

Approved 3-2-90  
Date

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by Bill Bunten at  
Chairperson

1:30 ~~am~~/p.m. on February 6, 1990 in room 514-S of the Capitol.

All members were present except: Representatives Hoy, Helgerson and Hensley  
(all excused)

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

Conferees appearing before the committee:

Representative Dick Eckert  
Representative Elizabeth Baker  
Lt. Col. Stanley Smith, President, National Guard Association  
of Kansas  
Major Henry Martin, National Guard Education Service Officer  
Sam Brownback, Secretary, Department of Agriculture  
Gary Hulett, Governor's Special Assistant for Health and  
Environment  
Joe Harkins, Kansas Water Office

Others attending: See attached list.

Chairman Bunten announced the FY 1991 Budget Analysis by the research department has been provided for each member as subcommittee work begins.

Chairman Bunten requested introduction of the Governor's spending lid bill and provided each member a draft and explanation of the bill (Attachments 1 and 2). Representative Heinemann moved introduction of the bill. Representative Chronister seconded. Motion carried.

HB 2708 - Tuition reduction for Kansas national guard at state educational institutions.

Representative Dick Eckert advised that he feels HB 2708 addresses the problem of keeping the Kansas National Guard at adequate strength. The bill provides for a 50 percent tuition waiver for eligible members of the Kansas National Guard who enroll at institutions under the jurisdiction of the State Board of Regents. The program is to be administered by the Board of Regents which is required to publicize the program and adopt rules and regulations.

Representative Elizabeth Baker appeared in support of HB 2708.

Lt. Col. Stanley Smith, President, National Guard Association of Kansas, advised that his Association is made up of officers from both the Army and Air National Guard in Kansas. He testified in support of HB 2708 stating that the Department of Defense recently adopted requirements that personnel maintain educational standards for military service. This bill would provide guardmembers an opportunity to obtain the needed education.

Major Henry Martin, National Guard Education Service Officer, appeared in support of HB 2708 and provided written testimony (Attachment 3). He stated all National Guard members have certain educational requirements. In his testimony, Major Martin estimated

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MINUTES OF THE House COMMITTEE ON Appropriations,  
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the number of participants in the program and projected the cost to the state for one year of guardmembers attending a four-year institution, a two-year junior college, and a vocational school. Major Martin stated the fact that the bill only includes Regents' Institutions is an oversight.

HB 2650 - Authority of the board of agriculture; creating the agriculture statistics fund.

Sam Brownback, Secretary of Agriculture, introduced to the Committee T. J. Byram, State Statistician for the Kansas Board of Agriculture. Secretary Brownback testified in support of HB 2650 stating the bill would give the Board of Agriculture the authority to conduct statistical surveys and studies for other state agencies, the federal government, educational institutions, or other groups and individuals (Attachment 4). The bill also establishes a no-limit Special Revenue Fund in which fees for special statistical projects could be deposited and spent.

Mr. Byram noted the goal of the bill is to allow the Board of Agriculture to gain reimbursement for out-of-pocket expenses so they can respond to requests for studies from governmental agencies and not-for-profit organizations.

Gary Hulett, Governor's Special Assistant for Health and Environment, provided an overview of the Governor's water plan recommendations for FY 1991 including initial funding for the development of a Kansas Geographic Information System (GIS) (Attachment 5). Mr. Hulett distributed a booklet outlining Governor Hayden's recommendations to implement the State Water Plan for FY 1991 compiled by the Kansas Water Office (Attachment 6) and a description of the "Kansas GIS Initiative" (Attachment 7). The Governor has recommended \$574,229 State General Fund in addition to his recommendations from the State Water Plan Fund to improve the state's ability to monitor and analyze water quality through development of GIS.

Joe Harkins, Kansas Water Office, testified that use of GIS technology is widespread in state and federal agencies, especially those dealing with natural resources. To control this technology and coordinate GIS development, the Governor appointed a GIS Policy Board. The approximately \$500,000 funding in the Department of Administration requested for FY91 is to be applied to priority GIS database development. Mr. Harkins emphasized that this is an organized and focused effort to make the best use of state funds. In response to a question on cost, Mr. Harkins stated he believes the funding requested for FY91 will be an ongoing cost.

HB 2616 - Appropriations for FY91, occupational and health professions licensing agencies and financial regulatory agencies.

**CONSUMER CREDIT COMMISSIONER**

Representative Barbara Lawrence reviewed the subcommittee report (Attachment 8). Representative Mead moved adoption of the subcommittee report for FY90 and FY91. Representative Wisdom seconded. Motion carried.

**BOARD OF ACCOUNTANCY**

Representative Barbara Lawrence reviewed the subcommittee report (Attachment 9). Representative Wisdom moved adoption of the subcommittee report for FY90 and FY91. Representative Moomaw seconded. Motion carried.

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**STATE DEPARTMENT OF CREDIT UNIONS**

Representative Alex Scott reviewed the subcommittee report (Attachment 10). The Subcommittee added \$36,711 for a new Financial Examiner IV position to accomplish national certification of the agency. Representative Pottorff moved adoption of the subcommittee report for FY90 and FY91. Representative Wisdom seconded. Motion carried.

**STATE BOARD OF VETERINARY EXAMINERS**

Representative Alex Scott reviewed the subcommittee report (Attachment 11). The Subcommittee concurs with the Governor's recommendations for FY 90 and FY91. Representative Hamm moved adoption of the subcommittee report. Representative Kline seconded. Motion carried.

**SAVINGS AND LOAN DEPARTMENT**

Representative Katha Hurt reviewed the subcommittee report (Attachment 12). The Subcommittee concurred with the Governor's recommendations for FY90 and FY91. Representative Fuller moved adoption of the subcommittee report. Representative Francisco seconded. Motion carried.

**BOARD OF COSMETOLOGY**

Representative Katha Hurt reviewed the subcommittee report (Attachment 13). The Subcommittee added funds for travel to allow the Board additional meetings to give examinations. Staff advised there are 1,000 new cosmetologists per year who must receive the examination. Representative Vancrum moved adoption of the FY90 and FY91 subcommittee report. Representative Turnquist seconded. Motion carried.

**STATE BANK COMMISSIONER**

Representative Ellen Samuelson reviewed the subcommittee report (Attachment 14). The Subcommittee concurs with the Governor's recommendations for FY90 and FY91. Representative Turnquist moved adoption of the subcommittee report. Representative Pottorff seconded. Motion carried.

**ABSTRACTERS BOARD OF EXAMINERS**

Representative Al Lane reviewed the subcommittee report (Attachment 15). Representative Lane noted the Board Secretary would like to see an \$8,000 ending fund balance and is concerned about the estimated \$7,495 ending balance for FY91. Representative Brady moved adoption of the subcommittee report. Representative Moomaw seconded. Motion carried.

Chairman Buntin announced the fee agency budgets will be completed at the next meeting on Thursday, February 8. The meeting was adjourned at 3:40 p.m.





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marked

BILL NO. \_\_\_\_\_

AN ACT concerning state finances; prescribing certain restrictions and limitations on authorized expenditures and transfers from the state general fund; establishing a state cash operating reserve fund and a state capital improvements reserve fund; providing for revenue estimates and imposing restrictions regarding bills appropriating or transferring moneys from the state general fund.

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

Section 1. (a) On or before each December 1 and on or before the 85th calendar day of each regular session, the director of the budget and the director of the legislative research department shall prepare a joint estimate of revenue to the state general fund for the current fiscal year and the ensuing fiscal year.

(b) If prior to final adjournment of any regular session of the legislature any law is enacted providing for additional or less revenues to be deposited in the state treasury to the credit of the state general fund, the director of the budget and the director of the legislative research department shall prepare a joint estimate of such revenues.

(c) In the event of a disagreement or failure to agree upon a joint estimate of revenue pursuant to subsection (a) or (b), the legislature shall utilize the estimates of the director of the legislative research department and the governor shall utilize the estimates of the director of the budget.

Sec. 2. (a) The last appropriation bill passed in any regular session of the legislature shall be the omnibus reconciliation spending limit bill. Each bill which is passed during a regular session of the legislature and which

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appropriates or transfers money from the state general fund for the ensuing fiscal year shall contain a provision that such bill shall take effect and be in force from and after the effective date of the omnibus reconciliation spending limit bill for that regular session of the legislature or from and after such effective date and a subsequent date or an event occurring after such effective date.

(b) The total amount of expenditures and demand transfers from the state general fund that may be authorized by act of the legislature during a regular session of the legislature for the ensuing fiscal year or prescribed by statute for such fiscal year shall be subject to the following limitation:

(1) During the 1991 regular session of the legislature, the maximum amount authorized to be expended or transferred by demand transfer from the state general fund for the ensuing fiscal year 1992 is hereby fixed so that there will be an ending balance in the state general fund for such fiscal year that is equal to 2.5% or more of the total amount authorized to be expended or transferred by demand transfer from the state general fund in such fiscal year, but excluding any amount transferred to the state cash operating reserve fund under section 4; and

(2) for fiscal year 1993 and each fiscal year thereafter, the maximum amount authorized to be expended or transferred by demand transfer from the state general fund is hereby fixed so that there will be an ending balance in the state general fund for such fiscal year that is equal to 5% or more of the total amount authorized to be expended or transferred by demand transfer from the state general fund in such fiscal year, but excluding any amount to be transferred to the state cash operating reserve fund under section 4.

Sec. 3. If the total amount of authorized expenditures and demand transfers from the state general fund for the ensuing fiscal year exceeds the limitation imposed by section 2, the omnibus reconciliation spending limit bill shall require the affirmative vote of 2/3 of the members of each house of the

legislature for passage. When such limitation is exceeded for a fiscal year and such bill fails to receive the affirmative vote of 2/3 of the members of each house of the legislature, the legislature shall prepare a new omnibus reconciliation spending limit bill which reduces the amount of authorized expenditures and demand transfers from the state general fund so as to make the total amount of authorized expenditures and demand transfers from the state general fund equal to or less than the limitation for that fiscal year.

Sec. 4. (a) The state cash operating reserve fund is hereby established in the state treasury. The state cash operating reserve fund shall be administered by the director of the budget in accordance with the provisions of this section.

(b) On July 1, 1990, the director of accounts and reports shall transfer from the state general fund to the state cash operating reserve fund the amount equal to 5% of the amount of expenditures and demand transfers from the state general fund authorized by act of the legislature for fiscal year 1991 or prescribed by statute for such fiscal year, as certified by the director of the budget. Commencing with the 1991 regular session of the legislature, the legislature shall include in the omnibus reconciliation spending limit bill each year provisions to transfer moneys from the state general fund to the state cash operating reserve fund on the first day of the ensuing fiscal year in an amount equal to not less than 5% of the total authorized expenditures and demand transfers from the state general fund for such fiscal year, but excluding the amount transferred to the state cash operating reserve fund under this section.

(c) Commencing with fiscal year 1991, whenever any bill provides in the current fiscal year for supplemental appropriations or additional demand transfers from the state general fund which have not previously been accounted for in transfers to the state cash operating reserve fund in accordance with subsection (b), the bill containing any such supplemental

appropriation or authorizing any such additional demand transfer from the state general fund also shall contain provisions for a transfer from the state general fund to the state cash operating reserve fund in an amount equal to 5% of the total amount of all such supplemental appropriations and additional demand transfers. In any case where current year appropriations or demand transfers from the state general fund are reduced by act of the legislature, the legislature may decrease balances in the state cash operating reserve fund by transferring from the state cash operating reserve fund to the state general fund an amount equal to not more than 5% of the total amount of such reductions.

(d) During any fiscal year, the director of the budget shall request the director of accounts and reports to transfer amounts from the state cash operating reserve fund to the state general fund whenever the director of the budget determines that the amount of money credited to and available in the state general fund is insufficient to satisfy the cash operating requirements of projected expenditures and demand transfers authorized or prescribed by law for such fiscal year. Upon receipt of any such request, the director of accounts and reports shall transfer the amount or amounts specified in such request from the state cash operating reserve fund to the state general fund on the date or dates specified in such request.

(e) On June 30 of each fiscal year, the director of accounts and reports shall transfer all moneys in the state cash operating reserve fund to the state general fund.

(f) All moneys credited to the state cash operating reserve fund shall be used to assist in meeting the cash flow demands of the state general fund in accordance with this section.

(g) The provisions of this section shall not be subject to the provisions of appropriations acts.

Sec. 5. (a) The state capital improvements reserve fund is hereby established in the state treasury. Commencing in fiscal year 1991, whenever the amount of the ending balance in the state general fund on June 30 of any fiscal year is greater than the

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amount equal to 7% of the total amount of authorized expenditures and demand transfers from the state general fund for such fiscal year, but excluding any amount transferred to the state cash operating reserve fund under section 4, the director of accounts and reports, in the first 60 days of the ensuing fiscal year, shall transfer from the state general fund to the state capital improvements reserve fund the amount by which the amount of the ending balance in the state general fund exceeds the amount equal to 7% of the total amount of authorized expenditures and demand transfers from the state general fund for such fiscal year, but excluding any amount transferred to the state cash operating reserve fund under section 4.

(b) Moneys in the state capital improvements fund may be appropriated for capital improvements and are not subject to the limitation established pursuant to this act.

Sec. 6. This act shall take effect and be in force from and after its publication in the statute book.

## Governor's Spending Lid Proposal

--The Governor's proposal requires that the budget be based upon the consensus revenue estimate prepared jointly by the Director of Legislative Research and the Director of the Budget. Revised revenue estimates during the Legislative Session would be prepared by joint memorandum on the 85th legislative day.

--The Governor proposes that a State Operating Reserve Fund be established on July 1, 1990, and an amount equal to five percent of FY 1991 expenditures be transferred to that fund from the State General Fund.

--The Director of the Budget would have the authority to require transfers be made from the Cash Operating Reserve Fund to the State General Fund as necessary during a given fiscal year to meet the obligations of the State General Fund during the course of the year. Monies remaining in the Cash Operating Reserve Fund would be lapsed at the end of the fiscal year.

--Each fiscal year subsequent to FY 1991 a transfer of five percent would be made to the Cash Operating Reserve Fund at the beginning of the fiscal year. In addition, the Governor recommends State General Fund balances of an additional 2.5 percent in FY 1992 and 5.0 percent in FY 1993.

--No appropriation bill could take effect without passage of an Omnibus Reconciliation Bill. If appropriation bills during a session would appropriate amounts that would reduce balances below 5.0 percent of estimated expenditures, the Omnibus Reconciliation Bill would be used to adjust appropriation bills to meet the balance requirement.

--The State General Fund balance could contain an additional 2.0 percent for a total of 7.0 percent above the limit. Amounts above 7.0 percent would be transferred to a Capital Improvement Reserve Fund to be utilized in subsequent fiscal years for capital improvements.

--Use of balances above the level of the Cash Operating Reserve Fund to finance budgets during a fiscal year could be accomplished only by a 2/3 vote of each house.

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Attachment 2



**TESTIMONY FOR HOUSE BILL 2708**

**Presented by**

**MAJOR HENRY M. MARTIN, JR.  
NATIONAL GUARD EDUCATION SERVICE OFFICER**

**and**

**LTC STANLEY L. SMITH  
PRESIDENT**



**THE NATIONAL GUARD ASSOCIATION  
OF KANSAS**

**February 6, 1990**

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Attachment 3*

**LEGISLATIVE SUMMARY**  
**HOUSE BILL 2708**

**SUBJECT:** Tuition Waiver for Kansas National Guardmembers Attending State Operated Schools

**INTRODUCTION:**

The Adjutant General of Kansas is in the civilian education business primarily for the purpose of recruiting and retaining soldiers. Trends through the year 2000 concerning our target audience of soldiers indicate an increasing importance for educational incentives and benefits. The kind of educational preparation needed to keep Kansas competitive, and prepare individuals for entry into our work force, is now undergoing a major metamorphosis.

Future jobs will require more education. Today it takes an average of 12.8 years of schooling to get hired. That will grow to 13.5 years by the year 2000, based on a study by the Hudson Institute. To put it another way 22% of current jobs require four or more years of college. By the turn of the century it will be 30%. By then, only 35% of the jobs will be open to high school graduates.

**FISCAL IMPACTS:**

The Kansas National Guard has a total force of approximately 10,700 soldiers. A total of 8154 Army and Air Guardmembers do not have a college degree. Assuming through this legislative incentive that 19% of the eligible participants (1549 Guardmembers) will use this program in any fiscal year; and if they attended the most expensive four year state university, the cost would be \$578 times 1549 potential students per school year. This equates to \$895,322 per state fiscal year.

Our figures indicate that of the estimated 1549 participants in the program, 651 Guardmembers would attend a four year institution at a cost of \$376,278. Approximately 527 Guardmembers would attend a two year junior college at a cost of \$171,275 per year. A total of 371 Guardmembers would attend a state vocational school at a cost of \$102,025. If 1549 Guardmembers participated in the tuition program per year, it would cost approximately \$649,578.

**BENEFITS OF STATE TUITION WAIVER:**

The benefits of this proposal are:

a. Reduce unemployment rates, especially for young workers and reduce the "brain drain" from Kansas.

b. Increased Federal funding to the State of Kansas. As an example, the Kansas National Guard is currently short 642 personnel of their 100% authorization. Assuming through this legislative incentive we would recruit 642 personnel, and they would enroll in one of the State universities, community colleges or vocational technical schools, the following Federal economic impact would be realized:

\$1260	(Montgomery GI Bill)
x 1549	(potential student enrollment)
<hr/>	
\$1,951,740	(potential Federal tuition assistance \$ per year)
\$1750	(National Guard Pay/annual training per year)
x 642	(new accessions to KSNG)
<hr/>	
\$1,123,500	(potential new income generated per year)
\$1,951,740	
+ 1,123,500	
<hr/>	
\$3,075,240	(potential revenue generated to the state per year)

c. Provides enlistment incentives to man the current Army and Air National Guard force in Kansas. Develops an alliance between the Kansas National Guard and the academic community to convince high school graduates to stay in the local area, attend a postsecondary institution, and join the National Guard.

**SUMMARY:**

Everyone would be a winner in this program. The state receives increased federal revenues. The Kansas National Guard could fill its vacancies and retain the current force structure. The schools benefit from increased enrollment and funding through enrollment. The Guardmembers in Kansas increase their knowledge and can qualify for better jobs in Kansas.

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**NATIONAL GUARD TUITION ASSISTANCE BY STATE**  
(State Schools)

<b>STATE</b>	<b>AMOUNT</b>	<b>LIMITATIONS</b>
Alabama	100%	Up to \$1,000 graduate and undergraduate
Alaska	50%	Up to \$750 active and retired members
Arizona		Up to \$250/year
Colorado	75%	
Connecticut	100%	
Delaware	75%	Up to \$1,000/year reimbursed - 90% Drill attendance
Hawaii	100%	Enlisted, Warrant & Jr. Officer
Illinois	100%	Enlisted, Warrant & Jr. Officer - after 1 yr. service
Kentucky	50%	Up to \$250/semester
Louisiana	100%	
Massachusetts	100%	
Minnesota	50%	Up to \$500/semester
Mississippi		Up to \$500/semester
Nebraska	75%	
Nevada	50%	
North Carolina		Up to \$500/year
North Dakota		State pays 50%, school waives 25%
Ohio	100%	
Rhode Island	\$500/year	
South Carolina		Up to \$500/year
South Dakota	50%	
Virginia	50%	Up to \$1,000/yr.
West Virginia	100%	
Wisconsin	50%	Non-prior service Guard members not eligible for GI Bill
Wyoming	50%	

**TESTIMONY BEFORE**

**THE**

**HOUSE COMMITTEE ON APPROPRIATIONS**

**ON**

**HOUSE BILL NO. 2650**

**BY**

**SAM BROWNBACK  
SECRETARY OF AGRICULTURE**

6 February 1990

*HA  
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Attachment 4*

Thank you Chairman Buntten for the opportunity to appear before your Appropriations Committee relative to House Bill 2650. Prior to my explanation of the need for this legislation I would like to introduce Mr. T. J. Bryam, our new State Statistician. T. J. is replacing Mr. Moe Johnson who retired last fall. The subject of HB 2650 greatly facilitates the work flexibility of T. J. Bryam and the Board's Statistical Division.

HB 2650 was requested for introduction by the Kansas State Board of Agriculture. This bill would establish a **no-limit** Special Revenue Fund in which fees for special statistical projects could be deposited and spent. This **no-limit** fund would allow the State Board of Agriculture's Statistical Division the flexibility to respond to the statistical needs of Kansas agriculture in a timely fashion when such statistical data is needed.

The Statistics Division of the State Board of Agriculture has the capability to provide information services to the Kansas agricultural community. However, with limited means of reimbursement for these services it is possible to respond to only a few of the requests. Listed below are examples of special surveys conducted by the Statistics Division in recent years.

Livestock Grazing Survey	1986	KSU Extension Service
Food Processor Survey	1988	KSBA Marketing Division
Commercial Elevator Survey	1989	KSU Extension Service
Farm Opinion Survey	1989	KSU Extension Service
Farm Policy Survey	1989	KSU Extension Service

Due to current restrictions on the transfer of funds from private and state entities, reimbursement for out-of-pocket expenses on these surveys was met through payment in kind to Kansas Agricultural Statistics. Payment was normally made with paper and other printing supplies. This arrangement results in Kansas Agricultural Statistics absorbing costs such as computer time, data collection expenses, and equipment overhead.

We have been unable to respond fully to other requests such as the assessment of drought conditions during the last two years. In February 1989, during the height of last year's dry spell, a major Kansas farm organization requested weekly surveys to monitor the effects of the drought on agriculture. Because of fund transfer problems, we opted for a less effective alternative that required no out-of-pocket expenditures.

Streamlining the fund transfer mechanism through this **No Limit Fee Fund** will allow the Statistics Division to better meet the data needs of Kansas agriculture as it strives to meet the challenges of the 90's.

STATE OF KANSAS



OFFICE OF THE GOVERNOR

State Capitol  
Topeka 66612-1590

(913) 296-3232  
1-800-432-2487  
TDD# 1-800-992-0152  
FAX# (913) 296-7973

Mike Hayden Governor

6 FEBRUARY 1990  
TESTIMONY PRESENTED TO  
HOUSE APPROPRIATIONS COMMITTEE

STATE WATER PLAN BUDGET OVERVIEW

As we enter the 1990's, it is obvious that there are renewed environmental concerns throughout Kansas and across the nation. Three years ago the Governor began a major effort to protect and conserve the natural resources of Kansas and with cooperation and support from the Legislature considerable progress has been made.

However, we still face major challenges in the conservation of water and other natural resources, in the clean-up of contamination and in the prevention of additional pollution. To meet these challenges and to insure that we leave an adequate legacy for future Kansans, it is essential that we continue the efforts that have been started.

Several initiatives have been undertaken during the last three years to more effectively manage our natural resources. Many of these focus on water, which is without question, the most critical resource in our state. The most significant action was legislation that provided a permanent and dedicated source of funding for the implementation of the Kansas Water Plan.

For the first time in the state's history funding is available for implementing projects and programs that had previously only been described in the State Water Plan. Although the Water Plan was established in 1983, it had been, for all practical purposes, unfunded until the Governor recommended and the Legislature approved more than \$4 million

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for State Water Plan implementation in FY 1989. Again, in FY 1990, the Governor recommended nearly \$10.5 million for Water Plan projects, including \$6.1 million from the State General Fund and \$3.05 million from EDIF. The Governor further identified additional Water Plan projects, which he would recommend, if the Legislature established a long-term source of funding, which it did with the passage of SB 398. The total funding for Water Plan projects in FY 1990 is \$15,530,200 million.

Water plan projects and programs supported by these FY 1990 appropriations included:

- o Environmental protection grants to counties;
- o Development of a non-point source pollution control program,
- o Clean-up efforts on contaminated sites in the state;
- o Major enhancements of land-treatment programs; and
- o Restoration projects at Cheyenne Bottoms.

The Governor is committed to continuing the progress that has been made in the implementation of the Kansas Water Plan and is recommending a \$16.5 million Water Plan package for FY 1991, including \$15,090,423 from the State Water Plan Fund.

Specific recommendations for FY 1991 include:

- o Continued funding for preventive land treatments through the State Conservation Commission;
- o Increased water conservation planning and coordination through the Division of Water Resources;
- o The construction of multi-purpose small lakes at Banner Creek, in Jackson County, and Bone Creek, in Crawford and Cherokee counties;
- o Continued funding of the Local Environmental Protection Grants program;
- o Continued grants to local Conservation Districts for non-point-source pollution control;
- o Continued funding for remediation of contaminated sites in the State;
- o Continued development of Hillsdale Reservoir in Miami County;
- o Continued renovation of Cheyenne Bottoms; and

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- o Several research projects that will provide a better understanding of the quality and quantity of our water resources, particularly in the area of stream-aquifer interactions.

The Governor's water plan recommendations for FY 1991 include initial funding for the development of a Kansas Geographic Information System (GIS). The Governor appointed a GIS Policy Board in 1989, which has made recommendations for inter-agency coordination and geographic database acquisitions for FY 1991. This information management system is essential if the state is to be able to store, retrieve, analyze and share information on water resources. Information management will improve decision-making on the management of water in the state and will permit Kansas to avoid costly remedial efforts in the future.

In addition to his recommendations from the State Water Plan Fund, the Governor is recommending \$574,229 from the State General Fund to improve the state's ability to monitor and analyze water quality. Accurate and timely information on the quality of our surface and ground water is important, not only from a health standpoint, but also for the evaluation of the effectiveness of the prevention and remediation programs.

The Governor's FY 1991 Water Plan recommendations are the result of an intensive interagency process involving the Kansas Water Authority, Basin Advisory Committees and the State water resource agencies. The original request from the Kansas Water Authority listed about \$27 million in water projects for FY 1991. The Governor identified \$16,498,831 in priority items and has submitted these to the Legislature. Of the total amount recommended, \$15,090,423 is from the State Water Plan Fund; the remainder is from the State General Fund and fee funds.

The Governor has recommended a State Water Plan package that will continue and enhance the important efforts that the State has begun. These initiatives will enable Kansas to not only restore the Kansas environment where degradation has already taken place, but more importantly will establish preventive measures that will insure the integrity of our natural resources for future Kansans.

Gary K. Hulett  
Special Assistant for  
Health & Environment

*Overview of Governor Hayden's  
Recommendations to Implement the  
State Water Plan for FY 1991*

*Compiled By*

*Kansas Water Office*

*January 10, 1990*

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Attachment 6

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**Department of Administration  
Division of Information Systems and Communications  
Geographic Information Systems**

**Program Description:** \$500,000 from the State Water Plan Fund would be utilized to acquire geographic information system (GIS) databases that are compatible with the State Water Plan and approved by the Kansas GIS Policy Board, based upon recommendations received from the Kansas Water Data Committee via the GIS Technical Advisory Committee. The databases would be purchased (e.g., Landsat data), developed (e.g., Wetlands Inventory data) and/or converted or modified (e.g., Water Rights data).

The \$46,108 from other funds would be for salary and fringe benefits for a GIS Manager (Information Resource Manager II) to manage the state's emerging geographic information system. This person would coordinate the acquisition of GIS databases, serve as chairman of the GIS Technical Advisory Committee, act as liaison between the technical advisory committee and the GIS Policy Board, prepare major GIS reports as needed for the Governor's office and the Legislature, prepare technical specifications for the acquisition of GIS hardware and software, review GIS acquisition requests from other agencies and supervise the eventual implementation and operation of a central GIS facility in DISC.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$500,000	\$500,000*	\$500,000*	\$500,000	\$500,000*
Other Funds	\$ 46,108	\$ 48,800*	\$ 48,800*	\$ 48,000*	\$ 48,000*
FTE	1	1	1	1	1

\*These amounts will be determined from year to year by the GIS Policy Board

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Project was anticipated in the FY 1988 Monitoring, Data and Information Sub-section implemented in FY 1988.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Not applicable

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**Kansas State Board of Agriculture  
Division of Water Resources  
Water Conservation Planning**

**Program Description:** The Governor recommends \$100,000 for grants for Water Conservation Plan review and approval procedures. This program will fund water conservation plan reviews authorized under K.S.A. 1988 Supp. 74-2608. The program will coordinate with the five groundwater districts and provide technical assistance in plan development. This program will be ongoing in future fiscal years.

Source	Governor's Recommendation Expenditures by Source of Revenue				
	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
FTE	0	0	0	0	0

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Recommended in the 1985 Agricultural, Municipal and Industrial Conservation Sub-sections implemented in 1986.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Not applicable

6-4



**Kansas State Board of Agriculture  
Division of Water Resources  
Geographic Information System**

**Program Description:** The Governor recommends expenditures of \$50,000 for study of the existing Kansas Water Database operated through the Division of Information Systems and Communication. This information system was implemented in 1979 and requires revision to address the demands placed on the system by changes in state and federal law and by increasing emphasis on environmental concerns. Implementation of the new system will occur in future years.

The Governor recommends \$188,227 and 2.0 FTE positions for Geographic Information System implementation for water database computerization and digitalization. The recommendation will allow the Division of Water Resources to participate in the conversion of existing database files to the computer system. Also, data in the database will be digitalized so that it is compatible with Geographic Information Systems.

Source	Governor's Recommendation Expenditures by Source of Revenue				
	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$238,227	\$316,423	\$320,584	\$199,849	\$204,220
FTE	2	2	2	2	2

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Project was anticipated in the FY 1988 Monitoring, Data, Information Sub-section implemented in FY 1988.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** These positions would not replace existing FTEs.

**Recreation Project Goals:** Not applicable

**State Conservation Commission  
Watershed Dam Construction Program**

**Program Description:** K.S.A. 2-1905 provides a special state fund for cost-sharing assistance to watershed and other special purpose districts in the construction of detention dams and/or grade stabilization structures (Non P.L. 566 structures). All general plans and structure plans and specifications must be approved by the Chief Engineer, Division of Water Resources, State Board of Agriculture. An evaluation team, consisting of representatives from six agencies, evaluates applications and recommends the rank order for funding to the Commission. The Commission makes final authorization for funding of structures. The funds will be used to cost-share on the construction of 32 applications for flood control structures that have been submitted by 23 organized watershed districts in seven of the basins.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$1,177,248				
Other Funds	<u>500,000</u>				
Total	\$1,677,248	<u>\$3,586,771</u>	<u>\$3,960,872</u>	<u>\$3,490,652</u>	<u>\$3,023,392</u>
FTE	0	0	0	0	0

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Assists in implementation of the Rural Flooding, Reservoir Sedimentation and Stream Channelization Sub-sections of the Basin Sections.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Not applicable

**State Conservation Commission  
Water Resources Cost-Share Program**

**Program Description:** K.S.A. 2-1915 provides for a special state fund for cost-sharing assistance to landowners for the establishment of enduring structures (practices) to treat highly erodible land as defined by the 1985 Food Security Act and to address recommendations in the State Water Plan and other water development needs. Soil and water conservation practices under this program also have a direct influence on the quantity of agricultural runoff pollution delivered to streams and upon water use thereby reducing waste of existing surface and underground water supplies.

Funds for the Water Resources Cost-Share Program are administered through all 105 conservation districts based on criteria developed by the State Conservation Commissioners. Criteria will include designating a portion of the funds for equal allocation and the balance of the allocation based on conservation compliance plan needs for each county. The funds will be targeted to highly erodible land and for other soil and water conservation practices identified in the State Water Plan.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$3,220,000	\$7,538,206	\$8,856,366	\$8,065,163	\$8,262,902
FTE	0	0	0	0	0

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Assists in implementation of the Groundwater Declines, Moisture Conservation, Reservoir Sedimentation and Stream Channelization Sub-sections of the Basin Sections.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Not applicable

**State Conservation Commission  
Banner Creek Multipurpose Small Lake**

**Program Description:** The Banner Creek Reservoir in Jackson County near Holton is identified as Multipurpose Site 36 in the Delaware Watershed Joint District No. 10 general plan which was adopted in 1976 and amended in 1983 and 1984. The Soil Conservation Service, under authority of P.L. 566, is in the final planning process to build the structure.

The City of Holton and Jackson County Rural Water District No. 3, during the summer months, are pumping water at capacity in their present well systems. By constructing the multipurpose structure no. 36, the available water supply will double for both the City of Holton and Jackson County Rural Water District No. 3, thus, enabling growth for and in Holton and Jackson County. The structure will also provide recreation opportunities for the area.

There are 474 acres of land in the drainage area that will require treatment. The total cost of land treatment is estimated at \$91,301. The treatment of this area will provide for over 95 percent of the drainage area that is adequately protected to prevent early sedimentation and pollution of the lake.

Of the total project cost of \$4,398,012, the State of Kansas would contribute a total of \$470,009 for water supply and land treatment. The water supply portion of this state cost is reimbursable. The Governor recommends \$73,040 for land treatment for FY 1991. The project will not expend project construction funds until FY 1992.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$73,040	\$396,969	\$ 0	\$ 0	\$ 0
FTE	0	0	0	0	0

**Compliance With Legal Requirements for the State Water Plan Fund**

**Sub-Section Implemented:** Although the Banner Creek project was not specifically identified in the State Water Plan, this funding is necessary to continue the project.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Not applicable

**State Conservation Commission  
Bone Creek Multipurpose Small Lake**

**Program Description:** The Bone Creek Reservoir site in Crawford and Cherokee counties has been selected by the Public Wholesale Water Supply District No. 11 as the most feasible solution to provide a secure water supply for Crawford and northern Cherokee counties. The Bone Creek Reservoir site offers an excellent alternative to the groundwater quality problems of the area. The reservoir will provide a water source to blend with existing groundwater to improve the overall quality up to the Kansas Department of Health and Environment standards. The site will also provide an emergency source should a well go out of service.

The project, as presented in the General Plan, would create a 540 surface area lake serving four functions: Water supply and recreation (9,284 acre-feet), storm detention (2,700 acre-feet) and sediment storage (666 acre-feet). Preliminary studies show a yield of 2.95 million gallons of water a day. The stream is of good quality and drains 12.5 square miles.

Land treatment for 500 acres of nonhighly erodible land and 275 acres of highly erodible land will protect the site from sedimentation and pollution.

Of the total project cost of \$5,730,455, the State of Kansas would contribute \$1,900,000 for a portion of flood control, water supply and recreation. The water supply portion of this state cost is reimbursable.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$1,900,000	\$ 0	\$ 0	\$ 0	\$ 0
FTE	0	0	0	0	0

**Compliance With Legal Requirements for the State Water Plan Fund**

**Sub-Section Implemented:** Recommended in the Neosho Basin - Rural Flooding and Water Supply Needs Not Near Rivers or Federal Lakes Sub-section.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Yes: K.S.A. 82a-907(b)(d); K.S.A. 82a-927(h).

6-9

**State Conservation Commission  
Non-Point Source Pollution Control Fund**

**Program Description:** The Governor recommends \$777,750 for Non-Point Source Pollution activities. This program was established by the 1989 Legislature to protect the state's water supplies and decontaminate land and waters. The program addresses pollution for which sources cannot be specifically identified, such as agricultural runoff and runoff from city streets. Conservation districts will coordinate local program activities by developing management plans based on locally identified pollution problems. At the state level, funding will be disbursed by the State Conservation Commission and technical assistance provided by the Kansas Department of Health and Environment.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$ 777,750	\$2,500,000	\$3,000,000	\$4,000,000	\$5,000,000
FTE	0	0	0	0	0

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Assists in implementation of the Non-Point Source Pollution Sub-sections of the Basin Sections.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Not applicable



**Kansas Corporation Commission  
Contamination Remediation**

**Program Description:** In FY 1991, the Kansas Corporation Commission anticipates spending up to \$500,000 on the plugging of abandoned wells and/or initial investigations of saltwater contamination sites. The Conservation Fee Fund will continue to be utilized to plug abandoned wells using the priority criteria established by the agency. The Commission will continue efforts to have active operators of large tracts enter into negotiated agreements whereby a monthly quota of abandoned wells are plugged until such wells on the tract are plugged. This approach allows operators who are not responsible for the abandonment to generate income from production which, in turn, is used to address the abandonment of previous generation of wells. As long as those wells or contamination sites which exhibit potential or actual threats to water or environmental resources are remediated and plugged in the first phase, conservation fee fund expenditures can be directed towards oil related abandoned wells or contamination sites where operator responsibility is lacking. This expenditure would assist in implementation of the Contamination Remediation Sub-sections of the State Water Plan.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
Other Funds	\$500,000	\$500,000	\$600,000	\$600,000	\$600,000
FTE	0	0	0	0	0

6-11

**Kansas Department of Health and Environment  
Contamination Remediation**

**Program Description:** The Governor recommends \$2,000,000 for environmental remediation projects. This funding will allow the Department to continue cleanup of sites contaminated by salt and other toxic chemicals. The objective of the remedial activities program of the Department is to protect human health and the environment by eliminating the source of contamination at specific sites and cleaning up contamination and contaminated media.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$2,000,000	\$5,000,000	\$5,250,000	\$5,600,000	\$6,000,000
FTE	0	0	0	0	0

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Assists in implementation of the Water Contamination Sub-sections of the Basin Sections.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Not applicable

6-12

**Kansas Department of Health and Environment  
Environmental Aid**

**Program Description:** For environmental aid for the Local Environmental Protection Program, the Governor recommends \$1,798,512 for grants to local governments, to be utilized for the evaluation and development of plans of local environmental needs. The program provides grants to counties which would allow local health departments to prepare and carry out countywide environmental protection strategies and implement approved waste and environmental management programs. Technical assistance element of the project will allow the department to provide technical assistance to county health departments, cities and others formulating public water supply protection plans.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan					
Fund	\$1,548,512				
Other Funds	<u>250,000</u>				
Total	\$1,798,512	<u>\$2,826,200</u>	<u>\$2,848,700</u>	<u>\$2,874,000</u>	<u>\$2,901,000</u>
FTE	0	0	0	0	0

**Compliance With Legal Requirements**

**Sub-Section Implemented:** An Environmental Protection Strategy Sub-section implemented in 1989.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Not applicable

**Kansas Department of Health and Environment  
Household Hazardous Waste (Environmental Aid)**

**Program Description:** As a component of the Environmental Aid for the Local Environmental Protection Program, the Governor recommends \$150,000 for grants for collection of household hazardous waste. Many household products contain chemicals that, when discarded, contribute to the contamination of natural resources and water supplies. Most household hazardous waste is discharged into city drains or "disposed" in the backyard. This typical disposal is both hazardous to public health and unnecessary. Yet, it continues because consumers are oftentimes unable to properly dispose of the waste.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
FTE	0	0	0	0	0

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** An Environmental Protection Strategy Sub-section implemented in 1989.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Not applicable

6-14

**Kansas Department of Health and Environment  
Non-Point Source Pollution Control**

**Program Description:** The Governor recommends funding of \$141,666 for Non-Point Source Pollution evaluation, data collection and technical assistance. The funding will provide 1.0 FTE position to perform technical assistance to local governments preparing and implementing non-point source programs. Also, \$100,000 is provided for technical assistance in water sample evaluation.

The Department, designated by the Governor as the lead state agency for non-point source pollution control, has developed a non-point source pollution assessment and a state non-point source management plan. The State Conservation Commission will administer the Non-Point Source Pollution Control Fund through the Conservation Districts. Conservation Districts involved in the non-point source programs will coordinate the preparation and implementation of the local non-point source pollution management plan.

Source	Governor's Recommendation Expenditures by Source of Revenue				
	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$141,666	\$324,250	\$415,000	\$521,000	\$642,000
FTE	1	7	8	9	10

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Non-Point Source Pollution Sub-section of the Basin Sections.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** This position would not replace an existing FTE

**Recreation Project Goals:** Not applicable

6-15

**University of Kansas  
Kansas Geological Survey  
Dakota Aquifer Study**

**Program Description:** In FY 1991, the Dakota program will characterize the interactions among the Dakota and adjacent aquifer systems in three subareas of the state. In southwest Kansas, the results from this work will be used to quantify the effects of pumpage on both the Dakota and High Plains aquifers where they are hydraulically connected and the Permian salt-bearing strata. In the south-central subarea, concerns related to the contamination of the Dakota Aquifer by disposal of oil-field brines in the Cedar Hills Sandstone will be addressed. In the north-central area, the monitoring and testing data will be used to assist the Division of Water Resources in their attempts to manage saltwater intrusion in the Dakota and overlying stream/aquifer systems in the Solomon and Republican river basins. By the end of FY 1991, the Kansas Geological Survey expects to have prepared: (1) a report focusing on the interactions of the Dakota Aquifer with other adjacent aquifers in three subareas of investigation; (2) detailed and updated geologic, hydrologic and water chemistry data based for the subareas; (3) an updated technical document for the Dakota Aquifer program specifying the research strategy for the integrative phase of the program in FY 1992.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
FTE	0	0	0	0	0

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Assists in implementation of the Groundwater Declines Sub-sections, Basin Plans.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Not applicable

**Kansas Water Office  
Lower Arkansas River Study**

**Program Description:** This project will allow for the continuation of a Stream/Aquifer Interaction Study on the Arkansas River between Hutchinson and Wichita to determine appropriate management policies of a major water resource of the state. This study was initiated because salty water in the Arkansas River has defused into the adjacent Equus Beds Aquifer. The Equus Beds served as the water supply source for a large part of south central Kansas including the City of Wichita. Proper management of withdrawal rates of groundwater adjacent to the river is essential to preventing additional salty water from entering the freshwater. Following is a table of previous expenditures for this project:

	<u>FY 86-FY 88</u>	<u>FY 89</u>	<u>FY 90</u>
Kansas Water Office	\$ 0	\$ 0	\$100,000
Kansas Department of Health and Environment	0	0	0
Groundwater Management District No. 2	10,000	18,000	30,000
Federal Funding	<u>161,390</u>	<u>204,000</u>	<u>225,000</u>
<b>TOTAL</b>	<b>\$171,390</b>	<b>\$222,000</b>	<b>\$355,000</b>

This \$100,000 is required to match federal funds for well testing and to begin development of a groundwater model of the area. This study is critical to development of appropriate management policies for the area. All work thus far has conformed to a work plan and memorandum of understanding adopted by an interagency steering committee for the stream aquifer interaction study.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$100,000	\$100,000	\$ 0	\$ 0	\$ 0
FTE	0	0	0	0	0

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Although not specifically identified in the State Water Plan, it is necessary to complete the project.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Not applicable

6-17

**Kansas Water Office  
Upper Arkansas River Study**

**Program Description:** The Governor recommends \$36,000 for continuation of a Stream/Aquifer Interaction Study on the Arkansas River between Kinsley and Great Bend. Depletion of historic streamflows along the Arkansas River has been noted along the reach from Kinsley to Great Bend in the 1970's and 1980's. Regional groundwater pumpage has been suspected of being a primary cause of this depletion. Following is a table of previous expenditures for this project:

	<u>FY 86</u>	<u>FY 87-FY 90</u>
Kansas Water Office	\$31,000	\$0
Kansas Geological Survey	<u>80,500</u>	<u>0</u>
	\$111,500	\$0

A three-year study was proposed by the Kansas Geological Survey and the first year was funded in FY 1986. The subsequent two year study did not receive funding. The first year of work involved data collection and a pump test to examine interactions between wells and the river. Preliminary results indicated that there is a strong interaction between the streamflow and groundwater. The second year of this study is necessary to develop a simulation model of the reach so alternative management options may be explored.

Source	<b>Governor's Recommendation Expenditures by Source of Revenue</b>				
	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$36,000	\$32,000	\$ 0	\$ 0	\$ 0
FTE	0	0	0	0	0

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Although not specifically identified in the State Water Plan, it is necessary to complete the project.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Not applicable



**Kansas Water Office  
South Fork Solomon River Study**

**Program Description:** The Governor recommends \$50,000 for a Stream/Aquifer Interaction Study for the South Fork Solomon River. Declining groundwater levels and streamflows in the South Fork Solomon River Basin have led to concerns about the long-term liability of water resources in both the Ogallala Aquifer and the alluvial aquifer associated with the river. Restrictions on diversions have been put into place in several areas in order to slow groundwater declines and better manage the water resources. Following is a table of previous expenditures for this project:

	<u>FY 89</u>	<u>FY 90</u>
Kansas Water Office	\$ 0	\$50,000
Kansas Geological Survey	<u>50,000</u>	<u>0</u>
	\$50,000	\$50,000

To allow water planning decisions to be made in a systems context, the Kansas Geological Survey proposes to develop a hydrologic information system for the South Fork Solomon River Basin. The objectives of the system would be to: 1) provide a hydrologic data base that would be the basis of a Geographic Information System for the basin; 2) use the hydrologic data to construct a basin-wide water budget to determine gross inputs and outputs; and 3) using one and two, project management alternatives based on gross hydrologic parameters with regard to the water resources of the basin.

<b>Governor's Recommendation Expenditures by Source of Revenue</b>					
Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$50,000	\$ 0	\$ 0	\$ 0	\$ 0
FTE	0	0	0	0	0

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Recommended in Solomon Basin - Groundwater Declines Sub-section.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Not applicable

6-19

**Kansas Water Office  
South Fork Ninnescah River Study**

**Program Description:** The Governor recommends \$66,250 for a mineral intrusion study of the South Fork Ninnescah in Pratt and Kingman counties. These funds will be used to match an equal amount from the U.S. Geological Survey. The South Fork Ninnescah River has been explored as a possible source of public water supply for the City of Wichita for a number of years. Following is a table of previous expenditures for this project:

	<u>FY 89</u>	<u>FY 90</u>
Kansas Water Office	\$ 0	\$66,250
City of Wichita	31,250	0
Sedgwick County	31,250	0
U.S. Geological Survey	62,500	66,250
Bureau of Reclamation	<u>89,000</u>	<u>0</u>
Total	\$214,000	\$132,500

This study is needed to investigate methods of controlling the saltwater inflow to determine if the river could be used for public water and other uses in the downstream area. This information will help determine the path of saltwater movement through each aquifer. Pumping tests will be conducted to determine aquifer properties. Water quality modeling in analytical techniques will be used to help predict control alternatives.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$66,250	\$ 0	\$ 0	\$ 0	\$ 0
FTE	0	0	0	0	0

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Recommended in Lower Arkansas Basin - Quantity Issues Sub-section.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Not applicable

**Kansas Water Office  
Geographic Information Systems**

**Program Description:** The Governor recommends \$5,000 to enable the Kansas Water Office to continue a cooperative agreement initiated in FY 1988 with the U.S. Geological Survey to enable the Kansas Water Office staff to access and use ARC/INFO Geographic Information System that resides on the PRIME computer at Lawrence. Continuation of this relationship would enable the Kansas Water Office to use the ARC/INFO Geographic Information System to address specific pilot projects that would facilitate implementation of the State Water Plan. This project was anticipated in the Monitoring, Data and Information Sub-Section of the State Water Plan.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
Other Funds	\$ 5,000	\$ 0	\$ 0	\$ 0	\$ 0
FTE	0	0	0	0	0

**Kansas Department of Wildlife and Parks  
Hillsdale Reservoir Facilities**

**Program Description:** The development of a state park at Hillsdale Reservoir is considered part of a program to maintain water quality and provide recreation at the reservoir. The formulation of the State Water Plan is to include consideration of the benefits to be derived from development of reservoir sites which combine purposes of flood control, water supply storage and recreation. The long-range goals of the state concerning water management include the prevention of pollution of the water supplies of the state and the sound coordination of the development of the other resources of the state such as public land.

The development of a state park at Hillsdale Reservoir will allow for the proper management of the impact that will occur by the public use of the facility. The reservoir will be utilized by the public and the development of sanitation facilities, drainage structures, roads and other features of a state park will prevent deterioration of the water quality in the reservoir from such public usage.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$1,311,730	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
FTE	0	0	0	0	0

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Marais des Cygnes Basin Section - Recreation Facilities at Hillsdale Lake Sub-section.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Yes: K.S.A. 82a-927(b)(d)(h)

**Kansas Department of Wildlife and Parks  
Cheyenne Bottoms Renovation**

**Program Description:** This renovation project will provide more efficient control of water within the five pools which are utilized for water storage. The project will allow for the reconstruction of the water inlet canal and water control structures. The renovation project will allow for efficient utilization of water runoff into the Cheyenne Bottoms and for improved management of the water obtained from the Arkansas River pursuant to established water rights.

The renovation project will be directed by an engineering study which is currently under development. The study will provide data on the water capacity of the Bottoms, water supplies to the Bottoms and possible methods of flood control relating to locations downstream from the Bottoms.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
State Water Plan Fund	\$1,500,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
FTE	0	0	0	0	0

**Compliance With Legal Requirements for State Water Plan Fund**

**Sub-Section Implemented:** Although not specifically identified in the State Water Plan, is necessary to complete the project.

**Five Year Plan:** Yes

**Water-Related Expenditure:** Yes

**Existing Positions:** Not applicable

**Recreation Project Goals:** Yes: K.S.A. 82a-907(i)(m); K.S.A. 82a-927(h)(i)

6-23

**Kansas Department of Wildlife and Parks  
Geographic Information Systems**

**Program Description:** The Governor has commissioned a task force to develop a statewide Geographic Information System (GIS) for use by state agencies involved with the protection, regulation and development of the state's natural resources. This system is designated as a technical assistance consideration of the State Water Plan and will provide management data to conserve the water resources of the state in a technologically and economically feasible manner. This project was anticipated in the Monitoring, Data and Information Systems Sub-section of the State Water Plan.

**Governor's Recommendation  
Expenditures by Source of Revenue**

Source	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
Other Funds	\$107,300	\$34,280	\$34,280	\$34,280	\$34,280
FTE	0	0	0	0	0

SUMMARY OF GOVERNOR HAYD'S RECOMMENDATIONS  
TO IMPLEMENT THE STATE WATER PLAN

	FY 1990	FY 1991		
		SWPF(1)	Other Funds	Total
Department of Administration Geographic Information System	\$0	\$500,000	\$46,108 (2)	\$546,108
Kansas State Board of Agriculture Division of Water Resources				
Water Conservation Planning	0	100,000	0	\$100,000
Geographic Information System	0	238,227	0	238,227
Water Project Coordination	147,482	0	0	0
Water Use Reporting	133,717	0	0	0
State Conservation Commission				
Watershed Dam Construction	1,591,935	1,177,248	500,000 (3)	1,677,248
Water Resources Cost-Share	3,939,583	3,220,000	0	3,220,000
Banner Creek Small Lake	0	73,040	0	73,040
Bone Creek Small Lake	0	1,900,000	0	1,900,000
Non-Point Source Pollution Control	917,468	777,750	0	777,750
Jetmore Small Lake	1,301,250	0	0	0
Kansas Corporation Commission				
Contamination Remediation	500,000	0	500,000 (4)	500,000
Kansas Dept. of Health & Environment				
Contamination Remediation	2,619,583	2,000,000	0	2,000,000
Environmental Aid	1,223,290	1,548,512	250,000 (3)	1,798,5
Household Hazardous Waste	0	150,000	0	150,0
Non-Point Source Control	30,000	141,666	0	141,666
Kansas Geological Survey				
Dakota Aquifer Study	200,000	200,000	0	200,000
Kansas's Water Office				
Lower Arkansas River Study	100,000	100,000	0	100,000
Upper Arkansas River Study	0	36,000	0	36,000
Solomon River Study	50,000	50,000	0	50,000
Ninnescah River Study	66,250	66,250	0	66,250
Geographic Information System	0	0	5,000 (3)	5,000
Interbasin Transfer Study	35,000	0	0	0
Kansas Department of Wildlife and Parks				
Hillsdale Reservoir Facilities	1,000,000	1,311,730	0	1,311,730
Cheyenne Bottoms Renovation	1,640,000	1,500,000	0	1,500,000
Geographic Information System	0	0	107,300 (5)	107,300
Mined Land Recreation Plan	34,642	0	0	0
<b>TOTAL</b>	<b>\$15,530,200</b>	<b>\$15,090,423</b>	<b>\$1,408,408</b>	<b>\$16,498,831</b>

- (1) SWPF = State Water Plan Fund
- (2) Information Technology Fund
- (3) State General Fund
- (4) Conservation Fee Fund
- (5) Wildlife Fee Fund

6-25



# ORGANIZATION OF EFFORTS

Kansas GIS Initiative

January 1990

- \* Many local, state and federal agencies are already using GIS technology. Examples include:
  - Kansas Geological Survey
  - Kansas Applied Remote Sensing
  - Kansas State University
  - Kansas Water Office
  - Division of Water Resources
  - Kansas Department of Health and Environment
  - Kansas Department of Transportation
  - U.S. Geological Survey
  - U.S. Soil Conservation Service
  - U.S. Environmental Protection Agency
  - Various County Governments
- \* Coordination of GIS development is needed to avoid redundancy in data collection and automation; to facilitate the use of uniform standards for data exchange; and to promote and ensure compatibility of software, hardware and data.
- \* The Governor appointed a GIS Policy Board to address policy issues and coordinate GIS development (Figure 1).
- \* The Policy Board formed a Technical Advisory Committee (TAC) to address technical issues and provide input to the Board. The TAC includes planning, standards and database subcommittees (Figure 2).
- \* Staff support for the Policy Board and TAC is being provided by the Division of Information Systems and Communications (DISC). The Policy Board will ensure that DISC, as a neutral nonuser agency, fulfills the coordinating role necessary in a statewide GIS network (Figure 3).
- \* The Policy Board has recommended that \$500,000 be applied to GIS database development in FY 1991, recommended that a full-time GIS administrator be hired, determined dataset acquisition priorities, reviewed state agencies' GIS-related budget requests for FY 1991, directed the TAC to pursue GIS data exchange standards as a high priority and will consider many important GIS issues in the months ahead.

HA

2-6-90

Attachment 7



## Kansas GIS Policy Board Members

Joseph F. Harkins, Kansas Water Office, Chairman  
 Dr. Lee Gerhard, Kansas Geological Survey  
 Dr. Stanley Grant, Dept. of Health and Environment  
 David L. Pope, Division of Water Resources  
     State Board of Agriculture  
 Kenneth Kern, State Conservation Commission  
 Keith Henley, Kansas Corporation Commission  
 Robert L. Meinen, Dept. of Wildlife and Parks  
 Dr. Edward A. Martinko, Kansas Biological Survey  
 Horace B. Edwards, Department of Transportation  
 Harland Priddle, Department of Commerce  
 Duane Nellis, Kansas State University  
     Department of Geography  
 Keith Lebbin, Groundwater Management District Assn.  
 Tom Huntzinger, U.S. Geological Survey  
 James N. Habiger, U.S. Soil Conservation Service  
 Gary Hulett, Governor's Office  
 Sherry Brown, Department of Administration  
 Mary Galligan, Legislative Research  
 Mark Hixon, Barton County Appraiser's Office  
 Brad Bryant, Secretary of State's Office  
 Ed Rolfs, Kansas Department of Revenue  
 Charles Warren, Kansas, Inc.  
 James V. Bush, Alternate, Kansas Department of  
     Transportation  
 Staff: Jim Parker and Kerry Wedel

## GIS Technical Advisory Committee Members

James Parker, Policy Board Staff, Co-Chairman  
 Kerry Wedel, Policy Board Staff, Co-Chairman  
 Randall Foster, Secretary of State  
 Brian Logan, Kansas Dept. of Transportation  
 Val Carter, Legislative Research  
 David Collins, Kansas Geological Survey  
 Loren Phillips, Ks. Dept. of Health and Environment  
 Darrel Eklund, Kansas Water Office  
 John Reh, U.S. Soil Conservation Service  
 Scott Stockwell, Kansas Corporation Commission  
 Claud Baker, U.S. Geological Survey  
 Tracy Streeter, State Conservation Commission  
 Gary Baker, Groundwater Management Districts Assoc.  
 Jerry Whistler, Kansas Biological Survey  
 Lloyd Stulken, Board of Agriculture  
 H.L. Seyler, Kansas State University, Dept. of Geography  
 Jim Kent, Dept. of Commerce  
 Tim Hensley, Dept. of Revenue  
 John Radenberg, R. & S. Digital Services  
 Michael Morrow, Dept. of Wildlife and Parks  
 Stephen Thompson, Kansas College of Technology

Figure 2

Figure 1

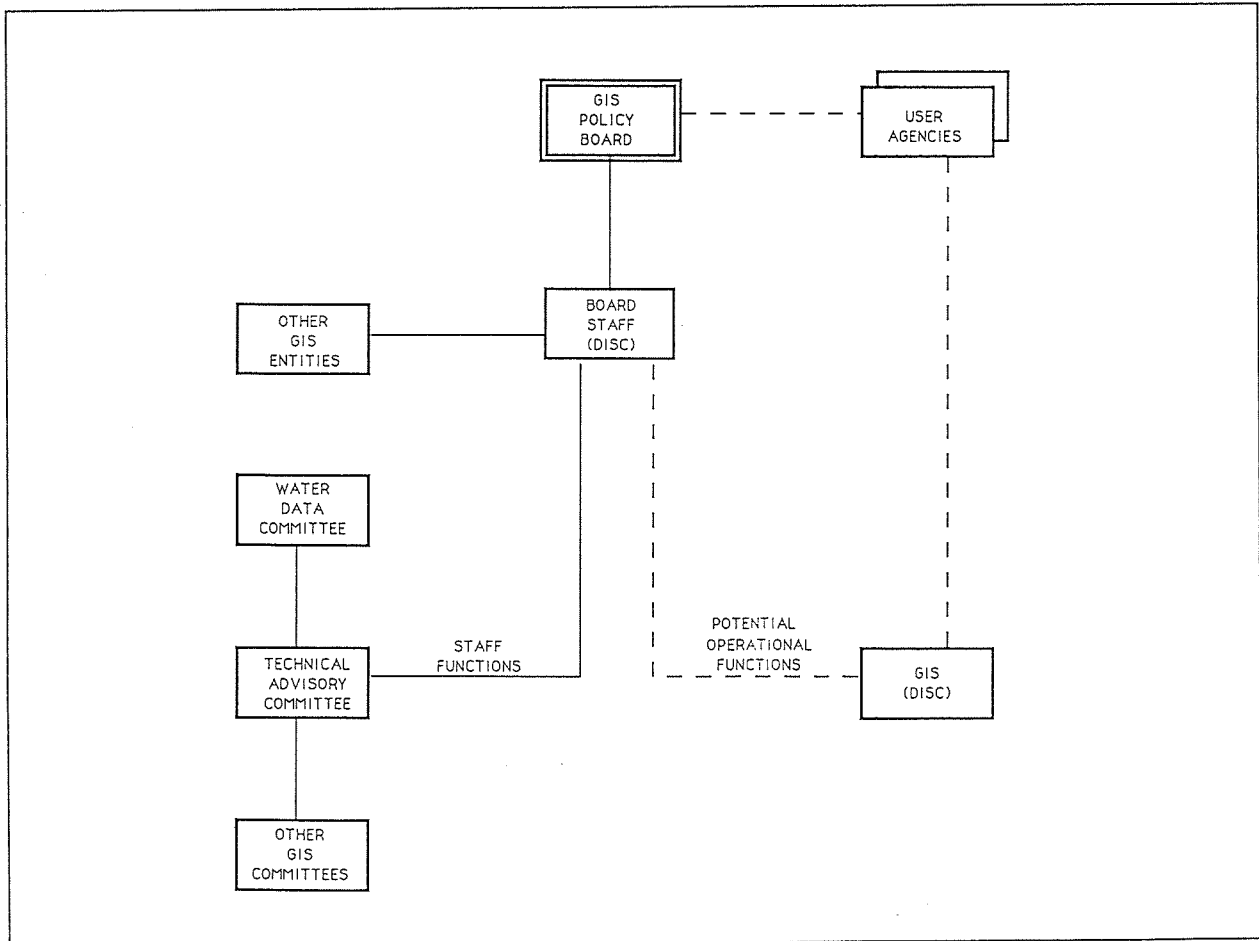


Figure 3

7-2

# COORDINATION OF DATABASE DEVELOPMENT



Kansas GIS Initiative

January 1990

- \* Database development is a fundamental and often the most costly element in the implementation of a geographic information system (GIS).
- \* Coordination among agencies avoids duplication of effort and unnecessary costs.
- \* Data exchange standards and interagency cooperation facilitate data sharing among users.
- \* Coordinated database development and data exchange standards are top priorities of the GIS Policy Board for FY 1991.
- \* The GIS Policy Board, Kansas Water Authority and the Governor recommend \$500,000 in FY 1991 to support water-related GIS database development. This level of support from the State Water Plan Fund is anticipated for the next several years as GIS databases are established. It is anticipated that lower levels of support will be needed for subsequent maintenance of these databases.
- \* Priority water-related GIS data needs to support implementation of the State Water Plan in FY 1991 are listed in Table 1. These data can also be utilized by other nonwater-related agencies for GIS applications.

**Table 1. Priority GIS Datasets - FY 1991**

<u>Name</u>	<u>Description</u>	<u>Source</u>
Land Base	Township/range lines, section corners, state and county boundaries, geodetic survey data	Kansas Geological Survey
Hydrology	Surface streams/water bodies	U.S. Geological Survey
Land Use/Cover	Land use polygons by cover type	Satellite Data
Soils	Soil survey soil polygons	U.S. Soil Conservation Service
Geology	Depth/location of strata, aquifers	
Population	Map features for census data	U.S. Census Bureau
Public Water Supplies and Effluent Discharge	Site locations	Kansas Department of Health and Environment
Contamination Sites	Site locations	Kansas Department of Health and Environment
Transportation and Utilities	Highways, roads, railroads, airports, misc. utilities, etc.	U.S. Geological Survey
Water Rights	Points of diversion for water appropriations	Division of Water Resources
Surface Elevations	Elevation data of land surface	U.S. Geological Survey
Underground Injection Wells	Site locations	Kansas Department of Health and Environment
Wastewater Discharge	Site locations	Kansas Department of Health and Environment
Watershed Districts	Boundaries of watershed districts	Division of Water Resources
Property Ownership	Land parcel boundaries	Kansas Department of Revenue



# ENSURING COMPATIBILITY OF SOFTWARE, HARDWARE AND DATA

Kansas GIS Initiative

January 1990

- \* The Governor appointed a Policy Board to address policy issues and coordinate GIS development.
- \* The Policy Board recommended that the State Water Plan Fund be utilized to fund \$500,000 for GIS database acquisition and development during FY 1991. The applicable datasets have been prioritized by the Board.
- \* The experiences of many GIS users indicate that database costs are the major portion of their GIS budgets.
- \* GIS software selection must be based upon user needs.
- \* GIS hardware selection should be based upon requirements of the selected software.
- \* GIS software products have become increasingly more sophisticated and flexible. Various products now run on personal computers, workstations, minicomputers and/or mainframe computers. The computer industry is continually increasing the power and speed of the hardware.
- \* Some of the criteria in selecting GIS software include the ability to locate needed database information quickly, the ability to distribute data to multiple users while maintaining database integrity and the ability to facilitate the exchange of data between systems.
- \* Existing GIS software offers a wide range of capabilities relating to acquisition, analysis, management, display and reporting of information.
- \* The Policy Board and Technical Advisory Committee will ensure software and hardware compatibility via state contracts, acquisition guidelines, dissemination of technical information and interagency communications.





# SHARING RESOURCES

Kansas GIS Initiative

January 1990

- \* Government agencies in Kansas share resources for utilization of geographic information systems (GIS) technology. Examples:
  - Cooperative agreements for GIS access and technical support between the U.S. Geological Survey and the Kansas Water Office and the Division of Water Resources.
  - Access by the Kansas Department of Health and Environment to the U.S. Environmental Protection Agency geographic information system.
  - Use of the Kansas Geological Survey's Digital Cartographic Database by state agencies.
- \* Agencies cooperate in efforts to share resources for GIS-related data collection and management. Example:
  - Water well tagging process under development by the Kansas Water Data Committee.
- \* Coordinated planning by the GIS Policy Board and the GIS Technical Advisory Committee promotes sharing of data.
  - Coordinated database development to avoid unnecessary duplication of effort and costs.
  - Sharing of information regarding agencies' existing databases, systems and future development plans.
  - Sharing of data through interagency cooperation.
  - Development and utilization of data exchange standards to facilitate data sharing.

\* Statewide GIS network proposed by the Kansas Water Data Committee (Figure 1).

- Link agencies through statewide data communications network for geographic data access and transfer.
- The GIS Policy Board and the GIS Technical Advisory Committee will address network development needs in context with agencies' GIS implementation.

Conceptual Geographic Information Network  
Kansas Data Communications Network

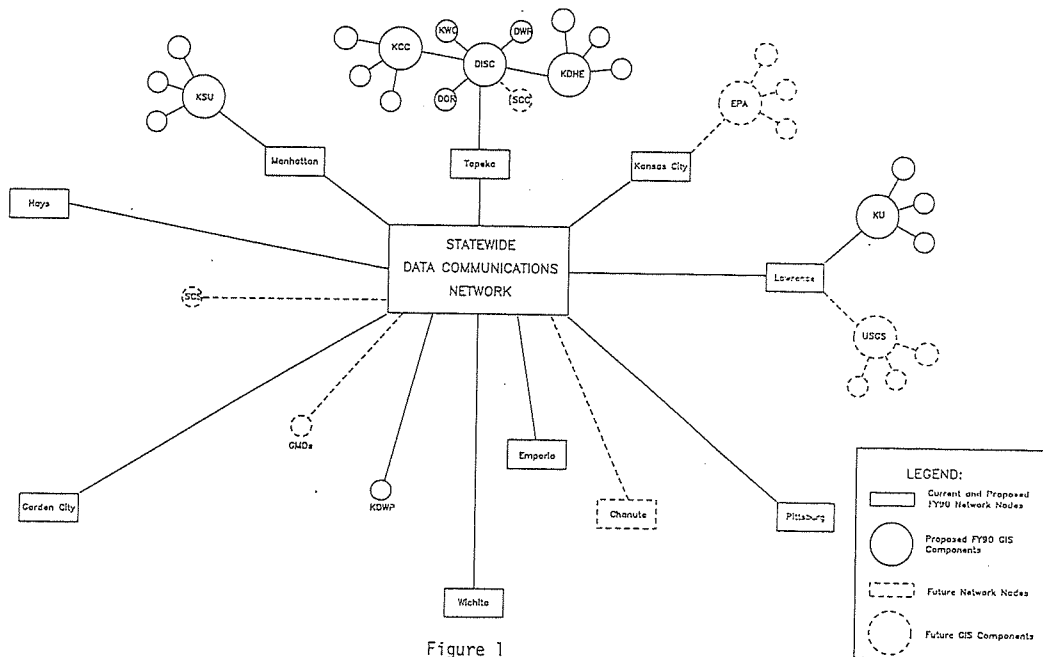


Figure 1

7-7

SUMMARY OF GOVERNOR HAYDEN'S RECOMMENDATIONS  
TO IMPLEMENT THE STATE WATER PLAN

	FY 1990	FY 1991			#PTE	Bill No.	House Approp. Subcommittee	Senate Ways & Means Subcommittee
		SWPP(1)	Other Funds	Total				
Department of Administration								
Geographic Information System	\$0	\$500,000	\$46,108 (2)	\$546,108	1	HB 2638 #5, Fuller†, Francisco Kline		
Kansas State Board of Agriculture								
Division of Water Resources								
Water Conservation Planning	0	100,000	0	\$100,000	2			
Geographic Information System	0	238,227	0	238,227				
Water Project Coordination	147,482	0	0	0				
Water Use Reporting	133,717	0	0	0				
		738,000						
State Conservation Commission								
Watershed Dam Construction	1,591,935	1,177,248	500,000 (3)	1,677,248	SB 452	#6, Vancrum†, Solbach, Salisbury†, Feleciano Turnquist		
Water Resources Cost-Share	3,939,583	3,220,000	0	3,220,000				
Banner Creek Small Lake	0	73,040	0	73,040				
Bone Creek Small Lake	0	1,900,000	0	1,900,000				
Non-Point Source Pollution Control	917,468	777,750	0	777,750				
Jetmore Small Lake	1,301,250	0	0	0				
Kansas Corporation Commission								
Contamination Remediation	500,000	0	500,000 (4)	500,000	HB 2638	#1, Chronister†, Buntin, Heinemann, Teagarden, Hann		
Kansas Dept. of Health & Environment								
Contamination Remediation	2,619,583	2,000,000	0	2,000,000	1	HB 2625 #2, Lowther†, Wisdon, Mead		
Environmental Aid	1,223,290	1,548,512	250,000 (3)	1,798,512				
Household Hazardous Waste	0	150,000	0	150,000				
Non-Point Source Control	30,000	141,666	0	141,666				
Kansas Geological Survey								
Dakota Aquifer Study	200,000	200,000	0	200,000	SB 454	#3, Goosen†, Shriver, Harder†, Feleciano Pottorff		
Kansas Water Office								
Lower Arkansas River Study	100,000	100,000	0	100,000	SB 452	#4, Moonax†, Gatlin, Salisbury†, Feleciano Brady		
Upper Arkansas River Study	0	36,000	0	36,000				
Solomon River Study	50,000	50,000	0	50,000				
Minnescah River Study	66,250	66,250	0	66,250				
Geographic Information System	0	0	5,000 (3)	5,000				
Interbasin Transfer Study	35,000	0	0	0				
Kansas Department of Wildlife and Parks								
Hillsdale Reservoir Facilities	1,000,000	1,311,730	0	1,311,730	SB 443	Bldgs. Subcommittee Harder†, Bogina, Gaines only		
Cheyenne Bottoms Renovation	1,640,000	1,500,000	0	1,500,000	SB 452	#5, Fuller†, Francisco, Winter†, Kerr, Hayden Kline		
Geographic Information System	0	0	107,300 (5)	107,300				
Mined Land Recreation Plan	34,642	0	0	0				
<b>TOTAL</b>	<b>\$15,530,200</b>	<b>\$15,090,423</b>	<b>\$1,408,408</b>	<b>\$16,498,831</b>	<b>4</b>			

(1) SWPP = State Water Plan Fund

(2) Information Technology Fund

(3) State General Fund

(4) Conservation Fee Fund

(5) Wildlife Fee Fund

† Chairperson

7-8

893,100

GIS REFERENCES IN

Overview of Governor Hayden's Recommendations to  
Implement the State Water Plan for FY 1991

Page 1 - Department of Administration (DISC):

\$500,000 (State Water Plan Fund) - to be spent only when so directed by the GIS Policy Board. This is not discretionary money for DISC.

\$ 46,108 (Other Funds) - for salary and fringe benefits for the person who will perform the duties outlined on page 1.

Page 3 - Kansas State Board of Agriculture (Division of Water Resources):

\$ 50,000 (State Water Plan Fund) - for consultative assistance to determine and implement changes necessary in the Board of Agriculture local area network. This work will not be performed by DISC.

\$ 46,628 (State Water Plan Fund) - for the purchase of GIS-related hardware to be located within Water Resources.

\$ 61,623 (State Water Plan Fund) - for salary and fringe benefits for two GIS-related positions.

\$ 14,861 (State Water Plan Fund) - for travel and rent expenses.

\$ 65,115 (State Water Plan Fund) - for computer services performed, probably via a cooperative agreement with the U. S. Geological Survey. The work will not be performed by DISC.

Page 19 - Kansas Water Office:

\$ 5,000 (Other Funds) - for continuing a cooperative agreement with the U. S. Geological Survey for GIS-related work.

Page 22 - Kansas Department of Wildlife and Parks: \*

\$ 31,780 (Other Funds) - for the purchase of GIS-related hardware and software to be located within Wildlife and Parks.

\$ 69,400 (Other Funds) - for purchasing high-altitude satellite imagery.

\$ 2,500 (Other Funds) - for travel expenses and services relating to the satellite imagery. This work will not be performed by DISC.

\* Note - The total shown in FY 1991 should have been \$103,680 instead of \$107,300.



**SUBCOMMITTEE REPORT**

**Agency:** Consumer Credit  
Commissioner

**Bill No.** 2729

**Bill Sec.** 12

**Analyst:** Duncan

**Analysis Pg. No.** 15

**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>
State Operations: Special Revenue Fund*	\$ 306,280	\$ 304,173	\$ (1,000)
FTE Positions	7.0	7.0	--

\* Does not include nonreportable expenditures of \$65,000 in FY 1989 and \$70,000 in FY 1990 and FY 1991.

**Agency Estimate/Governor's Recommendation**

The Commissioner estimates current year expenditures of \$306,280, a reduction of \$3,614 (1.2 percent) below the approved expenditure limitation due to decreases in communication and travel. Excluded from the reported expenditures is the payment of \$70,000 to the Kansas Council on Economic Education. The Governor recommends FY 1990 expenditures of \$304,173, a decrease of \$2,107 from the Commissioner's current year estimate. The recommendation includes reductions of \$1,131 in salaries and wages and \$1,244 in repairing and servicing and an increase in travel and subsistence of \$268.

**House Subcommittee Recommendation**

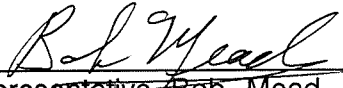
The House Subcommittee concurs with the recommendations of the Governor with the following adjustment:

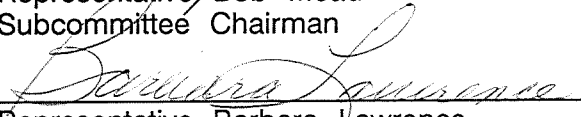
1. Delete \$1,000 from salaries and wages to adjust for a three-week time lag between the departure of Commissioner Bravence and the arrival of Commissioner Aerosmith.

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

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>
Beginning Balance	\$ 328,408	\$ 326,004
Net Receipts	<u>351,523</u>	<u>359,280</u>
Total Funds Available	\$ 679,931	\$ 685,284
Less: Expenditures	288,927	304,173
Nonreportable Expenditures	<u>65,000</u>	<u>70,000</u>
Ending Balance	<u>\$ 326,004</u>	<u>\$ 311,111</u>

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Attachment 8*

  
\_\_\_\_\_  
Representative Bob Mead  
Subcommittee Chairman

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

3  
SUBCOMMITTEE REPORT

Agency: Consumer Credit  
Commissioner

Bill No. 2616

Bill Sec. 13

Analyst: Duncan

Analysis Pg. No. 15

Budget Pg. No. 126

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Governor's Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund*	\$ 316,215	\$ 316,542	\$ --
FTE Positions	7.0	7.0	--

\* Does not include nonreportable expenditures of \$65,000 in FY 1989 and \$70,000 in FY 1990 and FY 1991.

**Agency Request/Governor's Recommendation**

The Commissioner requests \$316,215 for FY 1991, an increase of \$9,935 (3.2 percent) above the FY 1990 estimate. The request includes \$258,099 for salaries (\$8,860 increase), \$8,000 for communications (\$457 increase), \$17,664 for rent (\$450 increase), \$22,673 for travel (\$234 decrease), \$3,525 for printing and advertising (\$177 increase) and \$6,254 for all other costs (\$225 increase). The Commissioner also requests the creation of a new fund entitled "Consumer Credit Travel Reimbursement Fund." This fund would be used to reimburse employees for their out-of-state travel and subsistence. The request includes a transfer of \$10,000 from the Consumer Credit Fee Fund. A nonreportable payment of \$70,000 for consumer credit education would be made in FY 1991. The Governor recommends \$316,542 for FY 1991, an increase of \$327 above the Commissioner's request. The recommendation includes \$260,270 for salaries (\$2,171 increase), \$7,543 for communications (\$457 decrease), \$17,664 for rent, \$23,440 for travel (\$767 increase), \$2,840 for printing and advertising (\$685 decrease), and \$4,785 for all other costs (\$1,469 decrease). The Governor recommends a \$70,000 transfer to the Kansas Council on Economic Education, but does not recommend the creation of a Consumer Credit Travel Reimbursement Fund.

**House Subcommittee Recommendation**

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


1. The Subcommittee concurs with the Governor's recommendation to transfer \$70,000 in FY 1990 to the Kansas Council on Economic Education (KCEE), noting, however, that the new Commissioner is in the process of re-evaluating this program. The Subcommittee recommends that the Senate Subcommittee revisit this issue with the agency to determine the current status of the consumer education program and to re-evaluate program financing.
2. The Subcommittee notes the agency's anticipated volume fee reductions for FY 1990 and FY 1991 did not take place due to the downward

revision of agency revenue estimates. While the Subcommittee concurs with the decision not to lower fees at this time, the Subcommittee encourages the agency to continue to explore this option, perhaps through lowering the carry forward balance. The Subcommittee notes that the new Commissioner will be analyzing and restructuring this budget and recommends that the Subcommittee during the next session carefully evaluate the fee structure.

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

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 328,408	\$ 326,004	\$ 311,111
Net Receipts	<u>351,523</u>	<u>359,280</u>	<u>376,800</u>
Total Funds Available	\$ 679,931	\$ 685,284	\$ 687,911
Less: Expenditures	288,927	304,173	316,542
Nonreportable Expenditures	<u>65,000</u>	<u>70,000</u>	<u>70,000</u>
Ending Balance	<u>\$ 326,004</u>	<u>\$ 311,111</u>	<u>\$ 301,369</u>

  
\_\_\_\_\_  
Representative Bob Mead  
Subcommittee Chairman

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

SUBCOMMITTEE REPORT

Agency: Board of Accountancy                      Bill No. 2729                                      Bill Sec. 3  
Analyst: Porter    Analysis Pg. No. 3                                      Budget Pg. No. 4

<u>Expenditure Summary</u>	<u>Agency Est. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations: Special Revenue Fund	\$ 174,024	\$ 169,116	\$ 2,600
FTE Positions	3.0	3.0	--

**Agency Request/Governor's Recommendation**

The Board of Accountancy estimates expenditures for FY 1990 to be \$174,024, a reduction of \$1,794 from the amount approved by the 1989 Legislature.

The Governor recommends expenditures of \$169,116, a reduction of \$4,908 from the Board's FY 1990 estimate of \$174,024.

**House Subcommittee Recommendation**

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

1. The Subcommittee recommends the addition of \$1,000 for travel and subsistence in FY 1990. The Subcommittee notes that the Governor's recommendation of \$7,338 for travel and subsistence is a decrease of \$1,491 from the Board's request. Although the Board has appealed the entire reduction, the Subcommittee believes that savings from other areas of the budget could be utilized to fund travel if necessary. The Subcommittee was informed that this additional travel and subsistence funding would allow one person to attend the regional meeting of the National Association of State Boards of Accountancy meeting and that the Board has approved this expenditure.
2. The Subcommittee recommends the addition of \$1,600 for salaries and wages in FY 1990. The agency currently has one Office Assistant IV position unfilled, but expects to fill the position soon. The agency budgeted turnover savings into its FY 1990 request because of the unfilled position and the Governor's recommendation allows for additional turnover savings of \$2,210. Although the agency requests restoration of \$2,000 of the reduction, it appears to the Subcommittee that the position may not be filled as rapidly as anticipated and that \$1,600 is sufficient to fund salaries and wages for the remainder of FY 1990.
3. The Subcommittee notes that the Board has begun to issue temporary permits for out-of-state CPAs to practice in Kansas and that new revenues are being generated in this manner. The Subcommittee recommends that, if revenues generated in this manner are sufficient,

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2-6-90  
Attachment 9*

the Board consider lowering fees for other licenses issued to in-state CPAs.

4. The Subcommittee notes that the Board will move from its present location in the Landon State Office Building to a different location within the building in FY 1990, but that the agency will incur no moving costs since the move is at the request of the Department of Administration, Division of Facilities Management.

Based on the House Subcommittee's recommendations the fee fund analysis is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 35,621	\$ 48,544	\$ 53,112
Net Receipts	<u>172,143</u>	<u>176,284</u>	<u>180,713</u>
Total Funds Available	\$ 207,764	\$ 224,828	\$ 233,825
Less: Expenditures	<u>159,220</u>	<u>171,716</u>	<u>183,042</u>
Ending Balance	<u>\$ 48,544</u>	<u>\$ 53,112</u>	<u>\$ 50,783</u>

  
Representative Bill Wisdom  
Subcommittee Chair

  
Representative Barbara Lawrence

SUBCOMMITTEE REPORT

Agency: Board of Accountancy                      Bill No. 2616                                      Bill Sec. 3  
Analyst: Porter    Analysis Pg. No. 3                                      Budget Pg. No. 4

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Governor's Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations: Special Revenue Fund	\$ 186,306	\$ 180,442	\$ 2,600

**Agency Request/Governor's Recommendation**

The Board requests expenditure authority of \$186,306, a 7.1 percent increase over the revised estimate for FY 1990. The agency requests funding for the existing 3.0 FTE positions and proposes no major changes in the Board's operation.

The Governor recommends an expenditure limitation of \$180,442 for FY 1991, a reduction of \$5,864 from the Board's request of \$186,306.

**House Subcommittee Recommendation**

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

1. The Subcommittee recommends the addition of \$1,300 for salaries and wages in FY 1991. The Governor's recommendation includes turnover savings of \$2,148, but the agency anticipates no turnover once the Office Assistant IV position is filled. The Subcommittee notes that the Board's appeal of only \$1,300 of the turnover savings indicates that the agency is attempting to control expenditures.
2. The Subcommittee recommends the addition of \$1,300 for travel and subsistence in FY 1991. Although the agency appeals \$1,800 of the \$2,485 reduction recommended by the Governor, the Subcommittee notes that the agency can fund travel and subsistence from savings in other areas of the budget if it believes additional travel and subsistence expenditures are necessary.

Based on the House Subcommittee's recommendations the fee fund analysis is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 35,621	\$ 48,544	\$ 53,112
Net Receipts	<u>172,143</u>	<u>176,284</u>	<u>180,713</u>
Total Funds Available	\$ 207,764	\$ 224,828	\$ 233,825
Less: Expenditures	<u>159,220</u>	<u>171,716</u>	<u>183,042</u>
Ending Balance	<u>\$ 48,544</u>	<u>\$ 53,112</u>	<u>\$ 50,783</u>

*Bill Wisdom*

Representative Bill Wisdom  
Subcommittee Chairperson

*Barbara Lawrence*

Representative Barbara Lawrence



**SUBCOMMITTEE REPORT**

**Agency:** State Department of  
Credit Unions

**Bill No.** 2729

**Bill Sec.** 8

**Analyst:** Duncan

**Analysis Pg. No.** 20

**Budget Pg. No.** 168

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 515,075	\$ 512,236	\$ --
FTE Positions	11.0	11.0	--

**Agency Estimate/Governor's Recommendation**

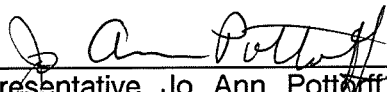
The agency estimates expenditures of \$515,075 in FY 1990, a reduction of \$2,933 from the \$518,008 expenditure limitation approved by the 1989 Legislature. The Governor recommends expenditures of \$512,236 in FY 1990, a decrease of \$2,607 from the agency's estimate, and \$5,772 below the approved FY 1990 expenditure limitation. Current year decreases recommended by the Governor include \$2,607 for salaries and wages and \$732 for travel and subsistence. The Governor also recommends a \$500 increase for maintenance materials.

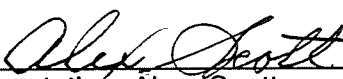
**House Subcommittee Recommendation**

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

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

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>
Beginning Balance	\$ 208,612	\$ 168,877
Net Receipts	<u>425,686</u>	<u>481,510</u>
Total Funds Available	\$ 634,298	\$ 650,387
Less: Expenditures	<u>465,421</u>	<u>512,236</u>
Ending Balance	<u>\$ 168,877</u>	<u>\$ 138,151</u>

  
 Representative Jo Ann Pottorff  
 Subcommittee Chairperson

  
 Representative Alex Scott

HA  
 2-6-90  
 Attachment 10

**SUBCOMMITTEE REPORT**

**Agency:** State Department of  
Credit Unions

**Bill No.** 2616

**Bill Sec.** 9

**Analyst:** Duncan

**Analysis Pg. No.** 20

**Budget Pg. No.** 168

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Governor's Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			<i>38,895</i>
Special Revenue Fund	\$ 584,809	\$ 521,209	\$ 36,711
FTE Positions	12.0	11.0	1.0

**Agency Request/Governor's Recommendation**

The agency requests \$584,809 for FY 1991, including \$3,000 for longevity pay. The request is an increase of \$69,734 (13.5 percent) over current year estimated expenditures. To provide funding for this request, the agency would increase the operational fee scale by 10 percent. As adjusted, the fees would generate approximately \$705,907 with 20 percent (\$141,181) to be credited to the State General Fund and the remaining \$564,723 to the Credit Union Fee Fund. The FY 1991 request includes the addition of one Financial Examiner IV position, bringing the total FTE to 12.0. The Governor recommends total expenditures of \$521,209 for FY 1991, a decrease of \$63,600 from the agency request. The recommendation includes a \$54,241 decrease in salaries (including a reduction of \$19,560 for a 4.5 percent shrinkage factor), a \$600 decrease in repairs, a \$6,775 decrease in travel, and a \$1,984 decrease in capital outlay. The Governor's recommendation would continue funding for the current 11.0 FTE positions.

**House Subcommittee Recommendation**

The House Subcommittee concurs with the Governor's recommendation and makes the following notations and adjustments:

1. Add \$36,711 and 1.0 FTE for a new Financial Examiner IV position. The Subcommittee learned that the agency foresees that within the next three years it will be required, through the National Credit Union Administration (NCUA) and the National Association of State Supervisors (NASS), to be nationally certified. The agency believes that the requested position is the first step toward accomplishing certification. The additional Financial Examiner IV will be located in the Topeka office and will be responsible for monitoring, through the use of an in-office computer, problem credit unions and verifying the accuracy of examination reports filed by agency field examiners. The Subcommittee learned that if the agency is not certified, agency fee receipts could be jeopardized, since failure to receive accreditation would cause federal examiners to duplicate services already performed by the agency.
2. Add \$1,984 for a dot matrix printer (\$335) and a copy machine (\$1,649).

- 3. The Subcommittee believes that the current system which separates seven examiners into three regions statewide appears appropriate at this time. The Subcommittee recommends that this budget be re-evaluated within the next two years to determine if the agency is able to improve its examination efficiency through use of electronic transmission of data between central and regional offices and personnel.

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

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 208,612	\$ 168,877	\$ 138,151
Net Receipts	<u>425,686</u>	<u>481,510</u>	<u>583,058</u>
Total Funds Available	\$ 634,298	\$ 650,387	\$ 721,209
Less: Expenditures	<u>465,421</u>	<u>512,236</u>	<u>521,209</u>
Ending Balance	<u>\$ 168,877</u>	<u>\$ 138,151</u>	<u>\$ 200,000</u>

*Handwritten notes in blue ink:*  
559,904  
~~557,920~~  
149,289  
161,305

  
\_\_\_\_\_  
Representative Jo Ann Pottorff  
Subcommittee Chairperson

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

**SUBCOMMITTEE REPORT**

**Agency:** State Board of Veterinary Examiners

**Bill No.** 2729

**Bill Sec.** 20

**Analyst:** Duncan

**Analysis Pg. No.** 57

**Budget Pg. No.** 582

<u>Expenditure Summary</u>	<u>Agency Est. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 116,870	\$ 93,729	\$ --
FTE Positions	1.0	1.0	

**Agency Estimate/Governor's Recommendation**


The agency estimates FY 1990 expenditures of \$116,870, the amount approved by the 1989 Legislature. The agency's estimate includes \$40,775 to continue funding for the Impaired Provider Program. The Governor recommends expenditures of \$93,729 in FY 1990, a reduction of \$23,141 from the agency estimate. The Governor's recommendation includes reductions in salaries and wages (\$240), communications (\$837), rents (\$800), travel and subsistence (\$1,264), and contractual services (\$20,000). The Governor's recommendation includes \$20,775 in funding for the Impaired Provider Program.

**House Subcommittee Recommendation**

The House Subcommittee concurs with the recommendation of the Governor.

The status of the fee fund, based on the recommendations of the Subcommittee, is shown below:

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>
Beginning Balance	\$ 128,910	\$ 154,845
Net Receipts	<u>92,367</u>	<u>70,800</u>
Total Funds Available	\$ 221,277	\$ 225,645
Less: Expenditures	<u>66,432</u>	<u>93,729</u>
Ending Balance	<u>\$ 154,845</u>	<u>\$ 131,916</u>

  
 Representative Lee Hamm  
 Subcommittee Chairman

  
 Representative Alex Scott

*HA*  
*2-6-90*  
*Attachment 11*

## SUBCOMMITTEE REPORT

Agency: State Board of Veterinary  
Examiners

Bill No. 2616

Bill Sec. 21

Analyst: Duncan

Analysis Pg. No. 57

Budget Pg. No. 582

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Governor's Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 129,890	\$ 109,871	\$ --
FTE Positions	1.0	1.0	

### Agency Request/Governor's Recommendation

The agency requests expenditures of \$129,800 in FY 1991, an increase of \$12,930 from the current year estimate. The request would fund 1.0 FTE position for an executive secretary. The request also includes increases in salary and wages (\$2,465), communications (\$1,000), printing and advertising (\$2,000), rents (\$1,000), fees (\$1,300), professional services (\$750), contractual services (\$45), examination fees (\$4,340), and office supplies (\$250), and a decrease in professional services (\$1,100). The FY 1991 request includes \$40,820 to continue to fund the impaired provider program authorized by the 1989 Legislature. The Governor recommends expenditures of \$109,871 in FY 1991, a reduction of \$20,019 from the agency request. The Governor's recommendation includes continued funding for 1.0 FTE position. The recommendation also includes decreases in salaries and wages (\$1,340), communications (\$978), travel and subsistence (\$2,041), fees -- other services (\$175), other contractual services (\$15,045), and professional and scientific supplies (\$440). The Governor's recommendation includes \$25,700 for the Impaired Provider Program.

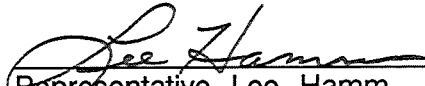
### House Subcommittee Recommendations

FY 1991. The House Subcommittee concurs with the recommendations of the Governor and makes the following observation:

1. The Subcommittee notes that although rents amounting to \$1,950 for FY 1990 and \$2,400 for FY 1991 are included in both the agency's request and the Governor's recommendation, the agency has not been receiving rent reimbursement from accounts and reports. Apparently, the state refuses to reimburse agency rent expenditures because the Board office is located in the home of the Board's executive secretary. The Subcommittee is concerned that Dr. Vincent is expending personal funds for utilities and other associated costs and recommends to the Board that Dr. Vincent's salary be re-evaluated to determine whether it includes a reasonable amount for utilities and rent. If it does not, the Subcommittee believes that his salary should be adjusted accordingly.

The status of the fee fund, based on the House Subcommittee's recommendations, is shown below:

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 128,910	\$ 154,845	\$ 131,916
Net Receipts	<u>92,367</u>	<u>70,800</u>	<u>70,800</u>
Total Funds Available	\$ 221,277	\$ 225,645	\$ 202,716
Less: Expenditures	<u>66,432</u>	<u>93,729</u>	<u>109,871</u>
Ending Balance	<u>\$ 154,845</u>	<u>\$ 131,916</u>	<u>\$ 92,845</u>

  
\_\_\_\_\_  
Representative Lee Hamm  
Subcommittee Chairman

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

700-91



**SUBCOMMITTEE REPORT**

**Agency:** Savings and Loan  
Department

**Bill No.** 2729

**Bill Sec.** 17

**Analyst:** Duncan

**Analysis Pg. No.** 48

**Budget Pg. No.** 502

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 234,783	\$ 223,351	\$ --
FTE Positions	5.5	5.5	--

**Agency Request/Governor's Recommendation**

The agency requests FY 1990 expenditures of \$234,783, an increase of \$4,809 over the amount approved by the 1989 Legislature. The request includes a \$4,629 increase in salaries and wages and a \$180 increase in contractual services. The Governor recommends expenditures totaling \$223,351 for FY 1990, a \$11,432 reduction of salaries and wages from the current year agency request. The recommended amount includes a reduction of \$9,075 for a 4.8 percent shrinkage rate.

**House Subcommittee Recommendation**

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

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

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>
Beginning Balance	\$ 141,488	\$ 142,813
Net Receipts	<u>210,595</u>	<u>221,800</u>
Total Funds Available	\$ 352,083	\$ 364,613
Less: Expenditures	<u>209,270</u>	<u>223,351</u>
Ending Balance	<u>\$ 142,813</u>	<u>\$ 141,262</u>

  
 \_\_\_\_\_  
 Representative Wanda Fuller  
 Subcommittee Chairperson

  
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 Representative Katha Hurt

**SUBCOMMITTEE REPORT**

Agency: Savings and Loan  
Department

Bill No. 2616

Bill Sec. 18

Analyst: Duncan

Analysis Pg. No. 48

Budget Pg. No. 502

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Governor's Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 222,398	\$ 210,272	\$ --
FTE Positions	4.5	4.5	--

**Agency Request/Governor's Recommendation**

The agency request for FY 1991 totals \$222,398, a decrease of \$12,385 from current year estimated expenditures. The request would decrease the present level of staffing by 1.0 FTE for an agency total of 4.5 FTE positions. The request includes \$27,700 for travel and subsistence, an increase of \$9,495 over the FY 1989 estimate. The Governor recommends \$210,272 for FY 1991, a decrease of \$12,126 from the agency's request. The recommendation includes reductions in salaries and wages (\$117); travel and subsistence (\$9,510); capital outlay (\$1,549); freight (\$100); printing and advertising (\$350); repairing and servicing (\$200); and scientific supplies (\$300).

**House Subcommittee Recommendation**

The Subcommittee concurs with the Governor's recommendation for FY 1991.

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

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 141,488	\$ 142,813	\$ 141,262
Net Receipts	<u>210,595</u>	<u>221,800</u>	<u>186,800</u>
Total Funds Available	\$ 352,083	\$ 364,613	\$ 328,062
Less: Expenditures	<u>209,270</u>	<u>223,351</u>	<u>210,272</u>
Ending Balance	<u>\$ 142,813</u>	<u>\$ 141,262</u>	<u>\$ 117,790</u>

  
 Representative Wanda Fuller  
 Subcommittee Chairperson

  
 Representative Katha Hurt



SUBCOMMITTEE REPORT

Agency: Board of Cosmetology

Bill No. 2729

Bill Sec. 7

Analyst: Piekalkiewicz

Analysis Pg. No. 18

Budget Pg. No. 166

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 292,467	\$ 272,959	\$ 2,550
FTE Positions	8.0	8.0	--

**Agency Request/Governor's Recommendation**

The Board's current year expenditure estimate of \$292,467 is the amount approved by the 1989 Legislature.

The Governor recommends FY 1990 expenditures of \$272,959, a reduction of \$19,508 from the Board's estimate, reflecting a \$8,136 reduction in salaries and wages.

**House Subcommittee Recommendation**

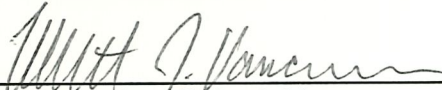
The Subcommittee concurs with the Governor's recommendations with the following exceptions:

1. Add \$800 for travel and subsistence, reflecting the addition of \$1,200 for two additional Board meetings over the Governor's recommendation and the deletion of \$400 for out-of-state travel. The recommendation reduces the Board to one out-of-state trip.
2. Add \$350 for Board per diem for two additional meetings over the Governor's recommendation.
3. Add \$1,400 for other operating expenditures.

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2-6-90  
Attachment 13

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

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>
Beginning Balance	\$ 125,404	\$ 128,042
Net Receipts	<u>270,861</u>	<u>271,645</u>
Total Funds Available	\$ 396,265	\$ 399,687
Less: Expenditures	<u>268,223</u>	<u>275,509</u>
Ending Balance	<u>\$ 128,042</u>	<u>\$ 124,178</u>

  
\_\_\_\_\_  
Representative Robert Vancrum  
Subcommittee Chairperson

  
\_\_\_\_\_  
Representative Katha Hurt

149-90/EP

**SUBCOMMITTEE REPORT**

**Agency:** Board of Cosmetology

**Bill No.** 2616

**Bill Sec.** 8

**Analyst:** Piekalkiewicz

**Analysis Pg. No.** 18

**Budget Pg. No.** 166

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Governor's Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 347,767	\$ 288,626	\$ 3,600
FTE Positions	8.0	8.0	--

**Agency Request/Governor's Recommendation**

The FY 1991 request totals \$347,767, an increase of \$55,300 over the FY 1990 estimate of \$292,467. Of the increase, \$45,670 is in salaries and wages of which \$34,779 would allow the Board to increase three part-time inspectors to full-time.

For FY 1991, the Governor recommends expenditures of \$288,626, a reduction of \$59,141 from the Board's request. The recommendation includes reductions in Board per diem (\$1,925), travel and subsistence (\$15,846), and communications (\$1,573).


**House Subcommittee Recommendation**


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

1. Add \$3,600 for travel and subsistence, reflecting an additional \$5,000 for inspector travel and subsistence and a reduction of \$1,400 from out-of-state travel.

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

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 125,404	\$ 128,042	\$ 124,178
Net Receipts	<u>270,861</u>	<u>271,645</u>	<u>272,458</u>
Total Funds Available	\$ 396,265	\$ 399,687	\$ 396,636
Less: Expenditures	<u>268,223</u>	<u>275,509</u>	<u>292,226</u>
Ending Balance	<u>\$ 128,042</u>	<u>\$ 124,178</u>	<u>\$ 104,410</u>

  
 Representative Robert Vancrum  
 Subcommittee Chairperson

  
 Representative Katha Hurt

**SUBCOMMITTEE REPORT**

Agency: State Bank Commissioner      Bill No. 2729      Bill Sec. 4  
 Analyst: Duncan      Analysis Pg. No. 7      Budget Pg. No. 100

<u>Expenditure Summary</u>	<u>Agency Est. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 2,695,018	\$ 2,679,827	\$ --
FTE Positions	69.0	69.0	--

**Agency Estimate/Governor's Recommendation**

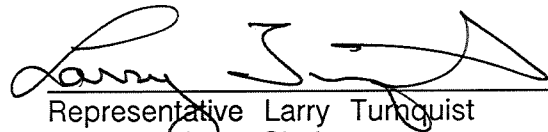
The agency estimates FY 1990 expenditures of \$2,695,018, an amount \$74,485 below the expenditure limitation approved by the 1989 Legislature. The Governor recommends FY 1990 expenditures of \$2,679,827, a decrease of \$15,191 for health insurance adjustments from the current year agency estimate. The Governor's recommendation is \$89,676 below the expenditure limitation approved by the 1989 Legislature.

**House Subcommittee Recommendation**

The House Subcommittee concurs with the recommendations of the Governor.

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

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>
Beginning Balance	\$ 288,582	\$ 342,005
Net Receipts	<u>2,539,200</u>	<u>2,777,003</u>
Total Funds Available	\$ 2,827,782	\$ 3,119,008
Less: Expenditures	<u>2,485,777</u>	<u>2,679,827</u>
Ending Balance	<u>\$ 342,005</u>	<u>\$ 439,181</u>

  
 Representative Larry Turquist  
 Subcommittee Chairman

  
 Representative Ellen Samuelson

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 2-6-90  
 Attachment 14

## SUBCOMMITTEE REPORT

**Agency:** State Bank Commissioner      **Bill No.** 2616      **Bill Sec.** 4  
**Analyst:** Duncan      **Analysis Pg. No.** 7      **Budget Pg. No.** 100

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Governor's Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 2,806,742	\$ 2,803,863	\$ --
FTE Positions	68.0	68.0	--

### Agency Request/Governor's Recommendation

The agency requests \$2,806,742 in FY 1991, an increase of \$111,724 (4.1 percent) over the current year estimated expenditures. The request would fund 68.0 positions, a decrease of one clerical position. The agency's FY 1991 request would provide salary step movement and benefit adjustments for existing employees, and reclassify five Financial Examiners I to Financial Examiners II (range 19 to 21) and ten Financial Examiners II to Financial Examiners III (range 21 to 24). The agency's request includes deletion of one Office Assistant II position, and incorporates a shrinkage factor of 2.1 percent. The Governor recommends \$2,803,863 in FY 1991, a decrease of \$2,879 from the agency estimate. The request includes an overall decrease in salaries and wages totaling \$379 and a \$2,500 decrease for capital outlay items. The recommendation includes a shrinkage factor of 2.6 percent. The Governor recommends the reclassification of the five Financial Examiners I to Financial Examiners II and the ten Financial examiners II to Financial Examiners III. The Governor also concurs with the deletion of one Office Assistant II position.

### House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor, and notes the following:

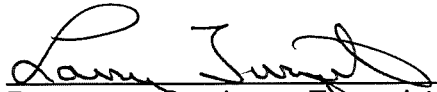
1. The Subcommittee inquired as to the status of the agency's lease for the Topeka office located in the Jayhawk Tower building and was informed that the agency is in the process of renegotiating the lease agreement. No increase is requested by the agency for rent in FY 1991 and the agency does not anticipate a change in location or cost.
2. During the Subcommittee's consideration of the Bank Commissioner's budget, issues were raised as to the present condition of state chartered banks and the current status of the trust examination activities which were begun this fiscal year. The Subcommittee learned that four banks closed in Kansas during calendar year 1989. Furthermore, 120 (29.6 percent) of the 406 state chartered banks are problem banks (banks that appear as 3-5 on a 1 to 5 scale with 5 being the worst). The agency advised the Subcommittee that the trust examination activities began at the start of the current fiscal year. Since that time, none of the six trust departments examined have ranked higher than

14-2

3 on a 1-5 scale. The Subcommittee encourages the bank department to continue its work with problem banks and strongly supports the new program focusing on trust examinations.

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

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 288,582	\$ 342,005	\$ 439,181
Net Receipts	<u>2,539,200</u>	<u>2,777,003</u>	<u>2,664,682</u>
Total Funds Available	\$ 2,827,782	\$ 3,119,008	\$ 3,103,863
Less: Expenditures	<u>2,485,777</u>	<u>2,679,827</u>	<u>2,803,863</u>
Ending Balance	<u>\$ 342,005</u>	<u>\$ 439,181</u>	<u>\$ 300,000</u>



Representative Larry Tunquist  
Subcommittee Chairman



Representative Ellen Samuelson

**SUBCOMMITTEE REPORT**

**Agency:** Abstracters Board of Examiners

**Bill No.** 2729

**Bill Sec.** 2

**Analyst:** Porter

**Analysis Pg. No.** 1

**Budget Pg. No.** 2

<u>Expenditure Summary</u>	<u>Agency Est. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 15,677	\$ 16,294	\$ --
FTE Positions	--	--	--

**Agency Request/Governor's Recommendation**

The Board estimates FY 1990 expenditures of \$15,677, a decrease of \$1,222 from the expenditure limitation of \$16,899 approved by the 1989 Legislature. The Governor recommends FY 1990 expenditures of \$16,294, an increase of \$617 from the Board's request.

**House Subcommittee Recommendation**

The Subcommittee concurs with the Governor's recommendation for FY 1990 with the following exception:


1. The Subcommittee notes that the Governor's recommendation for the salary of the Board's part-time classified employee exceeds the Board's estimate and that the amount recommended may exceed the amount necessary to fund that position. However, the Subcommittee does not recommend a reduction to the budget because the agency has itself taken steps to contain expenditures in both FY 1990 and FY 1991 due to its concern with the balance of the agency fee fund. The agency has also increased the licensing fee for abstracters from \$25 per year to \$35, as directed by the 1989 Legislature.

**Fee Fund Analysis.** The fee fund analysis below reflects the status of the agency fee fund.

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2-6-90  
Attachment 15*

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 9,383	\$ 6,581	\$ 7,199
Net Receipts	<u>12,300</u>	<u>16,912</u>	<u>17,276</u>
Total Funds Available	\$ 21,683	\$ 23,493	\$ 24,475
Less: Expenditures	<u>15,102</u>	<u>16,294</u>	<u>16,980</u>
Ending Balance	<u>\$ 6,581</u>	<u>\$ 7,199</u>	<u>\$ 7,495</u>

  
\_\_\_\_\_  
Representative William Brady  
Subcommittee Chairman

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

016-90



**SUBCOMMITTEE REPORT**

**Agency:** Abstracters Board of Examiners

**Bill No.** 2616

**Bill Sec.** 2

**Analyst:** Porter

**Analysis Pg. No.** 1

**Budget Pg. No.** 2

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Governor's Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 15,677	\$ 16,980	\$ --
FTE Positions	--	--	--

**Agency Request/Governor's Recommendation**

The Board requests \$15,677 in FY 1991, the same amount as the FY 1990 estimate. The Governor recommends expenditures of \$16,980, an increase of \$1,303 from the Board's request. The majority of the increase is for the Board's part-time seasonal employee.

**House Subcommittee Recommendation**

The Subcommittee concurs with the Governor's recommendation for FY 1991 expenditures of \$16,980.

Fee Fund Analysis. The fee fund analysis below reflects the status of the agency fee fund.

<u>Resource Estimate</u>	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 9,383	\$ 6,581	\$ 7,199
Net Receipts	<u>12,300</u>	<u>16,912</u>	<u>17,276</u>
Total Funds Available	\$ 21,683	\$ 23,493	\$ 24,475
Less: Expenditures	<u>15,102</u>	<u>16,294</u>	<u>16,980</u>
Ending Balance	<u>\$ 6,581</u>	<u>\$ 7,199</u>	<u>\$ 7,495</u>

  
 Representative William Brady  
 Subcommittee Chairman

  
 Representative Al Lane