3,681,711</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ --	\$ 2,941,793	\$ --
FTE Positions	--	60.5	--

House Subcommittee Recommendation

The House Subcommittee concurs with the Senate's recommendation.



Representative Wanda Fuller
Subcommittee Chairperson



Representative Phil Kline



Representative Ken Francisco

SUBCOMMITTEE REPORT

Agency: Attorney General

Bill No. 39

Bill Sec. 8

Analyst: Duffy

Analysis Pg. No. 109

Budget Pg. No. 86

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 3,166,258	\$ 3,195,231	\$ 735,522
Federal Aid to Local Units	228,548	228,548	--
Other Assistance	0	0	--
TOTAL	\$ 3,394,806	\$ 3,423,779	\$ 735,522
State General Fund:			
State Operations	\$ 2,843,782	\$ 2,864,719	\$ 735,522
FTE Positions	65.5	63.0	1.0

Agency Request/Governor's Recommendation

FY 1990. For FY 1990, the agency requests state operations expenditures of \$3,166,258, a reduction of \$47,661 (1.5 percent) from the FY 1989 estimate. Of this amount \$2,843,782 is from the State General Fund and \$322,476 is from various special revenue funds. The FY 1990 request includes the following: (1) two positions for the Consumer Protection Division (Special Agent I--\$21,695 and Office Assistant II--\$16,535, including fringe benefits); (2) continued funding for the Kansas v. Colorado water rights litigation (\$500,000); (3) two Assistant Attorney General I's to respond to the implementation of the revised Administrative Procedure Act (\$67,299, including fringe benefits); (4) one Paralegal position to function as the sole source for Westlaw computerized legal research and as office librarian (\$22,703, including fringe benefits); and (5) miscellaneous office equipment (\$21,516).

The Governor recommends \$3,195,231 for state operations in FY 1990. Of the amount recommended, \$2,864,719 is from the State General Fund and \$330,512 is from special revenue funds. The FY 1990 recommendation is \$28,973 more than the amount requested by the agency for FY 1990. The FY 1990 recommendation includes a 5.8 percent merit pool for employees (\$95,930); 2.5 new FTE positions (\$62,101, including fringe benefits); increased funding for employee health insurance rates; and funding for the water rights litigation (\$490,000). The recommended new positions include an Assistant Attorney General for the Civil program to assist state agencies in complying with the Kansas Administrative Procedure Act (\$34,029, including fringe benefits); an additional .5 FTE for a law clerk position to be assigned to the Civil program (\$5,996, including fringe benefits); and a Special Agent I for the Consumer Protection program to assist in the investigation of alleged violations of the Consumer Protection Act (\$22,075, including fringe benefits).

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following exceptions:

1. Add \$2,513 from the State General Fund for salaries and wages in FY 1990. The Governor's recommendation inadvertently omitted the statutory salary increase for the Attorney General which results from a 4 percent increase to the basic state pay plan.
2. Add \$16,915 in FY 1990 from the State General Fund for salaries and wages and 1.0 FTE position for an Office Assistant II position for the Consumer Protection program due to increased activity in the area of consumer protection.
3. Add \$19,831 from the State General Fund for other operating expenditures in FY 1990 for travel and subsistence expenditures in the criminal program. The Subcommittee notes that the Governor's recommendations for travel expenditures for this program in FY 1989 and FY 1990 are \$39,833 and \$30,000, respectively. There appears to be no rationale for reduced travel expenditures in FY 1990, therefore, the Subcommittee restores travel and subsistence expenditures to \$49,831, the amount requested in the Attorney General's FY 1990 budget. The FY 1990 request includes additional travel expenditures for the special unit approved by the 1988 Legislature to investigate complaints of child abuse in state SRS institutions.
4. Add \$696,263 from the State General Fund for additional operating expenditures for investigation and litigation regarding interstate water rights in FY 1990. The Attorney General's original budget request included \$500,000 for the Kansas v. Colorado litigation and the Governor recommended \$490,000. The Attorney General appeared before the Subcommittee to amend his request to reflect anticipated pre-trial, trial, and post-trial expenses. The Subcommittee encourages the Governor to include this item in the next Governor's Budget Amendment. The total FY 1990 appropriation for the water rights litigation would be \$1,186,263.
5. The Subcommittee recommends the introduction of legislation to create an Assistant Attorney General position in the Fire Marshal's office and an Assistant Attorney General in the Kansas Highway Patrol. The 1987 Legislature approved an Assistant Attorney General's position to be budgeted in the Attorney General's office, but permanently assigned to the state Fire Marshal. For FY 1990, the Kansas Highway Patrol is requesting an Assistant Attorney General. Currently, the Attorney General has an Assistant Attorney General assigned part-time to working with the Highway Patrol. The Subcommittee notes that there are other Assistant Attorneys General assigned to various state agencies (i.e. KBI, Lottery, Racing, ABC); however, these positions are budgeted within the budgets of the agencies to which the Assistant Attorneys General are assigned. The creation of Assistant Attorneys General within the State Fire Marshal and Highway patrol is consistent with other state agencies who employ Assistant Attorneys General.

Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee's recommendation.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole concurs with the Senate Committee's recommendation.

<u>Expenditure Summary</u>	<u>Senate Adj. FY 90</u>	<u>Senate Rec. FY 90</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 735,522	\$ 3,930,753	\$ (665,085)
Federal Aid to Local	--	228,548	--
Other Assistance	--	--	--
TOTAL	<u>\$ 735,522</u>	<u>\$ 4,159,301</u>	<u>\$ (665,085)</u>
State General Fund:			
State Operations	\$ 735,522	\$ 3,930,753	\$ (665,085)
FTE Positions	1.0	64.0	(2.0)

House Subcommittee Recommendation

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

1. Delete a total of \$38,991 from the State General Fund for salaries and wages and 2.0 FTE positions for an Office Assistant II (\$16,915) and a Special Agent I (\$22,076). The Subcommittee notes that these positions were requested by the agency for the Consumer Protection program. The Governor recommended the addition of the Special Agent I and the Senate added the Office Assistant II. The Subcommittee acknowledges the increase in activities within the Consumer Protection program, but does not believe there is adequate justification for the addition of new positions.
2. Delete \$19,831 from the State General fund for other operating expenditures for travel and subsistence expenditures in the criminal program. The Governor's recommendation for travel and subsistence in FY 1989 and FY 1990 are \$39,833 and \$30,000, respectively. The Senate added \$19,831 to restore travel and subsistence expenditures to \$49,831, the amount requested by the Attorney General. The House Subcommittee concurs with the Senate that there appears to be no rationale for reduced travel and subsistence expenditures in FY 1990, however, the Subcommittee does not concur with the Senate's FY 1990 recommendation of \$49,831 for travel and subsistence, a 25.1 percent increase over the FY 1989 recommendation for travel and subsistence. The House

3-2

Subcommittee notes that there is \$10,875 in additional resources available to the Attorney General that are not appropriated that could be used for travel expenditures; therefore, the Subcommittee does not recommend any additional State General Fund.

3. Delete \$696,263 from the State General Fund for additional operating expenditures for investigation and litigation expenses associated with the Kansas v. Colorado interstate water case. The Attorney General's original budget request included \$500,000 for the Kansas v. Colorado litigation and the Governor recommended \$490,000. The Senate added \$696,263, as requested by the Attorney General, for anticipated pre-trial, trial, and post-trial expenditures. According to the Attorney General, the trial date was recently set for January, 1990. The Subcommittee recommends the deletion of this item pending its inclusion in a Governor's Budget Amendment.
4. Add \$90,000 from the State General Fund in a separate line-item for the acquisition of land and settlement for the loss of business known as the "Salina Indian Burial Grounds." After considerable review of this longstanding issue, the Subcommittee is convinced that this may be the most expeditious resolution of this issue.
5. The Subcommittee notes that the Senate has introduced legislation to create an Assistant Attorney General position in the Fire Marshal's office and an Assistant Attorney General in the Kansas Highway Patrol. The Subcommittee recommends the deletion of \$51,638 and 1.5 FTE positions, pending the passage of this legislation.
6. The Board of Polygraphists, established by the 1987 Legislature, is unable to license polygraphists because it is impossible to find persons meeting the statutorily required qualifications for two positions on the five member board. The Governor recommended that the balance in the Board of Polygraphist fee fund (\$5,176) be lapsed. Legislation to correct the existing law has been introduced. If this legislation should pass, this would be an item for omnibus consideration.
7. The Subcommittee notes that the Attorney General requested expenditures of \$172,132 from the antitrust special revenue fund and the Governor recommended expenditures of \$179,093. The Senate concurred with the Attorney General's request for expenditures. The Attorney General's request and Senate recommendation included the transfer of \$154,503 from the State General Fund to the Antitrust Special Revenue Fund. This special revenue fund supports the antitrust section and over the last several years the fund has been depleted. The Subcommittee understands that there is pending litigation which would provide adequate revenue for antitrust operations for many years. It is the Subcommittee's understanding that the \$154,503 is a loan and that the State General Fund will be reimbursed upon resolution of the case.

Wanda Fuller

Representative Wanda Fuller
Subcommittee Chairperson

Phil Kline

Representative Phil Kline

Ken Francisco

Representative Ken Francisco

SUBCOMMITTEE REPORT

Agency: Lieutenant Governor Bill No. 39 Bill Sec. 7
Analyst: Ahrens Analysis Pg. No. 106 Budget Pg. No. 438

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Senate Adjustments</u>
State General Fund: State Operations	\$ 108,090	\$ 113,059	\$ --
FTE Positions	3.0	3.0	--

Agency Request/Governor's Recommendation

FY 1989. The FY 1989 revised budget estimate of \$105,971 for the Office of the Lieutenant Governor is \$17,119 below the expenditures authorized by the 1988 Legislature, including the reappropriation. The Governor recommends FY 1989 expenditures of \$104,053, or \$1,918 less than the agency estimate. Adjustments to the agency estimates include an increase of \$881 for salaries and wages, mostly for the increase in health insurance, and a decrease of \$2,799 for other expenses.

FY 1990. The FY 1990 budget request of the agency totals \$108,090, an increase of \$2,119 above the agency's estimate for FY 1989. The Governor recommends a budget of \$113,059 for FY 1990, or \$4,969 above the agency's request. Salaries are increased by \$6,510 to provide a merit salary pool and to pay projected increases in health insurance premiums. Other expenses are reduced \$1,541 below the agency request.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendations for FY 1989 and FY 1990.

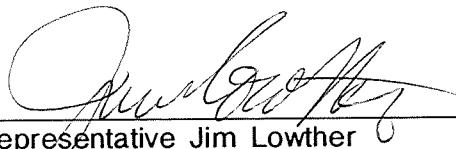
Senate Committee and Committee of the Whole Recommendation

The Senate Committee and Committee of the Whole concurred with the Subcommittee's recommendation.

House Subcommittee Recommendation

The House Subcommittee concurs.

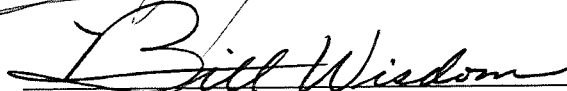
HA
3-17-89
Attachment 4



Representative Jim Lowther
Subcommittee Chairperson



Representative Bob Mead



Representative Bill Wisdom

SUBCOMMITTEE REPORT

Agency: Crime Victims
Reparations Board

Bill No. 80

Bill Sec. 35

Analyst: Howard

Analysis Pg. No. 118

Budget Pg. No. 184

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 109,019	\$ 109,873	\$ --
Aid to Local Units	267,417	267,417	--
Other Assistance	<u>571,000</u>	<u>571,000</u>	--
Subtotal	<u>\$ 947,436</u>	<u>\$ 948,290</u>	<u>\$ --</u>
State General Fund:	\$ --	\$ --	\$ 150,000
 FTE Positions	 3.0	 3.0	 --

Agency Estimate/Governor's Recommendation

FY 1989. The agency estimates FY 1989 expenditures of \$947,436, a reduction of \$3,587 from the amount approved by the 1988 Legislature. The estimate includes a reduction in expenditures from the federal Family Violence Prevention and Services Fund (\$3,859) due to revised receipts, and an increase in expenditures from the Crime Victims Reparations Fund (\$272). The estimated budget includes expenditures from the following funds: Crime Victims Reparations Fund, \$512,559; Protection from Abuse Fund, \$190,335; federal Victims of Crime Assistance Act, \$140,000; federal Family Violence Prevention and Services Fund, \$68,590; and the federal Preventive Health Services Block Grant, \$35,952. The request includes \$267,417 for aid to local units and \$571,000 for other assistance for payment of crime victims claims.

The Governor recommends FY 1989 expenditures of \$948,290 for the Crime Victims Reparations Board, an increase of \$854 in salaries from the agency estimate. The recommendation includes \$109,873 for state operations, \$267,417 for aid to local units, and \$571,000 for other assistance for payment of crime victims claims. The recommendation increases expenditures from the Crime Victims Reparations Fund from \$512,559 to \$513,413.

Senate Subcommittee Recommendation

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

1. Add \$150,000 from the State General Fund for the payment of crime victim claims. The agency estimates outstanding claims totaling \$175,000 will remain at the close of FY 1989.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Subcommittee.

*HA
3-17-89
Attachment 5*

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole concurs with the recommendations of the Committee.

<u>Expenditure Summary</u>	<u>Senate Adj. FY 89</u>	<u>Senate Rec. FY 89</u>	<u>House Subcommittee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ --	\$ 109,873	\$ --
Aid to Local Units	--	267,417	--
Other Assistance	--	571,000	--
Subtotal	\$ --	\$ 948,290	\$ --
State General Fund	150,000	150,000	--
Total	<u>\$ 150,000</u>	<u>\$ 1,098,290</u>	<u>\$ --</u>
FTE Positions	--	3.0	--

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Senate for FY 1989.


 Representative Wanda Fuller
 Subcommittee Chairperson


 Representative Ken Francisco


 Representative Phil Kline

SUBCOMMITTEE REPORT

Agency: Crime Victims
Reparations Board

Bill No. 39

Bill Sec. New

Analyst: Howard

Analysis Pg. No. 118

Budget Pg. No. 184

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 122,684	\$ 116,048	\$ (116,048)
Aid to Local Units	272,227	272,227	24,395
Other Assistance	640,000	567,095	91,653
Subtotal	<u>\$ 1,034,911</u>	<u>\$ 955,370</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ --	\$ --	\$ 141,976
TOTAL	<u>\$ 1,034,911</u>	<u>\$ 955,370</u>	<u>\$ 141,976</u>
FTE Positions	3.5	3.0	1.0

Agency Request/Governor's Recommendation

FY 1990. The agency requests FY 1990 expenditures of \$1,034,911, all of which is from special revenue funds. The request is an increase of \$87,475 from the current year revised estimate and would fund 3.5 FTE positions, an increase of 0.5 FTE from the current year. The request includes expenditures from the following funds: Crime Victims Reparations Fund, \$608,289; Protection from Abuse Fund, \$195,125; federal Victims of Crime Assistance Act, \$130,000; federal Family Violence Prevention and Services Fund, \$65,545; and the federal Preventive Health Services Block Grant, \$35,952. The FY 1990 budget request presumes that the \$2.00 assessment on docket fees in criminal proceedings credited to the Crime Victims Reparations Fund (K.S.A. 20-362) will be increased to \$5.00. Such an increase in the fee assessment would require legislative action to amend the current statute.

The Governor recommends FY 1990 expenditures of \$955,370, a reduction of \$79,541 from the agency request. The recommendation would fund 3.0 FTE positions, the same number as in the current year. The Governor does not recommend funding for a new 0.5 FTE clerical position. The recommendation includes \$272,227 in aid to local units as requested by the agency; and \$567,095 for payment of crime victims claims, a reduction of \$72,905 from the amount requested by the agency. The Governor does not recommend an increase in the docket fee assessment. The recommendation includes expenditure of \$518,748 from the Crime Victims Reparations Fund, \$195,125 from the Protection from Abuse Fund, \$35,952 from federal Preventive Health Block Grant funds, \$65,545 from the federal Family Violence Prevention and Services Fund, and \$140,000 from the Victims of Crime Assistance Act Fund.

Senate Subcommittee Recommendation

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

1. Add \$116,048 from the State General Fund for state operations and shift all special revenue funds to aid to local units and other assistance. The effect of this recommendation is to increase available funding for payment of crime victim claims by \$91,653, to increase funding for grants to domestic abuse programs by \$23,395 and to increase funding for rape prevention and rape victim services by \$1,000. The Subcommittee believes the State General Fund should be used for operating expenditures of the agency in order to allow all special revenue and grant funds to be used for victim awards and grants to local programs.
2. Add \$18,928 in salaries and 1.0 FTE Office Assistant III to provide additional clerical support for the agency. The Subcommittee would note that the position would be used to help process an increasing number of claims and to administer federal funds. The position would also be used to help computerize the Board's programs during FY 1990. The Subcommittee recommends that the 1990 Legislature reevaluate this position to determine if a half-time position would be sufficient for ongoing clerical functions once the agency's activities are computerized.
3. Add \$7,000 from the State General Fund as matching funds for criminal justice block grant funds from the Attorney General's Office. The federal Block Grant Funds would be used to purchase microcomputer equipment, software, a printer, and consultant services to assist the Board in developing programs and establishing computer files.
4. The Subcommittee would note 1989 S.B. 168 which would enact recommendations of the Attorney General's Task Force on Victims Rights. The bill would place the Crime Victims Reparations Board under the jurisdiction of the Attorney General. In addition, the bill would increase the docket fee assessment for crime victims from \$2 to \$5 and would increase the marriage license fee from \$25 to \$40, with additional revenues targeted for domestic violence programs. The bill would also raise the maximum allowable claim payment from \$10,000 to \$25,000 and would increase the payable burial expense from \$750 to \$2,000. Passage of the bill would provide additional funding for crime victim claims of approximately \$750,000 annually. Pending the passage of S.B. 168 placing the Board under the jurisdiction of the Attorney General, the Subcommittee recommends that the Crime Victims Reparations Board be included as a separate section in the appropriations bill. In addition, pending the passage of S.B. 168 the Subcommittee makes no recommendation for additional expenditures for crime victim claims in FY 1990.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Subcommittee.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole concurs with the recommendations of the Committee.

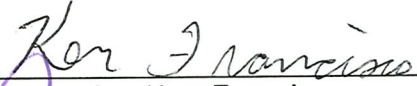
<u>Expenditure Summary</u>	<u>Senate Adj. FY 90</u>	<u>Senate Rec. FY 90</u>	<u>House Subcommittee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ (116,048)	\$ --	\$ --
Aid to Local Units	24,395	296,622	--
Other Assistance	91,653	658,748	--
Subtotal	\$ 0	\$ 955,370	\$ --
State General Fund:			
State Operations	\$ 141,976	\$ 141,976	\$ --
Total	\$ 141,976	\$ 1,097,346	\$ --
FTE Positions	1.0	4.0	--

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Senate, with the following comments:

1. The Subcommittee would note 1989 H.B. 2200 which would enact some of the recommendations of the Attorney General's Task Force on Victims Rights. The bill would place the Crime Victims Reparations Board under the jurisdiction of the Attorney General. In addition, the bill would increase the docket fee assessment for crime victims from \$2 to \$5 to provide additional revenues for crime victim claims, and would increase the marriage license fee from \$25 to \$40, with additional revenues targeted for domestic violence programs. The bill would also raise the maximum allowable claim payment from \$10,000 to \$25,000 and would increase the payable burial expense from \$750 to \$2,000. Passage of the bill would provide additional funding for crime victim claims of approximately \$750,000 annually. Pending the passage of H.B. 2200, the Subcommittee makes no recommendation for additional expenditure for crime victim claims in FY 1990. The Subcommittee recommends that FY 1990 funding for crime victims be reviewed during the Omnibus session.


 Representative Wanda Fuller
 Subcommittee Chairperson


 Representative Ken Francisco


 Representative Phil Kline

SUBCOMMITTEE REPORT

Agency: Secretary of State

Bill No. 80

Bill Sec. 8

Analyst: West

Analysis Pg. No. 122

Budget Pg. No. 528

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund:			
Noncensus	\$ 1,446,107	\$ 1,454,350	\$ --
Census	378,734	378,734	--
Uniform Commercial Code			
Fee Fund	792,164	797,531	--
Other Special Funds	216,784	217,131	--
TOTAL	<u>\$ 2,833,789</u>	<u>\$ 2,847,746</u>	<u>\$ --</u>
FTE Positions	62.0	62.0	(1.0)

Agency Request/Governor's Recommendation

The estimate for agency FY 1989 expenditures is \$2,833,789, which is \$8,594 less than the amount authorized by the 1988 Legislature. Estimated State General Fund expenditures include \$1,446,107 for noncensus expenditures and \$378,734 shifted from FY 1988 for census expenditures. Other estimated expenditures include \$792,164 from the Uniform Commercial Code (UCC) Fee Fund, \$144,000 from the Kansas Register Fee Fund, and \$72,784 from other special revenue funds (a decrease of \$4,000). State General Fund expenditures for salaries and wages are decreased by \$4,594, and responsibilities for the Land Survey Advisory Committee are transferred to the Historical Society pursuant to H.B. 3024 (\$4,000).

The Governor recommends FY 1989 expenditures of \$2,847,746, an increase of \$13,957 from the agency's estimate. Salaries are increased by a net of \$13,957 to reflect revised health insurance rates and turnover savings. The Governor concurs with the agency's estimate of expenditures for the state census and other operating expenses. Noncensus State General Fund expenditures are recommended to be \$1,454,350. The Governor recommends a State General Fund supplemental appropriation of \$8,243 to finance the FY 1989 recommendation. Special revenue fund expenditures are recommended totaling \$1,014,662, reflecting increased salary expenditures from the UCC Fee Fund (\$5,367) and the Kansas Register Fee Fund (\$347).

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's FY 1989 recommendation, with the following adjustments and observations.

1. The Subcommittee recommends a technical adjustment to S.B. 80 to properly reflect the Governor's recommended State General Fund supplemental appropriation of \$8,243.
2. The Subcommittee has reviewed year to date expenditures for the agency and could not discover any potential current year savings. The Subcommittee notes that 87.1 percent of the communications budget has been expended to date and invites the House Subcommittee to review this item further to determine if additional funding is required.

HA
3-17-89
Attachment 6

3. Delete 1.0 FTE Office Assistant position from the Uniform Commercial Code program. The Subcommittee has been informed that the position has remained vacant for over two years, with the funding for the position being utilized to finance temporary salaries on an as needed basis. The Subcommittee concurs with the use of temporary employees and so leaves the funding for the deleted position within the agency's budget for that purpose. The Subcommittee notes that deletion of the position should have no effect on the agency's operations.
4. The Subcommittee notes that any unencumbered balance remaining in the State Census account will lapse at the end of FY 1989.
5. The Subcommittee recommends that the Secretary of State, the Revisor of Statutes, and the State Printer review the circumstances regarding the late delivery of the supplements and replacement volumes of the Kansas Statutes Annotated and report to the House Subcommittee on any finding and recommendations to prevent future occurrences of late delivery. Subcommittee members received a considerable number of complaints regarding the timeliness of the availability of the publications.
6. The Subcommittee has been informed that the Corporation program has produced significant amounts of revenue for the State General Fund over the past few years. The Subcommittee notes that the minimum of \$20 and maximum of \$2,500 for the franchise tax, which is payable upon the filing of a corporation's report, has not been raised since at least 1972. The Subcommittee has been informed that the Secretary of State's Office performed a study last year estimating the fiscal impact of raising the maximum franchise tax, but due to time limitations the Subcommittee was unable to review this study. The Subcommittee invites the House Appropriations Subcommittee to study this issue further. If the House Appropriations Subcommittee is unable to review this issue, the Subcommittee recommends that franchise taxes be reviewed during the 1989 interim, particularly how the Kansas rates compare with other states. The following is a table summarizing receipts to the State General Fund produced by the Corporation program in the last four fiscal years as recorded in the budgets for the Secretary of State.

<u>Fiscal Year</u>	<u>Franchise Tax</u>	<u>Articles of Incorp.</u>	<u>Foreign Applications</u>	<u>Other Income</u>	<u>Total</u>
1988	\$8,557,261	\$338,775	\$162,640	\$428,705	\$9,487,381
1987	8,229,989	359,625	157,125	328,995	9,075,734
1986	8,229,989	371,448	149,697	436,931	9,188,065
1985	7,877,633	374,998	153,020	387,676	8,793,327

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's FY 1989 recommendation.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole concurs with the Committee's FY 1989 recommendations.

<u>Expenditure Summary</u>	<u>Senate Adj. FY 89</u>	<u>Senate Rec. FY 89</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund:			
Noncensus	\$ --	\$ 1,454,350	\$ --
Census	--	378,734	--
Uniform Commercial Code			
Fee Fund	--	797,531	--
Other Special Funds	--	217,131	--
TOTAL	<u>\$ --</u>	<u>\$ 2,847,746</u>	<u>\$ --</u>
FTE Positions	(1.0)	61.0	--

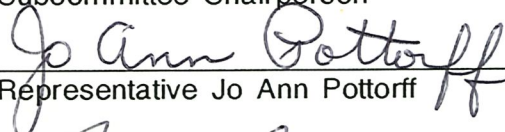
House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Senate, with the following adjustments and observations:

1. Add the Cemetery Audits Fee Fund with a "no limit" expenditure limitation for a technical adjustment to S.B. 80.
2. The Subcommittee notes that any unencumbered balance remaining in the State Census account will lapse at the end of FY 1989.
3. The Subcommittee reviewed the circumstances regarding the late delivery of supplements and replacement volumes of the Kansas Statutes Annotated and notes that the Secretary of State's Office has been assured by the State Printer that such late deliveries should not occur in the future.



Representative Duane A. Goossen
Subcommittee Chairperson



Representative Jo Ann Pottorff



Representative Jack Shriver

622-89

SUBCOMMITTEE REPORT

Agency: Secretary of State

Bill No. 39

Bill Sec. 9

Analyst: West

Analysis Pg. No. 122

Budget Pg. No. 528

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund:			
Noncensus	\$ 1,437,252	\$ 1,505,661	\$ --
Census	--	--	--
Uniform Commercial Code			
Fee Fund	786,517	829,700	--
Other Special Funds	<u>246,690</u>	<u>252,690</u>	--
TOTAL	<u>\$ 2,470,459</u>	<u>\$ 2,588,051</u>	<u>\$ --</u>
FTE Positions	62.0	62.0	(1.0)

Agency Request/Governor's Recommendations

The agency's FY 1990 request totals \$2,470,459, an increase of \$15,404 above the FY 1989 estimate of noncensus expenditures, and would maintain the same 62.0 FTE positions approved for the current fiscal year. No census expenditures are requested for FY 1990. The request includes \$1,437,252 from the State General Fund (a decrease of \$8,855 from the FY 1989 estimate of noncensus expenditures), and \$1,033,207 from special revenue funds (an increase of \$24,259). The Governor recommends FY 1990 expenditures of \$2,588,051, an increase of \$117,592 from the agency's request. The FY 1990 recommendation reflects an increase of \$119,039 from the current year recommendation and would maintain the agency's current staffing of 62.0 FTE. The recommendation includes \$1,505,661 from the State General Fund (an increase of \$51,311 from the FY 1989 recommendation for noncensus expenditures) and \$1,082,390 from special revenue funds (an increase of \$67,728).

Senate Subcommittee Recommendation

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

1. Delete 1.0 FTE Office Assistant position as per the FY 1989 recommendations.
2. The Subcommittee notes with concern that the Governor's FY 1990 recommendation for the Uniform Commercial Code (UCC) Fee Fund results in an estimated ending balance of \$543. The Subcommittee does not recommend any changes at this time, however, due to the "no limit" nature of the fund and no serious concerns expressed by representatives of the Secretary of State. The Subcommittee invites the House Subcommittee for this agency to review this matter further and consider if legislation should be introduced to raise the maximum fees for UCC transactions.

3. The Subcommittee notes that the Secretary of State estimates that the fiscal impact of any constitutional amendments passed by the 1989 Legislature would be approximately \$40,000 per amendment, depending on its length.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Subcommittee.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole concurs with the recommendation of the Committee.

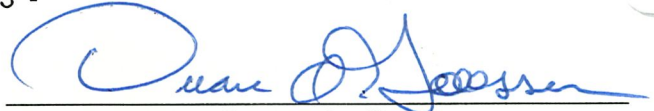
<u>Expenditure Summary</u>	<u>Senate Adj. FY 90</u>	<u>Senate Rec. FY 90</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund:			
Noncensus	\$ --	\$ 1,505,661	\$ --
Census	--	--	--
Uniform Commercial Code Fee Fund	--	829,700	--
Other Special Funds	--	252,690	--
TOTAL	<u>\$ --</u>	<u>\$ 2,588,051</u>	<u>\$ --</u>
FTE Positions	(1.0)	61.0	--

House Subcommittee Recommendation

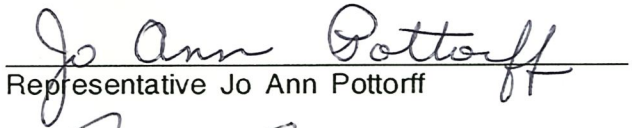
The House Subcommittee concurs with the recommendations of the Senate, with the following adjustment and observations:

1. Add the Cemetery Audits Fee Fund with a "no limit" expenditure limitation for a technical adjustment to the bill.
2. The Subcommittee notes that the Secretary of State estimates that the fiscal impact of any constitutional amendments passed by the 1989 Legislature would be approximately \$40,000 per amendment, depending on its length.
3. The Subcommittee discussed fee levels and anticipated revenues for the UCC Fee Fund with representatives of the Secretary of State, who expressed no major concerns at this time. The Subcommittee recommends that the agency closely monitor fee receipts for the next year and report back to the 1990 Legislature regarding the need for legislation to increase the maximum fees.

2-3



Representative Duane A. Goossen
Subcommittee Chairperson



Representative Jo Ann Pottorff



Representative Jack Shriver

SUBCOMMITTEE REPORT

Agency: Insurance Department

Bill No. 80

Bill Sec. 2

Analyst: Rampey

Analysis Pg. No. 133

Budget Pg. No. 342

<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	\$ 10,757,906	\$ 10,801,029	\$ --
Local Aid	3,775,000	3,775,000	--
Other Assistance	<u>45,300,258</u>	<u>45,300,258</u>	--
Total	<u>\$ 59,833,164</u>	<u>\$ 59,876,287</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ 4,170,178	\$ 4,203,023	\$ --
Other Assistance	<u>4,000,000</u>	<u>4,000,000</u>	--
Total	<u>\$ 8,170,178</u>	<u>\$ 8,203,023</u>	<u>\$ --</u>
FTE Positions	149.2	149.2	--

Agency Request/Governor's Recommendation

Total expenditures for the Insurance Department are estimated to be \$59,833,164. Of that amount, \$8,170,178 is from the State General Fund, which is the amount approved by the 1988 Legislature. The Department's approved position limitation is 149.2 FTE. The Governor recommends expenditures of \$59,876,287, an increase of \$43,123 over the Department's estimate. All of the increase is in salaries and wages and consists almost entirely of employee health insurance benefits. Of the increase, \$32,845 is from the State General Fund.

Senate Subcommittee Recommendation

The Subcommittee concurs with the recommendations of the Governor. The Subcommittee notes that, in order to accurately reflect the Governor's recommendations relating to increased health insurance benefits, S.B. 80 should be amended to add \$566 for administrative costs associated with the Firefighters Relief Fund and \$3,558 for administrative costs associated with the Workers' Compensation Fund. (The money is included in amounts recommended by the Governor but the bill does not reflect the Governor's recommendation.)

Senate Committee Recommendations

The Senate Committee concurs with the recommendations of the Subcommittee.

Senate Committee of the Whole

The Senate Committee of the Whole concurs with the recommendations of the Senate Committee.

FA
3-17-89
Attachment 7

House Subcommittee Recommendations

The House Subcommittee concurs with the recommendations of the Senate.



Representative Max Moomaw
Subcommittee Chairperson



Representative Fred Gatlin



Representative Bill Brady

331-89

SUBCOMMITTEE REPORT

Agency: Insurance Department

Bill No. 39

Bill Sec. 11

Analyst: Rampey

Analysis Pg. No. 133

Budget Pg. No. 342

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 11,420,815	\$ 11,625,285	\$ 3,092
Local Aid	3,800,000	3,800,000	--
Other Assistance	47,588,000	47,588,000	--
Total	\$ 62,808,815	\$ 63,013,285	\$ 3,092
State General Fund:			
State Operations	\$ 4,309,820	\$ 4,479,920	\$ --
Other Assistance	4,000,000	4,000,000	--
Total	\$ 8,309,820	\$ 8,479,920	\$ --
FTE Positions	153.7	151.2	--

Agency Request/Governor's Recommendations

For FY 1990, the Department estimates expenditures of \$62,808,815, of which \$8,309,820 would be from the State General Fund. Included in the State General Fund amount is \$63,530 for the salaries and benefits of 3.5 FTE new positions. In addition, the Department plans to shift half of the salary of a current employee to the Workers' Compensation Fund, for a savings to the State General Fund of \$11,352. For FY 1990, the Governor recommends expenditures of \$63,013,285, an increase of \$204,470 over the Department's request. The State General Fund portion of the increase would be \$170,100. The only change the Governor makes to the Department's request is in the area of salaries and wages. The Governor approves the addition of 2.0 FTE new positions (one in the insurance regulation program and one in the workers' compensation program) and approves the shift of half of the salary of a current employee from the insurance regulation program to the workers' compensation program. The Governor's recommendation provides for a 4.0 percent salary increase for classified employees, a merit pool for unclassified employees, and increased employee health insurance benefits.

Senate Subcommittee Recommendations

FY 1990. The Subcommittee concurs with the Governor's recommendations, with the following exception:

1. In order to accurately reflect the Governor's intention to fund increased employee health insurance benefits, add \$493 for administrative costs associated with the Firefighters Relief Fund and \$2,599 for administrative costs associated with the Workers' Compensation Fund.

In addition, the Subcommittee makes the following comments:

1. The Subcommittee concurs with the Governor's policy of reappropriating without limit money from the State General Fund. In the past, this policy has been applied to the offices of the Governor and Lieutenant Governor. This year, the policy has been extended to all statewide elected officials. For the Insurance Department, it is estimated that \$9,475 will be reappropriated from FY 1989 to FY 1990.
2. The Subcommittee calls attention to the fact that the turnover rate for the insurance regulation program, which is funded from the State General Fund, was 6.1 percent for FY 1988. The Insurance Department has had an unusually high turnover rate in past years and the 6.1 percent rate is lower than it has been.
3. The Subcommittee wishes to note that the increase from FY 1989 to FY 1990 in State General Fund expenditures for agency operations (excluding expenditures for salaries and actuarial studies) is \$1,345 or .17 percent.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Subcommittee, with the following exception:

1. Separate the appropriation from the State General Fund for the insurance company regulation program contained in S.B. 39 into one line item for salaries and wages and one line item for other operating expenditures.

Senate Committee of the Whole Recommendations

The Senate Subcommittee of the Whole concurs with the recommendations of the Senate Committee.

House Subcommittee Recommendations

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Senate Rec. FY 90</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 11,420,815	\$ 11,628,377	\$ 7,619
Local Aid	3,800,000	3,800,000	--
Other Assistance	<u>47,588,000</u>	<u>47,588,000</u>	--
TOTAL	<u>\$ 62,808,815</u>	<u>\$ 63,016,377</u>	<u>\$ 7,619</u>
State General Fund:			
State Operations	\$ 4,309,820	\$ 4,479,920	\$ 7,619
Other Assistance	<u>4,000,000</u>	<u>4,000,000</u>	--
TOTAL	<u>\$ 8,309,820</u>	<u>\$ 8,479,920</u>	<u>\$ 7,619</u>
FTE Positions	153.7	151.2	--

7-4

The House Subcommittee concurs with the recommendations of the Senate, with the following exception and comments:

1. Add \$7,619 from the State General Fund for fees for other services. The amount is added in order to pay for an increase in the fee the Kansas Bureau of Investigation charges the Insurance Department to do a background check on applicants to become licensed as insurance agents. (The fee increase from \$3.00 per applicant to \$4.00 was not known until March, 1989.) It is estimated that more than 7,000 background checks will be done. Although an application fee is charged so that costs associated with the background check will be recovered, the fee goes to the State General Fund, not to the Insurance Department.
2. The 1988 Legislature passed legislation (H.B. 3055) that permits the Insurance Department to contract with a testing service to administer agent examinations, thus relieving the Department of some of its workload. Consequently, in the 1988 Omnibus Bill, the Legislature reduced the Department's position limitation by 1.0 FTE and deleted \$12,125 from the State General Fund for salaries. However, the item was vetoed by the Governor because it was combined with another action to which the Governor objected. The result is that the position and funding were not deleted, even though that was what the Legislature intended. Knowing that, the Department has kept the position vacant.

Other duties imposed by H.B. 3055, specifically the new requirement that insurance agencies be licensed and that there be a continuing education requirement for agents (necessitating the approval of continuing education courses by the Department and the verification that approximately 32,000 agents have met the requirement and paid their fees) have caused an unanticipated increase in workload so that the Department says it needs the position after all. In fact, it has employed temporary workers to perform the new functions imposed by 1988 H.B. 3055.

The Governor includes funding for the position in the Department's budget and the Senate concurs. The House Subcommittee concurs also, but thinks the situation needs to be explained because it is contrary to what legislators understood during the 1988 Session.

3. The Subcommittee notes that, as of the end of January, the Department has spent 68 percent of its approved amount for communications and will have to shift funds from other object codes later this year to pay communications expenses.

The Subcommittee observes that communications costs are rising and suggests that the Department print material on both sides whenever possible and combine several mailings into one.

One reason for increased communications costs is the assessment charged agencies by the Department of Administration for Central Mail services, which for the Insurance Department increased by 33 percent in FY 1989 and is expected to increase by 22 percent in FY 1990. Part of the growth since FY 1988 is due to higher postage rates and to a greater volume of material mailed by the Department. In addition,

apparently the FY 1988 assessment was not high enough to pay for Central Mail services and a large increase was required in FY 1989.

The Subcommittee realizes the Insurance Department does not control all of the variables that affect its communications expenses, but the Subcommittee does think the Department can look for ways to consolidate and reduce the volume of material it mails.

4. The Subcommittee wishes to call attention to the rapid growth of the Workers' Compensation Fund administered by the Insurance Department. The Fund (sometimes referred to as the "second injury fund") was created in 1974 in order to promote the state policy of encouraging employees to hire disabled workers. Employers who hire the handicapped are relieved of part or all of their liability if a handicapped worker is injured or killed on the job.

The State General Fund expenditure for the Fund was \$86,940 in FY 1975, increased to \$.5 million by FY 1979, and exceeded \$3.0 million in FY 1982. The Legislature put a \$4.0 million cap on transfers from the State General Fund to the Workers' Compensation Fund in FY 1983 and required that remaining expenditures be financed primarily from an annual assessment against insurance carriers and self-insurers. Expenditures from the Fund have grown at such a rapid rate that, by FY 1988, \$22.2 million was actually expended and estimates are that \$26.7 million will be expended in FY 1989 and \$27.9 million in FY 1990.

Some of the cost is due to the Department's expenses to administer the program, estimated to be \$3,390,526 in FY 1989 and \$3,661,168 in FY 1990. The Department presently assigns 5.1 FTE positions to the program and another 1.5 FTE positions will be added in FY 1990. A major administrative expense is fees for attorneys who represent the Department when claims against the Fund are made. Fees for attorneys, who are employed on a contractual basis, are expected to be \$2.6 million in FY 1990.

Most of the expenditures from the Fund are payments to injured workers. Payments are expected to exceed \$23.2 million in FY 1989 and \$24.2 million in FY 1990. Reasons given for the rapid growth in expenditures include an increase in the number of claims, an increase in the number of claims settled, and a growth in the amounts of the settlements. In addition, recent legislative and judicial decisions have had the effect of shifting expenditures from employers' insurance carriers to the Fund.

The Subcommittee thinks the Legislature should be made aware of this Fund and its rapid growth. Although the amount of State General Fund money involved is limited to \$4.0 million, significant expenditures are borne by employers in general. Because the Fund exists to promote a state policy, legislators should be aware of the financial consequences of that policy.

Max Moomaw

Representative Max Moomaw
Subcommittee Chairperson

Fred Gatlin

Representative Fred Gatlin

Bill Brady

Representative Bill Brady

SUBCOMMITTEE REPORT

Agency: State Treasurer

Bill No. 80

Bill Sec. New

Analyst: Duffy

Analysis Pg. No. 125

Budget Pg. No. 592

<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	\$ 1,789,121	\$ 1,783,474	\$ (3,000)
Aid to Local Units	66,682,085	67,001,492	--
Debt Service	680,593	680,593	--
TOTAL	\$ 69,151,799	\$ 69,465,559	\$ (3,000)
State General Fund:			
State Operations	\$ 1,747,621	\$ 1,741,974	\$ (3,000)
Aid to Local Units	58,982,000	59,132,000	--
TOTAL	\$ 60,729,621	\$ 60,873,974	\$ (3,000)
FTE Positions	52.0	52.0	--

Agency Estimate/Governor's Recommendation

The FY 1989 expenditure estimate for state operations submitted by the agency totals \$1,789,121 (excluding debt service of \$680,593). The estimate includes \$1,747,621 from the State General Fund, \$35,000 from the Unclaimed Property Contract Fund, and \$6,500 from the Bond Registration Fee Fund. The FY 1989 estimate equals the amount approved by the 1988 Legislature and maintains the approved staffing level of 52.0 FTE positions. The agency estimates a 1.7 percent (\$21,890) turnover rate for FY 1989.

The Governor recommends \$1,783,474 for state operations in FY 1989, a decrease of \$5,647 from the amount estimated by the agency. The recommendation includes \$1,741,974 from the State General Fund and \$41,500 from special revenue funds. The FY 1989 recommendation reflects additional expenditures for salaries and wages of \$3,555 and decreased expenditures for other operating expenditures of \$9,202. The Governor concurs with the agency's estimate of a 1.7 percent turnover rate.

Senate Subcommittee Recommendation

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

1. Reduce \$3,000 from the State General Fund in FY 1989 for salaries and wages based on current year expenditures. It appears that based on six months' experience that the State Treasurer should experience at least savings of \$3,000. The House Subcommittee may wish to review salaries and wages for further savings.

HA
3-17-89
Attachment 8

Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee's recommendation.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole concurs with the Senate Committee's recommendation.

<u>Expenditure Summary</u>	<u>Senate Adj. FY 89</u>	<u>Senate Rec. FY 89</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ (3,000)	\$ 1,780,474	\$ 6,000
Aid to Local Units	--	67,001,492	--
Debt Service	--	680,593	--
TOTAL	<u>\$ (3,000)</u>	<u>\$ 69,462,559</u>	<u>\$ 6,000</u>
State General Fund:			
State Operations	\$ (3,000)	\$ 1,738,974	\$ 6,000
Aid to Local Units	--	--	--
TOTAL	<u>\$ (3,000)</u>	<u>\$ 1,738,974</u>	<u>\$ 6,000</u>
FTE Positions	--	52.0	--

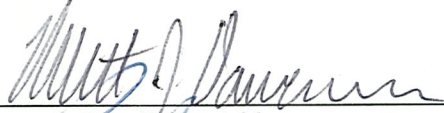
House Subcommittee Recommendation

The House Subcommittee concurs with the Senate recommendation with the following adjustments:

1. Add \$9,000 for printing and advertising based upon the Subcommittee's review of current year expenditures.
2. Delete \$3,000 for salaries and wages based upon the Subcommittee's review of current year expenditures.

The Subcommittee notes that the \$6,000 net increase in FY 1989 expenditures will be financed by reducing the reappropriated balance by \$6,000. This reappropriated balance was not used to finance the FY 1990 budget. Therefore, no change is required to the FY 1990 appropriation bill.

8-2



Representative Robert Vancrum
Subcommittee Chairperson



Representative John Solbach



Representative Larry Turnquist

670-89/DD

SUBCOMMITTEE REPORT

Agency: State Treasurer

Bill No. 39

Bill Sec. 10

Analyst: Duffy

Analysis Pg. No. 125

Budget Pg. No. 592

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,998,173	\$ 1,893,797	\$ 9,000
Aid to Local Units	68,700,085	69,856,042	--
Debt Service	655,043	665,043	--
TOTAL	<u>\$ 71,353,301</u>	<u>\$ 72,414,882</u>	<u>\$ 9,000</u>
State General Fund:			
State Operations	\$ 1,960,673	\$ 1,873,997	\$ 9,000
Aid to Local Units	61,000,000	61,813,000	--
TOTAL	<u>\$ 62,960,673</u>	<u>\$ 63,686,997</u>	<u>\$ 9,000</u>
FTE Positions	53.0	52.0	--

Agency Estimate/Governor's Recommendation

The agency requests FY 1990 expenditures for state operations of \$1,998,173 (excluding debt service of \$655,043). The request includes \$1,960,673 from the State General Fund and \$37,500 from the Unclaimed Property Contract Fund. The FY 1990 request for salaries and wages totals \$1,279,888 for 53.0 FTE positions, an increase of 3.4 percent over the FY 1989 estimate. The FY 1990 request includes one new FTE position, a Financial Securities Officer I (\$19,162, including fringe benefits), for the Bond Registration subprogram; the reclassification of an Office Assistant III to an Office Assistant IV (\$895, including fringe benefits) for the Unclaimed Property subprogram; step movement for classified employees (\$14,469); funding for temporary and overtime payments (\$9,890); and an agency turnover rate of 1.7 percent (\$22,590). The FY 1990 request for other operating expenditures totals \$718,285.

The Governor recommends \$1,893,787 for state operations in FY 1990, \$104,376 less than the amount requested by the agency. The FY 1990 recommendation includes \$1,873,997 from the State General Fund and \$19,800 from special revenue funds. The FY 1990 recommendation reflects additional expenditures for salaries and wages of \$62,654 over the agency's FY 1990 request and decreased expenditures for other operating expenditures of \$167,030 from the agency's request. The FY 1990 salary and wage recommendation includes a 4 percent salary increase for classified employees (\$32,500); a 5.8 percent merit pool for unclassified employees (\$6,424); step movement salary increases for eligible employees; increased expenditures for employee health insurance rates; funding for temporary and overtime payments (\$5,712); and an agency turnover rate of 1.8 percent (\$24,381).

Senate Subcommittee Recommendation

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

1. Add \$9,000 from the State General Fund for administration and fiscal services in FY 1990 for free-standing personal computers and printer for three clerical employees within the administration program. The Subcommittee notes that the agency requested \$22,045 for a word processing system to be used in the administration program. The Senate Subcommittee believes that free-standing personal computers would be much less costly and would adequately meet the needs of the agency. The additional funds for the computer equipment are contingent upon DISC's approval of the computer equipment.

2. Although the agency made a strong appeal for the addition of \$19,162 from the State General Fund in FY 1990 for a Financial Securities Officer I for the Bond Registration program due to increased activity (i.e., new issues for bond registration in CY 1987 were 159 and CY 1988 were 207), the Senate Subcommittee does not believe that the agency produced sufficient evidence to justify the addition of the new FTE position.

3. A technical adjustment to the appropriation bill requires the deletion of the Bond Registration Fees Fund and subsection (c) which transfers funds credited to the Bond Registration Fee Fund to the State General Fund.

Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee with the following adjustment:

1. Amend the appropriation bill to reflect two State General Fund line-items: salaries and wages and other operating expenditures.


Senate Committee of the Whole Recommendation

The Senate Committee of the Whole concurs with the Senate Committee's recommendation.

<u>Expenditure Summary</u>	<u>Senate Adj. FY 90</u>	<u>Senate Rec. FY 90</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 9,000	\$ 1,902,797	\$ (8,425)
Aid to Local Units	--	69,856,042	--
Debt Service	--	665,043	--
TOTAL	<u>\$ 9,000</u>	<u>\$ 72,423,882</u>	<u>\$ (8,425)</u>
State General Fund:			
State Operations	\$ 9,000	\$ 1,882,997	\$ (8,425)
Aid to Local Units	--	61,813,000	--
TOTAL	<u>\$ 9,000</u>	<u>\$ 63,695,997</u>	<u>\$ (8,425)</u>
FTE Positions	--	52.0	--

House Subcommittee Recommendation

The House Subcommittee concurs with the Senate recommendation.



Representative John Solbach



Representative Larry Turnquist

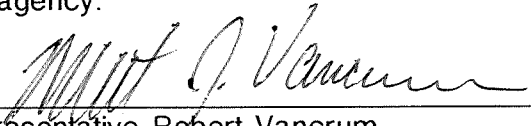
670-90

MINORITY REPORT

S.B. 39

I concur with the Senate recommendation, with the following adjustment:

1. Delete \$8,425 from salaries and wages based upon an increase in the agency's turnover rate from 1.8 percent to 2.4 percent. The actual FY 1988 turnover rate was 3.1 percent. I note that a total of \$6,000 is deleted from the Governor's recommendation for salaries and wages in FY 1989. I believe that the increased turnover rate more accurately reflects the actual experience of the agency.



Representative Robert Vancrum
Subcommittee Chairperson

670-90/DD

8-7

Proposed
HOUSE BILL NO. _____

By Committee on Appropriations

AN ACT concerning the recycling of waste in certain cities and counties; amending K.S.A. 19-101a and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. When used in this act:

- (a) "County" means Sedgwick county;
- (b) "city" means any city located in Sedgwick county;
- (c) "waste" means and includes unwanted or discarded glass, aluminum, paper or yard materials;
- (d) "recycling" means the reuse of recovered resources in manufacture, agriculture, power production or other processes.

New Sec. 2. (a) On or before July 1, 1990, the board of county commissioners of Sedgwick county shall adopt a preliminary program for the separation, collection and recycling of at least 20% of the waste produced within the cities and the unincorporated areas in the county. Such program shall be a part of the county solid waste management plan adopted pursuant to K.S.A. 65-3401 et seq., and amendments thereto. Prior to the adoption of the preliminary program the board shall call and hold at least two public hearings on the proposal to implement a recycling program and the solid waste management plan adopted pursuant to K.S.A. 65-3401 et seq., and amendments thereto. Notice of such hearings shall be published at least once in the official county newspaper. Such notice shall be published at least seven days prior to the hearing. Following such hearing or hearings, the board shall adopt a preliminary program. At least one public hearing shall be held on the preliminary program adopted by the board. Notice of such hearing shall be provided in the manner provided by this subsection.

HA
3-17-89
Attorney General

(b) On or before January 1, 1991, the board of county commissioners shall implement the preliminary recycling program adopted pursuant to subsection (a). Prior to July 1, 1991, the board shall call and hold at least one public hearing on the progress of the preliminary recycling program. Notice of such hearing shall be provided in the manner provided by subsection (a). Following such hearing the board may make any modifications to the preliminary program.

(c) On or before July 1, 1991, the board of county commissioners of Sedgwick county shall have adopted and implemented its final program for the separation, collection and recycling of at least 20% of the waste produced in such county.

Sec. 3. K.S.A. 19-101a is hereby amended to read as follows: 19-101a. (a) The board of county commissioners may transact all county business and perform all powers of local legislation and administration it deems appropriate, subject only to the following limitations, restrictions or prohibitions: (1) Counties shall be subject to all acts of the legislature which apply uniformly to all counties.

(2) Counties may not consolidate or alter county boundaries.

(3) Counties may not affect the courts located therein.

(4) Counties shall be subject to acts of the legislature prescribing limits of indebtedness.

(5) In the exercise of powers of local legislation and administration authorized under provisions of this section, the home rule power conferred on cities to determine their local affairs and government shall not be superseded or impaired without the consent of the governing body of each city within a county which may be affected.

(6) Counties may not legislate on social welfare administered under state law enacted pursuant to or in conformity with public law No. 271--74th congress, or amendments thereof.

(7) Counties shall be subject to all acts of the legislature concerning elections, election commissioners and

officers and their duties as such officers and the election of county officers.

(8) Counties shall be subject to the limitations and prohibitions imposed under K.S.A. 12-187 to 12-195, inclusive, and amendments thereto, prescribing limitations upon the levy of retailers' sales taxes by counties.

(9) Counties may not exempt from or effect changes in statutes made nonuniform in application solely by reason of authorizing exceptions for counties having adopted a charter for county government.

(10) No county may levy ad valorem taxes under the authority of this section upon real property located within any redevelopment area established under the authority of K.S.A. 12-1772, and amendments thereto, unless the resolution authorizing the same specifically authorized a portion of the proceeds of such levy to be used to pay the principal of and interest upon bonds issued by a city under the authority of K.S.A. 12-1774, and amendments thereto.

(11) Counties shall have no power under this section to exempt from any statute authorizing or requiring the levy of taxes and providing substitute and additional provisions on the same subject, unless the resolution authorizing the same specifically provides for a portion of the proceeds of such levy to be used to pay a portion of the principal and interest on bonds issued by cities under the authority of K.S.A. 12-1774, and amendments thereto.

(12) Counties may not exempt from or effect changes in the provisions of K.S.A. 1985 Supp. 19-4601 to 19-4625, inclusive, and amendments thereto.

(13) Except as otherwise specifically authorized by K.S.A. 12-1,101 to 12-1,109, inclusive, and amendments thereto, counties may not levy and collect taxes on incomes from whatever source derived.

(14) Counties may not exempt from or effect changes in K.S.A. 19-430, and amendments thereto. Any charter resolution

adopted by a county prior to July 1, 1983, exempting from or effecting changes in K.S.A. 19-430, and amendments thereto, is null and void.

(15) Counties may not exempt from or effect changes in K.S.A. 19-302, 19-502b, 19-503, 19-805 or 19-1202, and amendments thereto.

(16) Counties may not exempt from or effect changes in K.S.A. 13-13a26, and amendments thereto. Any charter resolution adopted by a county, prior to the effective date of this act, exempting from or effecting changes in K.S.A. 13-13a26, and amendments thereto, is null and void.

(17) Counties may not exempt from or effect changes in K.S.A. 71-301, and amendments thereto. Any charter resolution adopted by a county, prior to the effective date of this act, exempting from or effecting changes in K.S.A. 71-301, and amendments thereto, is null and void.

(18) Counties may not exempt from or effect changes in K.S.A. 19-15,139, 19-15,140 and 19-15,141, and amendments thereto. Any charter resolution adopted by a county prior to the effective date of this act, exempting from or effecting changes in such sections is null and void.

(19) Counties may not exempt from or effect changes in the provisions of K.S.A. 12-1223, 12-1225 and 12-1226 and K.S.A. 1985 1988 Supp. 12-1225a, 12-1225b and 12-1225c, and amendments thereto.

(20) Counties may not exempt from or effect changes in the provisions of K.S.A. 19-211, and amendments thereto.

(21) Counties may not exempt from or effect changes in the provisions of K.S.A. 19-4001 to 19-4015, inclusive, and amendments thereto, K.S.A. 1986-Supp. 19-4002a or 19-4002b.

(22) Counties may not regulate the production or drilling of any oil or gas well in any manner which would result in the duplication of regulation by the state corporation commission and the Kansas department of health and environment pursuant to chapter 55 and chapter 65 of the Kansas Statutes Annotated and

any rules and regulations adopted pursuant thereto. Counties may not require any license or permit for the drilling or production of oil and gas wells. Counties may not impose any fee or charge for the drilling or production of any oil or gas well.

(23) Counties may not exempt from or effect changes in the provisions of sections 1 and 2.

(b) Counties shall apply the powers of local legislation granted in subsection (a) by resolution of the board of county commissioners. If no statutory authority exists for such local legislation other than that set forth in subsection (a) and the local legislation proposed under the authority of such subsection is not contrary to any act of the legislature, such local legislation shall become effective upon passage of a resolution of the board and publication in the official county newspaper. If the legislation proposed by the board under authority of subsection (a) is contrary to an act of the legislature which is applicable to the particular county but not uniformly applicable to all counties, such legislation shall become effective by passage of a charter resolution in the manner provided in K.S.A. 19-101b, and amendments thereto.

Sec. 4. K.S.A. 19-101a is hereby repealed.

Sec. 5. This act shall take effect and be in force from and after its publication in the Kansas register.