

Approved 2-25-91
Date

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by George Teagarden at
Chairperson

1:30 a.m./p.m. on February 18, 1991 in room 514-S of the Capitol.

All members were present except: Representatives Kline and Heinemann (both excused)

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

Conferees appearing before the committee:

The Committee continued consideration of subcommittee reports on the fee agencies from the previous meeting.

HB 2047 - Appropriations for FY92, occupational and health professions licensing agencies and financial regulatory agencies.

BOARD OF BARBERING

Representative Tom Bishop reviewed the FY91 and FY92 subcommittee reports (Attachment 1). Representative Hamm made a motion to amend the FY92 subcommittee report on the Board of Barbering to recommend introduction of a bill requiring that the Administrative Officer of the Board hold a barber's license. Representative Wisdom seconded. Motion carried. Representative Mead moved adoption of the FY91 and FY92 subcommittee reports, as amended, for the Board of Barbering. Representative Chronister seconded. Motion carried.

ABSTRACTERS BOARD OF EXAMINERS

Representative Jack Wempe reviewed the FY91 and FY92 subcommittee reports in which the subcommittee concurred with the recommendations of the Governor (Attachment 2). Representative Gregory moved adoption of the FY91 and FY92 subcommittee reports on the Abstracters Board of Examiners. Representative Helgerson seconded. Motion carried.

BOARD OF MORTUARY ARTS

Representative Jack Sluiter reviewed the FY91 and FY92 subcommittee reports (Attachment 3). Representative Gregory moved adoption of the FY91 and FY92 subcommittee reports on the Board of Mortuary Arts. Representative Wisdom seconded. Motion carried.

BOARD OF ACCOUNTANCY

Representative Darlene Cornfield reviewed the FY91 and FY92 subcommittee reports (Attachment 4). Representative Gregory moved adoption of the FY91 and FY92 subcommittee reports on the Board of Accountancy. Representative Hensley seconded. Motion carried.

BOARD OF NURSING

Representative Elaine Wells reviewed the FY91 and FY92 subcommittee reports (Attachment 5). In response to a question, a representative of the Board of Nursing advised that SB 118 has been introduced which would waive continuing education requirements by professionals during a period of active military service in a war zone. Representative Gregory moved adoption of the FY91 and FY92 subcommittee reports on the Board of Nursing. Representative Hamm seconded. Motion carried.

CONSUMER CREDIT COMMISSIONER

Representative Steve Lloyd reviewed the FY91 and FY92 subcommittee reports (Attachment 6). Representative Mead moved adoption of the FY91 and FY92 subcommittee reports on the Consumer Credit Commissioner. Representative Chronister seconded. Motion carried. Representative Helgerson is recorded as voting no.

BOARD OF VETERINARY MEDICAL EXAMINERS

Representative Lisa Benlon reviewed the FY91 and FY92 subcommittee reports (Attachment 7). Representative Mead moved adoption of the FY91 and FY92 subcommittee reports on the Board of Veterinary Medical Examiners. Representative Chronister seconded. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations

room 514-S Statehouse, at 1:30 a.m./p.m. on February 18, 1991

A member expressed concern about the significant increases being requested in a number of the fee agency budgets for impaired provider programs. Representative Helgerson asked staff to do a comparative study of costs for impaired provider programs for all the applicable agencies.

SECURITIES COMMISSIONER

Representative Jeff Freeman reviewed the FY91 and FY92 subcommittee reports (Attachment 8). Representative Gatlin moved adoption of the FY91 and FY92 subcommittee reports on the Securities Commissioner. Representative Chronister seconded. Motion carried.

BEHAVIORAL SCIENCES REGULATORY BOARD

Representative Georgia Bradford reviewed the FY91 and FY92 subcommittee reports (Attachment 9). In response to a question, Representative Gatlin stated the subcommittee did not specifically consider the FY92 request for \$18,710 if HB 2017 passes. The subcommittee felt this could be fully considered for Omnibus in the event the legislation passes. A member expressed concern that the agency's fees may be too high in view of the large increase in receipts for FY92. Representative Solbach made a motion to amend the FY92 subcommittee report to add language to admonish the Behavioral Sciences Regulatory Board to be cognizant of its revenue needs as related to the fee structure and to adjust fees where appropriate so that receipts do not exceed the amount necessary to run the agency. Representative Hochhauser seconded. Motion carried. Representative Gatlin noted this agency has multi-year fees so that the level of receipts fluctuates from year to year. Representative Gatlin moved adoption of the FY91 and FY92 subcommittee reports, as amended, on the Behavioral Sciences Regulatory Board. Representative Gregory seconded. Motion carried.

BOARD OF HEALING ARTS

Representative Walker Hendrix reviewed the FY91 and FY92 subcommittee reports (Attachment 10). Mr. Hendrix noted an area of concern to the subcommittee was that adequate funding for hearing costs (i.e. reimbursement of specialized consultants) would be necessary to ensure that the Board can actively pursue disciplinary actions and this was noted in the FY92 subcommittee report. Representative Gatlin suggested that a study should be made to identify a source of funds, perhaps from fees, that would adequately cover contingencies associated with hearings. Representative Gatlin moved adoption of the FY91 and FY92 subcommittee reports on the Board of Healing Arts. Representative Helgerson seconded. Motion carried.

KANSAS DENTAL BOARD

Representative Ann Cozine reviewed the FY91 and FY92 subcommittee reports (Attachment 11). Representative Gatlin moved adoption of the FY91 and FY92 subcommittee reports on the Kansas Dental Board. Representative Hamm seconded. Motion carried.

REAL ESTATE COMMISSION

Representative Tom Thompson reviewed the FY91 and FY92 subcommittee reports (Attachment 12). Representative Gatlin moved adoption of the FY91 and FY92 subcommittee reports on the Real Estate Commission. Representative Solbach seconded. Motion carried.

Representative Hamm moved that HB 2047, as amended, be recommended favorably for passage. Representative Helgerson seconded. Motion carried.

The meeting was adjourned at 3:30 p.m. The next meeting is scheduled for Wednesday, February 20 at 1:30 p.m. in 514-S.

GUEST LIST

COMMITTEE: HOUSE APPROPRIATIONS

DATE: 2-18-91

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
JACK SLUITER	78 VALLEY VIEW WICHITA, KS.	LEGISLATURE
STEVE LLOYD	Box 101 PALMER, KS	LEG
LISA BENLON	1303 EARNSTHAW SHAWNEE, KS	LEG.
Jack Wenge	Little River, KS	Leg
Darlene Campbell	Valley Center, KS	Leg.
Jeff Freeman	Burlington	Leg
Cindy Gupin	Topeka	Budget Division
Mark L Manning	Topeka	DOB
Jeff Montague		Budget
Tom Hitchcock	Topeka	Bd. Pharmacy
Pat Johnson		Bd Nursing
Bob Boyer		Home
Cherie Wells		Home
ANN Gregg Ross	Silver Lake, KS	
Judy Ross	" "	
Larry Ross	" "	KBLA
Rick Vasek	Topeka	KS BD of Barbering
LETTY STEARMAN CHAIRMAN	TOPEKA	" " "
Jack Smith	Topeka	mortuary Arts Bd.
MaryAnn Gabel	"	BSRB
SCOTT HARBOUR	Topeka	Leg intern
Terri Roberts	Topeka	Kansas State Nurses Assn.
MARY TRUHE	TOPEKA	" " " "
STEVE WASSOM	TOPEKA	KS. SECURITIES COMM.
Tom Thompson	Mission, KS	Leg.

SUBCOMMITTEE REPORT

Agency: Board of Barbering

Bill No. 2047

Bill Sec. 5

Analyst: Piekalkiewicz

Analysis Pg. No. 11

Budget Pg. No. 1

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Governor's Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 96,482	\$ 87,248	\$ --
FTE Positions	2.5	2.0	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The Board's request for FY 1992 totals \$96,482, a net increase of \$7,899 (8.9 percent) over the FY 1991 estimate of \$88,583. The request includes increases of \$3,212 for salaries and wages, \$2034 for travel and subsistence, and \$1,392 for printing. The FY 1992 request for salaries includes a request for a revised staffing pattern -- the elimination of a part-time secretary position and the establishment of a full-time inspector position.

The Governor's recommendation for FY 1992 is \$87,248, a reduction of \$9,234 from the Board's request. The recommendation includes a decrease of \$7,763 in salaries and wages. The salary and wage recommendation does not include funding for a full-time inspector as requested by the Board.

House Subcommittee Recommendation

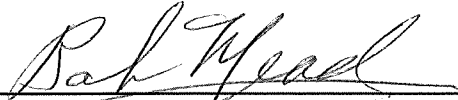
FY 1991. The Subcommittee concurs with the Governor's recommendations for FY 1991.

FY 1992. The Subcommittee concurs with the Governor's recommendations with the following exception and comments:

1. The Subcommittee notes that one of the main functions of the Board is to conduct inspections of the 950 barber shops and seven schools of barbering in the state. The Board has requested funding to increase the present .5 FTE Inspector position to a full-time position; however, the Subcommittee believes inspections would be more effectively carried out if the full-time Administrative Officer would conduct inspections on a part-time basis, inspecting the northeast portion of the state. The Subcommittee strongly recommends that the Board review this option, instead of adding staff. The Subcommittee notes that K.S.A. 74-1807 provides the Administrative Officer with the authority to conduct inspections.
2. The Subcommittee notes that as of July 1, 1990, the fee charged by the Board of Barbering for barber licenses was increased from \$35 per year to \$50. The

*NA
2-18-91
Attachment 1*


Subcommittee is pleased to report that this increase in fees was not detrimental to the industry because there appears that there has not been a reduction in the number of barbers. To date the Board has received \$55,874 in revenue, and projections indicate that the same amount will be received in the second part of the fiscal year, bringing the total amount of revenue to \$111,000, approximately the same amount of revenue projected in the Governor's budget.



Representative Bob Mead
Subcommittee Chairperson



Representative Tom Bishop



Representative David Corbin

SUBCOMMITTEE REPORT

Agency: Abstracters Board of Examiners Bill No. -- Bill Sec. --

Analyst: Porter Analysis Pg. No. 1 Budget Page No. 2

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 16,115	\$ 16,124	\$ --
FTE Positions	--	--	--

Agency Estimate/Governor's Recommendation

The Board estimates FY 1991 expenditures of \$16,115, a decrease of \$865 from the expenditure limitation of \$16,980 approved by the 1990 Legislature. The Governor recommends expenditures of \$16,124, an increase of \$9 above the agency estimate. The recommendation reflects the agency estimate with adjustments for employee fringe benefits.

House Subcommittee Recommendation

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

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 6,581	\$ 7,122	\$ 7,378
Net Receipts	15,948	16,380	16,380
Total Available	\$ 22,529	\$ 23,502	\$ 23,758
Less: Expenditures	15,407	16,124	16,236
Ending Balance	\$ 7,122	\$ 7,378	\$ 7,522

G. Gregory

Representative Gilbert Gregory, Chair

Elaine Wells

Representative Elaine Wells

J. Wempe

Representative Jack Wempe

016-91/KP

HA
2-18-91
Attachment 2

SUBCOMMITTEE REPORT

Agency: Abstracters Board of Examiners Bill No. 2047 Bill Sec. 2
 Analyst: Porter Analysis Pg. No. 1 Budget Page No. 2

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 16,225	\$ 16,236	\$ --
FTE Positions	--	--	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The Board requests \$16,225 in FY 1992, an increase of \$110 over the FY 1991 estimate. The Governor recommends FY 1992 expenditures of \$16,236, an increase of \$11 above the agency request. The recommendation reflects the agency request with adjustments for employee fringe benefits.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation for FY 1992.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 6,581	\$ 7,122	\$ 7,378
Net Receipts	15,948	16,380	16,380
Total Available	\$ 22,529	\$ 23,502	\$ 23,758
Less: Expenditures	15,407	16,124	16,236
Ending Balance	\$ 7,122	\$ 7,378	\$ 7,522

G. Gregory
 Representative Gilbert Gregory, Chair

Elaine Wells
 Representative Elaine Wells

Jack Wempe
 Representative Jack Wempe

SUBCOMMITTEE REPORT

Agency: Board of Mortuary Arts

Bill No. --

Bill Sec. --

Analyst: Porter

Analysis Pg. No. 35

Budget Page No. 434

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 135,336	\$ 134,225	\$ --
FTE Positions	3.0	3.0	--

Agency Estimate/Governor's Recommendation

The Board of Mortuary Arts estimates expenditures for FY 1991 to be \$135,336, the amount approved by the 1990 Legislature. The Governor recommends expenditures of \$134,225, a reduction of \$1,111 from the agency estimate. The recommendation reflects a downward adjustment for the cost of employee health insurance.

House Subcommittee Recommendation

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

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 51,347	\$ 49,686	\$ 43,018
Net Receipts	124,512	127,557	132,924
Total Available	\$ 175,859	\$ 177,243	\$ 175,942
Less: Expenditures	126,173	134,225	139,107
Ending Balance	\$ 49,686	\$ 43,018	\$ 36,835

G. GREGORY

 Representative Gilbert Gregory, Chair

Darlene Cornfield

 Representative Darlene Cornfield

Jack Sluiter

 Representative Jack Sluiter

204-91/KP

HA
 2-18-91
 Attachment 3

SUBCOMMITTEE REPORT

Agency: Board of Mortuary Arts

Bill No. 2047

Bill Sec. 11

Analyst: Porter

Analysis Pg. No. 31

Budget Page No. 426

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 145,277	\$ 139,107	\$ --
FTE Positions	3.0	3.0	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The Board requests expenditure authority of \$145,277, an increase of \$9,941, or 7.4 percent, over the amount approved for FY 1991. The Board requests funding for the existing 3.0 FTE positions. The Board proposes no major changes in its operation. The Governor recommends FY 1992 expenditures of \$139,107, a reduction of \$6,170 from the agency request. The recommendation reflects a downward adjustment for the cost of employee health insurance and a reduction of \$3,300 from the agency request for travel and subsistence.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1992 with the following observation:

The agency requests restoration of \$3,300 for travel and subsistence which would allow the Board's Executive Secretary to travel out-of-state to the annual meetings of the National Clearinghouse on Licensure Enforcement and Regulation and the Federal Association of Regulatory Boards. Although the Subcommittee does not recommend restoration of the \$3,300 for travel and subsistence, the Subcommittee supports the Board's Executive Secretary's suggestion that he attend these meetings if savings in other areas of the budget permit and encourages him in his efforts.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 51,347	\$ 49,686	\$ 43,018
Net Receipts	124,512	127,557	132,924
Total Available	\$ 175,859	\$ 177,243	\$ 175,942
Less: Expenditures	126,173	134,225	139,107
Ending Balance	\$ 49,686	\$ 43,018	\$ 36,835

G. Gregory

Representative Gilbert Gregory
Subcommittee Chairperson

Darlene Cornfield
Representative Darlene Cornfield

Jack Sluiter
Representative Jack Sluiter

GREGORY

Representative Gilbert Gregory
Subcommittee Chairperson

Darlene Cornfield

Representative Darlene Cornfield

Jack Sluiter

Representative Jack Sluiter

SUBCOMMITTEE REPORT

Agency: Board of Accountancy

Bill No. 2047

Bill Sec. 3

Analyst: Porter

Analysis Pg. No. 3

Budget Page No. 4

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 211,217	\$ 188,040	\$ --
FTE Positions	3.0	3.0	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

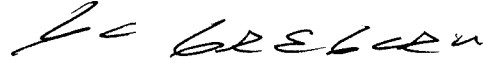
The Board requests expenditure authority of \$211,217, an increase of \$28,178, or 15.4 percent over the revised estimate for FY 1991. The agency requests funding for the existing 3.0 FTE positions and proposes no major changes in the Board's operation. The Governor recommends FY 1992 expenditures of \$188,040, a reduction of \$23,177, or 10.8 percent, from the agency request.

House Subcommittee Recommendation

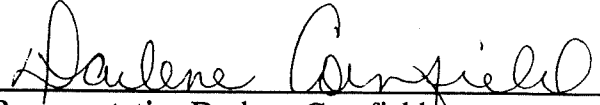
The House Subcommittee concurs with the Governor's recommendation for FY 1992 with the following observation:

The Subcommittee notes that the agency requests additional funding for several items, including \$2,500 for a computer, \$1,000 for out-of-state travel to the National Association of State Boards of Accountancy meeting, \$3,000 for investigative fees, and \$700 for salaries and wages. Although the Subcommittee notes that the agency's fee fund has a sufficient balance to finance these items, the Subcommittee believes that the budgets of all state agencies, including fee agencies, should reflect fiscal constraint in light of the resources available in FY 1992.

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



Representative Gilbert Gregory
Subcommittee Chairperson



Representative Darlene Cornfield



Representative Jack Sluiter

SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. --

Bill Sec. --

Analyst: Colton

Analysis Pg. No. 38

Budget Page No. 438

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 689,992	\$ 688,194	\$ --
FTE Positions	14.5	14.5	--

Agency Request/Governor's Recommendation

The Board of Nursing estimates expenditures of \$689,992 for FY 1991, an increase of \$7,408 over the amount approved by the 1990 Legislature. This can be attributed entirely to expenditures for salaries and wages. Major expenditures for FY 1991 include \$438,745 for salaries and wages, \$65,961 for rents, \$65,465 for fees--professional services, \$36,744 for travel and subsistence, and \$32,205 for communications. All other estimated expenditures total \$50,872. The Governor recommends FY 1991 expenditures of \$688,194. The recommendation increases the Board's estimate for salaries and wages by \$3,230, and decreases the estimates for rents by \$1,838 and for fees--professional services by \$3,190, for a net decrease of \$1,798 from the Board's FY 1991 estimate.

House Subcommittee Recommendation

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

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 258,707	\$ 326,121
Net Receipts	693,027	710,024
Total Available	\$ 951,734	\$ 1,036,145
Less: Expenditures	625,613	688,194
Ending Balance	\$ 326,121	\$ 347,951

*HA
2-18-91
Attachment 5*

G. Gregory

Representative Gilbert Gregory
Subcommittee Chair

J. R. Wempe

Representative Jack Wempe

Elaine Wells

Representative Elaine Wells

SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. 2047

Bill Sec. 14

Analyst: Colton

Analysis Pg. No. 38

Budget Page No. 438

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 802,158	\$ 703,871	\$ 18,533
FTE Positions	16.0	14.5	0.5

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The Board requests an expenditure limitation of \$802,158 in FY 1992, an increase of \$112,166 (16.3 percent) over the current year estimate. The request includes an increase of \$52,463 for wages and salaries, the addition of 1.5 FTE positions and the upgrading of one position. The increase in FTE positions would allow the hiring of a 1.0 FTE Nurse Investigator and the increase of a 0.5 FTE Secretary I position to a 1.0 FTE position. Other major increases in operating expenditures include those for fees -- professional services (\$41,835), repairing and servicing (\$7,689), travel and subsistence (\$3,776) fees -- other services (\$3,274), and communications (\$2,795). There is a reduction in expenditures for rents of \$4,341. Net other changes increase expenditures from the current year by \$4,675. The Governor recommends FY 1992 expenditures of \$703,871. The Governor's FY 1992 recommendation decreases the agency's request by \$98,987, and includes a \$44,426 decrease in expenditures for salaries and wages, and a \$42,368 decrease in expenditures for fees -- professional services. Other decreases from the agency's FY 1992 request amount to \$18,449. There is also a \$6,256 increase -- for rents -- over the Board's request. The Governor's recommendation would maintain the current staffing level of 14.5 FTE positions.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation for FY 1992, with the subsequent adjustments:

1. The addition of \$10,033 for the upgrading of a 0.5 FTE Secretary I to a 1.0 FTE position. The Board explained that the secretary works with the agency's Nurse Investigators, and that the Board has accumulated a backlog in the handling of complaints against practitioners. The Subcommittee feels that the upgrade of the position to a full-time position would aid in reducing the backlog in the handling of investigations of complaints.
2. The addition of \$8,500 for fees -- professional services. The additional moneys are for the Board's contract for its impaired provider program. The agency

requested FY 1992 fees -- professional services expenditures of \$107,300. The Governor recommended \$64,932. The Subcommittee's recommendation would provide for total fees -- professional services expenditures of \$72,432.

The fee fund analysis, reflecting the recommendations of the Subcommittee, is shown below:

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 258,707	\$ 326,121	\$ 347,951
Net Receipts	693,027	710,024	716,060
Total Available	\$ 951,734	\$ 1,036,145	\$ 1,064,011
Less: Expenditures	625,613	688,194	722,404
Ending Balance	\$ 326,121	\$ 347,951	\$ 341,607

G. Gregory

Representative Gilbert Gregory
Subcommittee Chair

J. Wempe

Representative Jack Wempe

E. Wells

Representative Elaine Wells

SUBCOMMITTEE REPORT

Agency: Consumer Credit Commissioner Bill No. -- Bill Sec. --
 Analyst: Duncan Analysis Pg. No. 18 Budget Page No. 128

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 316,542	\$ 314,188	\$ --
FTE Positions	7.0	7.0	--

Agency Estimate/Governor's Recommendation


The Commissioner estimates current year expenditures of \$316,542, an amount equal to the expenditure limitation approved by the 1990 Legislature. Excluded from the reported expenditures is the transfer of \$70,000 to the Kansas Council on Economic Education. The Governor recommends FY 1991 expenditures of \$314,188, a decrease of \$2,354 for health insurance adjustments from the Commissioner's current year estimate.

House Subcommittee Recommendation


The House Subcommittee concurs with the recommendations of the Governor.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 325,789	\$ 292,526
Net Receipts	336,833	335,700
Total Available	\$ 662,622	\$ 628,226
Less: Expenditures	300,096	314,188
Nonreportable Expenditures	70,000	70,000
Ending Balance	\$ 292,526	\$ 244,038


 Representative Bob Mead
 Subcommittee Chairman


 Representative Steve Lloyd


 Representative Lisa Benlon

454-91

HA
 2-18-91
 Attachment 6

SUBCOMMITTEE REPORT

Agency: Consumer Credit Commissioner

Bill No. 2047

Bill Sec. 13

Analyst: Duncan

Analysis Pg. No. 18

Budget Page No. 128

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 333,609	\$ 320,620	\$ --
FTE Positions	7.0	7.0	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The Commissioner requests \$333,609 for FY 1992, an increase of \$17,067 (5.4 percent) above the FY 1991 estimate. The request included \$271,520 for salaries (\$10,480 increase) \$7,784 for communications (\$241 increase); \$17,953 for rent (\$289 increase); \$28,679 for travel (\$5,095 increase); \$3,375 for printing and advertising (\$106 decrease); and \$4,298 for all other costs (\$1,068 increase). The Commissioner also requests that a nonreportable payment of \$70,000 for consumer education be made to the Kansas Council on Economic Education in FY 1992. The Governor recommends \$320,620 for FY 1992, a decrease of \$12,989 from the Commissioner's request. The recommendation includes reductions in salaries and wages (\$10,750), repairing and servicing (\$1,000), and travel and subsistence (\$1,239). The Governor also recommends the \$70,000 payment to the Kansas Council on Economic Education.

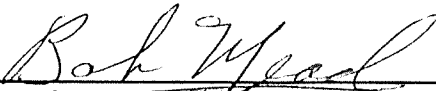
House Subcommittee Recommendation

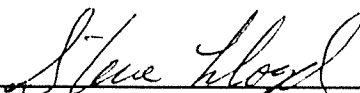
The House Subcommittee concurs with the recommendations of the Governor, and makes the following observation:

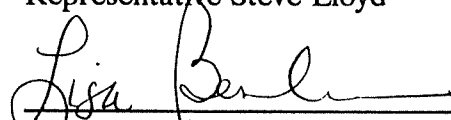
1. The Subcommittee recognizes the agency's concern regarding the age of its existing office equipment (particularly calculators) and the frequency of repairs. The Subcommittee believes that the Governor's recommendation is adequate for FY 1992 but recommends that the agency's equipment needs be re-evaluated during the next legislative session.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 325,789	\$ 292,526	\$ 244,038
Net Receipts	336,833	335,700	350,916
Total Available	<u>\$ 662,622</u>	<u>\$ 628,226</u>	<u>\$ 594,954</u>
Less: Expenditures	300,096	314,188	320,620
Nonreportable Exps.	70,000	70,000	70,000
Ending Balance	<u><u>\$ 292,526</u></u>	<u><u>\$ 244,038</u></u>	<u><u>\$ 204,334</u></u>


 Representative Bob Mead
 Subcommittee Chairman


 Representative Steve Lloyd


 Representative Lisa Benlon

SUBCOMMITTEE REPORT

Agency: State Board of Veterinary
Medical Examiners

Bill No. --

Bill Sec. --

Analyst: Duncan

Analysis Pg. No. 64

Budget Page No. 588

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 119,276	\$ 103,273	\$ (175)
FTE Positions	1.0	1.0	--

Agency Request/Governor's Recommendation

A. **FY 1991.** The agency requests FY 1991 expenditures of \$119,276, an increase of \$9,405 over the amount approved by the 1990 Legislature. Included in the FY 1991 request is \$40,820 for the Impaired Provider Program, an increase of \$15,045 over the approved amount. The Governor recommends \$103,273 in FY 1991, a reduction of \$16,003 from the revised agency estimate. The Governor's recommendation includes reductions in salaries and wages (\$958 decrease) and the Impaired Provider Program (\$15,045 decrease).

House Subcommittee Recommendation

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

1. Delete \$175 for capital outlay in FY 1991, reducing the agency's capital outlay appropriation from \$1,055 to \$880. This would allow the agency to purchase one desk and two storage shelves.
2. The Subcommittee inquired into the Impaired Provider program and learned that the agency has spent approximately \$5,000 to date for impaired veterinarians. Additionally, the agency is in the process of negotiating a \$15,000 contract with Professional Advisory Services, Inc. to handle the program. The Subcommittee recommends that the Senate Subcommittee review the completed contract between the agency and Professional Advisory Services to determine whether the budget contains adequate funding for this program.

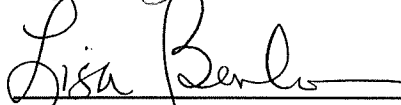
The fee fund analysis, based on the recommendations of the Subcommittee, is as follows:

HA
2-18-91
Attachment 7

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 154,845	\$ 174,994
Net Receipts	78,348	74,000
Total Available	<u>\$ 233,193</u>	<u>\$ 248,994</u>
Less: Expenditures	58,179	103,098
Nonreportable Expend.	20	--
Ending Balance	<u><u>\$ 174,994</u></u>	<u><u>\$ 145,896</u></u>



Representative Bob Mead, Subcommittee Chairman



Representative Lisa Benlon



Representative Steve Lloyd

SUBCOMMITTEE REPORT

Agency: State Board of Veterinary
Medical Examiners

Bill No. 2047

Bill Sec. 21

Analyst: Duncan

Analysis Pg. No. 64

Budget Page No. 588

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 132,912	\$ 115,474	\$ (1,880)
FTE Positions	1.0	1.0	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The agency requests FY 1992 expenditures for state operations of \$132,912, an increase of \$13,636 from current year estimated expenditures. Major requested expenditures include \$32,392 for salaries and wages, \$5,000 for communication, \$7,200 for travel, \$40,820 for contractual services, \$30,000 for examination materials, and \$3,800 for capital outlay. The Governor recommends expenditures of \$115,474 for FY 1992, a decrease of \$17,438 from the agency request. The Governor's recommendation includes continued funding for 1.0 FTE positions. The recommendation also includes decreases in salaries and wages (\$693); rents (\$1,200); fees (\$500); and professional services (\$15,045). The Governor's recommendation includes \$25,775 for the Impaired Provider Program.


House Subcommittee Recommendation

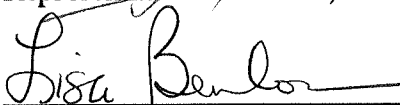
The House Subcommittee concurs with the recommendation of the Governor with the following adjustment:

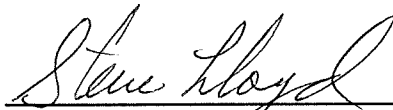
1. Delete \$1,880 for capital outlay in FY 1992, reducing the agency's capital outlay appropriation from \$3,800 to \$1,920. The reduction makes a technical adjustment (\$880) and allows the agency \$1,150 rather than \$2,150 for the purchase of a fax machine.

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

Resource Estimate	Actual FY 1990	Estimated FY 1991	Estimated FY 1992
Beginning Balance	\$ 154,845	\$ 174,994	\$ 145,721
Net Receipts	78,348	74,000	78,032
Total Available	<u>\$ 233,193</u>	<u>\$ 248,994</u>	<u>\$ 223,753</u>
Less: Expenditures	58,179	103,273	113,594
Nonreportable Expend.	20	--	--
Ending Balance	<u><u>\$ 174,994</u></u>	<u><u>\$ 145,721</u></u>	<u><u>\$ 110,159</u></u>


 Representative Bob Mead, Subcommittee Chairman


 Representative Lisa Benlon


 Representative Steve Lloyd

SUBCOMMITTEE REPORT

Agency: Securities Commissioner

Bill No.

Bill Sec.

Analyst: Robinson

Analysis Pg. No. 57

Budget Page No. 105

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 1,286,606	\$ 1,273,456	\$ 5,325
FTE Positions	27.0	27.0	--

Agency Request/Governor's Recommendation

The Securities Commissioner's revised FY 1991 budget estimate totals \$1,286,606, a decrease of \$1,217 from the amount approved by the 1990 Legislature. The Governor recommends FY 1991 expenditures of \$1,273,456, a reduction of \$13,150 from the agency estimate.

House Subcommittee Recommendation

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

1. Add \$5,325 in salaries and wages. The Governor's FY 1991 recommendation reduces funding for one FTE Secretary I position for the rest of FY 1991. This position is currently filled, and, according to the agency, the position layoff cannot be accomplished immediately. For that reason, the Subcommittee recommends the addition of \$5,325 in salaries and wages to provide for an extra three months of salary and benefits for the position.

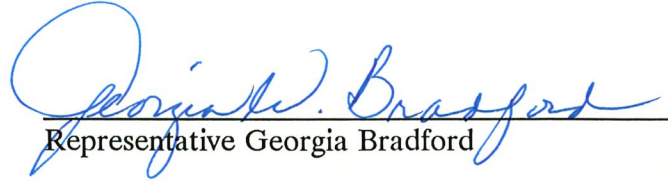
The status of the fee fund, based on the House Subcommittee recommendation, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 500,218	\$ 500,000
Net Receipts	2,552,716	2,445,717
Total Available	\$ 3,052,934	\$ 2,945,717
Less: Expenditures	1,216,740	1,278,781
Transfer to SGF	1,335,549	1,166,936
Nonreportable Expenditures	645	--
Ending Balance	<u>\$ 500,000</u>	<u>\$ 500,000</u>

HA
2-18-91
Attachment 8



Representative Fred Gatlin
Subcommittee Chairperson



Representative Georgia Bradford



Representative Jeff Freeman

SUBCOMMITTEE REPORT

Agency: Securities Commissioner

Bill No.2047

Bill Sec. 19

Analyst: Robinson

Analysis Pg. No. 57

Budget Page No. 519

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 1,351,678	\$ 1,288,278	\$ 5,325
FTE Positions	26.0	26.0	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The Securities Commissioner requests FY 1992 expenditures of \$1,351,678, an increase of \$65,072 from the current year estimate. The Governor's FY 1992 recommendation of \$1,288,278 is a reduction of \$63,400 from the agency request. The recommended reductions include \$49,613 in salaries and wages, \$3,955 in communications, \$3,000 in fees for other services, \$2,000 in printing and advertising, \$845 in stationery and office supplies, and \$3,987 in capital outlay.

House Subcommittee Recommendation

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

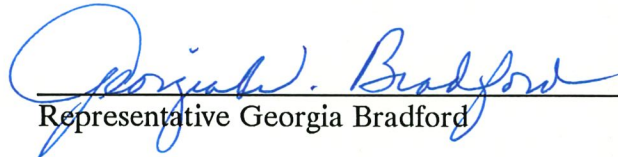
1. The agency has requested the addition of \$20,000 in salaries and wages to allow the upgrading of the salaries of the three attorneys on staff. The Subcommittee does not recommend any additional expenditures for this purpose but would encourage the agency to upgrade these salaries if savings can be found in other areas. The agency also indicated that it would like to have the two of the staff attorney positions classified. There are procedures to be followed with the Division of Personnel Services and the Subcommittee would encourage the agency to follow through on these procedures.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 500,218	\$ 500,000	\$ 500,000
Net Receipts	2,552,716	2,445,717	2,491,060
Total Available	<u>\$3,052,934</u>	<u>\$ 2,945,717</u>	<u>\$ 2,991,060</u>
Less: Expenditures	1,216,740	1,278,781	1,288,278
Transfer to State General Fund	1,335,599	1,166,936	1,202,782
Less: Nonreportable Expenditures	645	--	--
Ending Balance	<u><u>\$ 499,950</u></u>	<u><u>\$ 500,000</u></u>	<u><u>\$ 500,000</u></u>



Representative Fred Gatlin
Subcommittee Chairperson



Representative Georgia Bradford



Representative Jeff Freeman

SUBCOMMITTEE REPORT

Agency: Behavioral Sciences
Regulatory Board

Bill No.

Bill Sec.

Analyst: Robinson

Analysis Pg. No. 14

Budget Page No. 105

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 260,004	\$ 241,264	\$ --
FTE Positions	4.0	4.0	--

Agency Request/Governor's Recommendation

The Board estimates FY 1991 expenditures of \$260,004, as approved by the 1990 Legislature. The Governor recommends FY 1991 expenditures of \$241,264, a reduction of \$18,740 from the amount requested by the agency. The recommended reductions include \$15,155 for salaries and wages, \$1,933 for professional fees, \$436 for rents, \$100 for stationery and office supplies, and \$1,116 for capital outlay.

House Subcommittee Recommendation

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

The Board had requested that the Subcommittee restore funding in some areas for FY 1991. The documentation requested by the Subcommittee was provided too late in the appropriations process to be adequately considered by the Subcommittee.

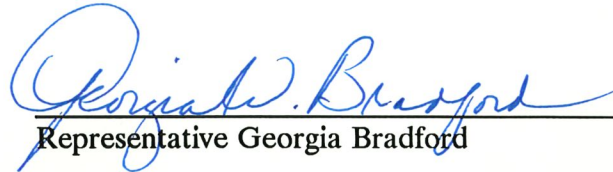
The status of the fee fund, based on the recommendations of the House Subcommittee, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 63,421	\$ 52,344
Net Receipts	203,683	208,833
Total Available	\$ 267,104	\$ 261,177
Less: Expenditures	214,760	241,264
Ending Balance	\$ 52,344	\$ 19,913

*HA
2-18-91
Attachment 9*



Representative Fred Gatlin
Subcommittee Chairperson



Representative Georgia Bradford



Representative Jeff Freeman

SUBCOMMITTEE REPORT

Agency: Behavioral Sciences
Regulatory Board

Bill No. 2047

Bill Sec. 6

Analyst: Robinson

Analysis Pg. No. 14

Budget Page No. 105

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 304,365	\$ 243,497	\$ --
FTE Positions	4.0	4.0	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The Board requests an expenditure limitation of \$304,365, which is an increase of \$44,361 (17.1 percent) over the agency's revised current year estimate. The Governor recommends expenditures of \$243,497, a reduction of \$60,868 from the amount requested. The recommended reductions include \$27,607 for salaries and wages, \$17,013 for professional fees, \$7,199 for travel and subsistence, \$5,357 for communications, \$3,692 in other expenditures.

House Subcommittee Recommendation

FY 1992. The Subcommittee concurs with the recommendations of the Governor, with the following observations:

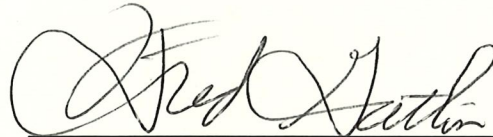
1. The Subcommittee notes that H.B. 2017, providing for the regulation of marriage and family counselors, has passed the House and is pending in the Senate. Should the legislation pass, the agency has indicated the need for an additional \$18,710. This would be an appropriate item for Omnibus consideration.
2. The Subcommittee reviewed the issue of the Executive Director's salary in light of her dismissal and subsequent reinstatement in FY 1990. The Subcommittee notes that the Governor set the Executive Director's salary at \$33,500, rather than the \$35,125 recommended by the Board at its February 5, 1990 meeting. The Subcommittee concurs with the Governor's salary recommendation.
3. The Subcommittee, after touring the agency, has some concerns about the operation of the agency. These concerns include the following:
 - a. The Subcommittee notes that the computers in the office are not linked in any way and that information must be transferred from one computer to the next each day. The Subcommittee understands that the agency has been working with DISC on a solution which would link the computers to provide for more efficient use of office

time. The Subcommittee strongly encourages continued efforts to improve this system.

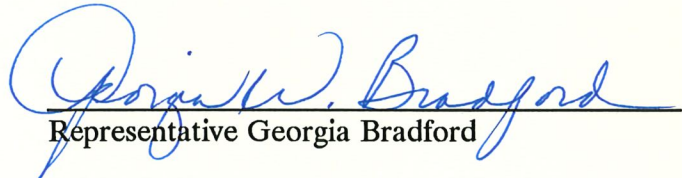
- b. The Subcommittee is also concerned with the manner in which documents are stored in the office. The records are computerized and are backed up on computer storage, but hard copies of the documents are still maintained in the office. The Subcommittee notes that the agency is requesting additional space in the event that marriage and family counselors are added to the Board's regulation duties. The Subcommittee believes that if a more efficient method were utilized to store documents, there would be more than adequate space for additional personnel and storage if the Board is required to regulate marriage and family counselors.
- c. The Subcommittee is concerned with the fact that during the Subcommittee tour of the agency, only two of the four FTE positions were present at their respective work stations.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 63,421	\$ 52,344	\$ 19,913
Net Receipts	203,683	208,833	352,809
Total Available	<u>\$ 267,104</u>	<u>\$ 261,177</u>	<u>\$ 372,722</u>
Less: Expenditures	214,760	241,264	243,497
Ending Balance	<u><u>\$ 52,344</u></u>	<u><u>\$ 19,913</u></u>	<u><u>\$ 129,225</u></u>



Representative Fred Gatlin
Subcommittee Chairperson



Representative Georgia Bradford



Representative Jeff Freeman

SUBCOMMITTEE REPORT

Agency: Board of Healing Arts

Bill No. --

Bill Sec. --

Analyst: Robinson

Analysis Pg. No. 30

Budget Page No. 239

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 1,107,843	\$ 1,098,368	\$ --
FTE Positions	20.0	20.0	--

Agency Estimate/Governor's Recommendation

FY 1991. The Board estimates FY 1991 expenditures of \$1,107,843, as approved by the 1990 Legislature. The Governor recommends FY 1991 expenditures of \$1,098,368, a reduction of \$9,475 from the agency estimate. The recommended reductions are in salaries and wages (\$19,752), fees for other services (\$7,805), and capital outlay (\$2,521). The reductions are partially offset by an increase in fees for professional services (\$20,603).

House Subcommittee Recommendation


The House Subcommittee concurs with the Governor's recommendation.

An analysis of the Board's fee fund reflecting the Subcommittee's recommendation is shown below. The status of the fee fund, based on the recommendation of the House Subcommittee, is as follows:


<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 959,605	\$ 1,095,513
Net Receipts	1,392,125	1,279,755
Total Available	\$ 2,351,730	\$ 2,375,268
Less: Expenditures	1,252,182	1,098,368
Nonreportable Exps.	4,035	--
Ending Balance	\$ 1,095,513	\$ 1,276,900

HA
2-18-91
Attachment 10

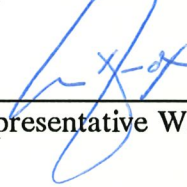
2



Representative Fred Gatlin
Subcommittee Chairperson



Representative Ann Cozine



Representative Walker Hendrix

SUBCOMMITTEE REPORT

Agency: Board of Healing Arts

Bill No. 2047

Bill Sec. 7

Analyst: Robinson

Analysis Pg. No. 30

Budget Page No. 239

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 1,300,225	\$ 1,129,801	\$ 43,984
FTE Positions	23.0	20.0	2.0

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

FY 1992. The Board is requesting FY 1992 expenditures of \$1,300,225, an increase of \$192,382 over the revised FY 1991 estimate. The agency is requesting 3.0 new FTE positions for FY 1992. The Governor recommends FY 1992 expenditures of \$1,129,801, a reduction of \$170,424 from the agency request. The recommendation includes reductions of \$93,723 for salaries and wages, \$25,212 for communications, \$7,500 for professional fees, \$22,068 for other contractual services, \$14,871 for travel, \$2,000 for stationery and office supplies, \$1,750 for capital outlay, \$1,700 for printing and advertising, and \$1,600 for all other items. The Governor does not recommend any new FTE positions.

House Subcommittee Recommendation

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

1. Add \$35,346 in salaries and wages for 2.0 new classified FTE positions, an Office Assistant I (\$16,920 is salary and benefits) for the licensure section, and Office Assistant II (\$18,426 in salary and benefits) for the disciplinary section.
2. Add \$2,000 in communications to allow for additional telephone equipment and lines for the new positions.
3. Add \$1,167 in capital outlay to allow for the acquisition of two computer terminals for the new positions.
4. Add \$5,471 for travel expenditures in FY 1992. This would raise travel and subsistence expenditures for the agency to a total of \$36,000, providing for all of the in-state travel requested by the agency (\$26,600) and one-half of the amount requested by the agency (\$9,400) for out-of-state travel.
5. The Subcommittee notes that the agency requests, and the Governor recommends, the expenditure of \$7,000 for a computer disc pack, because the Board

is currently at 44 percent of capacity on the system purchased during FY 1990. Although concurring with recommendation, the Subcommittee recommends that the Board work closely with DISC to review the use of the computer system and to develop methods to improve storage and retrieval of data.

6. The Subcommittee notes that the Governor's recommendation for administrative hearing costs and specialized consultants in FY 1992 is \$6,398 less than recommended for FY 1991. Given the expressed desire on the agency's part to more actively pursue disciplinary actions, the Subcommittee, while lacking information to justify any adjustment, is concerned that this might be a conservative estimate for these costs.

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

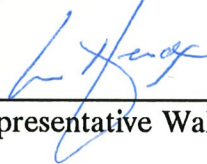
Resource Estimate	Actual FY 1990	Estimated FY 1991	Estimated FY 1992
Beginning Balance	\$ 959,605	\$ 1,095,513	\$ 1,276,900
Net Receipts	1,392,125	1,279,755	1,322,865
Total Available	<u>\$ 2,351,730</u>	<u>\$ 2,375,268</u>	<u>\$ 2,599,765</u>
Less: Expenditures	1,252,182	1,098,368	1,173,785
Nonreportable Exps.	4,035	--	--
Ending Balance	<u><u>\$ 1,095,513</u></u>	<u><u>\$ 1,276,900</u></u>	<u><u>\$ 1,425,980</u></u>



Representative Fred Gatlin
Subcommittee Chairperson



Representative Ann Cozine



Representative Walker Hendrix

SUBCOMMITTEE REPORT

Agency: Kansas Dental Board

Bill No.

Bill Sec.

Analyst: Robinson

Analysis Pg. No. 27

Budget Page No. 177

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 151,970	\$ 146,989	\$ --
FTE Positions	1.5	1.5	--

Agency Request/Governor's Recommendation

FY 1991. The agency's FY 1991 expenditure estimate of \$151,970 reflects an increase of \$6,529 from the amount approved by the 1990 Legislature. The increase includes \$929 in salaries and wages, \$600 in travel and subsistence, and \$5,000 in professional services. The Governor recommends expenditures of \$146,989 for the Dental Board in FY 1991, a reduction of \$4,981 from the agency estimate. The recommendations includes reductions of \$1,138 in salaries and wages and \$3,843 in professional services.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 156,639	\$ 155,970
Net Receipts	141,469	139,000
Total Available	\$ 298,108	\$ 294,970
Less: Expenditures	142,138	146,989
Ending Balance	\$ 155,970	\$ 147,981

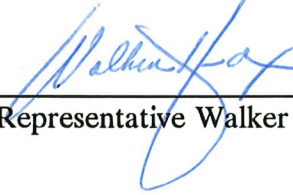
*HA
2-18-91
Attachment II*



Representative Fred Gatlin
Subcommittee Chairperson



Representative Ann Cozine



Representative Walker Hendrix

SUBCOMMITTEE REPORT

Agency: Kansas Dental Board

Bill No. 2047

Bill Sec. 10

Analyst: Robinson

Analysis Pg. No. 27

Budget Page No. 177

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 170,971	\$ 153,307	\$ --
FTE Positions	1.5	1.5	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

FY 1992. The agency requests FY 1992 expenditures of \$170,971, an increase of \$19,001 over the agency's revised FY 1991 estimate. The Governor recommends expenditures of \$153,307, a reduction of \$17,664 from the agency request. The recommendation includes reductions of \$3,620 in salaries and wages, \$2,167 in communications, \$2,000 in printing and advertising, \$3,377 in travel and subsistence, and \$6,500 in fees for professional services.

House Subcommittee Recommendation

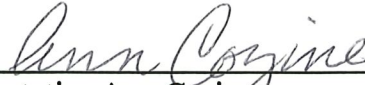
The House Subcommittee concurs with the Governor's recommendation.

The status of the fee fund, reflecting the recommendation of the Subcommittee, is as follows:

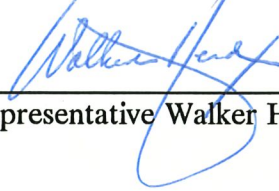
<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 156,639	\$ 155,970	\$ 147,981
Net Receipts	141,469	139,000	144,320
Total Available	\$ 298,108	\$ 294,970	\$ 292,301
Less: Expenditures	142,138	146,989	153,307
Ending Balance	<u>\$ 155,970</u>	<u>\$ 147,981</u>	<u>\$ 138,994</u>



Representative Fred Gatlin
Subcommittee Chairperson



Representative Ann Cozine



Representative Walker Hendrix

SUBCOMMITTEE REPORT

Agency: Real Estate Commission

Bill No. --

Bill Sec. --

Analyst: Efird

Analysis Pg. No. 50

Budget Page No. 472

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
Special Revenue Funds:			
Real Estate Fund	\$ 539,275	\$ 532,865	\$ --
Appraiser Board Fund	39,157	38,822	--
Recovery Fund	1,500	1,500	--
Subtotal -- St. Ops.	<u>\$ 579,932</u>	<u>\$ 573,187</u>	<u>\$ --</u>
Claims -- Recovery Fund	30,000	20,000	--
Total -- Operating	<u><u>\$ 609,932</u></u>	<u><u>\$ 593,187</u></u>	<u><u>\$ --</u></u>
 FTE Positions	 14.0	 14.0	

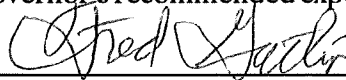
Agency Request/Governor's Recommendation

The Commission estimates a decrease of \$5,133 in state operations expenditures for FY 1991 from the amount approved by the 1990 Legislature. The adjustment is attributed to a decrease in salaries and benefits (\$5,913) and an increase of \$800 in fees for services. An increase of \$10,000 above the \$20,000 approved last session is estimated in claims expenditures for the current fiscal year.

The Governor recommends a reduction from the current approved level of \$11,858 in state operations for the current fiscal year. The recommended adjustments include a reduction in salaries and benefits (\$12,558) and an increase of \$700 in fees. The Governor concurs with the approved estimate of \$20,000 for claims.

House Subcommittee Recommendation

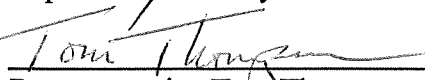
The Subcommittee concurs with the Governor's recommended expenditures for FY 1991.



Representative Fred Gatlin
Subcommittee Chairperson



Representative Gary Boston



Representative Tom Thompson

549-91/JE

HA
2-18-91
Attachment 12

SUBCOMMITTEE REPORT

Agency: Real Estate Commission

Bill No. 2047

Bill Sec. 17

Analyst: Efird

Analysis Pg. No. 50

Budget Page No. 472

Expenditure Summary	Agency Req. FY 92	Gov. Rec. FY 92*	Subcommittee Adjustments
Special Revenue Funds:			
Real Estate Fund	\$ 568,874	\$ 532,312	\$ --
Appraiser Board Fund	63,604	53,010	--
Recovery Fund	1,000	1,000	--
Subtotal -- St. Ops.	<u>\$ 633,478</u>	<u>\$ 586,322</u>	<u>\$ --</u>
Claims -- Recovery Fund	10,000	10,000	--
Total -- Operating	<u><u>\$ 643,478</u></u>	<u><u>\$ 596,322</u></u>	<u><u>\$ --</u></u>
 FTE Positions	 15.0	 14.0	 --

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The Commission requests an increase of \$53,546 for FY 1992 above the current fiscal year estimate for state operations. Included are increases of \$50,965 for salaries and benefits, mainly associated with 1.0 FTE new staff position, and \$3,485 for contractual services. A decrease in commodities amounts to \$904. Estimated claims of \$10,000 against the Real Estate Recovery Revolving Fund are included in the FY 1992 budget request, a decrease of \$20,000 from the current fiscal year estimate.

The Governor recommends an increase of \$13,135 above this fiscal year in state operations. Included in the Governor's recommended expenditures is an increase in salaries and benefits of \$15,595 and reductions in contractual services (\$1,556) and commodities (\$904). No additional staff is recommended. The Governor reduces the estimated claims to \$10,000 in FY 1992.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommended expenditures for FY 1992.

The Subcommittee reviewed the request for a new inspector to provide help for the Appraiser Board and for improving the timeliness of site visits to real estate offices for inspections. However, the Subcommittee is concerned about the lower, revised ending balances for both fee funds after making adjustments in cash flow estimates suggested by the Commission staff (including a projected fee increase) and regrets that adding another position does not appear financially advisable at this time. The Subcommittee further notes that proposed legislation will extend the statute of limitations from one to three years for detecting and prosecuting violations of law, thus alleviating partially its concern about the problem of site inspections being conducted in a less than timely manner.

Real Estate Fee Fund Analysis. Real Estate brokers and salespersons licenses are issued and renewed for a two-year period on a staggered basis. License and renewal fees are below their statutory maximums and the Commission plans to raise fees by \$10 for brokers and \$5 for salespersons beginning July 1, 1991, primarily due to a revision in estimated fee receipts made after the Governor's recommendations were adopted. The decrease to \$450,672 in FY 1992 without a fee increase is attributed to a reduction in the number of people applying for license renewals and entering the real estate business due to the economic conditions. The proposed fee increase would raise an additional \$76,560 in FY 1992. Ending balances would continue to decline into FY 1992 because of the time lag in collecting revenues for the fee increase and because expenditures will continue to exceed revenues. For the first six months of FY 1991, receipts were \$205,157. The following table summarizes estimated receipts, expenditures, and fund balances based on the Subcommittee adjustments (which assume lower revenues than the Governor, a fee increase in FY 1992, and a \$25,000 loan to the Appraiser Fee Fund will be repaid in FY 1992, rather than FY 1991:

<u>Real Estate Fund</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 440,458	\$ 476,282	\$ 318,309
Net Receipts	516,563	399,892	497,344
Transfers In (Out)	0	(25,000)	25,000
Total Available	<u>\$ 957,021</u>	<u>\$ 851,174</u>	<u>\$ 840,653</u>
Less Expenditures	480,739	532,865	532,312
Ending Balance	<u><u>\$ 476,282</u></u>	<u><u>\$ 318,309</u></u>	<u><u>\$ 308,341</u></u>

Appraiser Fee Fund Analysis. A new fee fund was established by the 1990 Legislature for the Appraiser Board which is attached to the Commission for administrative purposes. Initial estimates indicate that 400 applications for certification are projected in FY 1991, yielding fees of \$20,000. Of those 400 applicants, 350 are projected to be certified, yielding fees of \$52,500 in FY 1991. Net fee income of \$58,000 would be available after 20 percent of the gross is paid to the State General Fund. In FY 1992, estimated receipts assume 475 renewals will yield \$49,500, with additional receipts of \$5,000 from 100 applications and \$9,375 from 125 original certifications. An additional \$17,500 is anticipated in FY 1991 federal registry fees from 350 appraisers. Another \$30,000 is anticipated in FY 1992 federal registry fees from 600 appraisers.

House Subcommittee Recommendation

The Subcommittee recommends that federally mandated registry fees be appropriated in addition to any expenditure limitation since they are not available for state purposes. That would allow the monies to pass through without affecting the expenditure limitation for state operations. Current statute requires that federal registry fees be deposited in the fee fund and the law also excludes these funds from the 20 percent transfer to the State General Fund. The Subcommittee recommendations for expendable funds are shown in the table below, with the federal registry fees netted out of receipts and expenditures per the Subcommittee recommendation:

<u>Appraiser Board Fund</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 0	\$ 0	\$ 44,178
Net Receipts	0	58,000	49,500
Transfers In (Out)	0	25,000	(25,000)
Total Available	<u>\$ 0</u>	<u>\$ 83,000</u>	<u>\$ 68,678</u>
Less Expenditures	0	38,822	53,010
Ending Balance	<u><u>\$ 0</u></u>	<u><u>\$ 44,178</u></u>	<u><u>\$ 15,668</u></u>

OTHER ASSISTANCE

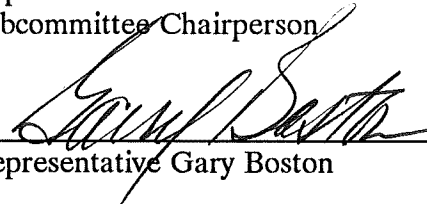
Real Estate Recovery Revolving Fund. This fund is authorized under K.S.A. 58-3066 to reimburse persons who suffer monetary damages caused by certain unlawful acts of brokers, salespersons, and unlicensed employees of brokers which were committed during transactions involving the sale of real estate. Payments are limited to \$15,000 per real estate transaction, \$30,000 per year, and \$50,000 in the aggregate per individual violator. Pursuant to K.S.A. 58-3066, if the balance of the revolving fund falls below \$100,000, a direct assessment is imposed on brokers and salespersons to restore the fund balance to \$200,000. The balance in the fund at the end of FY 1990 was \$148,037. The Commission projects payments of \$30,000 in FY 1991 and \$10,000 in FY 1992. Ending balances are estimated by the Commission at \$129,752 in FY 1991 and \$100,000 in FY 1992. If the balance falls below \$100,000, then a direct assessment will be required to rebuild the balance to \$200,000 in FY 1993. The Governor reduces the FY 1991 estimate to \$20,000 for claims and concurs with the FY 1992 estimate of \$10,000 for claims.

House Subcommittee Recommendation

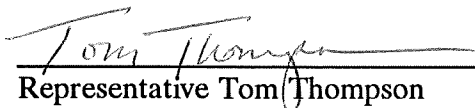
The Subcommittee concurs with the Governor's recommendations for FY 1991 and FY 1992 for the Revolving Fund.



Representative Fred Gatlin
Subcommittee Chairperson



Representative Gary Boston



Representative Tom Thompson