

Approved _____

4-20-89

Date

MINUTES OF THE House COMMITTEE ON Appropriations

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

1:30 ~~xxx~~/p.m. on March 20, 1989 in room 514-S of the Capitol.

All members were present except: All present.

Committee staff present: Ellen Piekalkiewicz, Debra Duncan, Laura Howard, Paul West, Scott Rothe, Legislative Research Jim Wilson, Revisor of Statutes Sharon Schwartz, Administrative Aide Sue Krische, Committee Secretary

Conferees appearing before the committee:

Richard G. Jones, Executive Director, Kansas Association of Conservation Districts
Ken Kern, Executive Director, State Conservation Commission
Marshall Crowther, KPERS
Craig Grant, KNEA
John Torbert, Executive Director, Kansas Association of Counties
L. M. (Bud) Cornish, Kansas Library Association
Bill Curtis, Kansas Association of School Boards
Gerald W. Henderson, Executive Director, United School Administrators
Gerry Ray, Johnson County Board of Commissioners

Others attending: See attached list.

SB 29 - Appropriations for FY90, agricultural and natural resources agencies.

KANSAS WATER OFFICE

Representative Moomaw reviewed the subcommittee report for FY89 and FY90 (Attachment 1). Representative Brady submitted a minority report on FY90. Representative Moomaw stated the stream/aquifer interaction studies of the Arkansas River and Solomon River and the mineral intrusion study of the Ninnescah River are important projects, but funding should be from a dedicated source rather than the State General Fund. Representative Moomaw moved adoption of the subcommittee report. Representative Chronister seconded. Representative Brady offered a substitute motion to adopt the FY89 subcommittee report and the FY90 minority report. Representative Helgerson seconded. Substitute motion carried.

STATE BOARD OF AGRICULTURE

Representative Vancrum reviewed the subcommittee report for FY89 and FY90 (Attachment 2). Following discussion of the positions added by the subcommittee, Representative Vancrum moved adoption of the subcommittee report for FY89 and FY90. Representative Turnquist seconded. Motion carried.

GRAIN INSPECTION DEPARTMENT

Representative Solbach reviewed the subcommittee report for FY89 and FY90 (Attachment 3). Representative Vancrum moved adoption of the subcommittee report. Representative Solbach seconded. Motion carried.

KANSAS STATE FAIR

Representative Vancrum reviewed the subcommittee report for FY89 and FY90 (Attachment 4). Representative Vancrum moved adoption of the subcommittee report. Representative Turnquist seconded. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,
room 514-S, Statehouse, at 1:30 ~~xxx~~/p.m. on March 20, 19 89

KANSAS WHEAT COMMISSION (Attachment 5)

Representative Turnquist moved adoption of the subcommittee report for FY89 and FY90. Representative Vancrum seconded. Motion carried.

STATE CONSERVATION COMMISSION (Attachment 6)

The Subcommittee highlighted the importance of landowners developing conservation plans by 1-1-90 to be implemented by 1-1-95 or risk the loss of significant federal funds. Representative Vancrum moved adoption of the subcommittee report for FY89 and FY90. Representative Turnquist seconded. Motion carried.

ANIMAL HEALTH DEPARTMENT

The Subcommittee concurs with the recommendations of the Senate for FY89 and FY90 (Attachment 7). Representative Hensley moved adoption of the subcommittee report. Representative Hoy seconded. Motion carried.

DEPARTMENT OF WILDLIFE AND PARKS (Attachment 8)

Staff explained that the funds in FY89 and FY90 from the Fish and Game Fee Fund for the study of Meadowlark populations represent a federal fund pass-through. Representative Francisco moved adoption of the subcommittee report for FY89 and FY90. Representative Kline seconded. Motion carried.

Representative Chronister moved that SB 29, as amended, be recommended favorably for passage. Representative Teagarden seconded. Motion carried.

INTRODUCTION OF BILLS

Doug Martin, Shawnee County Counsellor, requested the Committee to introduce two bills relating to property taxation to be referred to the Committee on Taxation (Attachments 9 and 10). Representative Teagarden moved introduction of the bills. Representative Solbach seconded. Motion carried.

HB 2094 - Conservation districts; state conservation commission; use of moneys.

Richard G. Jones, Executive Director, Kansas Association of Conservation Districts, explained that HB 2094 amends conservation district laws to permit districts to establish a capital outlay fund and raises the amount of state financial assistance which may be requested from \$7,500 to \$10,000. The bill permits districts to spend moneys for educational materials and amends voting procedures. Mr. Jones provided written testimony (Attachment 11) and stated the Association would support HB 2094 if it were amended deleting the provisions increasing the state match from \$7,500 to \$10,000.

Ken Kern, Executive Director, State Conservation Commission, appeared in support of HB 2094 and provided written testimony enumerating the changes in the bill (Attachment 12).

Representative Chronister moved to amend HB 2094 by striking the section increasing the state match from \$7,500 to \$10,000 per district. Representative Hamm seconded. Motion carried. Representative Chronister moved that HB 2094, as amended, be recommended favorably for passage. Representative Teagarden seconded. Motion carried.

HB 2403 - KPERS, employment after retirement.

Marshall Crowther, KPERS, explained that HB 2403 provides that any KPERS participant who retired after July 1, 1988 and returns to employment after July 1, 1989 with any employer for which the retirant was employed during the final two years before retirement,

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,
room 514-S Statehouse, at 1:30 ~~xxx~~ p.m. on March 20, 1989.

and earns an amount of \$6,000 or more could (1) have retirement benefits suspended; or (2) unretire and commence contributing under KPERS. Substitute teachers and elected officials are exempted from restrictions under the bill. The bill does not affect a retirant who is employed by an employer outside KPERS.

Craig Grant, KNEA, appeared in support of HB 2403 and provided written testimony (Attachment 13).

John Torbert, Executive Director, Kansas Association of Counties, testified that it is very beneficial to counties to employ retired county employees on an as-needed basis (Attachment 14).

L. M. (Bud) Cornish, Kansas Library Association, appeared in support of HB 2403 as amended by the Committee on Pensions, Investments and Benefits.

Bill Curtis, Kansas Association of School Boards, appeared in support of HB 2403 and provided written testimony (Attachment 15).

Gerald W. Henderson, Executive Director, United School Administrators, testified in support of HB 2403 and provided written testimony (Attachment 16).

Representative Chronister moved that HB 2403, as amended by the Committee on Pensions, Investments and Benefits, be recommended favorably for passage. Representative Kline seconded. Motion carried.

HB 2405 - KPERS, optional death benefit plan.

Marshall Crowther, KPERS, explained that the bill makes a technical amendment to resolve a conflict within the state retirement law pertaining to age limitations for disability insurance and increases the maximum amount of group life insurance which can be purchased by KPERS members through monthly payroll deductions from \$100,000 to \$200,000.

Gerald Henderson, Executive Director, United School Administrators, testified in support of the option in HB 2405 to increase the amount of life insurance coverage that may be purchased to \$200,000 (Attachment 17).

Representative Shriver moved that HB 2405 be recommended favorably for passage. Representative Teagarden seconded. Motion carried.

HB 2410 - KPERS, definition of compensation.

Marshall Crowther, KPERS, explained that HB 2410 would amend the definition of compensation to include deferred compensation for purposes of determining retirement benefits. Mr. Crowther stated this change will make no fiscal difference with regard to state employees. The new provision would only make a difference to the state if there would be a large number of school employees that have extensive programs that previously were not reported as compensation.

Craig Grant, KNEA, appeared in support of HB 2410 which would standardize the method of reporting wages in school districts (Attachment 18).

Gerald W. Henderson, Executive Director, United School Administrators, testified in support of HB 2410 for the consistency in reporting compensation it would offer (Attachment 19).

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,
room 514-S, Statehouse, at 1:30 ~~xxx~~ p.m. on March 20, 1989

Gerry Ray, Johnson County Board of Commissioners, appeared in opposition to HB 2410 and distributed a letter to the Committee from Richard Chesney, Deputy County Administrator (Attachment 20). Ms. Ray suggested that the concern that employees will elect cash options in their last four years of employment should be addressed by prohibiting the inclusion of Section 125 cash options as compensation.

The meeting was adjourned at 3:15 p.m.

GUEST LIST

COMMITTEE: HOUSE APPROPRIATIONS

DATE: 3-20-89

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
LM CORNISH	Topeka	KS LIBRARY ASSN
Charles L. Stuart	Topeka	: U.S.A.
Gerald Anderson	Topeka	USA
Floyd Swin	Salina	KNEA
Mike Bohmhoff	Topeka	Div. of Budget
Marty Kennedy	Topeka	DOB
Bill Curtis	Topeka	KASB
Dick Kneuth	Topeka	DOR
HAROLD PITTS	TOPEKA	KRTA
Rep. Wendell Williams	Wichita	Leg
Ken Keen	TOPEKA	Conservation Commission
Lola Warner	"	" "
Richard Jones	Salina	KS Assoc. Bus. Dev.
Joe Harbura	TOPEKA	KWO
Craig Grant	Topeka	K-NEA
Yvette Kutsche	Topeka	KWO
Nancy Bronson	Ball River	K-NEA
George Axline	Pratt	Kan Dept. Wildl. & Park
MIKE THURMAN	"	KDWP
BB Minger	Topeka	KDWP
Tom Hulson	Topeka	KSGID
Ruth Scott	Topeka	KS 470
Sam Keda	Topeka	ICSGID
Franci Savilo	Wichita	K-NEA
Rosa S Avila	Wichita	NEA-W

Name (Please Print)	Address	Company/Organization
Georgia Hornbaker	Wichita	NEA - Wichita
ANN Busby	Wichita	NEA - Wichita
Phil Headings	Wichita	NEA - Wichita
L. Joy Brinkmeyer	El Dorado	Butler County Retired Teachers & KVA
Samuel G. Grant	TOPEKA	KHP
DOROTHY A. BARNES	Topeka	KSBA
Tim Kuboy	Overland Park	IndERN
Robby Kue	Wichita	NEA - Wichita
Verma Cauthon	Wichita	NEA - Wichita
Ardina Schroeder	Wichita	NEA - Wichita
Judy Walker	KC, KS	USD 500
John Torbert	TOPEKA	KS Assn. of Counties
Larry Ray	Olathe	Johnson Co.

SUBCOMMITTEE REPORT

Agency: Kansas Water Office

Bill No. --

Bill Sec. --

Analyst: Howard

Analysis Pg. No. 320

Budget Pg. No. 616

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State General Fund:			
Operations	\$ 1,359,260	\$ 1,302,839	\$ 3,861
Reservoir Storage	<u>1,105,544</u>	<u>1,105,544</u>	--
TOTAL	<u>\$ 2,464,804</u>	<u>\$ 2,408,383</u>	<u>\$ 3,861</u>
 FTE Positions	 22.0	 22.0	 --

Agency Estimate/Governor's Recommendation

The agency requests expenditures of \$2,464,804 in FY 1989, an increase of \$50,000 from the amount approved by the 1988 Legislature. The request includes a supplemental appropriation of \$50,000 to contract with Kansas State University -- Cooperative Extension Service for a water conservation education program.

The Governor recommends expenditures of \$2,408,383 in FY 1989, a reduction of \$56,421 from the agency request. The Governor does not recommend a supplemental appropriation to contract for a water conservation education program. The recommendation includes a reduction of \$5,860 in salaries and \$50,561 in contractual services.

Senate Subcommittee Recommendation

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

1. Add \$3,861 in salaries and wages as a technical adjustment as recommended by Governor's Budget Amendment No. 1. Funding for family health insurance was inadvertently omitted.

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.

HA
3-20-89
Attachment 1

<u>Expenditure Summary</u>	<u>Senate Adj. FY 89</u>	<u>Senate Rec. FY 89</u>	<u>House Subcommittee Adjustments</u>
State General Fund:			
Operations	\$ 3,861	\$ 1,306,700	\$ (10,997)
Reservoir Storage	--	1,105,544	--
TOTAL	<u>\$ 3,861</u>	<u>\$ 2,412,244</u>	<u>\$ (10,997)</u>
FTE Positions	--	22.0	--

House Subcommittee Recommendation

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

1. Delete \$10,997 in dues for the Missouri Basin States Association. The organization of the association is in transition and the agency anticipates these funds will not be necessary in FY 1989.

Max Moomaw

Representative Max Moomaw
Subcommittee Chairperson

Bill Brady

Representative Bill Brady

Fred Gatlin

Representative Fred Gatlin

SUBCOMMITTEE REPORT

Agency: Kansas Water Office

Bill No. 29

Bill Sec. 8

Analyst: Howard

Analysis Pg. No. 320

Budget Pg. No. 616

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State General Fund:			
Operations	\$ 2,311,746	\$ 1,462,251	\$ 228,580
Reservoir Storage	1,157,584	1,157,584	--
TOTAL	<u>\$ 3,469,330</u>	<u>\$ 2,619,835</u>	<u>\$ 228,580</u>
FTE Positions	27.0	23.0	--

Agency Estimate/Governor's Recommendation

The agency requests expenditure of \$3,469,330 in FY 1990, an increase of \$1,004,526 from the revised estimate for FY 1989. The request includes funding for 27.0 FTE positions, including five new positions. The request includes funding of \$84,038 for public education, \$84,274 for an enhancement to the stream gaging program, \$150,000 to fund two stream/aquifer interaction projects, \$66,250 for one mineral intrusion project, and \$592,406 for the implementation of a statewide Geographic Information System.

The Governor recommends expenditures of \$2,619,835 in FY 1990, a reduction of \$849,495 from the agency request. The recommendation includes funding for 23.0 FTE positions, including one new Public Information Officer I for public education activities. The Governor's recommendation includes \$35,000 for a study of the implications of interbasin water transfers between the 12 water basins in the state.

Senate Subcommittee Recommendations

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

1. Add \$12,330 as a technical adjustment as recommended in Governor's Budget Amendment No. 1. The recommendation includes \$7,390 for family health insurance and \$4,940 for capital outlay for the new Public Information Officer I position. Funding was inadvertently omitted from the Governor's recommendations.
2. Add \$150,000 for stream/aquifer studies, including \$100,000 for a study of stream/aquifer interaction of the Arkansas River between Hutchinson and Wichita, and \$50,000 for a study of the South Fork of the Solomon River. The Subcommittee would note that the Arkansas River project has been funded from federal and local funds since FY 1986. Federal funds for FY 1990 have been committed in the amount of \$210,000 through the efforts of the office of Senator Robert Dole. In addition, \$25,000 in local funds would also be expended on the project in FY 1990. Thus, the state contribution of \$100,000 would be part of a total project cost in FY 1990 of \$335,000. The Subcommittee would note that the project is anticipated to extend into FY 1991 with an additional request for state

funds. The FY 1991 cost is estimated to total \$315,000, including \$190,000 from federal funds, \$100,000 from state funds and \$25,000 from local funds. It is anticipated that the study will be completed in FY 1991. The study is being performed to determine the proper management of withdrawal of water from Equus Beds in close proximity to the river, to prevent additional salty water from entering the fresh water. The Subcommittee would note that the Solomon study was begun in FY 1989 through funding from the Kansas Geological Survey.

3. Add \$66,250 for a mineral intrusion study of the south fork of the Ninnescah River. The Subcommittee was informed that federal matching funds are available for the project in FY 1990 from the U.S. Geological Survey for a total project cost of \$132,500 in FY 1990. The funds would be used for the second year of a three year study aimed at determining whether it is possible and feasible to control the intrusion of natural chlorides into the Ninnescah in order to determine if the river could be used as a possible source of public water supply. Funding for the first year of the project in FY 1989 was provided through federal funds (\$151,500) and local funds from the city of Wichita and Sedgwick County (\$62,500). As noted earlier, federal funding for the project has been committed for FY 1990. The third and final phase of the project would be completed in FY 1991. An additional request of \$65,250 in state funds is anticipated for FY 1991, with matching federal funds for additional project costs of \$130,500 in FY 1991.
4. The Subcommittee concurs with the Governor's recommendation of \$35,000 to research the long-term implications of interbasin water transfers. The funds would be used to initiate research on the social, economic, environmental and political long-term implications of interbasin transfers. The research would be conducted to assist any potential future hearing panel on interbasin transfers. The research would examine other interbasin transfers that have taken place throughout the world and would include a complete literature search of long-term implications. The research would be performed by the University of Kansas and Kansas State University under a contract with the Kansas Water Office. The cost of the study could total up to \$120,000 over a two-year period. The Subcommittee understands that the Water Office has requested a preliminary scope of study statement from the University of Kansas and Kansas State University and requests that this be provided to the Legislature as soon as it is available.
5. The Subcommittee recommends that appropriations for state operations for the Water Office be included as two line items in the appropriations bill -- one line item for salaries and wages, and one line item for other operating expenditures.
6. During the Subcommittee's consideration of the Water Office budget, the issue was raised as to the usage of the State Conservation Storage Water Supply Fund. K.S.A. 82a-1315(b) limits the use of funds deposited in the State Conservation Storage Water Supply fund. This statute states that the fund "shall be used solely for the purpose of acquisition or development of conservation storage water supply in impoundments deemed necessary to implement the State Water Plan. . . ." Subsequent to the passage of this provision, the Legislature began to appropriate funds for multipurpose small lakes, including funding for land treatment

1.4

and flood control. An Attorney General's Opinion has been requested as to the appropriate use of the proceeds of this fund. The Subcommittee notes that the Committee may wish to consider the introduction of clarifying legislation if the Attorney General determines that such funding is inappropriate. A copy of the letter to the Attorney General is attached to this report.

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 89</u>	<u>Senate Rec. FY 89</u>	<u>House Sub. Adjustments</u>
State General Fund:			
Operations	\$ 228,580	\$ 1,690,831	\$ (293,033)
Reservoir Storage	--	1,157,584	--
TOTAL	<u>\$ 228,580</u>	<u>\$ 2,848,415</u>	<u>\$ (293,033)</u>
FTE Positions	--	23.0	(1.0)

House Subcommittee Recommendation

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

1. Delete \$26,843 and 1.0 FTE Public Information Officer I position.
2. Delete \$4,940 in capital outlay associated with the deleted Public Information Officer I.
3. Delete \$10,000 in dues for the Missouri Basin States Association. The organization of the association is in transition and the agency anticipates these funds will not be necessary in FY 1990.
4. Delete \$35,000 for research on the implications of interbasin water transfers.
5. Delete \$150,000 for stream/aquifer interaction studies pending the passage of H.B. 2008 establishing a dedicated fund for water projects. The Senate recommended \$150,000 from the State General Fund for these two projects, including \$100,000 for a stream/aquifer interaction of the Arkansas River between Hutchinson and Wichita and \$50,000 for a study of the South Fork of the Solomon River. The Subcommittee believes these are important projects which should be funded but that the funding source should be dedicated water plan funds. The Subcommittee recommends that funding of these two projects from a dedicated source

be considered during the Omnibus Session upon passage of substantive legislation establishing dedicated revenues for the State Water Plan.

The Subcommittee would note that the Arkansas River project has been funded from federal and local funds since FY 1986. Federal funds for FY 1990 have been committed in the amount of \$210,000 through the efforts of the office of Senator Robert Dole. In addition, \$25,000 in local funds would also be expended on the project in FY 1990. Thus, the state contribution of \$100,000 would be part of a total project cost in FY 1990 of \$335,000. The Subcommittee would note that the project is anticipated to extend into FY 1991 with an additional request for state funds. The FY 1991 cost is estimated to total \$315,000, including \$190,000 from federal funds, \$100,000 from state funds, and \$25,000 from local funds. It is anticipated that the study will be completed in FY 1991. The study is being performed to determine the proper management of withdrawal of water from Equus Beds in close proximity to the river, to prevent additional salty water from entering the fresh water. The Subcommittee would note that the Solomon study was begun in FY 1989 through funding from the Kansas Geological Survey.

6. Delete \$66,250 for a mineral intrusion study of the south fork of the Ninnescah River pending the passage of H.B. 2008 establishing a dedicated fund for water projects. The Senate recommended \$66,250 from the State General Fund for this project. The Subcommittee believes this is an important project which should be funded but believes that the funding source should be dedicated water plan funds. The Subcommittee recommends that funding of this project from a dedicated source be considered during the Omnibus Session upon passage of substantive legislation establishing dedicated revenues for the State Water Plan.

The Subcommittee would note that federal matching funds are available for the project in FY 1990 from the U.S. Geological Survey for a total project cost of \$132,500 in FY 1990. The funds would be used for the second year of a three-year study aimed at determining whether it is possible and feasible to control the intrusion of natural chlorides into the Ninnescah in order to determine if the river could be used as a possible source of public water supply. Funding for the first year of the project in FY 1989 was provided through federal funds (\$151,500) and local funds from the city of Wichita and Sedgwick County (\$62,500). As noted earlier, federal funding for the project has been committed for FY 1990. The third and final phase of the project would be completed in FY 1991. An additional request of \$65,250 in state funds is anticipated for FY 1991, with matching federal funds, for additional project costs of \$130,500 in FY 1991.

Max Moomaw

Representative Max Moomaw
Subcommittee Chairperson

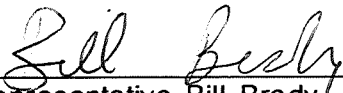
Representative Bill Brady

Fred Gatlin

Representative Fred Gatlin

MINORITY REPORT

I concur with the recommendations of the Subcommittee, with the exception of items 5 and 6. I concur with the funding of the stream aquifer interaction projects and the mineral intrusion project from a dedicated funding source if a water plan funding bill is enacted. However, since such a plan has not passed at this time, I concur with the Senate's recommendation in using general fund money. Should a water plan pass this Session, I believe money from the dedicated source could replace general fund dollars. I recommend that omnibus consideration be given to funding these projects from a dedicated fund in the event a dedicated funding source for the State Water Plan is enacted.



Representative Bill Brady

SUBCOMMITTEE REPORT

Agency: Board of Agriculture

Bill No. 80

Bill Sec. 29

Analyst: Rothe

Analysis Pg. No. 279

Budget Pg. No. 58

<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	\$ 7,703,186	\$ 7,801,990	\$ --
Economic Development Initiatives Fund	203,696	203,696	--
Agency Fee Funds	2,417,102	2,417,102	--
Grain Commission Funds	1,794,966	1,795,434	--
Federal Meat and Poultry Fund	1,112,541	1,112,541	--
Other Federal Funds	634,548	648,274	--
Oil Overcharge Fund	40,000	40,000	--
Other Special Funds	433,099	433,099	--
Subtotal	<u>\$ 14,339,138</u>	<u>\$ 14,452,136</u>	<u>\$ --</u>
Capital Improvements:			
State General Fund	21,991	21,991	--
TOTAL	<u>\$ 14,361,129</u>	<u>\$ 14,474,127</u>	<u>\$ --</u>
FTE Positions	311.0	311.0	--

Agency Estimate/Governor's Recommendations

The agency's revised FY 1989 estimate of operating expenditures of \$14,339,138 is a reduction of \$657,160 (including \$2,536 from the State General Fund) below the amount approved by the 1988 Legislature. The largest reduction is \$639,224 from expenditures of three grain commodity commissions due in part to a reduction in receipts. The agency requests the authority to expend \$50,000 from approved federal grant funds to be matched with existing state funds for feasibility appraisals for alternative crops. The agency also requests the authority to expend \$43,486 from authorized Federal Emergency Management Agency funds to offer technical assistance to local communities regarding the National Floodplain Insurance Program (a like reduction would be made from the unfunded federal Dam Safety Inspection Fund and 1.5 FTE existing federal positions would be utilized for this program). Within existing expenditure limitations the agency has approved \$49,750 for consulting services for contracted studies.

The Governor's FY 1989 recommendation of \$14,452,136 for operating expenditures is an increase of \$112,998 above the agency's revised estimate. The recommendation includes \$99,272 for salary benefit adjustments (\$468 from commodity commission funds and a supplemental State General Fund appropriation of \$98,804), and \$13,726 from supplemental federal funds for laboratory equipment. The Governor concurs with all other estimated expenditures for FY 1989.

HA
3-20-89
Attachment 2

Senate Subcommittee Recommendation

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

Senate Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

Senate Committee of the Whole Recommendation

The Senate concurs with the recommendation of the Committee.

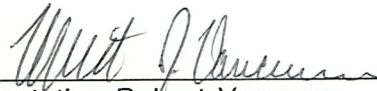
<u>Expenditure Summary</u>	<u>Senate Adj. FY 89</u>	<u>Senate Rec. FY 89</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ --	\$ 7,801,990	\$ (15,575)
Economic Development Initiatives Fund	--	203,696	--
Agency Fee Funds	--	2,417,102	--
Grain Commission Funds	--	1,795,434	--
Federal Meat and Poultry Fund	--	1,112,541	--
Other Federal Funds	--	648,274	--
Oil Overcharge Fund	--	40,000	--
Other Special Funds	--	433,099	--
Subtotal	<u>\$ --</u>	<u>\$ 14,452,136</u>	<u>\$ (15,575)</u>
Capital Improvements:			
State General Fund	--	21,991	--
TOTAL	<u>\$ --</u>	<u>\$ 14,474,127</u>	<u>\$ (15,575)</u>
FTE Positions	--	311.0	--

House Subcommittee Recommendation

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

1. Delete \$15,575 from the other operating expenditures account of the State General Fund based on year-to-date expenditures.

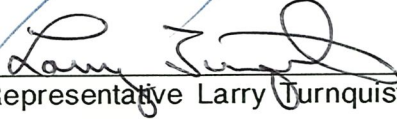
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Representative Robert Vancrum
Subcommittee Chairperson



Representative John Solbach



Representative Larry Turnquist

046-89

SUBCOMMITTEE REPORT

Agency: Board of Agriculture

Bill No. 29

Bill Sec. 2

Analyst: Rothe

Analysis Pg. No. 279

Budget Pg. No. 58

Expenditure Summary	Agency Req. FY 90	Governor's Rec. FY 90	Subcommittee Adjustments
State Operations:			
State General Fund	\$ 9,489,961	\$ 9,029,600	\$ (239,575)
Economic Development			
Initiatives Fund	410,404	180,000	--
Agency Fee Funds	2,681,092	2,661,176	--
Grain Commission Funds	1,800,894	1,803,549	--
Federal Meat and			
Poultry Fund	1,084,909	1,113,391	--
Other Federal Funds	438,441	435,881	--
Oil Overcharge Fund	40,000	40,000	--
Other Special Funds	531,753	464,029	--
Subtotal	\$ 16,477,454	\$ 15,727,626	\$ (239,575)
Capital Improvements:			
State General Fund	\$ 70,198	\$ 30,000	\$ (30,000)
TOTAL	\$ 16,547,652	\$ 15,757,626	\$ (269,575)
FTE Positions	325.0	319.5	(10.0)

Agency Request/Governor's Recommendations

The agency requests \$16,477,454 for operating expenditures in FY 1990, an increase of \$2,138,316 above the FY 1989 revised estimate. Of the increase, \$554,698 is attributed to Agricultural Market Promotion and Development program initiatives, \$238,478 to the shift of the Petroleum Measurement Enforcement program from the Department of Revenue, \$413,119 is attributed to other salaries and wages, \$334,739 to other capital outlay, \$147,676 to other travel, \$184,622 for additional FACTS legal services and federal mediation services, and \$264,984 for all other expenditures. The request includes \$9,489,961 from the State General Fund, a \$1,786,775 increase above the FY 1989 estimate. The agency requests a total of 325 FTE positions, an increase of 14 FTE above FY 1989. Expenditures requested for 22 FTE new positions include \$586,271 for salaries and \$343,505 for other costs, for a total of \$929,776. The agency requests the deletion of 8 FTE vacant positions.

The Governor recommends FY 1990 operating expenditures of \$15,727,626, a reduction of \$749,828 from the agency's request. The recommendation includes \$9,029,600 from the State General Fund (a reduction of \$460,361) and \$6,698,026 from special revenue funds (a decrease of \$289,467). The Governor concurs with the agency's request to shift the Petroleum Measurement Enforcement program from the Department of Revenue (\$398,672). The recommendation also includes \$361,274 for a 4 percent salary increase, and reductions of \$860,592 in contractual services and \$247,396 in capital outlay. The Governor recommends a total of \$613,225 for 16.5 FTE new positions, including \$453,691 for salaries and \$159,534 for supplies, and concurs with the agency's request to delete 8 FTE vacant positions.

Senate Subcommittee Recommendations

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

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

1. Delete \$398,672 from the State General Fund and 11 FTE positions from the Petroleum Measurement Enforcement Program (PMEP). The Subcommittee recommends that the PMEP be transferred back to the Department of Revenue pending passage of S.B. 272, the enabling legislation which transfers the program from Revenue to the Board of Agriculture.
2. Reduce State General Fund expenditures by \$30,000 from capital improvements pending a recommendation by the Joint Committee on State Building Construction.
3. Add \$55,847 from the State General Fund and 1 FTE Programmer IV for the Water Data Processing program. The Subcommittee notes that the four existing data processing personnel have been unable to complete, maintain and upgrade the Kansas Water Resources Computer System during the last 10 years as the number of programs to maintain have increased from 38 to 175. The agency estimates an additional 460 staff days are necessary to bring the system up to date. The Subcommittee also notes that an additional 815 staff days are needed to ensure the development of a statewide water data base. Additional programming needs include: adding water structures data to the data base (including an inventory of over 12,000 dams); writing a program to place water rights information into one file rather than the existing 16 files; adding chemigation information to the water data base to enable data to be shared with the Plant Health Division; expanding the point-of-diversion file size; and converting old computer languages to new languages which are easier to maintain and upgrade.
4. Add \$110,000 from the State General Fund for a large-capacity diesel scale testing truck, and reduce gasoline expenditures by \$6,750 for a net increase of \$103,250. The truck would replace a 1973 gasoline-powered scale truck for which repair parts no longer exist. The new vehicle would be capable of carrying 30,000 pounds of known weight to test scales with capacities of up to 200,000 pounds. Both of the two existing scale trucks are capable of carrying only 23,000 pounds. The heavy duty enclosed truck will include racks capable of accommodating thirty 1000 pound test weights (already owned by the agency) and a crane to lift the weights in and out of the vehicle.
5. The Subcommittee recommends the introduction of legislation to change the fees for inspection of manufacturing grade milk and to delete the quarterly fee for butterfat. The recommendation would be three-fourths of one cent for each 100 pounds of raw milk delivered from each permit holder and for each 100 pounds of Kansas produced milk processed from a milk plant. The Dairy Advisory Board recommends the increase

to require Grade A milk processors to assume a portion of the inspection cost of manufactured milk, currently borne entirely by butterfat producers. Although the Governor concurs with the agency's request to increase dairy fees, his expenditure recommendation is not based on estimated increased revenues of \$62,859.

6. The Subcommittee recommends the introduction of a Water Structures Fee Fund with filing fees for dams ranging from \$100 to \$800 depending on the size and hazardous classification of the dam, a dam inspection fee averaging \$250 per inspection, and filing fees for other stream alterations ranging from \$100 to \$500. FY 1990 fee receipts of \$67,200 could be utilized to offset existing expenditures of the Water Structures program, currently financed by the State General Fund and federal funds. Although the Governor concurs with the agency's request to initiate a dam inspection fee, his expenditure recommendation is not based on increased revenues.
7. The Subcommittee recommends the introduction of legislation to extend the sunset of the Farmer's Assistance, Counseling and Training Service (FACTS) program from July 1, 1990 to July 1, 1995.
8. The Subcommittee recommends that the agency's FY 1990 appropriations bill (S.B. 29) be amended to split the State General Fund -Operating Expenditures account into the two accounts used in FY 1989 and in previous fiscal years -- Salaries and Wages, and Other Operating Expenditures (OOE). A reappropriation of \$1,966 from FY 1989 to FY 1990 will be made in the OOE account as a result of the split.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Subcommittee.

Senate Committee of the Whole Recommendation

The Senate concurs with the Committee's recommendation.

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Senate Rec. FY 90</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ (239,575)	\$ 8,790,025	\$ (19,163)
Economic Development Initiatives Fund	--	180,000	--
Agency Fees Fund	--	2,661,176	(8,554)
Grain Commission Funds	--	1,803,549	(409)
Federal Meat and Poultry Fund	--	1,113,391	(4,811)
Other Federal Funds	--	435,881	(1,404)
Oil Overcharge Fund	--	40,000	--
Other Special Funds	--	464,029	--
Subtotal	<u>\$ (239,575)</u>	<u>\$ 15,488,051</u>	<u>\$ (34,341)</u>
Capital Improvements:			
State General Fund	<u>\$ (30,000)</u>	<u>\$ 0</u>	<u>\$ 30,000</u>
TOTAL	<u>\$ (269,575)</u>	<u>\$ 15,488,051</u>	<u>\$ (4,341)</u>
FTE Positions	(10.0)	309.5	3.0

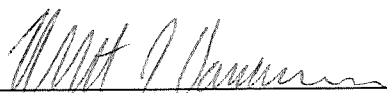
House Subcommittee Recommendations

FY 1990. The House Subcommittee concurs with the recommendations of the Senate with the following adjustments:

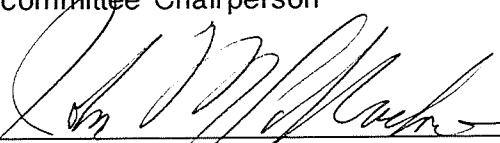
1. 1. Add \$30,000 from the State General Fund for a water sprinkler system at the laboratory based on the recommendation of the Joint Committee on State Building Construction.
2. Add \$79,594 from the State General Fund for 2 FTE Ecological Specialists in the Pesticide Use Program (where eight Ecological Specialists are currently employed). One new position would be stationed in northeast Kansas to conduct complaint investigations of misuse concerning ornamental, turf, structural and termite control pesticide applications. The second new position would be assigned to northwest Kansas to investigate complaints involving field crop and termite control pesticide applications. The Subcommittee notes that no Ecological Specialists are currently assigned to northeast and northwest Kansas. The recommendation includes \$65,802 for salaries and \$13,792 for OOE.
3. Add \$39,797 from the State General Fund for 1 FTE Ecological Chemigation Specialist in the Pesticide Use Program. The new position would join one existing field position in the inspection of over 10,000 center pivot irrigation systems which could potentially be used for chemigation and of the 2,500 registered chemigation wells. The recommendation includes \$32,901 for salaries and \$6,896 for OOE. The Subcommittee notes that S.B. 2, which has been passed by the Senate, would increase Chemigation Fee Fund receipts by \$13,390 in FY 1990. During consideration of the Omnibus Bill and upon passage of S.B. 2, the

Subcommittee recommends that new chemigation fee receipts be utilized to offset the State General Fund appropriation for this new position.

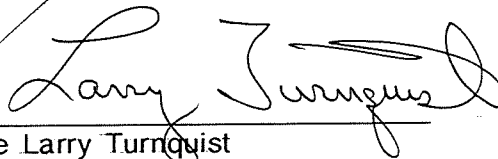
4. Delete \$103,250 from the State General Fund added by the Senate for a large-capacity diesel scale testing truck. The Subcommittee notes that the existing 1973 truck recently underwent an engine overhaul. The Subcommittee will review the request again during the 1990 Session.
5. Delete \$50,482 based on an increase in the salary turnover rate to 2.5 percent. The reduction includes \$35,304 from the State General Fund and \$15,178 from special revenue funds. The Governor recommended a turnover rate of 2.0 percent for FY 1990 and 1.0 percent for FY 1989. The FY 1988 actual turnover rate of 5.0 percent was unusually high, due primarily to five unfunded federal positions and to the shift of marketing positions to the Department of Commerce and back.
6. The Subcommittee concurs with the deletion of funding for the Petroleum Measurement Enforcement Program (PMEP) by the House pending passage of S.B. 272 which transfers the program from the Department of Revenue. The Board of Agriculture had requested a program of private sector inspections with state oversight by 5 FTE inspectors and 1 FTE clerical position. The Governor recommended continuation of state inspections with 10 FTE existing inspectors and 1 FTE clerical position and a gradual program shift to the private sector with state oversight. Prior to consideration of the Omnibus Bill, the agency is directed to submit a more detailed plan to the Subcommittee including the utilization of up to ten inspectors for the next five years, the feasibility of cross-utilizing these inspectors in other agency programs, and whether any of the transferred inspectors could be retrained to fill vacant agency positions.



Representative Robert Vancrum
Subcommittee Chairperson



Representative John Solbach



Representative Larry Turnquist

SUBCOMMITTEE REPORT

Agency: Grain Inspection
Department

Bill No. 80

Bill Sec. 31

Analyst: Rothe

Analysis Pg. No. 300

Budget Pg. No. 242

<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 Funds	\$ 5,601,033	\$ 5,335,353	\$ 45,300
FTE Positions	169.0	169.0	--

Agency Estimate/Governor's Recommendations

The agency's FY 1989 operating expenditure estimate of \$5,601,033 is \$327,709 above the amount approved by the 1988 Legislature. The requested increase in the Grain Inspection Fee Fund expenditure limitation includes \$10,065 for 33 work desks at eight inspection stations, \$35,235 for computer software, and \$306,916 for the salaries of 133 FTE reallocated positions. Executive Directive 87-121, signed in December, 1987, authorized the immediate reallocation of Grain Inspectors (36 FTE), Grain Sampler Weighers (81 FTE), and Grain Warehouse Examiners (17 FTE). The agency did not request an FY 1989 increase in salaries during the 1988 Session to implement the reallocations. That request is now being made as an FY 1989 supplemental request.

The Governor recommends FY 1989 expenditures of \$5,335,353, a reduction of \$265,680 from the agency's revised estimate. The recommendation would result in an expenditure limitation increase (for salary adjustments) of \$62,029 above the amount approved by the 1988 Legislature. The Governor concurs with the agency's request to reallocate positions in FY 1989. The recommendation reduces salaries for temporary positions by \$99,442 and increases salary shrinkage savings by \$176,682. The Governor does not recommend a supplemental expenditure for capital outlay.

Senate Subcommittee Recommendations

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

1. Add \$10,065 from the Grain Inspection Fee Fund for 33 single pedestal desks (\$305 each) to replace desks at the eight inspection stations. The desktops are utilized for the analysis of grain.
2. Add \$35,235 from the Grain Inspection Fee Fund for computer software. The 1988 Legislature approved \$16,904 for the purchase of eight FAX machines for the eight inspection stations to allow the immediate documentation of grain grades with the Grain Inspection Department in Topeka. The agency was unable to adapt its existing software for use with a FAX machine. The agency will not purchase the FAX machines until appropriate software is approved. The Subcommittee notes that industry profit will be enhanced by eliminating the two day postage delay for each transaction.

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Attachment 3

The resource estimate, based upon the Subcommittee recommendation, follows:

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Gov. Rec. FY 89</u>	<u>Gov. Rec. FY 90</u>
Beginning Balance	\$ 1,740,449	\$ 3,005,550	\$ 2,255,625
Net Receipts	<u>6,464,960</u>	<u>4,880,728</u>	<u>4,880,728</u>
Total Available	\$ 8,205,409	\$ 7,886,278	\$ 7,136,353
Less: Expenditures	4,934,587	5,380,653	5,761,073
Federal Fees Remitted	<u>265,272</u>	<u>250,000</u>	<u>230,000</u>
Ending Balance	<u>\$ 3,005,550</u>	<u>\$ 2,255,625</u>	<u>\$ 1,145,280</u>

Senate Committee Recommendations

The Senate Committee concurs with the Subcommittee's recommendation.

Senate Committee of the Whole Recommendations

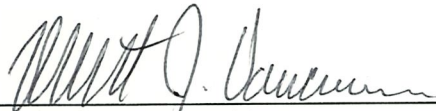
The Senate concurs with the Committee's recommendation.

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Senate Rec. FY 89</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 45,300	\$ 5,380,653	\$ (30,000)
FTE Positions	--	169.0	--

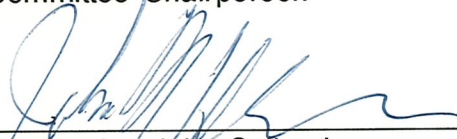
House Subcommittee Recommendations

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

1. Delete \$30,000 from the Grain Inspection Fee Fund from other operating expenditures based upon year-to-date expenditures.



Representative Robert Vancrum
Subcommittee Chairperson



Representative John Solbach



Representative Larry Turnquist

SUBCOMMITTEE REPORT

Agency: Grain Inspection
Department

Bill No. 29

Bill Sec. 4

Analyst: Rothe

Analysis Pg. No. 300

Budget Pg. No. 242

<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 Funds	\$ 5,812,868	\$ 5,741,423	\$ 19,650
FTE Positions	169.0	169.0	--

Agency Request/Governor's Recommendations

The agency requests an FY 1990 expenditure limitation of \$5,812,868, an increase of \$211,835 (3.8 percent) above the revised FY 1989 estimate. Increases include \$93,569 for salary step and benefit adjustments, \$78,537 for travel costs, \$12,200 for contract sampling, \$16,595 for commodities, \$14,073 for communications, and \$20,133 for all other increases. The request includes a decrease of \$23,272 in capital outlay.

The Governor recommends \$5,741,423 for FY 1990, a reduction of \$71,445 from the agency's request. The recommendation includes \$149,565 for a 4 percent salary increase, an increase in salary shrinkage savings of \$150,880, a reduction in salaries for temporary positions of \$84,132, and other salary benefit adjustments of \$139,541. Recommended reductions in other items include \$39,751 from travel, \$68,400 from capital outlay, and \$17,388 from all other expenditures.

Senate Subcommittee Recommendations

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

1. Add \$18,000 from the Grain Inspection Fee Fund to replace four Carter dockage machines at inspection stations. Existing dockage machines, which remove dockage from wheat, are 30 to 40 years old.
2. Add \$1,650 from the Grain Inspection Fee Fund to replace three of 13 inadequate computer printers at inspection stations. The printers print grain grade and weight certificates. The Governor recommends \$2,750 for the replacement of five printers. The existing printers, which are unable to handle a heavy volume of printing, will be used as backup printers.

The resource estimate, based upon the Subcommittee recommendation, follows:

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Gov. Rec. FY 89</u>	<u>Gov. Rec. FY 90</u>
Beginning Balance	\$ 1,740,449	\$ 3,005,550	\$ 2,255,625
Net Receipts	<u>6,464,960</u>	<u>4,880,728</u>	<u>4,880,728</u>
Total Available	\$ 8,205,409	\$ 7,886,278	\$ 7,136,353
Less: Expenditures	4,934,587	5,380,653	5,761,073
Federal Fees Remitted	<u>265,272</u>	<u>250,000</u>	<u>230,000</u>
Ending Balance	<u>\$ 3,005,550</u>	<u>\$ 2,255,625</u>	<u>\$ 1,145,280</u>

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendations.

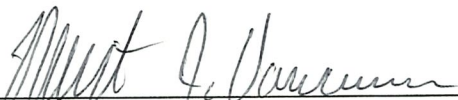
Senate Committee of the Whole Recommendation


The Senate concurs with the Committee's recommendation.


<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Senate Rec. FY 90</u>	<u>House Subcommittee Adjustments</u>
State Operations: Special Revenue Fund	\$ 19,650	\$ 5,761,073	\$ --
FTE Postions	--	169.0	--

House Subcommittee Recommendations

FY 1990. The House Subcommittee concurs with the recommendations of the Senate.


 Representative Robert Vancrum
 Subcommittee Chairperson


 Representative John Solbach


 Representative Larry Tuinquist

SUBCOMMITTEE REPORT

Agency: Kansas State Fair

Bill No. 80

Bill Sec. --

Analyst: Rothe

Analysis Pg. No. 305

Budget Pg. No. 220

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
State Operations	\$ 2,440,327	\$ 2,428,948	\$ 7,320
Capital Improvements	118,462	543,405	(477,500)
TOTAL	<u>\$ 2,558,789</u>	<u>\$ 2,972,353</u>	<u>\$ (470,180)</u>
 FTE Positions	 17.0	 16.0	 --

Agency Estimate/Governor's Recommendations

The agency's revised FY 1989 estimate of operating expenditures totals \$2,440,327, a reduction of \$31,115 from the approved amount including \$24,484 from the Operations program and \$6,631 from the Maintenance program. The agency estimates expenditure reductions of \$16,746 from the State Fair Fee Fund, and \$14,369 from the Nonfair Days Activities Fee Fund. Neither of these funds is subject to an expenditure limitation for FY 1989. The agency requests authorization to change an existing temporary office assistant to a full time Office Assistant II effective December 18, 1988. For FY 1989 the change would result in an increase of 1.0 FTE and \$855 in additional fringe benefit expenditures.

The Governor recommends FY 1989 expenditures of \$2,428,948, a reduction of \$11,379 from the agency's estimate. The reduction includes \$4,879 from salaries and \$6,500 from commodities. The Governor does not recommend the addition of a full time clerical position in FY 1989 and does not restore funding for an existing temporary position. The recommendation includes a reduction of \$15,933 from the State Fair Fee Fund and an increase of \$4,554 from the Nonfair Days Activities Fee Fund.

Senate Subcommittee Recommendations

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

1. Add \$7,320 from the State Fair Fee Fund to restore financing for an existing temporary clerical position through the end of FY 1989. Financing was not restored when the Governor rejected the agency's supplemental request to change the temporary position to a full time position for FY 1989. The Subcommittee concurs with the Governor's recommendation that this temporary position be changed to a 1.0 FTE Office Assistant II for FY 1990.
2. Delete \$477,500 from Capital Improvement Fee Fund expenditures in FY 1989. The Subcommittee learned from the Kansas Development Finance Authority that the first bond payment to complete the renovation of the grandstand will not be made until FY 1990. The Subcommittee notes that the agency expects to sign a contract for an \$840,000 bond issuance with 10-year bonds in late February, 1989.

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Attachment 4

3. The Subcommittee recommends the introduction of legislation to waive for FY 1989 and FY 1990 the agency's requirement to transfer at least five percent of its total gross receipts from all fair activities during each fiscal year to its State Fair Capital Improvements Fund. The recommendation is made to enable the agency to build up its fee fund balances for FY 1989 and FY 1990. The Governor had recommended an FY 1990 ending balance of \$7,505 for the State Fair Fee Fund and \$1,499 for the Nonfair Days Activities Fee Fund. S.B. 769, approved during the 1988 Session, authorizes the transfer of \$575,000 from the State General Fund to a new State Fair Capital Improvements Fund in FY 1988. On June 30, 1989 and on each June 30 thereafter, the agency is required to transfer at least five percent of total gross receipts from all fair activities during that fiscal year to the new fund. On July 1, 1989, and on each July 1 thereafter, an amount equal to (but not exceeding \$300,000) the amount transferred by the agency is to be transferred from the State General Fund to the State Fair Capital Improvements Fund.

The resource estimate, based upon the Subcommittee recommendation, follows:

<u>State Fair Fee Fund</u>	<u>Actual FY 88</u>	<u>Subcommittee Rec. FY 89</u>	<u>Subcommittee Rec. FY 90</u>
Beginning Balance	\$ 31,964	\$ 112,196	\$ 114,378
Net Receipts	<u>2,319,650</u>	<u>2,348,078</u>	<u>2,507,630</u>
Funds Available	\$ 2,351,614	\$ 2,460,274	\$ 2,622,008
Less: Expenditures	2,134,405	2,253,950	2,368,227
Nonexpense Items	105,013	91,946	90,130
Transfer to Capital Improvement Fund	--	0	0
Ending Balance	<u>\$ 112,196</u>	<u>\$ 114,378</u>	<u>\$ 163,651</u>
<u>Non-Fair Days Act. Fund</u>	<u>Actual FY 88</u>	<u>Subcommittee Rec. FY 89</u>	<u>Subcommittee Rec. FY 90</u>
Beginning Balance	\$ 32,788	\$ 23,483	\$ 12,365
Net Receipts	<u>156,763</u>	<u>181,725</u>	<u>193,700</u>
Funds Available	\$ 189,551	\$ 205,208	\$ 206,065
Less: Expenditures	149,564	182,318	180,976
Nonexpense Items	16,504	10,525	10,500
Transfer to Capital Improvement Fund	--	0	0
Ending Balance	<u>\$ 23,483</u>	<u>\$ 12,365</u>	<u>\$ 14,589</u>

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<u>Capital Improvement Fund</u>	<u>Actual FY 88</u>	<u>Subcommittee Rec. FY 89</u>	<u>Subcommittee Rec. FY 90</u>
Beginning Balance	\$ 0	\$ 543,405	\$ 477,500
Receipts:			
SGF Transfer	575,000	0	87,352
Fair Funds Transfer	0	0	0
Funds Available	\$ 575,000	\$ 543,405	\$ 564,852
Less: Spec. Maint. Costs	31,595	65,905	97,500
Grandstand Renovation	--	0	115,000
Ending Balance	<u>\$ 543,405</u>	<u>\$ 477,500</u>	<u>\$ 352,352</u>

Senate Committee Recommendations

The Senate Committee concurs with the Subcommittee's recommendations.

Senate Committee of the Whole Recommendations

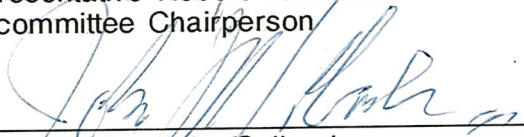
The Senate concurs with the Committee's recommendation.

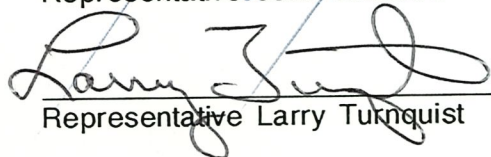
<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Senate Rec. FY 89</u>	<u>House Subcommittee Adjustments</u>
State Operations	\$ 7,320	\$ 2,436,268	\$ --
Capital Improvements	(477,500)	65,905	--
TOTAL	<u>\$ (470,180)</u>	<u>\$ 2,502,173</u>	<u>\$ --</u>
FTE Positions	--	16.0	--

House Subcommittee Recommendations

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


 Representative Robert Vancrum
 Subcommittee Chairperson


 Representative John Solbach


 Representative Larry Turnquist

SUBCOMMITTEE REPORT

Agency: Kansas State Fair

Bill No. 29

Bill Sec. 5

Analyst: Rothe

Analysis Pg. No. 305

Budget Pg. No. 220

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations	\$ 2,550,941	\$ 2,549,203	\$ --
Capital Improvements	<u>204,896</u>	<u>204,896</u>	<u>7,604</u>
TOTAL	<u>\$ 2,755,837</u>	<u>\$ 2,754,099</u>	<u>\$ 7,604</u>
 FTE Positions	 17.0	 17.0	 --

Agency Estimate/Governor's Recommendations

For FY 1990, the agency requests operating expenditures of \$2,550,941, an increase of \$110,614 above the revised FY 1989 estimate of \$2,440,327. The increase includes \$14,773 for salary adjustments, \$35,415 for entertainment costs, \$35,000 for a revenue enhancement survey, \$10,000 for advertising, \$5,000 for legal expenses, and \$10,426 for other costs.

The Governor recommends \$2,549,203 for FY 1990 expenditures, a reduction of \$1,738 from the agency's request. The recommendation includes a 4 percent salary increase totaling \$30,161 and salary benefit adjustments of \$11,781. The Governor recommends that a temporary clerical position become a full time Office Assistant II for FY 1990, increasing total FTE positions from 16 to 17. Also recommended is \$35,000 for a revenue enhancement study. Recommended reductions include \$12,730 from capital outlay, \$13,700 from commodities and \$17,250 from contractual services.

Senate Subcommittee Recommendations

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

1. Add \$7,604 for capital improvements from the Capital Improvements Fee Fund for Grandstand renovation bond payments. The Subcommittee learned from the Kansas Development Finance Authority (KDFA) that the estimated first year bond payment to complete the grandstand renovation project will be \$115,000 rather than the \$107,931 recommended by the Governor. The Subcommittee notes that the agency expects to sign a contract for an \$840,000 bond issuance with 10-year bonds in late February, 1989.
2. The Subcommittee recommends the introduction of a bill to make permanent the "no-limit" expenditure limitations (currently set by appropriation each year) on the State Fair Fee Fund and the State Fair Capital Improvements Fund.

The resource estimate, based upon the Subcommittee recommendation, follows:

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<u>State Fair Fee Fund</u>	<u>Actual FY 88</u>	<u>Subcommittee Rec. FY 89</u>	<u>Subcommittee Rec. FY 90</u>
Beginning Balance	\$ 31,964	\$ 112,196	\$ 114,378
Net Receipts	<u>2,319,650</u>	<u>2,348,078</u>	<u>2,507,630</u>
Funds Available	\$ 2,351,614	\$ 2,460,274	\$ 2,622,008
Less: Expenditures	2,134,405	2,253,950	2,368,227
Nonexpense Items	105,013	91,946	90,130
Transfer to Capital Improvement Fund	--	0	0
Ending Balance	<u>\$ 112,196</u>	<u>\$ 114,378</u>	<u>\$ 163,651</u>

<u>Non-Fair Days Act. Fund</u>	<u>Actual FY 88</u>	<u>Subcommittee Rec. FY 89</u>	<u>Subcommittee Rec. FY 90</u>
Beginning Balance	\$ 32,788	\$ 23,483	\$ 12,365
Net Receipts	<u>156,763</u>	<u>181,725</u>	<u>193,700</u>
Funds Available	\$ 189,551	\$ 205,208	\$ 206,065
Less: Expenditures	149,564	182,318	180,976
Nonexpense Items	16,504	10,525	10,500
Transfer to Capital Improvement Fund	--	0	0
Ending Balance	<u>\$ 23,483</u>	<u>\$ 12,365</u>	<u>\$ 14,589</u>

<u>Capital Improvement Fund</u>	<u>Actual FY 88</u>	<u>Subcommittee Rec. FY 89</u>	<u>Subcommittee Rec. FY 90</u>
Beginning Balance	\$ 0	\$ 543,405	\$ 477,500
Receipts:			
SGF Transfer	575,000	0	87,352
Fair Funds Transfer	<u>0</u>	<u>0</u>	<u>0</u>
Funds Available	\$ 575,000	\$ 543,405	\$ 564,852
Less: Spec. Maint. Costs	31,595	65,905	97,500
Grandstand Renovation	--	0	115,000
Ending Balance	<u>\$ 543,405</u>	<u>\$ 477,500</u>	<u>\$ 352,352</u>

Senate Committee Recommendations

The Senate Committee concurs with the Subcommittee's recommendations.

Senate Committee of the Whole Recommendation

The Senate concurs with the Committee's recommendation.


<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Senate Rec. FY 90</u>	<u>House Subcommittee Adjustments</u>
State Operations	\$ --	\$ 2,549,203	\$ --
Capital Improvements	7,604	212,500	--
TOTAL	<u>\$ 7,604</u>	<u>\$ 2,761,703</u>	<u>\$ --</u>
FTE Positions	--	17.0	--

House Subcommittee Recommendations

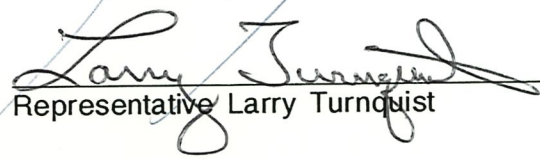
FY 1990. The House Subcommittee concurs with the recommendations of the Senate.



Representative Robert Vancrum
Subcommittee Chairperson



Representative John Solbach



Representative Larry Turnquist

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SUBCOMMITTEE REPORT

Agency: Kansas Wheat Commission Bill No. 80 Bill Sec. --

Analyst: Rothe Analysis Pg. No. 311 Budget Pg. No. 618

<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 Funds	\$ 1,719,616	\$ 1,711,051	\$ (116,604)
FTE Positions	8.0	8.0	--

Agency Estimate/Governor's Recommendations

The agency's FY 1989 estimate of expenditures of \$1,719,616 reflects a decrease of \$5,841 from the expenditure limitation approved during the 1988 Session due to turnover savings, and an increase of \$581,974 above actual FY 1988 expenditures. Passage of S.B. 448 during the 1988 Session enabled the agency to increase its mill levy wheat assessment from 4 to 7 mills. For FY 1989 the Governor's recommendation of \$1,711,051 is a reduction of \$8,565 from the agency's estimate due to salary benefit adjustments.

Senate Subcommittee Recommendations

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

1. Delete \$116,604 from FY 1989 Kansas Wheat Commission Fund expenditures. Due to revisions in research contract amounts, the Subcommittee reduces the U.S. Wheat Associates (USWA) membership fee by \$19,312, USWA special projects by \$50,000, KSU contracts by \$50,000, and increases the contract fee for the Wheat Export Trade Education Committee (WETEC) by \$2,708.

The resource estimate, based upon the Subcommittee recommendation, follows:

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Subcommittee Rec. FY 89</u>	<u>Subcommittee Rec. FY 90</u>
Beginning Balance	\$ 349,954	\$ 285,355	\$ 535,328
Net Receipts	1,129,116	1,964,420	2,045,000
Total Available	\$ 1,479,070	\$ 2,249,775	\$ 2,580,328
Less: Expenditures	1,138,085	1,594,447	1,874,465
Nonexpense Items	55,630	120,000	161,280
Ending Balance	\$ 285,355	\$ 535,328	\$ 544,583

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendation.

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Senate Committee of the Whole Recommendation

The Senate concurs with the Committee's recommendation.


<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Senate Rec. FY 89</u>	<u>House Subcommittee Adjustments</u>
State Operations: Special Revenue Funds	\$ (116,604)	\$ 1,594,447	\$ --
FTE Positions	--	8.0	--

House Subcommittee Recommendations


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



Representative Robert Vancrum
Subcommittee Chairperson



Representative John Solbach



Representative Larry Turnquist

391-89

SUBCOMMITTEE REPORT

Agency: Kansas Wheat Commission Bill No. 29

Bill Sec. 6

Analyst: Rothe

Analysis Pg. No. 311

Budget Pg. No. 618

<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 Funds	\$ 1,871,935	\$ 1,786,765	\$ 87,700
FTE Positions	8.0	8.0	--

Agency Request/Governor's Recommendations

The agency requests expenditures of \$1,871,935 for FY 1990, an increase of \$152,319 above the revised FY 1989 estimate. The increase is due in large part to additional funding for contracts with the U.S. Wheat Associates (\$100,000) and others (\$33,000), \$22,500 for capital outlay, \$5,000 for travel, and \$12,819 for other increases. The request includes a reduction of \$21,000 from contracted research with the International Grains Program at Kansas State University.

The Governor recommends FY 1990 expenditures totaling \$1,786,765, a reduction of \$85,170 from the agency's request. The recommendation includes a 4 percent salary increase of \$6,181, a salary merit pool for unclassified personnel of \$5,076, salary benefit adjustments of \$4,733, a reduction of \$1,160 in rents, and a reduction of \$100,000 in the U.S. Wheat Associates contract.

Senate Subcommittee Recommendations

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

1. Add \$85,000 in FY 1990 Kansas Wheat Commission Fund expenditures due to revisions in research contract amounts. The Subcommittee increases the U.S. Wheat Associates (USWA) membership fee by \$135,000 (to \$585,000), and reduces USWA special projects by \$50,000 (to \$50,000).
2. Add \$2,700 for salary reclassifications from the Kansas Wheat Commission Fund. The recommendation includes the reclassification of a Nutritionist and a Public Information Officer to Agriculture Marketing Specialists I, and the reallocation of an existing Nutritionist to an Agriculture Marketing Specialist II position.

The resource estimate, based upon the Subcommittee recommendation, follows:

<u>Resource Estimate</u>	<u>Actual FY 88</u>	<u>Subcommittee Rec. FY 89</u>	<u>Subcommittee Rec. FY 90</u>
Beginning Balance	\$ 349,954	\$ 285,355	\$ 535,328
Net Receipts	1,129,116	1,964,420	2,045,000
Total Available	\$ 1,479,070	\$ 2,249,775	\$ 2,580,328
Less: Expenditures	1,138,085	1,594,447	1,874,465
Nonexpense Items	55,630	120,000	161,280
Ending Balance	<u>\$ 285,355</u>	<u>\$ 535,328</u>	<u>\$ 544,583</u>

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendation.

Senate Committee of the Whole Recommendation

The Senate concurs with the Committee's recommendation.

<u>Expenditure Summary</u>	<u>Senate Adjustments</u>	<u>Senate Rec. FY 90</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 87,700	\$ 1,874,465	\$ (3,096)
FTE Positions	--	8.0	--


House Subcommittee Recommendation

FY 1990. The House Subcommittee concurs with the recommendations of the Senate with the following adjustments:

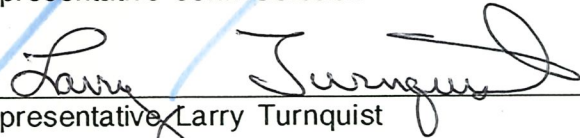
1. Reduce the U.S. Wheat Associates FY 1990 membership fee by \$3,096 to \$581,904 based upon contract revisions.
2. The Subcommittee notes that the worsening effect of the drought on Kansas wheat in conjunction with the agency's increased level of spending in FY 1990 over FY 1989 may seriously impact the agency's FY 1990 ending balance. The Subcommittee recommends that the agency be prepared to restrict FY 1990 expenditures below the budgeted amount.



Representative Robert Vancrum
Subcommittee Chairperson



Representative John Solbach



Representative Larry Turnquist

391-90

SUBCOMMITTEE REPORT

Agency: State Conservation
Commission
Analyst: Howard

Bill No. 80
Analysis Pg. No. 314

Bill Sec. 32
Budget Pg. No. 126

<u>Expenditure Summary</u>	<u>Agency Req. FY 89</u>	<u>Governor's Rec. FY 89</u>	<u>Subcommittee Adjustments</u>
All Funds:			
Administration	\$ 341,312	\$ 329,952	\$ --
Aid to Conservation Districts	765,571	765,571	--
Watershed Dam Construction	778,611	778,611	--
Multipurpose Small Lakes	1,157,482	1,157,482	--
Water Resources Cost-Share	1,446,375	1,446,375	--
High Priority Cost-Share	514,372	514,372	--
TOTAL	<u>\$ 5,003,723</u>	<u>\$ 4,992,363</u>	<u>\$ --</u>
State General Fund:			
Administration	\$ 262,917	\$ 270,012	\$ --
Aid to Local Units	1,544,182	1,544,182	--
Other Assistance	1,960,747	1,960,747	--
TOTAL	<u>\$ 3,767,846</u>	<u>\$ 3,774,941</u>	<u>\$ --</u>
FTE Positions	8.0	8.0	--

Agency Estimate/Governor's Recommendation

The agency estimates revised expenditures of \$5,003,723 for FY 1989, an increase of \$187,753 from the amount approved by the 1988 Legislature. The revised estimate includes a total of \$109,358 reappropriated from FY 1988 for the Watershed Dam Construction Program, the Water Resources Cost-Share program, and the High Priority Cost-Share Program.

The Governor recommends expenditures of \$4,992,363 in FY 1989, a reduction of \$11,360 in state operations from the agency request. The recommendation includes a supplemental appropriation of \$7,095 from the State General Fund.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor.

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.

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<u>Expenditure Summary</u>	<u>Senate Adj. FY 89</u>	<u>Senate Rec. FY 89</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
Administration	\$ --	\$ 329,952	\$ --
Aid to Conservation			
Districts	--	765,571	--
Watershed Dam Construction	--	778,611	--
Multipurpose Small Lakes	--	1,157,482	--
Water Resources Cost-Share	--	1,446,375	--
High Priority Cost-Share	--	514,372	--
TOTAL	--	<u>\$ 4,992,363</u>	\$ --
State General Fund:			
Administration	\$ --	\$ 270,012	\$ --
Aid to Local Units	--	1,544,182	--
Other Assistance	--	1,960,747	--
TOTAL	<u>\$ --</u>	<u>\$ 3,774,941</u>	<u>\$ --</u>
FTE Positions	--	8.0	--

House Subcommittee Recommendation


The House Subcommittee concurs with the recommendations of the Senate.



Representative Robert Vancrum
Subcommittee Chairperson



Representative John Solbach



Representative Larry Turnquist

SUBCOMMITTEE REPORT

Agency: State Conservation
Commission
Analyst: Howard

Bill No. 29
Analysis Pg. No. 314

Bill Sec. 7
Budget Pg. No. 126

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
All Funds:			
Administration	\$ 532,759	\$ 307,241	\$ 63,213
Aid to Conservation			
Districts	765,338	765,338	--
Watershed Dam Construction	1,500,000	770,000	--
Multipurpose Small Lakes	1,301,250	1,301,250	--
Water Resources Cost-Share	1,360,000	2,720,000	--
High Priority Cost-Share	2,056,000	500,000	--
TOTAL	\$ 7,515,347	\$ 6,363,829	\$ 63,213
State General Fund:			
Administration	\$ 521,259	\$ 295,741	\$ 63,213
Aid to Local Units	3,566,588	1,535,338	--
Other Assistance	3,416,000	3,220,000	--
TOTAL	\$ 7,503,847	\$ 5,051,079	\$ 63,213
FTE Positions	12.0	8.0	2.0

Agency Request/Governor's Recommendation

The agency requests an operating budget of \$7,515,347 for FY 1990, an increase of \$2,511,624 from the FY 1989 estimate. The request includes funding of \$7,503,847 from the State General Fund and \$11,500 from federal funds. The request includes funding for 12.0 FTE positions, including 4.0 FTE new positions. The request includes funding of \$100,000 for watershed planning, \$765,338 for aid to conservation districts, \$1,500,000 for watershed dam construction assistance, \$1,360,000 for the water resources cost-share program, \$2,056,000 for the high-priority cost-share program, and \$1,301,250 for the construction of a multipurpose small lake in Jetmore.

The Governor recommends expenditures of \$6,363,829 in FY 1990, a reduction of \$1,151,518 from the agency request. The recommendation includes funding of \$5,051,079 from the State General Fund and \$1,312,750 from other funds. The recommendation would maintain the current staffing level of 8.0 FTE positions. The recommendation includes \$2,720,000 from the State General Fund for the Water Resources Cost Share Program and \$1,301,250 for a multipurpose small lake near Jetmore.

Senate Subcommittee Recommendations

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

1. Add \$34,509 and 1.0 FTE position for a new Resource Administrator position. The recommendation includes \$29,225 in salaries, \$2,393 in travel and \$2,891 in capital outlay. The new Resource Administrator

would assume management and supervisory responsibilities for the conservation operations unit. The Subcommittee would note for the Committee that the conservation operations unit currently consists of two conservation coordinators who are responsible for overseeing projects throughout the state. The two conservation coordinators oversee projects for six different programs, appropriations for which totaled \$3,476,122 in FY 1988 and are estimated to total \$4,553,053 in FY 1989 and \$6,056,588 in FY 1990. The Subcommittee believes that additional staffing is necessary for the agency to adequately supervise and oversee conservation projects across the state. Attached is a table of projects which provides additional detail for the Committee.

2. Add \$25,821 and 1.0 FTE position for an Office Specialist position. The recommendation includes \$23,355 in salaries and \$2,466 in capital outlay. This new position would serve as the office manager for the programs administration unit and as the personnel officer for the entire agency. The Subcommittee believes the addition of this position would enable the program administrator to spend her time in overseeing the multitude of programs for which the agency is responsible rather than spending a major portion of her time on clerical responsibilities. The Subcommittee also believes that the addition of a clerical position would relieve some office responsibilities currently borne by the conservation coordinators and would enable them to spend more time in the field.
3. Add \$2,883 in office rent in order to provide space for the two new positions and to provide additional office space to relieve crowded conditions. The Subcommittee held hearings at the agency's offices and toured the existing office space. The Subcommittee analyzed the amount of space available for the current staff and believes that the current space is overcrowded and does not provide a conducive working environment. The Subcommittee was informed that additional adjoining office space is available. In addition, the Subcommittee was informed that the agency's rental costs were reduced effective January 1, 1989, resulting in savings in FY 1990 of \$1,115. The Governor's budget recommendation includes rents at the higher rate. Thus, for a total of \$2,883 additional dollars, the agency can acquire 290 square feet of office space for the two new positions and 325 square feet of office space to alleviate overcrowding. The Subcommittee recommends that this additional office space be acquired by the agency.
4. The Subcommittee would note that the agency's request included \$100,000 from the State General Fund to contract with private engineering firms for watershed planning activities. The Governor's recommendation did not include funding for this request. The Subcommittee analyzed specific watershed planning needs and reviewed information received from the Soil Conservation Service (SCS). Funding for watershed planning was included in the Conservation Commission's annual budget from 1959 to 1980. The funds were used to supplement funds of the Soil Conservation Service for planning flood control structures under Public Law 566. Funding was discontinued in 1980 because adequate funding was available through the Soil Conservation Service to meet the total planning workload. Since that time SCS planning funds have been reduced 40 percent. The Subcommittee was informed that watershed planning assistance funds provided by the State result in a significant amount of federal P.L. 566 watershed construction dollars to the state.

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For every dollar invested by the state in planning, federal construction dollars return to the State in an amount equal to 17 times the original investment. The Subcommittee believes that investment in these planning activities would be beneficial in the long term due to the return of federal construction dollars to the state. The Subcommittee recommends that this project be funded in the event that a dedicated funding source for the State Water Plan is enacted by the Legislature, and further recommends that this item receive omnibus consideration upon passage of a substantive bill establishing such a dedicated fund. The Subcommittee would further note that this would likely be an ongoing request of the agency subject to the annual appropriations process.

5. The Subcommittee recommends that the format of the agency's section in the appropriations bill be changed to include separate line items for salaries and wages and other operating expenditures.

Senate Committee Recommendation

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

1. Add \$730,000 from the State General Fund for State Aid for Watershed Dam Construction in order to provide a total of \$1,500,000 for watershed dam construction.

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>
All Funds:			
Administration	\$ 63,213	\$ 370,454	\$ (13,146)
Aid to Conservation			
Districts	--	765,338	--
Watershed Dam Construction	730,000	1,500,000	(730,000)
Multipurpose Small Lakes	--	1,301,250	--
Water Resources Cost-Share	--	2,720,000	--
High Priority Cost-Share	--	500,000	--
TOTAL	\$ 793,213	\$ 7,157,042	\$ (743,146)
State General Fund:			
Administration	\$ 63,213	\$ 358,954	\$ (13,146)
Aid to Local Units	730,000	2,265,338	(730,000)
Other Assistance	--	3,220,000	--
TOTAL	\$ 793,213	\$ 5,844,292	\$ (743,146)
FTE Positions	2.0	10.0	--

House Subcommittee Recommendation

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

1. Delete \$7,307 in salaries for the Resource Administrator to provide funding for this new position for 9 months in FY 1990. The Subcommittee further recommends that this item be reviewed during the Omnibus Session in the event that H.B. 2008 establishing dedicated funds for the State Water Plan is enacted. It appears to the subcommittee that this position would likely be needed earlier in the fiscal year if such legislation passes due to the additional responsibilities which would likely be incurred by the Conservation Commission.

2. Delete \$5,839 in salaries for a new Office Specialist position to provide funding for 9 months in FY 1990 for this new position. The Subcommittee also would note that this new position will serve as an office manager, and the addition of this position will allow the program administrator to serve a planning function within the agency. The Subcommittee would also note that the Conservation Compliance Provisions of the Food Security Act will result in additional planning needs for the agency. These provisions require that landowners develop conservation plans on highly erodible land by January 1, 1990, and that these plans be fully implemented by January 1, 1995 in order to remain eligible for U.S. Department of Agriculture program funds. Testimony to the Subcommittee indicated land treatment needs of over \$28,000,000 in 12 sampled counties in order to fulfill these provisions. Although the majority of these costs would not be borne by the State, the Subcommittee expects that the planning needs of the agency will increase greatly.

3. Delete \$730,000 for the Watershed Dam Construction Program pending the passage of H.B. 2008 establishing a dedicated funding source for the State Water Plan. In the event that a dedicated funding source is enacted, the Subcommittee would concur with the Governor's recommendation that an additional \$1,000,000 be added to the watershed dam construction program from these dedicated funds. The Subcommittee recommends that this item be reviewed during the Omnibus Session upon passage of a dedicated funding source.



Representative Robert Vancrum
Subcommittee Chairperson



Representative John Solbach



Representative Larry Turnquist

SUBCOMMITTEE REPORT

Agency: Animal Health Department Bill No. 80 Bill Sec. 30
 Analyst: Howard Analysis Pg. No. 293 Budget Pg. No. 74

<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	\$ 300,000	\$ 303,447	\$ --
Special Revenue Funds	<u>1,145,023</u>	<u>1,153,893</u>	<u>--</u>
Total	<u>\$ 1,445,023</u>	<u>\$ 1,457,340</u>	<u>--</u>
 FTE Positions	 41.0	 41.0	 --

Agency Request/Governors Recommendation

FY 1989. The agency estimates current year expenditures of \$1,445,022, a reduction of \$15,886 from the amount approved by the 1988 Legislature. The request includes reductions of \$46,713 in federal funds, a reduction of \$19,173 in fee funds and a supplemental State General Fund request of \$50,000 for a pseudorabies program. On October 1, 1988, the agency lost federal funds for clerical and lab employees at the state and federal laboratory funded by the U.S. Department of Agriculture. This results in a reduction from 4.0 FTE to 2.0 FTE positions in FY 1989, with the other two positions eliminated in FY 1990. The levels of service have not been affected; due to a change in federal policy the former state employees are now federal employees.

The Governor recommends expenditures of \$1,457,340 in FY 1989, an increase of \$12,318 in salaries from the agency estimate. The recommendation includes \$303,447 from the State General Fund (20.8 percent of the total) and \$1,153,893 from special revenue funds (79.2 percent of the total). The recommendation includes supplemental State General Fund appropriations of \$53,447 for a pseudorabies eradication program (\$50,000) and salaries (\$3,447). The recommendation also includes expenditure limitation increases to three fee funds totaling \$8,871.

Senate Subcommittee Recommendation

The Subcommittee concurs with the recommendations of the Governor.

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.

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3-20-89
Attachment 7

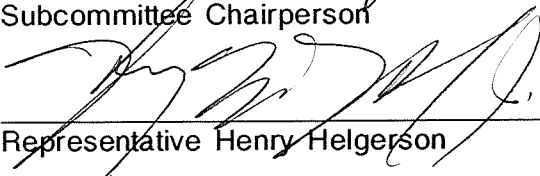
<u>Expenditure Summary</u>	<u>Senate Adj. FY 89</u>	<u>Senate Rec. FY 89</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ --	\$ 303,447	\$ --
Special Revenue Funds	--	<u>1,153,893</u>	--
Total	<u>\$ --</u>	<u>\$ 1,457,340</u>	<u>\$ --</u>
FTE Positions	--	41.0	--

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Senate.



Representative Rex Hoy
Subcommittee Chairperson



Representative Henry Helgerson



Representative Anthony Hensley

SUBCOMMITTEE REPORT

Agency: Animal Health Department Bill No. 29 Bill Sec. 3
 Analyst: Howard Analysis Pg. No. 293 Budget Pg. No. 74

<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	\$ 340,000	\$ 325,904	\$ --
Special Revenue Funds	1,210,663	1,288,602	--
Total	\$ 1,550,663	\$ 1,614,506	\$ --
 FTE Positions	 39.0	 39.0	 --

Agency Request/Governor's Recommendation

FY 1990. The agency requests FY 1990 expenditures of \$1,550,663, including \$340,000 (21.9 percent) from the State General Fund. The request is an increase of \$105,641 from the revised FY 1989 estimate. The State General Fund portion is an increase of \$40,000 (13.3 percent) above the FY 1989 estimate. The request includes \$50,000 for a pseudorabies program.

The Governor recommends FY 1990 expenditures of \$1,614,506, an increase of \$63,843 from the agency request. The recommendation includes an increase in salaries (\$64,180) and a reduction in communications (\$337) from the agency request. The recommendation includes \$325,904 from the State General Fund (20.2 percent of the total) and \$1,288,602 from the special revenue funds (79.8 percent of the total). The recommendation includes \$50,000 from the State General Fund to continue a pseudorabies eradication program.

Senate Subcommittee Recommendation

The Subcommittee concurs with the recommendations of the Governor.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Subcommittee.

Senate Committee of the Whole Recommendation

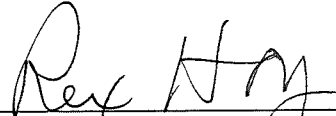
The Senate Committee of the Whole concurs with the recommendations of the Committee.

<u>Expenditure Summary</u>	<u>Senate Adj. FY 90</u>	<u>Senate Rec. FY 90</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ --	\$ 325,904	\$ --
Special Revenue Funds	--	1,288,602	--
Total	<u>\$ --</u>	<u>\$ 1,614,506</u>	<u>\$ --</u>
FTE Positions	--	39.0	--

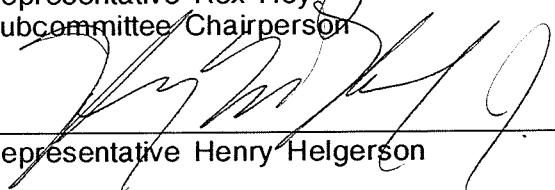
House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Senate with the following comment:

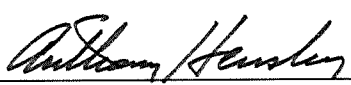
1. The Subcommittee would note that the agency is experiencing declining ending balances in several of its fee funds due to declining levels of revenue. This is due in part to overestimates of revenue to be generated from licensure regulation of companion animal dealers and reductions in several brand related fee funds. In conjunction with the Kansas Livestock Association, the Animal Health Department is currently working with a study group to develop financing proposals for the Animal Health Department in future fiscal years. The Subcommittee recommends that this report be reviewed next year in conjunction with Legislative review of the agency's FY 1991 budget.



Representative Rex Hoy
Subcommittee Chairperson



Representative Henry Helgerson



Representative Anthony Hensley

SUBCOMMITTEE REPORT

Agency: Department of Wildlife
and Parks

Bill No. 80

Bill Sec. 33

Analyst: West

Analysis Pg. No. 327

Budget Pg. No. 624

<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	\$ 18,820,852	\$ 19,090,077	\$ (38,000)
Local Aid	500,000	500,000	--
Subtotal -- Operating	\$ 19,320,852	\$ 19,590,077	\$ (38,000)
Capital Improvements	5,108,426	5,308,426	--
TOTAL	<u>\$ 24,429,278</u>	<u>\$ 24,898,503</u>	<u>\$ (38,000)</u>
State General Fund:			
State Operations	\$ 3,037,668	\$ 3,145,975	\$ (19,000)
Capital Improvements	139,882	339,882	--
TOTAL	<u>\$ 3,177,550</u>	<u>\$ 3,485,857</u>	<u>\$ (19,000)</u>
Economic Development Initiatives Fund:			
Capital Improvements	\$ 1,092,512	\$ 1,092,512	\$ --
FTE Positions	402.0	402.75	0.25

Agency Request/Governor's Recommendation

State Operations. The agency estimates current year state operations will total \$18,820,852, including \$3,037,668 from the State General Fund. The current year estimate reflects decreases of \$27,905 in State General Fund financed salaries, \$100,000 in special revenue financed capital outlay, and \$15,000 in special revenue financed other operating expenses from the budget approved by the 1988 Legislature. The current year estimate includes 402.0 FTE positions, unchanged from the approved budget.

The Governor recommends an FY 1989 state operations budget of \$19,090,077, including \$3,145,975 from the State General Fund. The recommendation reflects increases of \$108,307 from the State General Fund and \$160,918 from special revenue funds above the agency's estimate. The Governor recommends \$200,000 from the State General Fund in the current year for the purchase of a minicomputer system. Salaries are increased by \$66,401, reflecting revised health insurance rates, revised turnover savings, and a net increase of 1.0 FTE unclassified position. State General Fund financing for salaries is decreased by \$91,693 while special revenue fund financing is increased by \$158,094. Special revenue financed other operating expenses are increased by \$2,824. The Governor also recommends a supplemental State General Fund appropriation of \$13,526 for the Administration account, a lapse of \$150,383 from the Park Operations account, and several expenditure limitation increases.

Local Aid. The agency estimates payments from the federal Land and Water Conservation Fund of \$500,000 in FY 1989 to local units of government for recreational facility development, an amount unchanged from the budget approved by the 1988

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Legislature. The Governor concurs with the estimated expenditures for aid to local units of government.

Capital Improvements. The agency's FY 1989 capital improvement estimate of \$5,108,426, including \$139,882 from the State General Fund, reflects the reappropriation of \$139,882 from the State General Fund and \$2,580,953 from other funds for several projects from FY 1988 to FY 1989. The Governor's recommendation of \$5,308,426 reflects a supplemental State General Fund appropriation of \$200,000 for display development at the Milford Education Center.

Senate Subcommittee Recommendation

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

1. Delete \$38,000 (\$19,000 each State General Fund and Fish and Game Fee Fund) in anticipated salary and wage savings.
2. Increase the agency's position limitation by 0.25 FTE for a technical adjustment.

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 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 Funds	\$ (38,000)	\$ 19,052,077	\$ 25,100
Local Aid	--	500,000	--
Subtotal -- Operating	\$ (38,000)	\$ 19,552,077	\$ 25,100
Capital Improvements	--	5,308,426	--
TOTAL	<u>\$ (38,000)</u>	<u>\$ 24,860,503</u>	<u>\$ 25,100</u>
State General Fund:			
State Operations	\$ (19,000)	\$ 3,126,975	\$ --
Capital Improvements	--	339,882	--
TOTAL	<u>\$ (19,000)</u>	<u>\$ 3,466,857</u>	<u>\$ --</u>
Economic Development Initiatives Fund:			
Capital Improvements	\$ --	\$ 1,092,512	\$ --
FTE Positions	0.25	403.0	--

House Subcommittee Recommendation

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

1. Increase the expenditure limitation on the Fish and Game Fee Fund by \$25,100 to permit the expenditure of federal funds for a special study on the effect of the Conservation Reserve Program on Meadowlark populations.

Wanda Fuller

Representative Wanda Fuller
Subcommittee Chairperson

Phil Kline

Representative Phil Kline

Ken Francisco

Representative Ken Francisco

SUBCOMMITTEE REPORT

Agency: Department of Wildlife
and Parks

Bill No. 29

Bill Sec. 9

Analyst: West

Analysis Pg. No. 327

Budget Pg. No. 624

<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	\$ 20,098,067	\$ 20,426,855	\$ (330,413)
Local Aid	<u>237,900</u>	<u>237,900</u>	<u>--</u>
Subtotal -- Operating	\$ 20,335,967	\$ 20,664,755	\$ (330,413)
Capital Improvements	<u>8,942,589</u>	<u>6,678,834</u>	<u>(473,752)</u>
TOTAL	<u>\$ 29,278,556</u>	<u>\$ 27,343,589</u>	<u>\$ (804,165)</u>
State General Fund:			
State Operations	\$ 3,879,434	\$ 3,956,240	\$ (122,273)
Capital Improvements	<u>704,876</u>	<u>3,236,795</u>	<u>(770,752)</u>
TOTAL	<u>\$ 4,584,310</u>	<u>\$ 7,193,035</u>	<u>\$ (893,025)</u>
Economic Development Initiatives Fund:			
State Operations	\$ 30,000	\$ 240,000	\$ (240,000)
Capital Improvements	<u>5,773,433</u>	<u>1,960,000</u>	<u>(960,000)</u>
TOTAL	<u>\$ 5,803,433</u>	<u>\$ 2,200,000</u>	<u>\$ (1,200,000)</u>
FTE Positions	422.3	418.0	(6.0)

Agency Request/Governor's Recommendation

Reorganization. The agency proposes a reorganization plan for FY 1990 which would merge some division functions. The State Park Operations, Fisheries, and Wildlife Divisions would be merged to create the Parks and Public Lands Division and the Fisheries and Wildlife Division. Some former park personnel will be transferred to the Law Enforcement Division, which will be responsible for enforcement of all agency laws and regulations. The Information and Education Division will receive primary responsibility for the regional office system from the Administration Division and be renamed the Education and Public Affairs Division. The agency is also implementing a system of five regions throughout the state.

State Operations. The agency requests an FY 1990 state operations budget of \$20,098,067, including \$3,879,434 from the State General Fund, \$30,000 from the Economic Development Initiatives Fund (EDIF), and \$16,188,633 from special revenue funds. The request includes increases of \$841,766 from the State General Fund, \$30,000 from the EDIF, and \$405,489 from other special revenue funds above the current year estimate. Major revisions from the current year estimate include \$437,466 for 20.3 new FTE positions, \$204,889 for reclassifications, \$50,000 of additional expenditure authority for unanticipated federal grants, and \$30,000 for a resort feasibility study. The Governor recommends an FY 1990 state operations budget of \$20,426,855, including \$3,956,240 from the State General Fund and \$240,000 from the EDIF. The FY 1990 recommendation reflects increases of \$810,265 from the State General Fund and \$526,513 from other funding sources from the current year recommendation of \$19,090,077. Major revisions

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from the current year recommendation include \$362,130 for 15.0 FTE new positions, \$163,030 for reclassifications, \$79,509 for implementation of Phase III, \$455,175 for salary increases, and \$254,280 for other operating expenses associated with the establishment of a Recreational Access program (\$137,710) and Wildlife Improvement Districts (\$116,570).

3. **Local Aid.** The agency estimates payment of \$237,900 in FY 1990 from the federal Land and Water Conservation Fund to local units of government to assist in the financing of recreational facilities, a decrease of \$262,100 from the current year estimate of \$500,000. The Governor concurs with the estimated expenditures for aid to local units of government.

Capital Improvements. The agency requests \$8,942,589 including \$704,876 from the State General Fund and \$5,773,433 from the EDIF for 34 capital improvement projects in FY 1990. EDIF financing is requested for phased development of Hillsdale State Park (\$1,000,000), Wetlands Acquisition (\$27,173), the start of reconstruction of Cheyenne Bottoms (\$1,500,000), Land Acquisition (\$215,000), Education Center Displays (\$200,000), Wildlife Improvement Associations (\$1,000,000), a Recreational Access program (\$1,500,000), campground development (\$156,260), and designs for a Wichita Education Center (\$175,000).

The Governor recommends \$6,678,834 including \$3,236,795 from the State General Fund and \$1,960,000 from the EDIF for 28 capital improvement projects in FY 1990. EDIF financing is recommended for Hillsdale State Park (\$1,000,000) and the Recreational Access program (\$960,000). State General Fund financing of \$2,696,800 is recommended for four of the projects requested from the EDIF, including Cheyenne Bottoms (\$1,500,000), campground development (\$156,260), Land Acquisition (\$215,000), and Wildlife Improvement Districts (\$825,540). The Governor does not recommend funding for a Wichita Education Center. Funding for Wetlands Acquisition is recommended from other special revenue funds. The Education Center displays are recommended as a State General Fund supplemental appropriation in the current year.

Senate Subcommittee Recommendation

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

1. Add \$111,788 (\$57,000 Fish and Game Fee fund and \$54,788 State General Fund) for the first phase of the renovation of the Pratt Wildlife Museum. The Subcommittee recommends that the agency develop a long-range renovation plan for the facility which examines the relative desirability of locating office space and expanding exhibit space. The Subcommittee recommends that the agency consult with the staff at the University of Kansas Museum of Natural History on the development of educational exhibits and displays.
2. The Subcommittee notes that the Wildlife and Parks Magazine has been operating at a deficit in recent years. The Subcommittee has been informed that the recent increase in subscription rates should restore the publication to self-sufficiency. The Subcommittee encourages the Department to maintain the magazine as a self-supporting project.
3. The Subcommittee recommends that the agency produce a summary of properties and amounts for which property taxes are paid. The Subcommittee is unaware of any other state agency that pays property

taxes and recommends that the House Subcommittee consider the legal basis and appropriateness of the agency paying property taxes. The Subcommittee recommends that the agency not enter into agreements in the future which require the payment of property taxes.

4. Delete \$2,200,000 and 7.0 FTE positions associated with the Recreational Access and Cooperative Wildlife Improvement District programs, pending the passage of H.B. 2367 which authorizes the programs. The Subcommittee recommends that the agency develop a scaled-down pilot plan to implement the programs in the event the substantive legislation is enacted and present that plan to the House Subcommittee.
5. The Subcommittee has reviewed the agency's program for the control of musk thistles and other noxious weeds and encourages the agency to continue aggressive efforts in noxious weed control. The Subcommittee recommends that the agency report to the House Subcommittee if additional resources are required for noxious weed control.
6. Add \$39,022 from the State General Fund for a Maintenance Conservation Worker position with associated other operating costs to work with inmate work crews at Cheney and Sand Hills State Parks.
7. Add \$45,025 (\$13,165 State General Fund and \$31,860 from special revenue funds) for technical adjustments to salaries and wages.
8. The Subcommittee notes that donations to the Chickadee Check-Off dropped from \$209,830 in FY 1987 to \$38,776 in FY 1988.
9. Add \$1,200,000 for park road construction, transferred from the State Highway Fund. The Subcommittee notes that the Governor recommended this amount in the budget for KDOT but that the House Committee has deleted that item from H.B. 2031.
10. The Subcommittee supports efforts to renovate Cheyenne Bottoms but directs that the agency have sufficient information from the engineering study before proceeding with any renovations which might be affected by the study results.
11. The Subcommittee recommends that the shift of \$24,515 from the Land and Water Fund to the Park Fee Fund for the Handicap Access program as per the Governor's technical amendment.
12. The Subcommittee recommends technical adjustments in the provisos of several special revenue funds regarding capital improvements to reflect the Governor's intent.
13. The Subcommittee notes with concern the declining balances in the agency's fee funds. The Subcommittee was informed that if current trends hold, the agency projects a deficit by FY 1994. The Subcommittee was informed that significant revenues are untapped due to current statutory exemptions. The Subcommittee recommends that the agency review fee policies and report to the 1990 Legislature on any required statutory changes.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's FY 1990 recommendation, with the following adjustment:

1. Change the format of the State General Fund appropriation to reflect separate line items for salaries and wages and other operating expenditures.

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>
All Funds:			
State Operations	\$ (330,413)	\$ 20,096,442	\$ (10,642)
Local Aid	--	237,900	--
Subtotal -- Operating	\$ (330,413)	\$ 20,334,342	\$ (10,642)
Capital Improvements	(473,752)	6,205,082	--
TOTAL	<u>\$ (804,165)</u>	<u>\$ 26,539,424</u>	<u>\$ (10,642)</u>
State General Fund:			
State Operations	\$ (122,273)	\$ 3,833,967	\$ (39,022)
Capital Improvements	(770,752)	2,466,043	--
TOTAL	<u>\$ (893,025)</u>	<u>\$ 6,300,010</u>	<u>\$ (39,022)</u>
Economic Development Initiatives Fund:			
State Operations	\$ (240,000)	\$ --	\$ --
Capital Improvements	(960,000)	1,000,000	--
TOTAL	<u>\$ (1,200,000)</u>	<u>\$ 1,000,000</u>	<u>\$ --</u>
FTE Positions	(6.0)	412.0	(1.0)

House Subcommittee Recommendation

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

1. Add \$28,380 from the Fish and Game Fee Fund to permit the pass through of federal funds for a study of Meadowlark populations. The Subcommittee notes that the agency has requested a Governor's budget amendment to allow the creation of a federal grant fund to permit the expenditure of federal grants without affecting the agency's operating budget. The Subcommittee expresses support for the creation of such a fund if a Governor's budget amendment is received.

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2. Delete \$39,022 from the State General Fund and 1.0 FTE position for the Maintenance Conservation Worker position which was added by the Senate.
3. Shift the funding source for \$1,200,000 in park road construction from the State Highway Fund to oil overcharge funds and add language to permit the reappropriation of any unexpended FY 1989 park roads funds.
4. Add the word "Wildlife" to the new Fish Restitution Fund to create the Fish and Wildlife Restitution Fund as requested by the agency. This new fund will allow for the pass-through of funds received by the agency for the replacement of fish or wildlife when restitution by a third party is ordered by the court.
5. The Subcommittee recommends that the Department review the properties on which property taxes are currently paid and report to the 1990 Legislature regarding any required statutory changes. The Subcommittee does not concur with the Senate Subcommittee's recommendation that the agency not enter into any agreements in the future which require the payment of property taxes. The House Subcommittee notes that payments in lieu of taxes may be appropriate in certain circumstances.



Representative Wanda Fuller
Subcommittee Chairperson



Representative Phil Kline



Representative Ken Francisco

Doug Martin

HOUSE BILL NO. _____

By Committee on Appropriations

AN ACT concerning property taxation; relating to the refund of taxes in certain cases; amending K.S.A. 1988 Supp. 79-1702 and repealing the existing section.

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

Section 1. K.S.A. 1988 Supp. 79-1702 is hereby amended to read as follows: 79-1702. (a) If any taxpayer or any municipality or taxing district shall have a grievance not remediable under the provisions of K.S.A. 79-1701 or 79-1701a, and amendments thereto, or which was remediable thereunder and reported to the proper official or officials within the time prescribed but which has not been remedied by such official or officials, such grievance may be presented to the state board of tax appeals and if it shall be satisfied from competent evidence produced that there is a real grievance, it may direct that the same be remedied either by canceling the tax, if uncollected, together with all penalties charged thereon, or if the tax has been paid, by ordering a refund of the amount found to have been unlawfully charged and collected.

(b) In all cases where property has been acquired by the state, a political subdivision or an institution exempt from general property taxation, the general property tax for all the years prior to 1975 that are unpaid on the taking effect of this act shall be canceled and abated upon proper application hereunder.

(c) In all cases where the identical property owned by any taxpayer has been assessed for the current tax year in more than one county in the state, the board is hereby given authority to determine which county is entitled to the assessment of the property and to charge legal taxes thereon, and if the taxes have been paid in a county not entitled thereto, the board is hereby empowered to direct the authorities of the county which has so

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unlawfully collected the taxes to refund the same to the taxpayer with all penalties charged thereon.

(d) No tax grievance shall be considered by the board of tax appeals unless the same is filed within three years from the date the tax would have become a lien on real estate, except that the board shall have the authority, upon a finding of excusable neglect or undue hardship, to waive the limitations period, and that in no event shall the board order a refund of taxes, pursuant to the authority granted herein, that extends back more than three years from the date of the most recent tax year ~~without the aggrieved person showing proof of a unanimous vote by the board of county commissioners recommending the same. Such vote shall be taken at a regularly scheduled meeting of the board of county commissioners and filed with the state board of tax appeals.~~

(e) In all cases where an error results in an understatement of values or taxes as a result of a mistake on the part of a county, the board of tax appeals, if it shall be satisfied from competent evidence produced that there is an understatement as a result of a clerical error, may order an additional assessment or tax bill, or both, to be issued so that the proper value of the property in question is reflected, except that, in no such case shall the taxpayer be assessed interest or penalties on any tax which may be assessed. No increase shall be ordered to correct such error that extends back more than two years from the date of the most recent tax year. If such error applies to property which has been sold or otherwise transferred subsequent to the time the error was made, no such additional assessment or tax bill shall be issued.

(f) Errors committed in the valuation and assessment process that are not specifically enumerated in K.S.A. 79-1701, and amendments thereto, shall be remediable only under the provisions of K.S.A. 79-2005, and amendments thereto.

Sec. 2. K.S.A. 1988 Supp. 79-1702 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

HOUSE BILL NO. _____

By Committee on Appropriations

AN ACT concerning property taxation; relating to collection in certain counties; making certain tax judgments dormant; amending K.S.A. 1988 Supp. 79-2017 and repealing the existing section.

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

Section 1. K.S.A. 1988 Supp. 79-2017 is hereby amended to read as follows: 79-2017. In Sedgwick, Johnson, Wyandotte and Shawnee counties, all taxes on personal property that remain due and unpaid on February 16 or July 1 shall be collected in the following manner:

(a) The county treasurer shall on or before March 25 send a notice by mail to the person, firm, unincorporated association, company or corporation to whom such taxes were assessed, and which remain unpaid on February 16 of any year, to its post office address as shown by the current tax roll.

(b) The county treasurer shall on or before July 27 send a notice by mail to the person, firm, unincorporated association, company or corporation to whom such taxes were assessed, and which remain unpaid on July 1 of any year, to its post office address as shown by the current tax roll.

(c) Failure to receive any such tax notice shall not relieve such person, firm, unincorporated association, company or corporation defaulting in payment of personal taxes from any interest and costs attached thereto. Such notice shall state the amount of personal tax charged against the party, and notify the party that the tax may be paid by paying the amount of the tax as assessed and interest the amount of which shall be computed in accordance with the provisions of K.S.A. 79-2004a and amendments thereto, on the delinquent tax.

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(d) The county treasurer is hereby authorized to accept payment of delinquent taxes in full without payment of the interest due upon such delinquent taxes if the amount of the interest due is less than \$1 and is further authorized to accept as payment in full, any interest payment in an amount not less than \$1 less than the full amount of the interest due.

(e) Should such taxes, due and unpaid on February 16 remain unpaid for a period of 25 days after the mailing of such notice, or taxes due and unpaid on July 1 remain unpaid for a period of 14 days after the mailing of such notice, the county treasurer shall forthwith issue a warrant under the treasurer's hand directed to the sheriff of the county, commanding the sheriff to levy the amount of such unpaid taxes and the amount of the interest thereon, together with the sheriff's fees for collecting the same, upon any personal property, tangible or intangible, of the person, firm, unincorporated association, company or corporation to whom such taxes were assessed.

(f) To allow the time necessary for preparation of such warrants, the county treasurer shall not receive any payment of delinquent personal property taxes or interest thereon, due and unpaid on February 16, during a period beginning the 26th day after mailing of notices and extending through the last regular business day of April in any year or any payment of such taxes or interest due and unpaid on July 1, during a period beginning the 15th day after mailing of such notices and extending through the regular business day of August 15 in any year. Such warrant shall be delivered to the sheriff by the county treasurer before the first regular business day in May and the 15th regular business day in August in each year.

(g) Upon receipt of such tax warrant, the sheriff shall proceed to collect such taxes the same as upon execution, except that where such taxes were levied and assessed pursuant to K.S.A. 79-329 through 79-334, and amendments thereto, they shall be collected as follows:

The sheriff shall cause notice to be given by registered mail

to the purchaser of the oil and gas from such lease of the amount of such delinquent taxes and the name of the person against whom they were assessed and from and after the receipt of such notice such purchaser shall not pay to the person owing the taxes any of the proceeds of the sale of any oil or gas from such lease, but shall pay them to the sheriff until the full amount of such taxes and costs are paid after which the purchaser may resume the payments for such oil or gas to such person, but this exception shall not prevent the levy of an execution and sale of the leasehold interest or the physical personal property on any such lease for the payment of delinquent taxes owed by the owner thereof.

~~The--~~sheriff (h) As soon as the sheriff collects the tax warrant, the sheriff shall make a return thereof and shall make a return of all tax warrants delivered to the sheriff on or before October 1 of the year following the year in which said the tax was levied. If the warrant so returned shows that the tax has been collected, the sheriff shall pay it to the county treasurer. If such return shows that such tax has not been collected, then the county treasurer shall file with the clerk of the district court of the treasurer's county an abstract of the total amount of unpaid taxes and interest due plus penalties and costs, accompanied by the last tax warrant. The clerk shall enter the total amount of the unpaid taxes in the appearance docket and note the entry in the general index. No fee shall be charged for either such entry. The total amount shall become a judgment in the same manner and to the same extent as any other judgment under the code of civil procedure and shall become a lien on real estate from and after the time of the filing thereof. A transcript of the judgment may be filed with the clerk of the district court in any other county and when it is entered in the manner provided above it shall become a lien upon real estate located in such county in the same manner as is provided in case of other judgments. No fee shall be made for making the entry. Execution, garnishment or other proceedings in aid of execution

may issue within the county or to any other county on the judgment in the same manner as on judgments under the code of civil procedure except that any real estate taken upon execution for the collection of such taxes shall be sold without appraisal. None of the exemptions provided for in the code of civil procedure shall apply to any such judgment but no such judgment secured for taxes on personal property shall be levied against a homestead.

(i) At the time of filing the abstract of the taxes, interest, penalties and costs and the last tax warrant with the clerk of the district court, the county treasurer shall serve notice, in writing, on the county counselor of such filing. It shall be the duty of the county counselor to commence such proceedings as are necessary for the collection of such judgment. If execution is not issued within five years from the date of the entry of any such judgment, or if five years shall have intervened between the date of the last execution issued on such judgment and the time of issuing another writ of execution thereon, such judgment shall become dormant, and shall cease to operate as a lien on the real estate of the delinquent taxpayer. Any such dormant judgment may be revived in like manner as dormant judgments under the code of civil procedure. Any such judgment uncollected after 20 years may be allowed to become dormant if the county commissioners determine, after consideration of all relevant facts, that it is not reasonable to expect that such judgment will be collected. By a majority vote, the board of county commissioners shall have the power to permit any delinquent property tax judgment to become dormant if the original amount of the judgment was in the amount of \$50 or less.

Sec. 2. K.S.A. 1988 Supp. 79-2017 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

HOUSE APPROPRIATIONS COMMITTEE

MARCH 20, 1989

Testimony on House Bill No. 2094 - AN ACT concerning the state conservation commission and conservation districts; amending K.S.A. 2-1907, as amended by section 29 of chapter 356 of the 1988 Session Laws of Kansas, and 2-1907c and K.S.A. 1988 Supp. 2-1907b and repealing the existing sections; also repealing 2-1905 and 2-1906.

I am Richard G. Jones, Executive Director of the Kansas Association of Conservation Districts.

The Association represents the 105 county conservation districts in Kansas. Conservation Districts provide assistance to landowners and operators for the protection and improvement of their soil, water, plant, and animal resources. Conservation Districts are governed by a five member board of supervisors made up of local landowners who serve without compensation.

At our 1988 and 1989 annual conventions, the conservation districts of Kansas adopted resolutions requesting the State Legislature change the Kansas State Conservation District Law. (Copies of the resolutions are attached.) The 1988 resolution called for changes that would clearly indicate that conservation districts could continue to spend district funds for conservation educational materials for use local schools, conservation awards for students participating in conservation educational programs, such as, conservation essays, limericks, and posters, student scholarships to conservation education camps and to support the national and state conservation associations. It also calls for them to be able to establish a capitol outlay fund for the purchase of conservation equipment, repair or remodeling of buildings, repair of existing

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equipment, etc. The 1989 resolution requests the State Legislature to increase its rate of matching funds to the State Conservation Commission beginning in the Fiscal year 1991 to a maximum of \$10,000 per county.

Conservation districts in Kansas carry out strong conservation education programs with the schools in their county. They have conservation essay, limerick, and poster contests for the lower grades and conservation speech contests for the high school students, and provide student scholarships to conservation camps. The present wording in the law is not clear as to whether conservation districts can spend district funds for certificates or prizes for participating students, or for scholarships. Those students who win their district speech contest are eligible to enter the area speech contest and the winners of the area contests go on to the state association meeting where the first and second place winners are awarded college scholarships. The other speech contestants are provided cash awards.

Many districts provide added services to their cooperators through the sales of grass seed, trees, drip irrigation supplies, and equipment rental, such as, notill drills, grass seeding drills, tree planters, etc. These services are provided by the district because in most cases the services are not available from other sources. Some have buildings to store such equipment and seed and a few even provide office space. Funds collected from these services need to be put into a district outlay fund for the purchase of new equipment needed to serve their cooperators, to maintain or repair existing equipment and to maintain or remodel existing buildings. All funds in this account would be spent for furthering conservation within the district.

Conservation districts are eligible to receive up to \$10,000 from the

county for operation of the district, secretary, rent, supplies, etc. The State matches the funds allocated by the county up to \$7,500. The conservation districts felt that the State should match the county funds dollar for dollar. That would require the Conservation District Law to be changed to allow the State to provide up to \$10,000 for matching county funds. Districts have felt the burden of increased cost of operations like all other agencies or businesses. Districts also understand the need to keep government spending under control and the need for a balanced budget; therefore if this request for additional matching funds is delaying the passage of this bill, we would recommend that House Bill No. 2094 be amended by removing the \$10,000 on line 273 and that the original wording of lines 272 and 273 be inserted.

The Kansas Association of Conservation Districts support House Bill No. 2094, with the proposed amendment, and urge your committee and the State Legislature to pass these needed district law changes.



State Conservation Commission

109 S.W. 9TH STREET, ROOM 300

TELEPHONE (913) 296-3600

TOPEKA, KANSAS 66612-1299

HOUSE COMMITTEE ON APPROPRIATIONS
HOUSE BILL NO. 2094
March 20, 1989

TESTIMONY BY:
KENNETH F. KERN
EXECUTIVE DIRECTOR

The State Conservation Commission provides administrative support to the 105 conservation districts through the Kansas Conservation District Law, K.S.A. 2-1901 through 2-1919. The original law was enacted in 1937 and has been amended several times.

Section 1, lines 32-34 of HB-2094 provides for the director of the Experiment Station and Cooperative Extension Service to have a designee at the Commission meetings.

Line 178-180 of Section 2 amends the voting procedures so that an election for a supervisor can be completed by acclamation when no more than one person is nominated for a position.

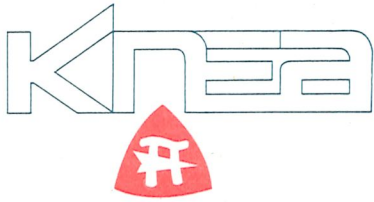
Section 3, line 254, provides for clarification of the expenditure of tax funds.

Line 273 of Section 3 amends the amount of state aid to match funds received by conservation districts from the county commissioners. The state match would be increased from \$7500 to \$10,000 per district.

New Section 5 is to provide authority for the conservation districts to set aside funds from existing sources in a capital outlay fund, to provide for building space, remodeling, purchases of equipment, etc., to carry out district activities and functions. All interest received on investment of funds shall be credited to the capital outlay fund. This would provide districts the means to accumulate funds for large expenditures, such as: Grass drills, Survey equipment, Computer terminals, etc.

Thank you for the opportunity to explain the State Conservation Commission viewpoints on HB-2094. We urge your favorable consideration of the provisions.

HA
3-20-89
Attachment 12



Craig Grant Testimony Before The
House Appropriations Committee
Monday, March 20, 1989

Thank you, Mr. Chairman. I am Craig Grant and I represent Kansas-NEA. I appreciate this opportunity to visit about HB 2403.

Kansas-NEA believes that the dollar limitation as described in lines 62 through lines 70 is the preferred method rather than the 30 day limitation which was passed last year. We had hoped to put in \$7500 rather than \$6000, but the reinstatement of "substitute teachers" in line 84 eases our concern. Our worry was that with some districts paying \$70 to \$75 a day for substitutes and the amount increasing, districts could reach the \$6,000 mark quickly and lose the retired teacher as a possible substitute, which would take away a valuable resource to the district.

Kansas-NEA supports the changes in figuring limitations on work after retirement which are included in HB 2403. We would also request that you keep "substitute teacher" in the bill as an exception. Thank you for listening to our concerns.

HA
3-20-89
Attachment 13



"Service to County Government"

212 S. W. 7th Street
Topeka, Kansas 66603
(913) 233-2271
FAX (913) 233-4830

EXECUTIVE BOARD

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Winifred Kingman
Shawnee County Commissioner
200 S.E. 7th St. - Room 205
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(913) 272-8948

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Thomas "Tom" Pickford, P.E.
Shawnee County Engineer
(913) 291-4132

Dixie Rose
Butler County Register of Deeds
(316) 321-5750

NACo Representative
Joe McClure
Wabaunsee County Commissioner
(913) 499-5284

Executive Director
John T. Torbert

Testimony

March 20, 1989

To: House Appropriations Committee

From: John T. Torbert, Executive Director

Subject: House Bill 2403

The Kansas Association of Counties is in support of HB 2403 as amended. I've received contacts from several counties indicating that they employ retired county employees on an as needed basis. A specific example is that retired road crew workers will be used during the winter months for snow removal on county roads. The workers know the terrain and the equipment and can step into the position with no training or orientation being necessary. This saves the county and the taxpayers money. The county gets the benefit of a seasoned trained employee without the expense of having to add additional full time workers to their payroll or training part-time workers. Last year's legislation which essentially prohibited this sort of arrangement by the punitive manner in which it handled retirement benefits was no doubt well intentioned but simply went too far.

We urge the committee to recommend this legislation favorably for passage.

TSJHAPP

HA
3-20-89
Attachment 14

KANSAS
ASSOCIATION



OF
SCHOOL
BOARDS

5401 S. W. 7th Avenue Topeka, Kansas 66606
913-273-3600

Testimony on HB 2403 before the House Appropriations Committee

by

Bill Curtis, Assistant Executive Director
Kansas Association of School Boards

March 20, 1989

Mr. Chairman and members of the committee, we appreciate the opportunity to testify today on behalf of the members of the Kansas Association of School Boards. Normally KASB does not testify on retirement issues as school boards do not contribute to KPERS. However, in the instance of HB 2403, our members have indicated support for the bill.

During the past several years, school districts have sought retired administrators as interim superintendents when their district lost their superintendent through a late resignation, illness or death. This bill would permit a retirant to take such a position without jeopardizing their retirement status.

We urge your favorable consideration for HB 2403 and thank you for listening to our testimony.

HA
3-20-89
Attachment 15



HB 2403

Testimony presented before the House Committee on
Appropriations
by Gerald W. Henderson, Executive Director
United School Administrators of Kansas

March 20, 1989

Mister Chairman and members of the committee:

United School Administrators of Kansas supports HB 2403. We are pleased to see a proposed modification of the 1988 legislation which greatly limited employment of KPERS retirants. Any retirant who now works for a KPERS affiliated employer is limited to 30 days annual employment. Employment beyond 30 days makes it necessary for the employer to pay the employees KPERS benefits.

We support the change to a maximum annual salary of \$6,000 for a retirant who returns to the employment of his KPERS affiliate employer of the two years immediately preceding retirement. This should allow food service, custodial or secretarial personnel an opportunity to work part-time after retirement. Since their final average salary and retirement benefits might be lower than professional staff, being able to augment their retirement income seems logical.

Allowing retirants to accept employment without restriction if not with the employer of the 2 years previous to retirement also makes a great deal of sense. Most superintendents or principals I know have no desire to move to another community and continue in school administration. Some would probably accept a part-term emergency administrative assignment for a district who had lost an administrator. Temporary employment by a Community College, The State Department of Education or other KPERS affiliated employers could be of mutual benefit. HB 2403 would provide that opportunity.

United School Administrators of Kansas strongly support your favorable consideration of HB 2403.

GWH/ed

HA
3-20-89
Attachment 16



HB 2405

Testimony presented before the House Committee on
Appropriations
by Gerald W. Henderson, Executive Director
United School Administrators of Kansas

March 15, 1989

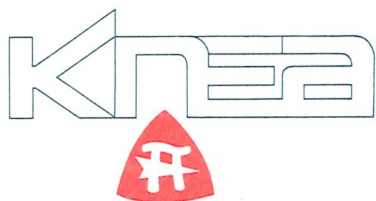
Mister Chairman and members of the committee:

The United School Administrators of Kansas supports HB 2405. Currently members of KPERS are able to purchase Accidental and Term Life Insurance up to \$100,000 per member. This provides optional coverage of \$200,000 coverage for members of all ages.

The option to increase this maximum coverage to \$200,000 per member could be an added incentive for some school district personnel to remain in their current employment. United School Administrators of Kansas supports HB 2405.

GWH/ed

HA
3-20-89
Attachment 17



Craig Grant Testimony Before The
House Appropriations Committee
Wednesday, March 15, 1989

Thank you, Mr. Chairman. I am Craig Grant and I represent Kansas-NEA. I appreciate this opportunity to visit with the committee about HB 2410.

Kansas-NEA supports HB 2410 as we then can have consistency in the way salaries are reported. With many of our teacher groups participating in section 125 plans, we have had problems with the method that wages are reported by the district offices. If the 125 money used for insurance is not counted, many of our teachers near retirement are tempted to take cash rather than insurance to get a higher average salary on which to figure retirement. This means often they are unprotected in the insurance areas, an undesirable situation.

Kansas-NEA supports the change in HB 2410 as one which standardizes our method of reporting wages. Thank you for listening to our concerns.



HB 2410

Testimony presented before the House Committee on
Appropriations
by Gerald W. Henderson, Executive Director
United School Administrators

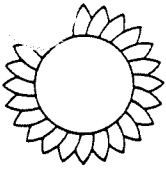
March 15, 1989

Mister Chairman and members of the committee:

The United School Administrators of Kansas supports HB 2410. Since the 4% contribution to KPERS includes all income under 403B, 457, and 125 of the federal revenue code of 1986, it is only logical that compensation received as salary through these plans should be included in considering final average salary for retirement purposes.

GWH/ed

HA
3-20-89
Attachment 19



Johnson County
Kansas

March 15, 1989

TO: William Buntten, Chairman
House Appropriations Committee

FROM: Richard B. Chesney, Deputy County Administrator
Johnson County Board of County Commissioners

RE: House Bill No. 2410

Paragraph 9 of Section 1 of this bill provides for the inclusion of Section 125 benefit cost in compensation for the calculation of KPERS contributions. Johnson County opposes this for the following reasons:

1. For the first time the employer expense for health care benefits will be included in compensation for KPERS calculations.
2. This provision is discriminatory in that it does not treat health care cost in non-Section 125 plans as compensation subject to KPERS contribution.
3. The County's cost of this provision based on 1989 KPERS employer rate of 2% is \$49,970; this will increase with increases in health insurance premiums and KPERS contribution rates which is scheduled to increase 30% to 2.6% in 1990.
4. The increased cost to the employee is \$99,940 at current rates. This will also increase with increases in insurance premiums.
5. KPERS' representatives have said that this provision is necessary because employees will elect cash options in their last four years of employment so as to increase their final average salary. There is no evidence our employees are doing so. Less than 2% of our employees in the age group 55-65 select a cash option. We believe a proper answer to this concern is to prohibit the inclusion of Section 125 cash options as compensation.

Thank you for your interest and consideration of our position. The Johnson County Commission urges the Committee to vote against House Bill No. 2410.

Sincerely,

Richard B. Chesney
Richard B. Chesney HA
Deputy County Administrator

RBC:dlt

3-20-89