

Approved: 5-31-91  
Date

## MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson George Teagarden at 8:00 a.m. on April 23, 1991 in room 514-S of the Capitol.

All members were present except: All present.

### 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:

Others attending: see attached list.

The Committee took up consideration of items for inclusion in the Omnibus appropriations bill following the memorandum on Items for Omnibus Consideration by the Kansas Legislative Research Department (Attachment 1) and the Governor's Budget Amendment Memorandum (Attachment 2).

### Department of Social and Rehabilitation Services

Items A and C - The Subcommittee agrees with the technical adjustments.

Item B - No additional funding is recommended for new Child Protective Services Staff, which reduces the authorized staff to 30 FTE.

New Item - The subcommittee approves the addition of a proviso in the Omnibus bill to tie the cash grant increase to the energy supplement. This proviso has been included in the past.

GBA Item #13 - The subcommittee agrees with the 1 FTE position in KDHE to review licenses for juvenile facilities and recommends it be designated a special projects person to be eliminated at the end of one year. Representative Patrick asked staff to advise the number of juvenile jail facilities in the state.

GBA Item #57 - The subcommittee recommends taking an additional \$3 million in SGF savings which is based on an average of the subcommittee's estimated total savings and the Governor's. Staff advised the total regular medical expenditures in FY90 were \$237.3 million and with this recommendation, approved expenditures will be \$287.0 million in FY91 and \$296.0 million in FY92.

GBA Item #58 - Taken care of in the previous subcommittee report on SRS.

GBA Item #59 - Subcommittee recommends the estimates for long term care savings be revised downward and the savings identified for FY91 and FY92 be taken.

GBA Item #60 - The subcommittee recommends adding \$3,050,000 to achieve reimbursement to hospitals under the Diagnosis Related Group (DRG) system at the 91 percent level. This was the intent of the Senate and House in Conference Committee; however, a technical error in the DRG recalibration led the Conference Committee to take \$3 million out of the program.

GBA Item #61 - Taken care of in Conference Committee with the addition of \$8 million for nursing facilities reimbursement. Representative Patrick expressed concern that the state repeatedly loses court cases regarding reimbursement under the Medical programs at SRS. Representative Helgerson noted that the Legislature is charged with determining what is fair reimbursement and this has been variously interpreted in the courts.

GBA Items #62 and #63 - The subcommittee concurs with the addition of dollars to comply with federal mandates.

GBA Items #64 and #65 - These items were already done in the previous subcommittee report.

GBA Item #66 - The subcommittee previously added \$484,000 to General Assistance and agrees to add an additional \$150,000 based on year-to-date expenditures.

GBA Items #67 and #68 - Pass over these items at this time for review of further information.

GBA Items #69 through #83 - The subcommittee concurs with all these items noting that Item #74 has been handled previously.

Representative Helgerson moved adoption of the subcommittee recommendations on SRS. Representative Blumenthal seconded. Motion carried.

### Legislature

Item A - The subcommittee recommends \$153,562 for FY92 for legislative computerization per the recommendation of the CCT Committee and approval of the Appropriations Committee on April 22, 1991.

## CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, room 514-S Statehouse, at 8:00 a.m.  
on April 23, 1991.

### **Legislative Coordinating Council**

Item A - The subcommittee does not recommend additional funding for the Joint Committee on KPERs Investment Practices over the \$500,000 already authorized.

### **Kansas Civil Rights Commission**

Item A - The subcommittee recommends changing the effective dates of provisions in HB 2541 which will preclude the need for additional funds and FTE positions.

Representative Dean moved approval of the subcommittee recommendations on the Legislature, LCC and Civil Rights Commission. Representative Turnquist seconded. Motion carried.

### **Kansas State Historical Society**

Items A and B - The subcommittee concurs with both items which would include the State of Kansas Sports Hall of Fame fund in the omnibus bill for FY91 and FY92 and the creation of the Property Sale Proceeds Fund in the omnibus bill for FY92. Representative Wisdom moved approval of the recommendation on the State Historical Society. Representative Hamm seconded. Motion carried.

New item - Representative Wisdom moved to increase the expenditure limitation on the Land Surveys Fee fund by \$2,500 to reflect previous legislative action. Representative Hamm seconded. Motion carried.

### **Secretary of State**

Item A - Regarding the presidential primary costs, Representative Vancrum moved to lapse \$1.2 million for a presidential primary which, in effect, deletes this item from the Omnibus bill. Representative Heinemann seconded. Motion carried.

### **Public Disclosure Commission**

Item A - The subcommittee recommends if HB 2454 creating a fee fund for the Public Disclosure Commission and that a zero expenditure limitation be placed on the fund. Representative Dean moved approval of the recommendation on the Public Disclosure Commission and that the appropriate name changes be incorporated into statute. Representative Heinemann seconded. Motion carried.

### **Youth Center at Topeka**

Item A - The subcommittee recommends the addition of \$39,926 or a 2.5 percent increase in the education contract for anticipated teacher salary increase. Representative Adam moved approval of the \$39,926 SGF addition to the FY92 budget of YCAT. Representative Kline seconded. Motion carried.

### **Youth Center at Beloit**

Item A - The subcommittee recommends the addition of \$20,951 SGF for a 2.5 percent increase in the education contract. Representative Adam moved approval of the \$20,951 SGF in FY92 for the Youth Center at Beloit. Representative Kline seconded. Motion carried.

GBA Item #51 - The subcommittee concurs with the increased fee fund expenditures for FY91 and FY92 for YCAB. Representative Adam moved approval of the recommendation on the fee fund for Youth Center at Beloit. Representative Solbach seconded. Motion carried.

### **Youth Center at Atchison**

Item A - The Subcommittee recommends the addition of \$20,653 SGF for a 2.5 percent increase in the education contract. Representative Adam moved approval of the \$20,653 SGF in FY92 for the Youth Center at Atchison. Representative Kline seconded. Motion carried.

### **Kansas Real Estate Commission**

Item re SB 376 - Representative Gregory moved to appropriate the Federal Registry Clearing Fund created in SB 376 as a no limit fund in FY92. Representative Gatlin seconded. Motion carried.

### **Kansas Racing Commission**

Item re SB 375 - Representative Dean moved to add 6.75 FTE positions in FY92 to the Racing Commission and to place a "no limit" on the Racing Reimbursable Expense Fund from which the employees are paid. Representative Fuller seconded. Motion carried.

Item re HB 2107 - The subcommittee recommends no action on this item as the bill has not passed.

### **Kansas Lottery**

GBA Item #37 - The subcommittee does not approve the purchase of a new computer. Representative Dean moved that a proviso be included in the Omnibus bill prohibiting the purchase of new computer equipment in FY91 and FY92 by the Lottery, except as may be necessary to maintain existing equipment. Representative



## CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, room 514-S Statehouse, at 8:00 a.m.  
on April 23, 1991.

Patrick seconded. Motion carried.

### Department of Revenue

Item A - re SB 14, HB 2275 and HB 2454 - The subcommittee recommends that the "Rental Motor Vehicle Excise Tax Clearing Fund" and the "Metropolitan Culture District Retailers' Sales Tax Fund" be created per SB 14 and HB 2275 and that none of the 3 FTE positions requested for each of the three bills be approved.

Item B - The subcommittee recommends the addition of \$70,000 for retirements at the Department of Revenue and approves the addition of 12.0 FTE positions and SGF financing of \$462,134 in FY92 for Alcohol Beverage Control.

GBA Item #20 - This item was addressed in Conference Committee when 8 FTE positions were restored to PVD.

GBA Item #21 - The subcommittee concurred with the addition of postage in FY92.

Representative Dean advised that the Department of Revenue indicated they would eliminate the 12 positions in ABC when they become vacant. Representative Heinemann advised that there are 28 field positions in ABC and the elimination of 12 FTE would leave 16 FTE in field enforcement. It was noted the Department initially recommended the elimination of these 12 positions to satisfy the required budget reductions applied by the Senate and House in budget deliberations this session. Representative Vancrum moved to add a proviso that when the 12 FTE positions in Alcohol Beverage Control become vacant, those positions will be eliminated. Representative Wisdom seconded. Representative Wisdom withdrew his second. Representative Gatlin seconded. Staff advised that for the Department of Revenue 1,254.5 FTE positions were approved in FY91 and in FY92, with the addition of the 12 FTE ABC positions, 1,249.5 FTE positions would be approved. Representative Vancrum withdrew his motion with the permission of the second, Representative Gatlin. Representative Dean moved approval of the subcommittee recommendations on the Department of Revenue. Representative Heinemann seconded. Representative Lowther requested the motion be divided. The Chairman ruled the motion divisible. On the establishment of two new funds and no positions in Item A, the motion carried. On the approval of \$70,000 in retirement funding, the motion failed. On the addition of 12 FTE in Alcohol Beverage Control, the motion carried. On the addition of postage funding in FY92, the motion carried.

### Kansas Neurological Institute

Items A and B - The subcommittee approves the addition of \$75,570 in categorical aid and recommends a 1.5 percent teacher salary increase.

GBA Item #56 - The subcommittee does not approve this addition for diapers.

### Parsons State Hospital

Items A and B - The subcommittee approves the addition of \$82,062 in categorical aid and recommends a 1.5 percent teacher salary increase.

GBA Item #68 - Re the HCBS-MR Waiver, the subcommittee requests to pass over this item to allow time to review new information.

### Winfield State Hospital

Items A and B - The subcommittee approves the addition of \$76,839 in categorical aid and recommends a 1.5 percent teacher salary increase.

GBA Item #52 - The subcommittee does not approve the addition of funds due to census reduction, as the committee will have the opportunity to look at this possible shortfall in fees next year. Representative Helgerson moved adoption of the subcommittee recommendations on KNI, Parsons and Winfield. Representative Goossen seconded. Motion carried.

### Department of Wildlife and Parks

GBA Item #18 - The subcommittee approves added funding of \$345,440 for the Marais des Cygnes Wildlife Area.

GBA Item #19 - The subcommittee does not approve the Rent-a-camp Program. Representative Chronister moved to approve the Rent-a-camp Program and to direct the Department to invite any other manufacturers of camping equipment in the state to participate in the program. Representative Wisdom seconded. Motion carried. Staff advised that 20-25 other states have this program. Representative Gregory moved approval of GBA Item #18. Representative Mead seconded. Motion carried.

### Animal Health Department

Item Re SB 443 - The subcommittee recommends no action on this item until the bill passes, at which time adjustments may be needed.

## CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, room 514-S Statehouse, at 8:00 a.m.  
on April 23, 1991.

### **Larned State Hospital Osawatomie State Hospital Rainbow Mental Health Facility Topeka State Hospital**

Items A and B for each facility - The subcommittee recommends the addition of the specified amounts in the Memorandum on Omnibus for categorical aid for each institution and a 1.5 percent teacher salary increase at each institution.

Title XIX Adjustment - Per current projections, the Governor has identified \$143,000 savings in Title XIX funding for FY91 within all the institutions which the Subcommittee approves. The savings result from the adjustment of OOE and fees in all the institutions.

GBA Item #52 - The subcommittee stays with its recommendations on systemwide fee fund collections.

GBA Item #53 - The subcommittee agrees with the shrinkage adjustment on Rainbow for FY91 which is already taken care of, but does not approve the shrinkage adjustment for FY92 adding \$58,747.

GBA Items #54 and #55 - The subcommittee concurs with the Governor's recommendation in these items.

Representative Helgerson moved approval of the subcommittee recommendations on Larned, Osawatomie, Rainbow, and Topeka State Hospital. Representative Pottorff seconded. Motion carried.

### **Department of Human Resources**

GBA Items #41 and #42 - The subcommittee concurred with both these items. Representative Helgerson moved approval of the subcommittee recommendations on DHR. Representative Goossen seconded. Motion carried.

### **Kansas Technology Enterprise Corporation**

Item A - The subcommittee approves the technical adjustment.

### **Department of Commerce**

Item A - The subcommittee recommends establishing the SKILL Program Services Fund and the SKILL Program Repayment Fund making both "no limit" funds. The subcommittee does not approve the additional funding of \$169,010 and 4 FTE positions requested. Representative Dean moved approval of the subcommittee recommendations on KTEC and Commerce. Representative Patrick seconded. Motion carried.

### **Kansas Water Office**

Item A - The subcommittee recommends increasing the expenditure limitation on the State Conservation Storage Water Supply Fund by \$125,407, transferring \$487,500 each from the State Water Plan Fund and the EDIF to the Water Marketing Fund and appropriating that Fund with an expenditure limitation of \$975,000 with a proviso to transfer moneys from this Fund to the State General Fund for costs of administrating the Water Plan Storage Act. The subcommittee also recommends lapsing \$1,100,407 SGF appropriated in SB 113. Representative Gatlin moved approval of the subcommittee recommendations on the Water Office. Representative Mead seconded. Motion carried.

### **State Conservation Commission**

GBA Items #14 and #15 - Representative Gregory moved to concur with the Governor on the Non-Point Source Pollution program. Representative Mead seconded. Motion carried. Representative Gregory moved to concur with the Governor on the Bone Creek Reservoir funding for FY92 and FY93. Representative Gatlin seconded. Motion carried. The subcommittee is confident that this funding will be repaid to the State General Fund.

### **Department of Corrections**

Item A - The subcommittee recommends \$576,851 SGF for FY92 for the computer expansion project. Representative Adam moved approval of the subcommittee recommendation. Representative Kline seconded. Motion carried.

Item B - The subcommittee took no action on the veto of SB 146. Representative Solbach moved introduction of a bill identical to SB 146. Representative Adam seconded. Motion carried.

GBA Items #43, #44, #45, and #46 - The subcommittee concurs with all these items. Representative Adam moved approval of the subcommittee recommendations on the Governor's Budget Amendment Items #43 through #46. Representative Kline seconded. Motion carried.

### **Kansas Bureau of Investigation**

Item A - The subcommittee recommends the addition of \$59,198 SGF for FY92 to fund 1 FTE Criminalist and the DNA testing of DOC inmates. Representative Adam moved the subcommittee recommendation on Item A. Representative Kline seconded. Motion carried.

Item B - The subcommittee recommends an expenditure limitation of \$260,000 on the Special Asset Forfeiture Fund and Representative Dean recommended a proviso that \$213,005 be used as the match for a federal grant to fund the Narcotics Strike Force. Representative Dean moved approval of the subcommittee recommendation on Item B. Representative Adam seconded. Motion carried.

## CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, room 514-S Statehouse, at 8:00 a.m.  
on April 23, 1991.

GBA Item #48 - The subcommittee recommends reappropriation of \$100,000 from FY91 to FY92 for ASTRA Conversion costs. Representative Adam moved approval of the subcommittee recommendation on GBA Item #48. Representative Kline seconded. Motion carried.

### State Treasurer

Item Re SB 14 - Representative Dean moved to appropriate a Rental Motor Vehicle Excise Tax Fund as a no limit fund in the State Treasurer's office. Representative Turnquist seconded. Motion carried.

GBA Items #3 and #4 - These are revenue adjustments that have been handled.

### Board of Agriculture

Items A and B - The subcommittee recommends no action on these two items.

Item C - The subcommittee recommends allowing the Sheep Commission \$88,000 SGF for start-up costs with the proviso that those funds must be repaid to the State General Fund as funds become available. Representative Gatlin moved approval of the recommendation on the Sheep Commission. Representative Gregory seconded. Motion carried.

Item D - The subcommittee recommends the creation of the Soybean Promotion and Research Fee Fund as a no limit fund. Representative Gatlin moved approval of the subcommittee recommendation on SB 323. Representative Gregory seconded. Motion carried.

Item E - The subcommittee recommends funding the FACTS program for the remaining 9 months of FY92 in the amount of \$260,000 State General Fund. Representative Gatlin moved approval of the recommendation on the FACTS program. Representative Gregory seconded. Motion carried.

GBA Items #16 and #17 - Representative Gatlin moved to concur with the Governor's Budget Amendments #16 and #17. Representative Gregory seconded. Motion carried.

### Behavioral Sciences Regulatory Board

Item A - The subcommittee makes no recommendation until HB 2017 passes conference committee. Chairman Teagarden directed the subcommittee to meet with the House conferees on the disposition of this bill and on any adjustments that must be made in conference or on the House floor and report to Representative Solbach.

### Board of Healing Arts

Item A - Representative Gatlin moved approval of the technical adjustment on the Board of Healing Arts. Representative Gregory seconded. Motion carried.

### State Fire Marshal

GBA Item #49 - The addition of this travel money was previously handled by the Legislature.

The meeting was recessed for lunch at 12:00 noon.

Chairman Teagarden reconvened the meeting at 1:10 p.m.

### Department of Social and Rehabilitation Services - Parsons - Rainbow

GBA Items #67 and #68 - The subcommittee recommends no change in its current position on these items.

GBA Item #68 on Parsons State Hospital - The subcommittee concurs with the savings identified by the Governor at Parsons.

New Item - The subcommittee recommends the reinstatement of \$138,000 for Rainbow which the House and Senate had recommended as an FY91 supplemental previously. Representative Helgerson moved approval of the subcommittee recommendations on these four items. Representative Wisdom seconded. Motion carried.

### Insurance Department

Item A - Representative Dean moved to authorize 1 FTE policy examiner and \$39,230 SGF on passage of HB 2001. Representative Turnquist seconded. Motion carried.

GBA Items #1 and #2 - The subcommittee recommended no action on these items pending a recommendation by the Joint Committee on State Building Construction on the purchase of the Insurance Department building.

### Attorney General

Item A - (SB 151) This item was handled earlier during consideration of the Kansas Bureau of Investigation.

### Department of Education

GBA Items #22 and #23 - Representative Wisdom moved approval of the Governor's Budget Amendments Items #22 and #23. Representative Chronister seconded. Motion carried.

Item B - Representative Wisdom moved to adopt the current House position of funding Special Education at \$126,586,685. Representative Chronister seconded. Motion carried.

## CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, room 514-S Statehouse, at 8:00 a.m.  
on April 23, 1991.

Item C - Representative Wisdom moved to increase general aid to the Fort Leavenworth School District (USD 207) by \$259,896. Representative Chronister seconded. Motion carried.

Item D - The subcommittee does not make a recommendation on this item, as adequate information is not available at this time to make any adjustments for the passage of SB 26.

Item E - The subcommittee recommends adding \$500,000 EDIF and \$2,000 SGF for funding and administration of SB 33. Representative Wisdom moved approval of the subcommittee recommendation. Representative Hamm seconded. Motion carried.

Item F - Representative Wisdom moved to add \$30,000 in FY92 to reinstitute the building-based education program. Representative Hamm seconded. Motion carried.

New Item - The subcommittee recommends changing the line item for Educable deaf-blind and severely handicapped children's programs aid in the Department of Education from \$85,000 to \$100,000. Representative Wisdom moved approval of the adjustment in this line item. Representative Vancrum seconded. Motion carried. A student that cannot be served by the School for the Visually Handicapped in Olathe will be sent to a special school in St. Louis. This alternative is more cost effective than providing the special education for this student in Kansas.

### **Kansas Board of Regents**

GBA Item #31 - This item was handled in Conference Committee.

New Item - Representative Lowther moved to restore \$26,118 in salaries to the budget of the Regents' office. Representative Wisdom seconded. Representative Lowther withdrew his motion with the consent of the second, Representative Wisdom, as this funding has been restored in Conference Committee.

Staff will advise Representative Patrick the total amount of cuts in the Board of Regents' Office budget.

### **Regents' Institutions - Systemwide**

Item A - FY91 General Fees Fund Adjustments - The subcommittee agrees with the previous House position of not releasing fees.

GBA Item #30 - The subcommittee concurs with a technical adjustment of the Fort Hays State fee estimate which was overstated by \$203,372 and recommends the FY91 revised fee estimates due to Desert Storm activity. The subcommittee does not recommend the adjustments in the FY92 fee estimates at this time, but will address that issue next year. Representative Wisdom moved the technical adjustment on Fort Hays and the FY91 revised fee estimates. Representative Vancrum seconded. Motion carried. Representative Hochhauser is recorded as voting no.

Item C - The subcommittee recommends a 4 percent increase in OOE of \$440,482 to fund computer center costs and also recommends further study of the proposal to shift computer center funding from a service clearing activity to direct general use funding. Representative Wisdom moved the 4 percent increase in OOE of \$440,482. Representative Hamm seconded. Motion carried.

GBA Item #29 - The subcommittee has already adjusted utilities for FY91 in HB 2456 and does not recommend the FY92 adjustment in this GBA.

### **University of Kansas Medical Center**

Item E - The subcommittee will stay with the House position of permitting the hospital program to expend the full \$2 million in unanticipated receipts to address salary and wage issues.

Item F and GBA Item #36 - The subcommittee recommends no action on Item F and concurs with GBA Item #36 which captures savings in the Medical Scholarship Repayment Fund. Representative Wisdom moved adoption of the GBA Item #36. Representative Vancrum seconded. Motion carried.

### **University of Kansas**

Item H and GBA Item #32 - Representative Helgerson's subcommittee on contamination sites in the state recommends funding for the KU Sunflower Landfill clean-up of \$30,000 in FY91 and \$525,000 in FY92 from the Environmental Remediation Fund in KDHE and the recommendation includes the provision that the funds be transferred to KU's budget in a separate line item. Representative Helgerson moved adoption of this recommendation on the Sunflower Landfill clean-up. Representative Blumenthal seconded. Representative Patrick opposes putting these remediation funds in the KU budget, as he feels all these funds should be in one place, preferably the KDHE budget. Motion carried.

GBA Item #33 - Representative Wisdom moved approval of GBA Item #33 which corrects a classified salary funding shortfall of \$99,018 in FY92. Representative Hamm seconded. Motion carried.

### **Kansas State University**

GBA Item #34 - Representative Wisdom moved approval of GBA Item #34 which corrects overfunding from the State General Fund in the KSU budget. Representative Chronister seconded. Motion carried.

GBA Item #35 - Representative Wisdom moved to concur with the GBA Item #35 on parking staff and fees adjustments at KSU. Representative Hamm seconded. Motion carried.

New Item - The subcommittee recommends making the Fertilizer Research Fund at KSU a no limit fund so that moneys can be dispersed from that fund. Representative Wisdom moved approval of the subcommittee

## CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, room 514-S Statehouse, at 8:00 a.m.  
on April 23, 1991.

recommendation on the Fertilizer Research Fund. Representative Hamm seconded. Motion carried.

### **Public Broadcasting Commission**

New Item - Representative Gatlin expressed concern that the funding approved by the House and Senate of \$68,000 for a transmitter in Barton County for KHCC-FM may constitute an overlap of signals. Representative Gatlin moved conceptually that a proviso be added to that funding stating the question of overlap of signals will be studied by an interim committee and the funding would be subject to release by the State Finance Council following a determination. Representative Kline seconded. Motion carried.

### **KPERS**

Items A and B - The subcommittee recommends no action on these items.

Item C - Representative Dean moved addition of \$1,933,468 State General Fund in FY91 for school employer's contributions. Representative Heinemann seconded. Motion carried. Representative Vancrum moved to accelerate the KPERS school employer rate from 3.6 percent to 3.3 percent in FY91. Representative Chronister seconded. Motion failed.

### **Department of Administration**

Item A - The subcommittee recommends no action.

Item B - Representative Dean moved to place an expenditure limitation on the Motor Pool Depreciation Fund of \$2,835,384. Representative Turnquist seconded. Motion carried.

New Item - Representative Dean moved to increase the expenditure limitation on the Central Motor Pool Service Fund to \$2,222,019. Representative Heinemann seconded. Motion carried.

New Item - Representative Dean moved to rename the Statehouse and Judicial Center--Capital Improvements Fund, the "Special Maintenance Repair and Improvements for the Statehouse, Judicial Center and Governor's Residence Fund." Representative Heinemann seconded. Motion carried.

Item C - Representative Dean moved approval of \$4,342,293 State General Fund for the Central Management Systems in the Department of Administration. Representative Patrick seconded. Motion carried. Representative Heinemann advised that at this level of funding the Department states it is one-half million dollars under-funded. Re DISC Funds - Representative Dean moved to approve funding for the Information Technology Fund and Information Technology Reserve Fund and the Central Mail Services Fund not to exceed \$34,804,040. Representative Fuller seconded. Motion carried. Representative Dean noted this was the House position.

GBA Item #84 - Representative Dean moved to add the proviso suggested in the GBA Item #84 for the Property Contingency Fund and to place an expenditure limit on the fund of \$30,707 for FY92. Representative Turnquist seconded. Motion carried.

New Item - Representative Helgerson stated the Wichita business community would like to see additional study of the Wichita State Offices consolidation. In consultation with the Department of Administration, he would recommend the creation of a separate line item in the Department of Administration budget titled the "Wichita Office Space Consolidation Study Gift Fund" - no limit - to receive contributions to fund a second phase of the study by the Department. No state money would be put in the fund. Representative Helgerson moved approval of this recommendation on the Wichita office space consolidation study. Representative Pottorff seconded. Motion carried. The initial study was funded at \$30,000 by the state.

### **Department of Health and Environment**

Item A - Representative Helgerson moved to capture the savings of \$12,110 SGF due to the passage of SB 254. Representative Pottorff seconded. Motion carried.

Item B - The subcommittee recommends funding of \$250,000 for three pilot programs for primary care medical services to medically indigent persons and Medicaid and MediKan clients. The recommendation includes three provisos: (1) that the \$250,000 not supplant any local dollars; (2) that there be a local match; and (3) that all three programs need not be funded in the first year of operation if it is decided to fund only two or all three for a partial year. Representative Helgerson moved approval of the subcommittee recommendation on the pilot programs established in HB 2019. Representative Pottorff seconded. Motion carried.

Item C - Representative Pottorff moved that the Environmental Permit Fund be established with no funds being appropriated. Representative Blumenthal seconded. Motion carried.

Item D - Representative Pottorff moved that 2 FTE positions and \$106,667 SGF be approved to license and regulate the practice of speech-language pathology and audiology in HB 2104. Representative Helgerson seconded. Motion carried. It was noted that fees will fund this program in the future.

Item E - The subcommittee recommends no action on this item re HB 2407.

GBA Item #7 - This item was previously handled.

GBA Item #11 - The subcommittee recommends the 1 FTE position for the AIDS Project be a limited term position, as it is federally funded.

GBA Items #8, #9, #10, and #12 - The subcommittee concurs with these Governor's Budget Amendments. Representative Pottorff moved approval of the subcommittee recommendations on GBA Items 8, 9, 10, 11, and 12. Representative Goossen seconded. Motion carried.

## CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, room 514-S Statehouse, at 8:00 a.m.  
on April 23, 1991.

### **Kansas Soldiers' Home**

Tank contamination site - The subcommittee recommended that \$100,000 in FY92 for study and clean-up of this site at the Soldiers' Home be approved from Remediation Project funds in the Bureau of Environmental Remediation. In addition, the subcommittee recommends language be included in the Omnibus bill that remediation project funds be reappropriated from FY91 to FY92 so that ongoing projects can be completed. Representative Helgerson moved approval of the subcommittee recommendations on contamination remediation projects. Representative Blumenthal seconded. Motion carried. Representative Helgerson advised that he requested that status reports on the progress of the clean-up projects be provided to the Joint Committee on State Building Construction on a regular basis.

### **Department of Health and Environment**

New Item - Representative Helgerson explained that \$228,963 State General Fund for the Healthy Start/Home Visitor Program was inadvertently deleted in the explanation of Committee action on HB 2045. Action by the Appropriations Committee and the Senate Ways & Means Committee had been to fund the program. However, in conference, the Conference Committee incorrectly thought the House has not approved the funding for this program, so the program was removed. Representative Helgerson moved that \$228,963 SGF for the Healthy Start/Home Visitor Program be included in the Omnibus bill. Representative Pottorff seconded. Motion carried.

### **Department of Transportation**

Item A - The subcommittee does not recommend this item pertaining to SB 169.

Item B - Representative Gregory moved to establish the Rail Service Assistance Program Loan Guarantee Fund as a no limit fund re Senate Sub. for HB 2348. Representative Gatlin seconded. Motion carried. The subcommittee did not recommend adding \$3,600 in the Division of Planning at KDOT for travel and subsistence costs of the Advisory Committee.

GBA Item #24 - Representative Gregory moved to increase the Planning and Development line item by \$125,000 in federal funds for handicapped accessibility of public transportation. Representative Gatlin seconded. Motion carried.

GBA Item #25 - Representative Gregory moved to reduce shrinkage in KDOT from 4.7 percent to 3.7 percent in FY91 with the addition of \$800,000 from the State Highway Fund. Representative Mead seconded. Representative Vancrum asked staff to provide the shrinkage rates from the previous three years in KDOT. The motion carried. Representatives Hochhauser and Blumenthal are recorded as voting no. Representative Gregory moved to combine five line items into two--salaries and wages and other operating expenditures--in the KDOT budget. Representative Mead seconded. Motion carried.

GBA Items #26 and #27 - No action is necessary.

GBA Item #28 - Representative Gregory moved that the Highway Bond Debt Service Fund in FY91 and the Highway Bond Proceeds Fund in FY92 be established in KDOT's appropriations as "no limit" funds. Representative Gatlin seconded. Motion carried.

### **Kansas Corporation Commission**

Item A - Representative Dean moved to restore \$114,000 for GIS expenditures to the KCC budget. Representative Heinemann seconded. Motion carried.

Item B - The subcommittee recommends no action at this time.

GBA Item #5 - Representative Dean moved to approve \$100,000 in FY92 for consulting contracts for rate reviews by the KCC. Representative Patrick seconded. Motion carried.

GBA Item #6 - Representative Dean moved approval of the technical adjustment in oil overcharge funds. Representative Turnquist seconded. Motion carried. Staff distributed and reviewed a summary of the status of oil overcharge funds (Attachment 3).

### **Emergency Medical Services**

Item A - Representative Adam moved to approve \$7,500 SGF in FY92 for travel and examination costs for the EMS Board. Representative Kline seconded. Motion carried.

### **Kansas Highway Patrol**

GBA Item #50 - Representative Solbach moved approval of \$524,014 in FY92 to allow the Highway Patrol to perform most vehicle inspections which are presently performed by private designees. Representative Adam seconded. Motion carried.

Regarding the Kansas Sentencing Commission, Representative Adam moved that a proviso be added to the omnibus bill providing that the Kansas Sentencing Commission shall conduct a study of consolidating the field services of court services officers, community corrections, and parole services, including an analysis of the caseloads of the field service personnel. Representative Hensley seconded. Motion carried.



CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, room 514-S Statehouse, at 8:00 a.m.  
on April 23, 1991.

Representative Helgerson advised that the KCC has requested that the Appropriations Committee approve the allocation of \$75,000 in the KCC budget for the third year of a three-year Mennonite Housing weatherization program. Earlier the KCC did not think funds would be available for this program, but have now found they are. Representative Helgerson moved that the minutes reflect that the Appropriations Committee is aware that the KCC will allocate \$75,000 for the Mennonite Housing weatherization program if these funds are available. Representative Wisdom seconded. Motion carried.

Representative Wisdom moved to fund Special Education for FY92 at 85 percent of excess costs. Representative Solbach seconded. This motion involves \$19.9 million in state aid to education. The motion failed.

Representative Kline advised that if an appropriation is in place showing good faith on the part of the State to pay for the aeronautical center at KSU of Salina, the bonds to be issued by the Salina Airport Authority for the project will be much more marketable. Representative Kline moved approval of \$189,050 State General Fund in FY93 as a lease payment on the aeronautical center at KSU of Salina. Representative Heinemann seconded. Motion carried.

Representative Heinemann moved that the \$68,000 State General Fund appropriation for the transformer for KHCC-FM be switched to EDIF funding and that approximately \$50,000 State General Fund be placed in the KOOD budget to match the level of FY91 funding for that station. Representative Chronister seconded. Motion carried.

Representative Lowther moved that \$26,118 State General Fund be restored to the Board of Regents' Office budget. Representative Wisdom seconded. Motion failed.

Representative Gregory moved to increase the expenditure limitation on the Pesticide Enforcement Fund by \$16,000 to reflect a grant the Board of Agriculture received from the federal EPA. Representative Mead seconded. Motion carried.

The Department of Commerce has requested a technical adjustment in their budget wherein a proviso for official hospitality is transferred to the EDIF State Operation Fund, as the Legislature originally intended in FY91, and taken off the State General Fund appropriation. This will enable the Department to use salary and wage funding for the costs of accrued leave time for positions deleted by the Legislature for FY92 with no additional funding. Representative Heinemann moved the proviso be shifted as requested. Representative Hamm seconded. Motion carried.

Representative Chronister moved that the omnibus bill for the FY91 session be introduced and referred to the Committee of the Whole. Representative Hamm seconded. Motion carried.

Representative Dean moved that the minutes of March 12, 13, 18, 20, and 22, 1991 be approved as presented. Representative Blumenthal seconded. Motion carried.

Representative Wisdom moved introduction of a bill concerning boiler safety regarding certain standards. Representative Solbach seconded. Motion carried.

The meeting was adjourned at 4:55 p.m. The next meeting is scheduled for Wednesday, April 24 at 1:30 p.m. in 514-S.





**ITEMS FOR OMNIBUS CONSIDERATION**

**Department of Social and Rehabilitation Services**

**A. Technical Adjustment.** Language was inadvertently deleted from a proviso to the Social Services Clearing Fund allowing the agency to expend up to \$1,000,000 for strategies designed to alleviate stresses on the foster care system without regard to salary and other operating expenditure limitations.

**B. New Child Protective Services Staff.** Funding of \$680,000 from the State General Fund (\$880,000 All Funds) was approved in S.B. 162 for 34 new child protective services staff, including \$800,000 for salaries and \$80,000 for other operating expenditures. The agency estimates that the actual cost of these positions and associated operating expenditures will total \$1,032,894 in FY 1992, including \$795,329 from the State General Fund. The estimate exceeds approved funding by \$115,329 from the State General Fund (\$152,894 All Funds). The following summarizes the recommendation and revised estimate for these positions:

<u>Legislative Recommendation</u>		<u>Revised Estimate</u>	
Salaries	\$ 800,000	Salaries	\$ 831,560
OOE	80,000	OOE	116,334
<b>TOTAL</b>	<u>\$ 880,000</u>	Capital Outlay	85,000
		<b>TOTAL</b>	<u>\$ 1,032,894</u>

**C. Consolidation of Commodities Funds.** Two federal funds pertaining to food distribution programs can be consolidated based on new federal regulations which no longer necessitate segregation of specific program expenditures. To consolidate the two funds, ending balances in the Federal Surplus Food Processing Fund should be transferred to the Charitable Institutional Commodity Program Fund. In addition, a technical correction to the fund limitation is also necessary.

**D. Governor's Budget Amendment No. 2, page 6, item 13, pp. 26 - 35, items 57 - 83.**

**Legislature**

**A. Computer Equipment** in the amount of \$917,908 for FY 1992 was recommended by the Governor as an addition to her current resources budget. These expenditures for computerizing the Legislature were requested by the Legislative Coordinating Council as \$206,569 for FY 1991 and \$711,339 for FY 1992. The House Subcommittee report recommended removal of the \$917,908 pending the report and recommendation of the House Committee on Computers, Communication, and Technology. The Appropriations Committee concurred and the Senate Ways and Means Committee did not restore any amount for computerization.

HA  
4-23-91  
Attachment 1

The House CCT Committee issued its report on April 9, 1991. Included in its recommendations is the appropriation of \$153,562 for FY 1992 to purchase 36 desktop computers, 36 laser printers, and related hardware and software.

### Legislative Coordinating Council

A. S.C.R. 1627 (Adopted) amends H.C.R. 5016 which established the Joint Committee on Kansas Public Employees Retirement System (KPERs) Investment Practices. The amendments extend the life of the Committee to the 1992 Session of the Legislature at which time it is to report its findings and recommendations. Legislative members shall receive compensation and subsistence and mileage allowances during the interim between sessions. Under the terms of H.C.R. 5016, the Committee was to report to the 1991 Legislature prior to *sine die* adjournment.

H.B. 2044, the appropriation bill for legislative branch agencies, contains a \$500,000 appropriation to the Legislative Coordinating Council for FY 1991 for expenses of the KPERs Joint Committee, including counsel and other professional services. Although any unused balance at the end of FY 1991 has been reappropriated to FY 1992, it is possible that additional appropriation needs may be a matter of consideration for the Omnibus bill.

### Kansas Civil Rights Commission

A. House Bill No. 2541 (conference) amends the Kansas Act Against Discrimination to provide greater accessibility in the areas of housing and employment. The bill amends several sections of existing law by changing the term "physical handicap" to "disability", including mental. The bill also makes discrimination based on familial status illegal. The provisions of the bill would bring state law into compliance with the 1988 amendments to Title VIII of the Civil Rights Act of 1968, which is already in effect, and the Americans with Disabilities Act of 1990, which becomes effective in July, 1992.

Under current state law, the Kansas Civil Rights Commission (KCCR) must investigate all complaints which are filed with the agency. KCCR asserts that because of the changes contained in H.B. 2541 and the prospective changes in federal law, the number of complaints filed with the agency will likely increase by approximately 120 cases annually. To process this increase in caseload, KCCR estimates that 3.0 additional FTE positions (two Civil Rights Investigators and an Office Assistant) as well other operating expenses will be required. Those expenses are listed in the following table:

2.0 FTE Investigators	\$	56,306
1.0 FTE Office Assistant		18,878
Travel and Subsistence		3,685
Communications		3,542
Capital Outlay		4,385
Misc. Supplies		698
<b>Total</b>	<b>\$</b>	<b><u>87,494</u></b>

Since federal reimbursement (\$450 per employment case and \$750 per housing case) for cases would not occur until the federal government has declared the Kansas legislation to be substantially equivalent to the federal legislation and the Americans with Disabilities Act of 1990 becomes effective in July, 1992 (FY 1993), the appropriation for the costs of implementing the legislation in FY 1992, discussed above, would have to be from the State General Fund. In the second year, the state could expect federal reimbursements of approximately \$66,000.

### **Kansas State Historical Society**

**A. House Bill No. 2589 (law)** changes the name of the All Sports Hall of Fame to the State of Kansas Sports Hall of Fame and abolishes the All Sports Hall of Fame fund which is administered by the State Historical Society. The passage of H.B. 2589 necessitates the inclusion of the State of Kansas Sports Hall of Fame fund, to be administered by the Historical Society, in the omnibus bill for FY 1991 and FY 1992 to allow the expenditure of moneys in the fund.

**B. Senate Bill No. 7 (law)** authorizes the Historical Society to donate, sell, or otherwise dispose of those collection materials which are outside the scope of the Society's collection, are duplicative materials, or are materials without research value. The Society will be making items for disposal available to local historical societies and libraries around the state. The Society will also hold public sales of certain items, and the Society requests the establishment of a Property Sale Proceeds Fund in the omnibus bill for FY 1992. Proceeds from the sale of property in the absence of a special revenue fund would be credited to the State General Fund.

### **Secretary of State**

**A. Presidential Primary Costs.** H.B. 2044 contains an appropriation of \$1.2 million for aid to counties for the FY 1992 presidential primary. K.S.A. 25-4508 requires that the Secretary of State reimburse counties for such election costs except when another election is held on the same day as the presidential primary. According to the most recent estimates received by the Secretary of State from the 105 counties, a total of \$1,716,525 will be needed for reimbursement costs, an increase of \$516,525 from that appropriated by H.B. 2044.

### **Public Disclosure Commission**

**A. House Bill No. 2454 (Conference).** Both the House and Senate versions of H.B. 2454 would establish a fee fund for the Public Disclosure Commission. The Commission would be authorized to adopt rules and regulations fixing reasonable fees for persons who request copies of opinions, informational materials published by the Commission, and any public records filed in the office of the Commission. All fees collected would be credited to the fee fund. The fee fund also would be credited with revenues collected for existing and additional fees which would be imposed by the bill and for penalties assessed against those who violate provisions of the laws administered by the Commission. Specifically, fees for lobbyists would be increased, while new fees would be imposed by the bill for candidates for elective office and political action committees. Passage of the legislation will require the appropriation of the fee fund for the Commission.

The amount of revenues that would be generated by the bill vary between the House and Senate versions of the bill. Based on information from the Disclosure Commission, the Senate

version of the bill would generate revenues for FY 1992 of \$82,500 from fees. The information also indicates that printing costs for the Commission would increase by \$300 for lobbyists' report forms. It is estimated that the lobbying report forms will increase from 625 to 3,534 per year because of a provision in the bill which requires lobbyists to file reports more frequently. The bill would further provide that political action committees could no longer make campaign contributions to candidates who are under the Campaign Finance Act. This would provide an estimated savings of \$440 in postage and \$760 in printing and duplicating since reporting forms and handbooks would no longer be needed for political committees. Revenues generated would total \$82,500, while net additional expenditures and cost savings would equal \$(900).

The House version of the bill, according to information obtained from the Commission, would generate revenues for FY 1992 of \$103,900 from fees. The Commission also would have additional expenditures of \$300 for printing costs for lobbyists' report forms, necessary because of the provision in the bill which requires lobbyists to file reports more frequently. In addition, the Commission anticipates that operating expenditures will increase for the Commission in future years because of a provision in the bill which places all local school board candidates under the Campaign Finance Act. An estimated 6,420 new candidates would be placed under the Act for the Commission to monitor. However, an insignificant number of these candidates will be seeking election during 1992. Therefore, the Commission does not anticipate an increase in operating expenditures for FY 1992 with regard to this provision. Revenues generated would total \$103,900, while additional expenditures for the Commission would equal \$300.

The House version of H.B. 2454 also contains several provisions with regard to procedures for state contracting. These provisions have the potential to impact several state agencies. For specifics in regard to the impact of H.B. 2454 on other state agencies, refer to the Omnibus items contained in this report under the Department of Administration and the Department of Revenue.

#### **Youth Center at Topeka**

**A. Senate Subcommittee Recommendation.** During legislative budget review, the Senate Subcommittee deleted \$63,882. This amount, for fees -- professional services, represents a 4 percent salary increase for teachers under contract at the agency, and was built into the Governor's recommended budget for the agency. The Senate Subcommittee deleted the amount pending consideration of an FY 1992 pay plan for state employees, and recommended reconsideration of the item during the Omnibus session.

#### **Youth Center at Beloit**

**A. Senate Subcommittee Recommendation.** During legislative budget review, the Senate Subcommittee deleted \$33,521. This amount, for fees -- professional services, represents a 4 percent salary increase for teachers under contract at the agency, and was built into the Governor's recommended budget for the agency. The Senate Subcommittee deleted the amount pending consideration of an FY 1992 pay plan for state employees, and recommended reconsideration of the item during the Omnibus session.

**B. Governor's Budget Amendment No. 2, page 23, item 5.**

## Youth Center at Atchison

**A. Senate Subcommittee Recommendation.** During legislative budget review, the Senate Subcommittee deleted \$33,044. This amount, for fees -- professional services, represents a 4 percent salary increase for teachers under contract at the agency, and was built into the Governor's recommended budget for the agency. The Senate Subcommittee deleted the amount pending consideration of an FY 1992 pay plan for state employees, and recommended reconsideration of the item during the Omnibus session.

## Kansas Real Estate Commission

**Senate Bill No. 376 (Governor).** The bill makes changes in the certifying and licensing of appraisers. The Real Estate Commission handles administrative matters for the State Appraisal Board which certifies and licenses appraisers pursuant to federal requirements. A federal registry fee for each appraiser must be collected and remitted to the federal government. A new fund is established by S.B. 376 to facilitate this process of remitting federal fees. The Legislature may wish to appropriate the **Federal Registry Clearing Fund** with a no limit in FY 1992 since the pass-through fund is authorized by S.B. 376.

## Kansas Racing Commission

**Senate Bill No. 375 (Governor).** The bill provides that all racing judges and stewards shall become employees of the Racing Commission, be in the unclassified service, and serve at the pleasure of the Commission. Currently, these race officials are working as contractual employees. In order to accommodate the current employees, the Commission requests adding 7.5 FTE positions in FY 1992 to reflect all Racing Judges and Stewards as being unclassified state employees.

The FY 1992 approved budget (S.B. 99) includes \$360,000 for contractual services of these employees who are paid from the Racing Reimbursable Expense Fund. The Commission staff estimates that salaries and benefits for 7.5 FTE positions will be \$289,540 in FY 1992. The estimates include 3.0 FTE for Wichita at \$123,800 and 4.5 FTE for Kansas City at \$165,740 (of which 3.0 FTE and \$99,040 would be for the greyhound race judges plus 1.5 FTE and \$66,700 for the horse race stewards). Estimated savings would be \$70,460 in FY 1992 based on the Commission's estimate for salaries and benefits for the 7.5 FTE positions.

**House Bill No. 2107 (Conference).** The bill establishes a new fund in the Department of Education and provides for the annual transfer of \$800,000 from the Racing Commission's Greyhound Breeding Development Fund to the new fund for financing an at-risk program for preschool children.

If the bill passes, then an adjustment in FY 1992 expenditures for the Greyhound Breeding Development Fund would be necessary, reducing \$800,000 from estimated expenditures and reflecting the \$800,000 as a transfer to the **At Risk Pupils and Innovative Program Fund** in the Department of Education.

FY 1992 revenues for the Greyhound Breeding Development Fund are estimated at \$1,174,000. Any remaining funds after the \$800,000 transfer would be available to fulfill the statutory provisions of K.S.A. 74-8831 which apportions the use of these funds in the following manner: 15

percent to be transferred to the Greyhound Tourism Fund, 35 percent for research on greyhounds, and 50 percent for supplementing stakes races to pay owners of Kansas whelped greyhounds. An amount of up to \$30,000 annually also may be used to pay expenses of a registry agent to maintain a list of eligible Kansas greyhounds.

### **Kansas Lottery**

**A. Governor's Budget Amendment No. 2, page 18, item 37.**

### **Department of Revenue**

**A. Fiscal Impact of Legislation.** The Department of Revenue's fiscal notes on the following bills indicate an adjustment in either FY 1991 or FY 1992 expenditures would be required:

**Senate Bill No. 14 (Governor).** The bill pertains to the taxation of rental and leased motor vehicles and would impose an excise tax of 3.5 percent upon the gross receipts, to be collected by the Director of Taxation, and to be distributed back to the county where the transactions took place. No estimate of tax receipts is available.

The agency requests increased FY 1991 expenditures of \$28,690 from the State General Fund (SGF) and FY 1992 expenditures of \$23,374 SGF plus adding 1.0 FTE Tax Examiner II position to implement administration, collection, and enforcement of this new excise tax on rental and lease vehicles. FY 1991 expenses requested include \$23,128 for computer programming, \$2,768 for contractual services, and \$2,794 for capital outlay (including \$2,200 for a microcomputer). FY 1992 expenses include \$22,450 for salary and benefits of 1.0 FTE and \$924 of other operating costs.

The Legislature may wish to establish a clearing fund (**Rental Motor Vehicle Excise Tax Clearing Fund**) to accommodate collection of the taxes by this agency and to allow for transfer of these funds to the State Treasurer who is responsible for distributing these collections.

**House Bill No. 2275 (Conference).** The bill would create the Kansas and Missouri Metropolitan Culture District Compact and would provide for a local option .25 percent sales tax to be collected by the Director of Taxation and distributed back to the district.

The agency requests increased FY 1992 expenditures of \$32,149 from the SGF plus adding 1.0 FTE Accountant II to administer, collect, and enforce this local option sales tax in the Kansas City area. FY 1992 expenses would include \$29,252 for an accountant, \$2,810 for capital outlay (including \$2,200 for a microcomputer), and \$87 for contractual services.

The Legislature would need to appropriate the **Metropolitan Culture District Retailers' Sales Tax Fund** with no limit in order to accommodate the tax. The new fund is authorized by the bill. Estimated revenues assuming all six Kansas counties will participate would be \$15.1 million.

**House Bill No. 2454 (Conference).** The bill pertains to campaign finance, conflict of interest, and lobbying regulation. Section 53 of the House version would require an income tax clearance be issued by the Department of Revenue for all officers elected under state law and all nonelected officers and employees to whom compensation is paid.



The agency requests increased FY 1992 expenditures of \$22,450 from the SGF plus adding 1.0 FTE Tax Examiner II to review and issue an income tax clearance for all persons elected to state and local positions and for all paid state employees.

**B. Other Items for Omnibus Review.** Committees identified two items for further review during the veto session:

1. **Retirements.** Both the House and Senate committees asked to review the status of retirements at the Department of Revenue. As of April 17, the agency believes it can finance the cost of retirements within its FY 1991 appropriations. If the situation changes, the Secretary will notify both committees of any new information as it becomes known.
2. **Alcohol Beverage Control Reductions.** S.B. 99 included deletion of 12.0 FTE positions and SGF financing of \$462,134 for salaries and other operating expenses of ABC field agents. Both the Senate and House passed the bill which included the reductions for FY 1992, but the conference committee agreed to revisit the deletions during the veto session. The reductions originally were included as part of a proposal presented by the Secretary of Revenue to achieve a 2.5 percent reduction in SGF expenditures for FY 1992.

**C. Governor's Budget Amendment No. 2, pages 9 and 10, items 20 and 21.**

#### **Kansas Neurological Institute**

**A. Categorical Aid.** The amount currently provided in S.B. 70 would provide for an estimated categorical aid rate of \$15,300 per eligible teaching unit for special education services in FY 1992. The FY 1992 special education budget for KNI is based on a categorical aid rate of \$17,500 per eligible teaching unit. To fund the contract amount recommended by the Legislature, an additional \$75,570 would be required.

**B. Teacher Salary Increase.** The Legislature deleted \$58,047 which constitutes the four percent teacher salary increase recommended by the Governor; and recommended that this issue be reviewed as an omnibus item. KNI's appropriations in S.B. 162 do not contain a teacher salary increase for FY 1992.

**C. Governor's Budget Amendment No. 2, page 25, item 56.**

#### **Parsons State Hospital and Training Center**

**A. Categorical Aid.** The amount currently provided in S.B. 70 would provide for an estimated categorical aid rate of \$15,300 per eligible teaching unit for special education services in FY 1992. The FY 1992 special education budget for Parsons is based on a categorical aid rate of \$17,500 per eligible teaching unit. To fund the contract amount recommended by the Legislature, an additional \$82,062 would be required.

**B. Teacher Salary Increase.** The Legislature deleted \$57,196 which constitutes the four percent teacher salary increase recommended by the Governor; and recommended that this issue be reviewed as an omnibus item. Parson's appropriations in S.B. 162 do not contain a teacher salary increase for FY 1992.

**C. Governor's Budget Amendment No. 2, page 31, item 68.**

### **Winfield State Hospital and Training Center**

**A. Categorical Aid.** The amount currently provided in S.B. 70 would provide for an estimated categorical aid rate of \$15,300 per eligible teaching unit for special education services in FY 1992. The FY 1992 special education budget for Parsons is based on a categorical aid rate of \$17,500 per eligible teaching unit. To fund the contract amount recommended by the Legislature, an additional \$76,839 would be required.

**B. Teacher Salary Increase.** The Legislature deleted \$50,868 which constitutes the four percent teacher salary increase recommended by the Governor; and recommended that this issue be reviewed as an omnibus item. Winfield's appropriations in S.B. 162 do not contain a teacher salary increase for FY 1992.

**C. Governor's Budget Amendment No. 2, page 24, item 52,** addresses an estimated decrease in fee fund receipts in FY 1992 attributable to census reduction. The Governor recommends an addition of \$181,853 SGF and \$101,231 Title XIX (\$283,084 all funds) with an offsetting reduction from the agency's fee fund.

### **Department of Wildlife and Parks**

**A. Governor's Budget Amendment No. 2, page 8, item 18.**

**B. Governor's Budget Amendment No. 2, page 9, item 19.**

### **Animal Health Department**

The Legislature recommended fee increases for the Companion Animal program and the Livestock Disease program in FY 1992. The fee increases for these programs are contained in S.B. 443. A hearing on this bill will be held Wednesday, April 24 in the House Agriculture Committee. The agency's FY 1992 appropriation (included in S.B. 113) is based on the anticipated fee increases. If S.B. 443 does not pass, the total amount available for the Companion Animal program in FY 1992 is \$50,000 from the EDIF. Based on projected fee increases, the Legislature made the following adjustments to the Governor's recommendation:

1. Deleted \$70,000 SGF and added \$50,000 EDIF.
2. Established the animal dealers fee fund and transferred funds for the companion animal program from the animal disease control fund into the newly established fund.

3. Made the animal dealers fee fund a no limit fund.
4. Deleted \$17,608 SGF and increased the expenditure limitation of the animal disease control fund by the same amount.
5. Added \$37,608 from the animal disease control fund and 1.0 FTE to restore the Veterinary II position eliminated by the Governor.

### **Larned State Hospital**

**A. Categorical Aid.** The amount currently provided in S.B. 70 would provide for an estimated categorical aid rate of \$15,300 per eligible teaching unit for special education services in FY 1992. The FY 1992 special education budget for Larned State Hospital is based on a categorical aid rate of \$17,500 for the 12.2968 eligible teaching units. To fund the contract in the amount recommended by the Legislature would require an increase of \$27,053.

**B. Teacher Salary Increase.** The Legislature deleted the 4 percent teacher salary increase of \$20,743 recommended by the Governor and recommended that this issue be reviewed as an Omnibus item. The hospital's appropriation in S.B. 162 contains no teacher salary increase for FY 1992.

**C. Governor's Budget Amendment No. 2, pages 24-25, items 52 and 54.**

### **Osawatomie State Hospital**

**A. Categorical Aid.** The amount currently provided in S.B. 70 would provide for an estimated categorical aid rate of \$15,300 per eligible teaching unit for special education services in FY 1992. The FY 1992 special education budget for Osawatomie State Hospital is based on a categorical aid rate of \$17,500 for the 17.65 eligible teaching units. To fund the contract in the amount recommended by the Legislature would require an increase of \$38,830.

**B. Teacher Salary Increase.** The Legislature deleted the 4 percent teacher salary increase of \$35,371 recommended by the Governor and recommended that this issue be reviewed as an Omnibus item. The hospital's appropriation in S.B. 162 contains no teacher salary increase for FY 1992.

**C. Governor's Budget Amendment No. 2, page 24, item 52.**

### **Rainbow Mental Health Facility**

**A. Categorical Aid.** The amount currently provided in S.B. 70 would provide for an estimated categorical aid rate of \$15,300 per eligible teaching unit for special education services in FY 1992. The FY 1992 special education budget for Rainbow Mental Health Facility is based on a categorical aid rate of \$18,085 for the 20.5296 eligible teaching units. To fund the contract in the amount recommended by the Legislature would require an increase of \$57,175.

**B. Teacher Salary Increase.** The Legislature deleted the 4 percent teacher salary increase of \$29,733 recommended by the Governor and recommended that this issue be reviewed as an Omnibus item. The hospital's appropriation in S.B. 162 contains no teacher salary increase for FY 1992.

**C. Governor's Budget Amendment No. 2, pages 24-25, items 52 and 53.**

#### **Topeka State Hospital**

**A. Categorical Aid.** The amount currently provided in S.B. 70 would provide for an estimated categorical aid rate of \$15,300 per eligible teaching unit for special education services in FY 1992. The FY 1992 special education budget for Larned State Hospital is based on a categorical aid rate of \$17,500 for the eligible teaching units. To fund the contract in the amount recommended by the Legislature would require an increase of \$64,707.

**B. Teacher Salary Increase.** The Legislature deleted the 4 percent teacher salary increase of \$38,501 recommended by the Governor and recommended that this issue be reviewed as an Omnibus item. The hospital's appropriation in S.B. 162 contains no teacher salary increase for FY 1992.

**C. Governor's Budget Amendment No. 2, pages 24-25, items 52 and 55.**

#### **Department of Human Resources**

**A. Governor's Budget Amendment No. 2, pages 19-20, items 41 and 42.**

#### **Kansas Technology Enterprise Corporation**

**A. Technical Adjustment.** In authorizing an FY 1992 budget of \$8,317,159 for KTEC, the 1991 Legislature provided for transfers to the agency from the EDIF of \$7,662,583, an amount \$12,866 greater than required to finance the approved budget.

#### **Department of Commerce**

**A. Senate Bill No. 32 (Governor) and Sub. for House Bill No. 2536 (Governor).** S.B. 32 establishes the Office of Work Force Training within the Industrial Development Division of the Kansas Department of Commerce. The Office would be headed by the Director of Work Force Training. The Office would administer the Kansas Industrial Training program and Kansas Industrial Retraining program; act as a primary clearinghouse for business and industry with respect to work force training needs; act as a clearinghouse for the collection and dissemination of information concerning postsecondary vocational and technical education programs in areas related to economic development; and perform other duties prescribed by the Secretary of Commerce.

Sub. H.B. 2536 establishes the State of Kansas Investments in Lifelong Learning (SKILL) program. Under the SKILL program, firms which meet the definition of a Kansas basic industry may apply for funding to underwrite the training costs of employees for new jobs. Funding

for the training would come from bonds issued by the KDFA, with bond repayment obligations to be supported by a portion of the moneys withheld from the wages of employees with new jobs. The bill also creates two new funds in the state treasury, the SKILL Program Services Fund (which is to be used for program costs as defined in the bill) and the SKILL Program Repayment Fund (which is to be used for debt service payments).

The Department of Commerce requests additional funding of \$169,010 and 4.0 FTE positions to implement the provisions of S.B. 32 and Sub. H.B. 2536. The request includes \$132,183 for salaries to permit the reallocation of an existing position to Director of Work Force Training (\$4,412); the addition of three Economic Development Representative III positions to serve as Training Representatives (\$106,920 -- \$35,640 each); and an Office Assistant IV for clerical support (\$20,851). Requested other operating expenses of \$36,827 include \$12,000 as a one-time expense for capital outlay for the requested new positions, \$13,627 for travel, \$5,000 for communications, \$3,500 for printing, \$1,500 for shipping expenses, and \$1,200 for supplies.

### **Kansas Water Office**

**A. Senate Bill 89 (Governor)** establishes the Water Marketing Fund in the state treasury. Receipts credited to the new fund include revenues received through the sale of water through the Water Marketing Program, which previously have been credited to the State General Fund. Receipts to the Water Marketing Fund in FY 1992 are estimated to be \$1,254,615. The new fund is to be used for payment of costs associated with the State Water Plan Storage Act and the Water Marketing Program, including repayment to the State General Fund for moneys advanced for annual capital costs and costs for administration and enforcement of the State Water Plan Storage Act.

The 1991 Legislature has approved \$1,384,040 in FY 1992 to payments to the federal government for capital costs (\$798,767) and operational charges (\$585,273) associated with reservoirs in the Water Marketing Program. Approved expenditures are financed by \$1,100,407 from the State General Fund and \$283,633 from the State Conservation Storage Water Supply Fund. In the fiscal note submitted for S.B. 89, the Kansas Water Office indicated that the FY 1992 State General Fund financing could be lapsed and expenditures from the State Conservation Storage Water Supply Fund could be reduced to \$116,000 with the passage of the bill. Due to the timing of the payments to the federal government and receipts of funds from the water users, however, the agency requests that revenue attributable to CY 1991 water sales which has been credited to the State General Fund in FY 1991 (estimated to be \$1,251,308) be transferred to the new fund. The 1991 Legislature may also wish to consider if a proviso should be added to the new fund to transfer funds to reimburse the costs of administration and enforcement of the State Water Plan Storage Act in CY 1991 to the State General Fund.

Several options are available to implement S.B. 89. The following table summarizes the impact of some of these options on FY 1992 State General Fund receipts and currently authorized State General Fund expenditures.

Option	Action	Receipts Impact	Expenditure Impact	Net FY 92 SGF Impact
1.	No change in SGF appropriation.	\$ (1,254,615)	\$ 0	\$ (1,254,615)
2.	As requested by the Water Office.	\$ (2,505,923)	\$ (1,100,407)	\$ (1,405,516)
3.	Transfer \$1,100,407 from the SGF to the new fund and lapse the SGF appropriation.	\$ (2,355,022)	\$ (1,100,407)	\$ (1,254,615)
4.	Do not lapse the SGF appropriation and transfer \$1,100,407 from the new fund to the SGF at the end of FY 1992.	\$ (154,208)	\$ 0	\$ (154,208)
5.	Do not lapse the SGF appropriation and transfer all FY 1992 receipts to the new fund to the SGF at the end of FY 1992.	\$ 0	\$ 0	\$ 0
6.	Transfer some combination of special revenue funds (Conservation Storage Water Supply Fund, State Water Plan Fund, EDIF, etc.) totaling \$1,100,407 to the new fund and lapse the SGF appropriation.	\$ (1,254,615)	\$ (1,100,407)	\$ (154,208)

### State Conservation Commission

#### A. Governor's Budget Amendment No. 2, pages 7 and 8, items 14 and 15.

### Department of Corrections

**A. Conference Committee Recommendation.** During legislative budget review of the Department of Correction's (DOC) budget request, the Conference Committee recommended that the proposed acquisition of additional computer equipment be an item for Omnibus review. In its original FY 1992 budget request, DOC had requested \$2,122,965 in capital outlay funding for an expansion of the existing computer system to satisfy the information processing needs of the department and the correctional facilities. The Governor did not include funding for the expansion project. During review of the DOC appropriation bill (S.B. 141), the Senate added \$888,073 (SGF) in FY 1992 for the proposed computer project. Under the Senate plan, the project would be a five-year expansion project with an estimated cost of \$1,996,138 (less interest); the total cost would be financed through \$524,075 in State General Fund moneys and \$1,472,063 from the Kansas Development Finance Authority. The K DFA portion would be repaid over the period FY 1992 through FY 1996. The House deleted all funding for the proposed computer project, pending a recommendation on the project by the House Committee on Computers, Communications, and Technology.

The DOC has made presentations to the House CCT Committee for a computer expansion project with an estimated five-year cost of \$1,996,138 (excluding interest which is estimated

at an additional \$292,280), for a total cost of \$2,288,418. This plan would include \$1,472,063 to be financed through KDFFA for five years, with an annual repayment cost of \$363,998. FY 1992 expenditures would total \$888,073, which is composed of \$524,075 in operating costs and \$363,998 for the first repayment installment. The original plan included connecting the Central Office and the correctional institutions within the same fiscal year. The House CCT Committee requested that the Department prepare a phase-in plan in which the Central Office would be included in Phase I, and the correctional institutions would be included in Phase II. The phase-in proposal would cost \$576,851 in FY 1992 (composed of \$424,072 in operating costs and \$152,779 for the first repayment to KDFFA). Phase II in FY 1993 would cost \$311,221 initially to bring the institutions into the network, including \$100,000 in operating costs and \$211,221 for the installment payment to KDFFA. Total costs of Phase I are estimated at \$1,151,491 and Phase II costs are estimated at \$1,136,927, for a total cost of \$2,288,418.

The requested project includes an upgrade of the Department's existing AS/400 computer in the Central Office; the purchase of four new AS/400 computers for the facilities at Lansing, Hutchinson, Ellsworth, and Topeka; the acquisition of various terminals, printers, software, and personal computers for the facilities and the parole offices; and related training and custom programming. Cost estimates for the various components of the expansion appear below.

Item	Estimated Cost
ASTRA Network Improvements	\$ 32,560
Central Office Upgrade	549,963
Lansing Correctional Facility	225,000
Hutchinson Correctional Facility	225,000
Ellsworth Correctional Facility	200,350
Topeka Correctional Facility	200,350
Norton Correctional Facility	63,340
Parole Services	45,500
Custom Programming	325,000
Maintenance Costs	69,075
Training	60,000
Interest	292,280
Total	\$ 2,288,418
<b>Funding:</b>	
State General Fund FY 1992	\$ 524,072
Kansas Development Finance Authority	1,764,346
Total	\$ 2,288,418

**B. Senate Bill No. 146 (Veto)** authorizes DOC to charge employed parolees a fee of \$7 per month; the fee is to be used to fund one position in each of the five parole regions. These positions would function to assist parolees in obtaining and maintaining gainful employment. Provision is made for deferral of the employment generation fee in hardship cases. The bill creates the Employed Parolees Fee Fund to which the collected fees would be credited. Any funds generated above those necessary to support the five positions would be credited to the State General Fund. The fee would also be assessed on those offenders on conditional release.



The fiscal note prepared by the Division of the Budget is based on the assumption that, if one-half of the approximately 5,200 persons on parole supervision would be able to pay the monthly fee of \$7.00, an estimated \$221,000 would be generated annually. The Department of Corrections proposes to fund 5.0 FTE Parole Officer II positions to perform the job development functions at a cost of \$210,000 (\$168,985 in salaries and \$41,015 in OOE) in FY 1992. Based upon this estimate, the State General Fund would realize an additional \$11,000 in revenue in FY 1992. A line item was included in the DOC appropriation bill (S.B. 141) to appropriate the Employed Parolees Fee Fund as a no-limit fund. However, position authority is needed to authorize the additional 5.0 FTE positions.

**C. Governor's Budget Amendment No. 2, pages 20-22, items 43-46.**

**Kansas Bureau of Investigation**

**A. S.B. 329 (Governor)** authorizes the establishment of a DNA data bank within the Kansas Bureau of Investigation and establishes the KBI as the state's central repository for the collection and storage of DNA and other biological molecules. The KBI is charged with establishing and maintaining a statewide automated system capable of classifying, matching, and storing analysis of DNA and other biological molecules.

The bill requires any person convicted of certain crimes to submit blood and saliva specimens to the KBI. Crimes include sex offenses (rape, indecent liberties with a child, aggravated indecent liberties with a child, criminal sodomy, aggravated criminal sodomy, lewd and lascivious behavior, sexual battery or aggravated sexual battery); murder in the first degree; murder in the second degree; incest; aggravated incest; and abuse of a child. The legislation would apply to persons convicted of the specified crimes on or after the effective date of the act; persons ordered institutionalized as a result of being convicted on or after the effective date of the act; or persons convicted prior to the effective date of this act who are presently confined in any state correctional facility or county jail or on probation conditional discharge or periodic imprisonment, as a result of the conviction.

The KBI is required to provide all specimen vials, mailing tubes, labels and instructions necessary for the collection of the samples. A licensed physician, registered nurse or any qualified medical technician may withdraw the blood for the sample. The provisions of S.B. 329 establish procedures and authorize the KBI to promulgate rules and regulations regarding the collection, storage, and release of information.

The KBI cost estimates are based on the provision which requires the KBI to provide all specimen vials, mailing tubes, labels, and instructions necessary for the collection of the samples. Additionally, the KBI's estimate includes costs associated with collecting and analyzing samples from DOC inmates only. The KBI intends to implement a sampling process to obtain specimens from current DOC inmates covered under the bill. The initial development phase would require collecting and preserving 1,500 samples. The analysis of the samples would be conducted over a four year period. Subsequent years would require collecting approximately 300 samples each year for new persons entering the correctional system.

The KBI estimates first year costs FY 1992 borne by the State General Fund to be \$59,198. Expenditures are composed of the following:

1.0 Criminalist I	\$ 30,785
Supplies	21,000
Travel and Subsistence	3,213
Freezer (one-time)	3,000
Refrigerator (one-time)	1,200
Total -- FY 1992	<u>\$ 59,198</u>

The Criminalist position would draw the blood and saliva samples from DOC inmates and conduct the analysis for entry into the data bank. According to the KBI, estimated outyear costs would be as follows: second year -- \$75,943; third year -- \$77,559; and fourth year -- \$51,537.

**B. KBI and Highway Patrol Special Asset Forfeiture Fund.** There is an apparent conflict in policy between the subcommittees that reviewed the budgets for the Attorney General and the KBI. The subcommittees that reviewed the Attorney General's budget placed a \$50,000 expenditure limitation on the "KBI and Highway Patrol Special Asset Forfeiture Fund," while the subcommittees that reviewed the KBI's budget recommended that money in the Fund be used to meet a \$213,005 matching requirement for a federal grant to fund the Narcotics Strike Force. If the intention of the Legislature in this case is to utilize the Special Asset Forfeiture Fund to match federal funds, the \$50,000 expenditure limitation would appear contrary to that policy.

If the purpose of setting the expenditure limit on the Fund is to enable the Legislature to more closely monitor expenditures from this fund, one option would be to set the limits on the agencies actually generating and spending the money, *i.e.*, the KBI, the Highway Patrol, and the Department of Corrections. The Fund could still be under the administrative authority of the Attorney General but the expenditure limitations would be placed on the separate agencies that receive the money and not on the Attorney General. In that way, the Legislature could set the limits to more precisely reflect its policies concerning expenditures of each agency. A second option would be to simply place an expenditure limitation on the Fund which reflects increased expenditures of \$213,005 in the KBI.

**C. Governor's Budget Amendment No. 2, page 22, item 48.**

#### Department of Administration

**A. House Bill No. 2454 (conference).** The House version of H.B. 2454 contains several provisions with regard to procedures for state purchasing. These provisions have the potential to impact several state agencies. Specifically, language in current law is stricken which allows the Director of Purchases, Department of Administration, to delegate authority to any state agency to make purchases of less than \$10,000. According to information furnished by the Department of Administration, elimination of the Department's ability to delegate this authority would require the staff of the Department rather than staff of other state agencies to complete tasks for these purchases. Therefore, using a ratio of one new staff member for the Division of Purchases to every four purchasing staff members within other state agencies, the Department estimates that it would need \$1,032,380 for salaries and wages for 38.0 new FTE positions and \$241,000 for other operating expenditures. In addition, \$95,000 would be needed in FY 1992 for one-time capital outlay expenditures. The total fiscal impact for FY 1992 is estimated at \$1,368,380.

**B. Expenditure Limitation on Motor Pool Service Depreciation Fund.** 1990 S.B. 141 includes funding for the creation of 10.0 new parole officer positions in the Department of Corrections. Funding includes the addition of associated operating expenditures for the new positions. The DOC requests that the Central Motor Pool purchase five, four-door subcompact vehicles (@ \$8,847) to be assigned to the Department of Corrections for the new positions. The expenditure limitation on the Motor Pool Service Depreciation Fund would need to be increased from \$2,652,045 to \$2,696,415 in FY 1992.

**C. Expenditure Limitation on DISC Funds and State General Fund Appropriation for Central Management Systems**

**Central Management Systems (SGF appropriation)** -- The Governor recommended \$5,035,743 from the State General Fund for the Department of Administration in FY 1992 for continued development of financial information systems. The amount recommended would continue the level of funding established with the supplemental appropriation recommended for FY 1991 (\$1,588,436). The House recommended \$4,302,293 with a proviso that provided for the following: KIPPS processing and programming (\$1,930,551); existing contractual obligations (\$652,303); STARS processing and programming (\$1,494,959); and miscellaneous costs (\$224,480). The Senate removed the entire line item and proviso from the appropriation bill and recommended that this item be reconsidered during the omnibus session to give the Legislature time to review the status of the Kansas Financial Information Systems (KFIS) and viable options for the Department of Administration's central data processing operations. The Conference Committee concurred with striking this item from the appropriation bill and reconsidering the appropriation during the omnibus session.

**DISC Funds** -- The Governor recommended a limitation on the Information Technology Fund and Information Technology Reserve Fund not to exceed \$32,411,156; however, recommended the Central Mail Services Fund be budgeted at \$3,684,404, but retain the "no limit" status. The House recommended an expenditure limitation on all three funds (*i.e.*, Information Technology Fund, Information Technology Reserve Fund, and Central Mail Services Fund) not to exceed \$34,804,040. The Senate eliminated the expenditure limitation on all three funds. The Conference Committee removed the funds from the appropriation bill and recommended reconsidering these funds during the omnibus session.

**D. Governor's Budget Amendment No. 2, page 36, item 84.**

**State Treasurer**

**Senate Bill No. 14 (Governor)** pertains to the taxation of rental and leased motor vehicles and would impose an excise tax of 3.5 percent upon the gross receipts. The tax is to be collected by the Department of Revenue and distributed back to the county where the transaction took place by the State Treasurer.

Pursuant to S.B. 14, a fund (Rental Motor Vehicle Excise Tax Fund) should be created in the State Treasurer's Office for FY 1992 to receive the transfer of these funds from the Department of Revenue for distribution. Funds for distribution purposes in the State Treasurer's budget generally have a "no limit" expenditure limitation because the total sum collected is distributed.

## Board of Agriculture

**A. Additional Funding for Division of Water Resources.** During its review of the FY 1992 budget request of the State Board of Agriculture, the House Subcommittee noted a concern with the ability of the Division of Water Resources to adequately carry out its statutorily mandated duties in light of the increased workload brought about by the increase in reviews of bridge and channel change plans due to the increase in highway funding to the Kansas Department of Transportation, and also with difficulties encountered by the Division involving the Kansas-Colorado litigation. The Subcommittee indicated that, should additional revenue become available, additional funding for the Division of Water Resources would be an appropriate item for Omnibus consideration.

**B. House Bill No. 2360 (Governor)** concerns wholesalers and retailers of agricultural seed. The bill changes the name of the existing fee fund from the Seed Dealer Registration Fund to the Agricultural Seed Fee Fund. The renamed fund should be appropriated. According to the agency estimate, the House version of the bill would generate additional funds of \$57,000 to the fund, while the Senate version would generate an additional \$61,590 to the fund. This additional revenue could be used to offset State General Fund support in the Agricultural Commodities Assurance Program (ACAP) in the Division of Inspections, or the Division of Laboratories. This offset could be made in FY 1992 or be used in future fiscal years.

**C. Senate Bill No. 77 (conference)** creates the Kansas Sheep Commission for the statutory purpose of conducting a campaign of development, education, publicity, and finding new markets for sheep and wool. The bill would create a seven member commission for the establishment of policy and oversight of the appointment of staff for administering the program. The commission would be attached to the Marketing Division of the Board of Agriculture. Funding for the commission would be derived from an assessment of not more than \$.02 for each pound of wool produced and sold by a producer in the state and not more than \$.35 per head on sheep sold for slaughter by a producer at the time of delivery to the first purchaser.

According to the agency, total receipts of \$178,655 would be received in FY 1992, with \$8,000 credited to the State General Fund and \$170,655 credited to the Kansas Sheep Commission Fund. The amount credited to the State General Fund in FY 1992 and FY 1993 under the bill is limited to \$8,000. Beginning in FY 1994, the amount credited to the State General Fund would equal 20 percent of receipts to a maximum of \$200,000. The agency notes that, while expenditures in future fiscal years could be made entirely from the fee fund, initial start-up costs for the program would be required from the State General Fund, due to the timing of receipts and the necessity to ensure the availability of funds for refunds. Information provided by the agency did not include a projected schedule of receipts. The Committee might want to consider a provision requiring the Sheep Commission to reimburse the State General Fund for the initial start-up costs of the program. The agency estimates FY 1992 total expenditures of \$108,210 for the program (\$88,558 from the State General Fund and \$19,652 from the fee fund). This includes \$42,824 in salary and benefits for one new FTE Administrator and \$1,322 in compensation for the seven commission members, \$38,597 for contractual services, \$1,250 in commodities, and \$4,555 in capital outlay. The agency also estimates refunds to producers in the amount of \$19,652.

**D. Senate Bill No. 323 (conference)** designates the Kansas Soybean Commission as the official state promotion entity for soybeans, in accordance with the federal Soybean Promotion, Research and Consumer Information Act of 1990 (Public Law 101-624). S.B. 323 would direct the

Kansas Soybean Commission to collect a soybean check-off in accordance with Public Law 101-624. These receipts would be credited to a new fund, the Soybean Promotion and Research Fee Fund. One-half of the receipts would be disbursed to the national check-off program. The bill suspends collection of the current state mill levy on soybeans. The bill would establish a new assessment based on a formula established by Public Law 101-624. This formula would require collection of one-half of one percent of the net market price of soybeans when sold. The Board of Agriculture estimates that this new check-off would generate \$1,781,144 in receipts. One-half of this amount would be retained by the Kansas Soybean Commission. This amount represents a reduction of approximately \$208,853 in the amount of estimated receipts to the Soybean Commission. The agency requests that the new fund be appropriated as a "no-limit" fund because the estimated receipts to the fund are difficult to project and the agency will be required to remit one-half of the assessment to the federal program. It would be possible, however, to establish an expenditure limitation on the fund, with a proviso that the amount remitted to the federal program and any refunds paid from the fund would be exempt from the expenditure limitation.

Expenditures approved from the current Soybean Commission fee fund for FY 1992 total \$982,660. Although there is a reduction in anticipated receipts to the Soybean Commission fund of \$1,099,425, there are sufficient funds available for the FY 1992 approved expenditures. The agency requests that the current fund be retained pending the results of a producer referendum scheduled to be held 18-36 months after the beginning of the national program. The agency is not recommending any expenditures from the new fund in FY 1992 other than the amount remitted to the national program and requested refunds.

**E. House Bill No. 2077 (conference)** concerns the Farmers' Assistance, Counseling and Training Service (FACTS) program. As passed by the House, the bill extends the existence of the FACTS program until September 30, 1996, five years past its scheduled September 30, 1991 sunset date. The Senate amendments to the bill expand the scope of the current program to create a rural opportunity program. Under the Senate version of the bill, the Secretary of the Board of Agriculture would be responsible, along with the Director of Extension of Kansas State University, for the coordination of a rural assistance information network. The network would not only include a farm assistance, counseling, and training referral program but also a rural opportunity program. Under either version of the bill, the estimated fiscal impact would be \$260,551 from the State General Fund, \$4,500 from the Legal Services Co-Pay fund, and \$265,051 from federal mediation funds. The program is currently funded only through its scheduled sunset date. As currently approved, FY 1992 expenditures for the program consist of \$165,110 from the State General Fund, \$500 from the FACTS Legal Services Co-Pay fund, and \$167,080 from federal mediation funds.

**F. Governor's Budget Amendment No. 2, page 8, item 16.**

**G. Governor's Budget Amendment No. 2, page 8, item 17.**

### **Behavioral Sciences Regulatory Board**

**A. House Bill No. 2017 (conference)** establishes education, training and registration requirements for marriage and family therapists. The fiscal note submitted by the agency for the bill indicates a need for administrative expenditures of \$39,161. However, a review of the agency's FY 1992 budget request, which included expenditures for such an addition to the Board's responsibilities, specifically indicates requested administrative expenditures of \$18,710 relating to the registration of marriage and family therapists. These expenses include \$6,780 for salaries and wages for one

temporary Office Assistant II position, \$11,291 for contractual services, \$279 for stationery and office supplies, and \$360 for capital outlay. The agency estimates that an additional \$20,700 in revenue would be generated from the registration of approximately 200 individuals seeking initial registration as marriage and family therapists. Of this amount, \$4,000 would be credited to the State General Fund and \$16,700 would be credited to the agency's fee fund. This estimate is based upon 200 licenses issued at \$100 each. The agency also estimates additional revenue of \$700 from printed matter and publications.

### **Board of Healing Arts**

**A. Technical Adjustment.** In order to correct a posting error, the expenditure limitation on the healing arts fee fund should be increased an additional \$5,892 to a total of \$1,149,493 for FY 1991.

### **State Fire Marshal**

**A. Governor's Budget Amendment No. 2, page 23, item 49.**

### **Insurance Department**

**A. House Bill No. 2001 (conference)** amends several sections within Chapter 40 of the state statutes pertaining to insurance. The bill would require the Insurance Department to review group accident and health insurance rates to make sure they comply with certain rating standards as set forth in the act. The Department anticipates that the enactment of this legislation will require the department to review an additional 11,000 rate filings per year. This review, according to the agency, will generate the need for one new policy examiner at an estimated cost of \$39,230 from the State General Fund. Of this amount \$33,194 is for salaries and wages and \$6,036 is for other operating expenditures.

**B. Governor's Budget Amendment No. 2, page 2, item 1.**

**C. Governor's Budget Amendment No. 2, page 2, item 2.**

### **Attorney General**

**A. Senate Bill No. 151 (Law).** Under present law, money from the sale of forfeited property seized in drug cases by the Kansas Bureau of Investigation (KBI) and the Kansas Highway Patrol is credited to the Kansas Bureau of Investigation and Kansas Highway Patrol Special Asset Forfeiture Fund, which is under the administrative authority of the Attorney General. S.B. 151 adds the Department of Corrections to the agencies that have access to the Fund and changes the name of the Fund to the "State Special Asset Forfeiture Fund." All money in the Kansas Bureau of Investigation and Kansas Highway Patrol Special Asset Forfeiture Fund will be transferred to the State Special Asset Forfeiture Fund. (The Fund has an expenditure limitation of \$50,000. The amount in the Fund presently is \$54,160.) Because S.B. 151 is now law, it is necessary to add the Fund to the Attorney General's budget so that expenditures from the Fund can be made.

A second issue does not concern S.B. 151 directly, but relates to an apparent conflict in policy between the subcommittees that reviewed the budgets for the Attorney General and the KBI. The subcommittees that reviewed the Attorney General's budget set a \$50,000 expenditure limitation on the Special Asset Forfeiture Fund, while the subcommittees that reviewed the KBI's budget recommended that money in the Fund be used to meet a \$213,005 matching requirement for a federal grant to the KBI. If the intention of the Legislature in this case is to utilize the Special Asset Forfeiture Fund to the greatest extent possible to match federal funds, the \$50,000 expenditure limitation would appear to be contrary to that policy. In addition, the \$50,000 limit was set before the Department of Corrections was added to the list of agencies that would participate in the Fund.

If the purpose of setting the expenditure limit on the Fund is to enable the Legislature to more closely monitor expenditures from the Fund, one option would be to set the limits on the agencies actually generating the money and benefitting from its expenditure, *i.e.*, the KBI, the Highway Patrol, and the Department of Corrections. The Fund could still be under the administrative authority of the Attorney General but the expenditure limitations would be on the separate agencies that get the money and not on the Attorney General. In that way, the Legislature could set the limits to more precisely reflect its policies concerning the expenditure of each agency.

## Department of Education

**A. Governor's Budget Amendment No. 2, pages 10 and 11, items 22 and 23.**

**B. FY 1991 Funding for Special Education.** By agreement of the Conference Committee on S.B. 340, the supplemental appropriation for special education was deleted from the bill and deferred for Omnibus consideration.

The FY 1991 appropriation for special education is \$125,157,148. The Senate added \$411,815, for a total of \$125,568,963. The House increased the Senate amount by \$1,017,722, for a total of \$126,586,685.

**C. Fort Leavenworth School District (USD 207).** In order to remain eligible to receive federal P.L. 874 funds for USD 207, Kansas must provide aid to the district on a per pupil basis equal to 65 percent of statewide per pupil aid. That amount cannot be determined until a decision is made regarding the appropriation for general aid to schools.

At the present time, S.B. 70 contains an appropriation for the Fort Leavenworth School District of \$1,524,954, which is the same as FY 1991. Based on the Senate recommendation for general aid to schools, the Fort Leavenworth appropriation would need to be reduced by \$24,804 (for a total of \$1,500,150). Based on the House-approved general aid appropriation, the amount for Fort Leavenworth would need to be increased by \$259,896 (for a total of \$1,784,850).

**D. Senate Bill No. 26 (Law).** S.B. 26 has a new provision that has the potential to affect certain categorical aid programs and the income tax rebate. The provision concerns low-levying school districts and reduces the amount of categorical aid they receive under certain circumstances.

Specifically, school districts that levy less than three-fifths of the median general fund tax rate statewide would have added to their general fund budgets the additional amount that would be raised if they were levying at three-fifths the state median or an amount equal to the categorical state aid (excluding the income tax rebate) they will receive, whichever is less. If the categorical state



aid entitlement of the district does not exceed the additional amount budgeted, the state retains the state categorical aid. However, if the categorical state aid entitlement of the district exceeds the additional amount budgeted, the State Board deducts only the amount of categorical aid equal to the budgeted amount of the district's entitlement to additional budget authority. S.B. 26 specifies the programs from which deductions could be made: the income tax rebate, school district transportation, school food service (which, on a statewide basis, meets a required match for federal funds), bilingual education, inservice education, parent education, and driver training (which is not a program funded from the State General Fund). The State Board of Education would determine which programs would be reduced.

Because this policy is new, it is not possible to estimate its impact at this time. For example, according to the State Department of Education, some low-levying districts plan to raise their levies in order to avoid a reduction in categorical aid. With regard to possible reductions in specific categorical aid programs, it is not known at this time which programs the State Board might pick to reduce. If the deduction is made in the income tax rebate, for example, no action by the Legislature would be needed since the rebate is a demand transfer from the General Fund to the School District Income Tax Fund which is appropriated with no limitation; the estimate would simply be revised to reflect that less money would be rebated. If the deduction were to affect school district transportation, unless the Legislature changes the present law, any savings from a reduction in aid to one district would most likely be redistributed through the formula to remaining districts and would not be returned to the State General Fund.

As this is being written, the State Department of Education is working to provide more information that will be available when the Legislature returns. In short, no estimate of the impact of this policy is possible at this time and it may be that the Legislature will have to wait until the 1992 Session before the full impact of implementing S.B. 26 can be assessed.

**E. Senate Bill No. 33 (Conference).** S.B. 33, recommended by the Joint Committee on Economic Development, would provide state matching grants to area vocational schools and community colleges for the following purposes:

1. start-up support for innovative technical courses or programs in emerging technologies, manufacturing, or areas of skill shortages; and
2. internships to enable faculty to work in an industrial setting or to enable industrial employees to work at the schools.

In order to be eligible for funding, a course or program would have to relate to a business or industry located in the service area of the area vocational school or community college. The state grant would have to be matched dollar-for-dollar by support from a private business. (One of the differences to be resolved by the Conference Committee is the nature of the private sector support -- financial or in-kind).

Grants to the schools would be subject to appropriation. The Senate Subcommittee that considered the budget for the State Department of Education reduced a preliminary recommendation for postsecondary aid to area vocational schools from the Economic Development Initiatives Fund (EDIF) by \$500,000 in order to make funding from the EDIF available for state matching grants pursuant to S.B. 33. The Subcommittee report states, "If S.B. 33 is enacted, the Subcommittee encourages the Legislature to fund the grants from the EDIF."

It is not possible to estimate the fiscal impact of the new program, partly because of the difficulties involved in estimating the extent to which the private sector match would be realized. According to the State Department of Education, first-year grant applications could total between \$1.0 and \$2.0 million. Grants would be awarded by the State Board of Education, which would adopt rules and regulations to administer the program and establish grant eligibility criteria. The State Department estimates the cost to administer the program to be \$2,000. These expenses consist of printing, postage, travel, and training sessions to promote the program in the private sector.

**F. House Bill No. 2107 (Conference).** H.B. 2107, which originally would have reestablished the building-based education program, has been amended to also include provisions relating to alternative teacher certification (S.B. 208), the counting of four-year-old at risk students who participate in preschool programs as 0.25 FTE pupils under the School District Equalization Act (SDEA) (S.B. 191), and a new source of revenue for at risk and innovative programs administered under the Educational Grant Program. The components of the bill that have a fiscal impact are the building-based education program, the preschool programs for at risk students, and the funding source for at risk and innovative programs.

The building-based education program, statutorily created in 1988, provided that four school districts would be selected in FY 1989 and in FY 1990 to implement a building-based education plan, *i.e.*, a plan developed by school building employees to implement strategies and procedures to meet the educational needs of students. For each year of the program, \$20,000 from the State General Fund was appropriated.

H.B. 2107 would reinstitute the program for FY 1992 and FY 1993. The State Department of Education estimates the fiscal impact of reinstituting the program to be \$30,000 in FY 1992 (grants of \$7,500 made to four school districts).

The second component of H.B. 2107 that has a fiscal impact concerns the inclusion of four-year-old at risk children within the definition of "pupil" for the purposes of the SDEA and would allow school districts that provide at risk preschool programs to count at risk four-year-old children as 0.25 FTE for purposes of determining school district general state aid entitlements and budget authority. The fiscal impact of this is estimated to range from \$398,860 (if only 5 percent of the estimated 7,700 at risk four-year-olds participate) to \$1,595,440 (if 20 percent participate). These figures represent the increased cost of providing the service to school districts and would be paid by either increased state aid or local property taxes. In addition, school districts would have increased costs due to transporting more students. These increased local costs are estimated to range from \$67,568 to \$270,270, based on a participation range of from 5 to 20 percent of at risk four-year-olds.

Finally, the bill provides for a transfer of \$800,000 a year from the Kansas Greyhound Breeding Development Fund to the At Risk Pupils and Innovative Program Fund. At present, state aid for at risk and innovative programs administered under the Educational Grant Program is from the State General Fund and the Economic Development Initiatives Fund. Unless further changes are made this session, the total approved for at risk and innovative programs in FY 1991 is \$2,424,625 and \$2,400,000 in FY 1992. Under H.B. 2107, the \$800,000 transfer from the Kansas Greyhound Breeding Development Fund would be made prior to any other expenditures from the Fund. Receipts to the Fund are estimated to exceed \$1.1 million in FY 1992. If the bill passes, the new fund should be appropriated in the Department of Education's budget.

**Kansas Board of Regents**

- A. Governor's Budget Amendment No. 2, page 15, item 31.

**Kansas College of Technology**

- A. Governor's Budget Amendment No. 2, pages 13 and 14, item 29.

**Regents' Institutions**

**A. Systemwide Recommendation – FY 1991 General Fees Fund Adjustments.** The Conference Committee on H.B. 2456 requested that the FY 1991 general fee adjustments for the Regents institutions be removed from the bill and be considered in the omnibus appropriation bill. The institutions (KU, KSU, ESU, and FHSU) requested a general fee release of \$1,039,838 in the current year based on higher than anticipated enrollment for the Fall, 1990. The request is based on releasing 75 percent of the additional unanticipated fees to the institutions to meet the expenses associated with the additional students. The fee release is a one-time expenditure and not built into the base budgets of the institutions. Two institutions, WSU (\$96,128) and KSUVMC (\$27,823), had a general fee shortfall for the Fall, 1990 and have requested supplemental State General Fund support to address the shortfall of fees. The Governor and the House did not recommend the fee release or the supplemental funding in the current year. The Senate did provide for the release of the increased fees, although because the Governor had already expended the available fee fund balances the Senate utilized State General Fund financing. The following table reflects the requested amount of fee release or supplemental State General Fund support by the institutions.

**FY 1991 General Fees Adjustments**

<u>Institution</u>	<u>General Fees Fund Requested Adjustment</u>	<u>State General Fund Supplemental Adjustment</u>
KU	\$ 149,500	\$ --
KSU	507,827	--
WSU	--	96,128
ESU	36,671	--
PSU	--	--
FHSU	345,840	--
KUMC	--	--
KSUVMC	--	27,823
KCT	--	--
TOTAL	<u>\$ 1,039,838</u>	<u>\$ 123,951</u>

**B. Governor's Budget Amendment No. 2, page 14, item 30.**

**C. Systemwide Issue – Computer Center Funding Shift.** The House Committee did not recommend the requested shift in computer center funding from a service clearing activity to direct general use funding. The House Committee requested that the House Computers, Communications, and Technology Committee review the issue and report back to the House Committee prior to consideration of the omnibus appropriation bill.

It should be noted that the proposed shift of computer center funding would shift funding from other operating expenditures to salaries and wages. The final decision on other operating expenditures increases compared to the final decision for increases in salaries and wages might require additional adjustments to the institutions budgets. For example, the Governor recommended an average 3.25 percent salary and wage increase in FY 1992 including the computer center staff which was a part of S.B. 395, the state pay plan bill. However, the Governor and the House recommended a 4 percent increase for other operating expenditures on a base which did not include the full computer center costs.

**D. Governor's Budget Amendment No. 2, page 13, item 29.**

**University of Kansas Medical Center**

**E. University of Kansas Medical Center Hospital Revenue Fund.** The Conference Committee on H.B. 2456 requested that the issue of \$2 million in unanticipated receipts to the University of Kansas Medical Center in FY 1991 be removed from the bill and be considered in the omnibus appropriation bill. The House had recommended that the hospital program be permitted to expend \$2,000,000 in the current year to address lower than budgeted shrinkage in nursing; higher than budgeted holiday pay, shift differential, and overtime pay; and higher than anticipated student salaries, mainly nursing students. The Senate recommended that \$1,163,789 in additional Hospital Revenue Fund receipts in the current year be shifted to offset the demand on the State General Fund. The Senate recommended that the balance, or \$836,211 be utilized to meet hospital related salary and wage expenses.

**F. University of Kansas Medical Center – Medical Scholarship Repayment Fund.** The Senate Ways and Means Committee requested that the possibility of additional operating expenditures support from the Medical Scholarship Repayment Fund be reviewed again for possible inclusion in the omnibus appropriation bill. The Governor's Budget Report included \$2,090,992 from the Medical Scholarship Repayment Fund for operating expenditures support and \$1,289,008 for financing medical scholarships in FY 1992. The House increased operating expenditures support from the fund in the budget year by \$500,000 or to a total of \$2,590,992. The Governor's Budget Report anticipated receipts of \$3,200,000 in FY 1992. Receipts to the fund as of April 19, 1991, totaled \$3,712,523.

**G. Governor's Budget Amendment No. 2, page 17, item 36.**

## University of Kansas

**H. University of Kansas Sunflower Research Landfill, DeSoto, Kansas.** The Conference Committee on H.B. 2456 requested that the issue of remediation activities at the Sunflower Research Landfill near DeSoto, Kansas be removed from the bill and be considered in the omnibus appropriation bill. The University of Kansas and the University of Kansas Medical Center used the Sunflower Research Landfill from 1964 through 1982 as a low-level radioactive waste disposal facility. The site was licensed by the U.S. Atomic Energy Commission. Water samples taken from two wells at the landfill in 1982 revealed that three chemicals exceeded their respective acceptable levels established by the Kansas Department of Health and Environment. Since that the time the landfill has been closed, additional monitoring wells have been installed and a feasibility study on closure options has been conducted. The agency requests \$30,000 in FY 1991 for predesign investigation planning and \$525,000 in FY 1992 for predesign investigation and remedial action design for the landfill site.

**I. Governor's Budget Amendment No. 2, page 15, item 32.**

**J. Governor's Budget Amendment No. 2, page 15, item 33.**

## Kansas State University

**K. Governor's Budget Amendment No. 2, page 16, item 34.**

**L. Governor's Budget Amendment No. 2, page 16, item 35.**

## Kansas Public Employees Retirement System (KPERs)

**A. Senate Bill No. 26 (law).** S.B. 26 establishes public school budget limitations for the 1991-1992 school year. The school budget limitations could impact the amount of local school employer contributions contained within the KPERs FY 1992 budget. The Governor's FY 1992 recommended amount for local school employers' contributions is \$51,641,054 (State General Fund). The Legislature in H.B. 2049 (Governor) appropriated \$51,641,054 in the budget year for school employers' contributions. The latest data from the Department of Education based on S.B. 26 estimates local school employers' contributions in FY 1992 at \$52,368,998.

**B. House Bill No. 2433 (Senate Ways and Means)** is the Senate 1991 omnibus retirement bill. The bill provides for the acceleration of the KPERs employer contribution rates from FY 1993 to FY 1992. The KPERs State (school and nonschool) rate in FY 1992 will decrease from the currently budgeted amount of 3.6 percent to 3.3 percent. The estimated savings to the state for the acceleration in FY 1992 is \$6,004,115, of which \$4,965,969 would be from the State General Fund. The Senate in dealing with S.B. 395 (House Appropriations), the state pay plan bill for FY 1992 revised the State General Fund cost of the pay plan revisions downward by \$1,600,000 to reflect the capture of the KPERs state nonschool acceleration savings. However, the KPERs school amount for FY 1992 in H.B. 2049 (Governor) is \$51,641,064, all from the State General Fund, is based on an employer contribution rate of 3.6 percent. If KPERs school employer rate is also accelerated, the potential savings to the state is \$3,334,417 in FY 1992.

**C. FY 1991 KPERS School Employer Contribution.** H.B. 2456 (Governor) contained supplemental funding from the State General Fund for the KPERS school employer contribution in the amount of \$2,113,003. The total amount for FY 1991 for KPERS school, including the supplemental funding, is \$44,878,518, all of which is from the State General Fund. The latest estimates from KPERS indicates that to fully fund the KPERS school employer contributions, an amount in excess of the \$44,878,518 will be needed. The agency has requested an additional \$1,933,468 in FY 1991, all from the State General Fund, for school employers' contributions.

### **Department of Health and Environment**

**A. Senate Bill No. 254 (Law)** amends K.S.A. 65-153(f) to eliminate a requirement that the Department of Health and Environment perform over 16,000 prenatal syphilis serology screenings on demand from any private health care provider not certified to perform the test. The agency estimates reduced FY 1992 expenditures of \$12,110 from the State General Fund, including \$8,610 in salaries and wages for a .25 FTE Microbiologist and \$3,500 in testing supplies.

**B. House Bill No. 2019 (Governor)** establishes three pilot programs to provide outpatient nonemergency primary care medical services to medically indigent persons and Medicaid and MediKan clients. The bill authorizes, within the limitations of appropriations, the allocation of state grant funds for the establishment and operation of three projects conducted through local health departments chosen by the Secretary of Health and Environment from among local departments applying for the grant funds. Each of the three projects would be established in a county or group of counties which serve areas with populations of 15,000 to 50,000, 50,000 to 150,000, and 150,000 and greater. The bill authorizes the local departments that receive grant funds to contract with health care providers, community agencies, organizations, other public bodies, and private persons in order to provide primary care services; to set fees based on the cost of services and on ability to pay; and to apply for financial assistance from governmental sources or the private sector. Finally, the bill requires the Secretary of Health and Environment to submit a report to the Legislature and to the Governor by June 30, 1994 concerning the operation of the pilot programs.

Although the bill would have no fiscal impact on KDHE administrative expenditures, the bill would require additional expenditures for the actual operation of the primary care clinics by the local health departments within the limits of appropriations available therefor. KDHE prepared a set of assumptions to be used to generate estimated costs for the program. KDHE estimates that an urban clinic treating 4,000 individuals would require operating expenditures of \$501,190 in FY 1992, including \$363,940 for salaries and \$137,250 for OOE. The urban clinic would be staffed by one medical doctor, two advanced registered nurse practitioners, two nurses, and five support staff. KDHE estimates that costs for operating clinics in lesser populated areas would be similar to these amounts on a per patient basis.

Using this estimate for the 4,000 patients in the urban clinics and a projection of 2,500 patients in the medium-sized county and 1,500 in a rural county, the estimated total cost of all three clinic operations would be \$1.0 million. Of this amount, KDHE estimates that \$334,127 would be recoverable through Medicaid and Medicare billings. The remaining \$668,253 of this example would be supplied through state and local aid.

**C. House Bill No. 2021 (Conference),** establishes an Environmental Permit Fund and requires KDHE to develop a schedule of fees (not to exceed \$175,000 per application) for permits

to construct, modify or operate a hazardous waste facility. The bill also establishes a schedule of fees to be paid for by off-site hazardous waste treatment and disposal facilities not to exceed:

1. \$.001 per pound of hazardous waste burned by any facility or a total of \$50,000 per year for any single facility which recycles and utilizes hazardous waste as energy (the bill as amended by the Senate limits the fee to not more than \$.01 per pound or a total of \$50,000);
2. not to exceed \$.05 per pound of hazardous waste disposed of by all other disposal facilities; and
3. not to exceed \$.01 per pound of hazardous waste treated or a total of \$200,000 per year for any single facility.

The agency estimates that under the regulatory framework, receipts to the Environmental Permit Fund will be insignificant in FY 1992 under either the House or Senate version of the bill. The agency requests the inclusion of the following line-item appropriation for FY 1992: "Environmental Permit Fund . . . \$0".

**D. House Bill No. 2104 (Conference)**, would create new law to license and regulate the practice of speech-language pathology and audiology. The bill also creates a five-member Speech-Language Pathology and Audiology Board. KDHE estimates FY 1992 expenditures of \$106,667 from the State General Fund and 2.0 FTE new positions. Salary expenditures of \$65,541 would include \$31,644 for 1.0 FTE Health Planner Project Reviewer, \$23,617 for 1.0 FTE Office Specialist, \$9,680 for fringe benefits, and \$600 for Board per diem. OOE costs would include \$9,426 for communications, travel, rent and supplies, and \$31,700 for capital outlay for two employees (including two computer systems). According to KDHE, estimated FY 1993 costs are \$83,290, for a two-year cost of \$189,957. New receipts credited to the State General Fund for FY 1992 and FY 1993 combined total \$190,350 (\$135 x 1,410 license applicants). Estimated program costs for fiscal years 1993 and 1994 total \$166,580 compared to estimated two-year receipts of \$116,660 (\$118 x 1,400 renewal applicants, \$135 x 17 license applicants, and \$25 x 55 renewal late fees).

**E. Substitute for House Bill No. 2407 (Conference)**, as amended by the House removes the agricultural exemption for the \$.50 excise tax on new tires, which would increase FY 1992 receipts to the Waste Tire Management Fund by approximately \$45,000. The Senate concurred with the House amendment, and further amended the bill to require the tax to be collected for tires sold on new vehicles. Based on the calendar year 1989 sale of 145,665 new cars and trucks x 4 tires x \$.50, new FY 1992 receipts to the Waste Tire Management Fund would be \$291,330. Another Senate amendment would raise the percentage of moneys in the Fund that may be used for administrative costs from not more than 5 percent to not more than 9 percent.

KDHE prepared two alternative fiscal notes for FY 1992 based on the Senate version of the bill (the House version would have no fiscal impact on expenditures). The first (\$90,161 and 2.0 FTE) assumes that KDHE will administer the statewide local grant program and the permit program for waste tire processing facilities, collection centers, and collectors, but will rely heavily on local government to enforce all major provisions of the law with the exception of permit compliance. The second (\$127,789 and 3.0 FTE) includes a technician position to establish a state enforcement and field investigations component to support local government enforcement efforts and to respond to violators. The Governor's FY 1992 recommendation for the administration of the Waste Tire

Management program of \$45,131 and one new special project position could be deleted from each alternative.

Items	Local Enforcement	State Enforcement
Salaries and Wages		
1.0 H & E Analyst	\$ 40,581	\$ 40,581
1.0 Environ. Engineer II	37,024	37,024
1.0 Environ. Tech. IV	--	29,500
Subtotal - Salaries	<u>\$ 77,605</u>	<u>\$ 107,105</u>
OOE		
Travel and Subsistence	\$ 4,000	\$ 8,000
Communications	3,350	5,025
Rents	3,676	5,514
Capital Outlay	1,530	2,145
Subtotal - OOE	<u>\$ 12,556</u>	<u>\$ 20,684</u>
SUBTOTAL	<u>\$ 90,161</u>	<u>\$ 127,789</u>
Delete Governor's Rec.		
1 Special Project Position and OOE	<u>\$ (45,131)</u>	<u>\$ (45,131)</u>
TOTAL FISCAL NOTE	<u><u>\$ 45,030</u></u>	<u><u>\$ 82,658</u></u>

**F. Governor's Budget Amendment No. 2, pages 4-7, items 7-13.**

**Department of Transportation**

**A. Senate Bill No. 169 (Conference)** amends the Highway Advertising Control Act. The Senate version of the bill requires the Secretary of Transportation to remove nonconforming mobile signs at the expense of the owner or advertiser. The FY 1992 fiscal note provided by KDOT on the Senate version totals \$22,552, including \$15,552 for 1.0 FTE new Office Assistant III and \$7,000 for a computer.

The House concurred with Senate amendments, and further amended the bill to prohibit the Secretary from allowing or offering logo signing on interstate highway information panels. All logo signs would have to be removed by July 1, 1991, or at the end of a lease agreement. The FY 1992 fiscal note provided by KDOT on the House version includes \$22,552 for 1.0 FTE Office Assistant III and a computer to enforce the mobile sign amendment, \$18,000 for the removal costs of logo signs, and a loss of rental income of \$30,000. KDOT also notes that because the federal funds provided \$266,850 of the \$296,500 cost of erecting the logo signs, KDOT would be required to reimburse \$266,850 to the federal government.

**B. Senate Substitute for House Bill No. 2348 (Conference)**, as amended by the House, establishes the Rail Service Improvement Program, the Rail Service Improvement Program Loan Fund, and the Rail Service Improvement Program Guarantee Loan Fund. The Secretary of KDOT is authorized to make loans to a qualified entity for the purpose of facilitating the financing, acquisition, or rehabilitation of railroads in Kansas. Such loans would be made from moneys credited



to the newly created fund. All expenditures from the funds would be made in accord with appropriation acts. Moneys received from the federal government under the federal Rail Service Continuation Program would be credited to the fund. Loan agreements entered into by the Secretary may not exceed \$20 million in the aggregate of which not more than \$5 million may be available each fiscal year. The Secretary is required to pay from the fund to a lender of a qualified entity the amounts for any loan which defaults on its payments.

The bill as amended by the Senate, establishes the Rail Service Assistance Program to provide assistance for the preservation and revitalization of rail service in the state, including the guarantee of loans of up to \$5 million in a fiscal year, not to exceed an aggregated principal amount of \$20 million. The bill establishes the Rail Service Assistance Program Advisory Committee consisting of nine members appointed by the Governor, and establishes the Rail Service Assistance Program Loan Guarantee Fund from which expenditures would be made in accordance with appropriations acts. The bill prohibits the Secretary from entering into any agreement to guarantee a loan unless such action has been authorized by act of the legislature or has been approved by the state finance council.

The FY 1992 fiscal note provided by KDOT includes \$3,600 in the Division of Planning for travel and subsistence costs associated with the Advisory Committee established by the Senate version. KDOT also suggests the establishment of a loan guarantee fund in the Omnibus Bill for FY 1992.

**C. Governor's Budget Amendment No. 2, pages 11-13, items 24-28.**

**Kansas Corporation Commission**

**A. House Subcommittee Recommendation.** The House Subcommittee recommended the deletion of Geographic Information System (GIS) expenditures from the budgets of the KCC (\$114,000) and other state agencies until the full House Committee could review such expenditures in more detail. Although the Committee held a GIS hearing and recommended the restoration of funds to state agency budgets, the KCC appropriation bill had already advanced to the Senate. The KCC appropriation bill for FY 1992 (H.B. 2049) as approved by the 1991 Legislature does not include \$114,000 for the requested GIS mapping system.

**B. House Bill No. 2439 (Conference),** as amended by the House, would increase the numbers of the Citizens' Utility Ratepayer Board (CURB) from five to eight. The House version of the bill would also separate CURB from the KCC for purposes of budgeting, purchasing, and management. FY 1992 expenditures of \$305,640 and 3.0 FTE (as approved by the Legislature in H.B. 2049) would be deleted from the KCC appropriation and placed in a newly created section. CURB expenditures would continue to be made from the Public Service Regulation Fund, transferred from the KCC. CURB estimates additional FY 1992 expenditures of \$2,376 from the Public Service Regulation Fund for per diem compensation, travel and subsistence, and communications for the three new Board members.

H.B. 2439, as amended by the Senate would provide for five Board members and would eliminate the House amendment to separate CURB from the KCC. The bill, as passed by the Senate, would have no fiscal impact.

**C. Governor's Budget Amendment No. 2, page 4, item 5.**

**Emergency Medical Services**

A. **Senate Bill No. 271 (Conference)**, as amended by the Senate, requires instructor-coordinators to be certified initially and to be recertified annually. The bill as amended by the Senate Committee would increase receipts to the State General Fund by \$3,875 and would require no additional expenditures.

The bill as amended by the House deletes the Senate's amendments concerning instructor-coordinators. The bill would permit physicians and registered nurses to become instructor-coordinators without taking an examination by paying an application fee set by the Board (estimated at \$15). The EMS Board estimates additional State General Fund revenue of \$750 in FY 1992, assuming 50 nurses and physicians apply to become instructor-coordinators. If more classes are held as the result of the addition of 50 instructor-coordinators, the Board estimates additional FY 1992 expenditures of \$7,500 for travel and examination costs.

**Kansas Highway Patrol**

A. **Governor's Budget Amendment No. 2**, page 23, item 50.

STATE OF KANSAS

G.B.A. # 2



OFFICE OF THE GOVERNOR

JOAN FINNEY, Governor  
State Capitol, 2<sup>nd</sup> Floor  
Topeka, KS 66612-1590

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

April 18, 1991

The Honorable Gus Bogina, Chairperson  
Committee on Ways and Means  
Senate Chamber  
Third Floor, Statehouse

and

The Honorable George Teagarden, Chairperson  
Committee on Appropriations  
House of Representatives  
Third Floor, Statehouse

Gentlemen:

With this memorandum I submit the attached changes to my budget recommendations. The changes, summarized in the table below, include an increase of \$2,011,883 in FY 1991 and a decrease of \$2,670,000 in FY 1992 for demand transfers resulting from the April 3 revised consensus revenue estimate.

	<u>SGF</u>	<u>All Funds</u>
FY 1991	\$ (2,468,923)	\$(29,910,522)
FY 1992	(25,663,944)	(4,572,211)

Sincerely yours,

*Joan Finney*  
JOAN FINNEY

HA

4-23-91

Attachment 2



Insurance Department

## 1. Second Toll-Free WATTS Line

I am amending my budget to add an amount of \$22,347 from the State General Fund for a second toll-free WATTS line for the Insurance Department. The Department currently has one line which was installed in 1973 to allow consumers from across the state to call in at no cost to register their inquiries, concerns, and complaints. The Department reports that over 63,000 calls are now being made annually on the WATTS line, while only 30,000 calls actually make it through or are received.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ 22,347
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 22,347

## 2. Purchase of Building

I amend my budget for FY 1992 to enable the Insurance Department to purchase the building that it currently occupies. Based on the annual lease payments and property tax liability that the agency must currently pay, it would be more cost effective if the State of Kansas were to purchase the building. It is estimated that purchase of this building through the Kansas Development Finance Authority would result in long-term savings of \$1.8 million compared to leasing.

For FY 1992, the purchase of this building would result in savings of \$16,882 from my original budget recommendation. Of this amount, \$14,147 is from the State General Fund. In addition to recommending the purchase of this building, I am recommending an amount of \$27,356 for rehabilitation and repair from the proposed General Facilities Building Fund for FY 1992. Therefore, I am recommending a net increase of \$10,474 to the budget of the Insurance Department in FY 1992.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ (14,147)
All Other Funds	<u>--</u>	<u>24,621</u>
All Funds	\$ --	\$ 10,474

State Treasurer

## 3. County-City Revenue Sharing Fund Demand Transfer

The County-City Revenue Sharing Fund demand transfer for FY 1992 is based upon calendar year 1990 sales and use tax



receipts and totals 3.5 percent of those receipts. These transfers are made on July 15 and December 10 of each year. Because the estimate for the County-City Revenue Sharing Fund demand transfer, as included in the *FY 1992 Governor's Budget Report*, was prepared prior to the close of calendar year 1990, the demand transfer estimate included in the budget for FY 1991 was based upon estimated receipts rather than actual receipts. Therefore, my budget is amended to reflect the estimated transfer based upon actual calendar year 1990 receipts.

Based upon actual receipts, the County-City Revenue Sharing Fund transfer for FY 1991 is \$284 below my original recommendation. The transfer in July will total \$29,460,703, as is reflected in my current recommendations for FY 1992.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ (284)	\$ --
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ (284)	\$ --

#### 4. Local Ad Valorem Tax Reduction Fund Demand Transfer Increase

Transfers are made from the State General Fund to the Local Ad Valorem Tax Reduction Fund twice a year, once in July and once in January. The first FY 1991 transfer is based upon 4.5 percent of calendar year 1989 sales and use tax collections and the second transfer is based upon 4.5 percent of calendar year 1990 sales and use tax collections. Adjustments in the demand transfer are necessary because the consensus revenue estimating group, when it met on April 3, 1991, approved a revision in the retail sales and compensating use tax receipt estimates for FY 1991 and FY 1992 and because actual calendar year 1990 data are now available.

It is estimated that the Local Ad Valorem Tax Reduction Fund transfer for FY 1991 will be \$37,164,484, an increase of \$300 over the \$37,164,184 included in my original recommendations. For FY 1992, it is estimated that the Local Ad Valorem Tax Reduction Fund demand transfer will total \$43,757,000, an increase of \$81,000 above the \$43,676,000 included in the *FY 1992 Governor's Budget Report*. I amend my budget to reflect the most recent estimates.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ 300	\$ 81,000
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ 300	\$ 81,000



Kansas Corporation Commission

5. Contractual Services Increase

The State Corporation Commission has received several requests for rate reviews that were not anticipated at the time of its budget submission. Also, the Commission has experienced turnover in several senior accounting positions that has lessened its ability to deal with large projects. Because of the combination of these factors, I amend my budget recommendation by adding \$190,000 for increases in consulting contracts for FY 1992. The amount would finance fees of \$75,000 for a KP&L gas case, \$75,000 for a United Cities gas case, and \$40,000 for a KEPCo electric case, expected to be filed this summer. The proposed action would allow the agency to maintain a \$90,000 contingency amount for FY 1992 that is already in the recommended budget.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
Public Service		
Regulation Fund	--	<u>190,000</u>
All Funds	\$ --	\$ 190,000

6. Oil Overcharge Fund Double Counting

Inadvertently, in the *FY 1992 Governor's Budget Report*, the Kansas Corporation Commission and the Department of Commerce each contain expenditures of \$41,890 for Waste Reduction, Recycling and Market Development. In order to avoid double counting of expenditures, I recommend amounts budgeted from the Energy Grants Management Fund in the Kansas Corporation Commission be reduced by \$41,890.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
Energy Grants		
Management	--	<u>(41,890)</u>
All Funds	\$ --	\$ (41,890)

Department of Health and Environment

7. Water Supply Protection Training

Because of an oversight, a request for \$150,000 by the Department of Health and Environment for aid to the Kansas Rural Water Association for training of water supply operators was not included in my FY 1992 budget recommendations. The funding will assist small water supply operators in meeting



federal regulations contained in new Clean Water Act requirements.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
State Water Plan Fund	--	<u>150,000</u>
All Funds	\$ --	\$ 150,000

#### 8. Clinical Laboratory Improvement Act

My budget recommendation anticipated federal funding of \$285,761 for full implementation of federal Clinical Laboratory Improvement Act (CLIA '88) programming by the beginning of FY 1992. However, that implementation has been delayed, and an adjustment is needed in my recommendation to allow continuing operations in the Laboratory Improvement subprogram of the Department of Health and Environment. I recommend a shift of \$167,185 from clinical laboratory improvement funds to federal Medicare funds.

#### 9. Equipment Replacement

My FY 1992 recommendation for the Department of Health and Environment included funding of \$84,584 from the Power Generating Fee Fund for monitoring the Wolf Creek Power Generating Plant. In planning for this activity, the agency has discovered the need to replace a 16 year old liquid scintillation analyzer now in its inventory. The utility is aware of the need to replace the equipment at a cost of \$19,800.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
Power Generating Fee Fund	--	<u>19,800</u>
All Funds	\$ --	\$ 19,800

#### 10. Federal HIV Clients Home and Community Based Health Services Funding Reduction

For FY 1992, my recommendation included funding of \$150,000 for a federal grant, based on preliminary federal estimates, to provide home health services to individuals infected with HIV. The agency now anticipates that funding for this grant will total only \$95,000. I amend my budget to reflect this reduction.



	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
HIV Clients Home and Community Based Health Services	--	<u>(55,000)</u>
All Funds	\$ --	\$ (55,000)

#### 11. Federal Ryan White AIDS Program Funding

For FY 1992, I recommend an increase in state operations funding for the AIDS Project - Education and Risk Reduction Program Federal Fund of \$50,175 and 1.0 new FTE position to provide coordination for home based services for HIV infected clients. The funds would be shifted from amounts now allocated to aid to local units and will not require additional expenditures to accomplish. The recommendation would offset the reduction in home and community based services noted above.

#### 12. Office of Rural Health Federal Grant

I recommend authority for the expenditure of a newly approved \$50,000 federal grant to coordinate efforts to improve rural health care delivery systems. This would be the first year of a three year grant. Funding will provide one special projects position to develop models of integrated rural health care delivery systems and technical assistance and community education to assist communities seeking to maintain health care delivery systems.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
Office of Rural Health Federal Grant	--	<u>50,000</u>
All Funds	\$ --	\$ 50,000

#### 13. Federal Juvenile Justice and Delinquency Prevention Funds

The Department of Health and Environment has been named a sub-grantee to receive funding of \$30,000 from the Advisory Commission on Juvenile Offender Programs. This funding would provide 1.0 limited term FTE position to provide licensing services for alternatives designed to implement the state's policy of not holding juveniles in adult jails and lockups. This policy has led to the development of numerous Attendant Care sites and will culminate with the development of four or five new regional detention centers. The position will relieve workload of current Child Care Licensure staff and allow



expedited review of licenses for juvenile facilities. I recommend the funding and additional FTE position be authorized.

Health and Environment:

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
Juvenile Justice Fund	--	<u>30,000</u>
All Funds	\$ --	\$ <u>30,000</u>

Social and Rehabilitation Services:

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
Juvenile Justice Fund	--	<u>(30,000)</u>
All Funds	\$ --	\$ <u>(30,000)</u>

State Conservation Commission

14. Non-Point Source Pollution

My original recommendation for the State Conservation Commission included funding in FY 1991 of \$1,678,461 for the Non-Point Source Pollution program. The recommendation assumed that not all of this funding would be utilized in FY 1991; therefore, funds would be carried over for use in FY 1992. However, the recommendation included no new appropriation of funding for the program in FY 1992. In order to reflect the anticipated expenditures of the program more accurately, I recommend shifting \$1.0 million from FY 1991 to FY 1992.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
State Water Plan Fund	<u>(1,000,000)</u>	<u>1,000,000</u>
All Funds	\$(1,000,000)	\$ 1,000,000

15. Bone Creek Reservoir Funding

My recommendations for FY 1991 included funding of \$1,900,000 from the State Water Plan Fund for construction of the Bone Creek Reservoir Multi-purpose Small Lake Project in Crawford and Cherokee counties. The current state appropriation is dedicated to flood control and recreation features. I recommend additional State Water Plan Fund appropriations of \$500,000 in FY 1992 and \$500,000 in FY 1993 to assist in construction of the water supply portion of this project. This funding will be repaid to the State General Fund



once the project is completed and water is being purchased by communities.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>500,000</u>
All Funds	\$ --	\$ 500,000

### Board of Agriculture

#### 16. Sewer and Water Line Replacement

I amend my FY 1991 budget recommendations for the Board of Agriculture to include a new capital improvement State General Fund account entitled "Plumbing Replacement." Further, I recommend the transfer of \$27,000 into that account from a State General Fund account entitled "Lighting Fixture Replacement." While working on another project, it was discovered that the sewer and water pipes to the Board of Agriculture's laboratory were in poor condition. The estimated cost of the plumbing project is \$27,000. The lighting fixture project was recently completed at a cost of \$27,000 less than what was originally budgeted.

#### 17. Transfer from Operating Expenditures to Capital Improvements

I amend my FY 1991 budget recommendations for the Board of Agriculture to transfer \$3,000 from the State General Fund Other Operating Expenditures account to a State General Fund capital improvement account entitled "Ceiling Replacement." Originally, \$20,394 was recommended for the project. The Board's most recent estimate for the completion of this project is \$23,394.

### Department of Wildlife and Parks

#### 18. Renovation of Marais des Cygnes Wildlife Area

I amend my FY 1992 budget recommendations for the Department of Wildlife and Parks to include \$345,440 from the Wildlife Fee Fund for a capital improvement project entitled "Unit A Diversion-Marais des Cygnes Waterfowl Area". The requested project is for Marais des Cygnes Wildlife Area and would divide the largest pool into two separate pools and extend the water transfer canal. This will allow easier management of water levels at the wildlife area. The project was approved for FY 1990, but the Department recently discovered that this amount was drastically short of the funding required to complete the project.



	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	--	<u>345,440</u>
All Funds	\$ --	\$ 345,440

#### 19. Creation of a Rent-a-Camp Program

I amend my budget recommendations for the Department of Wildlife and Parks to increase the expenditure limitation on the Park Fee Fund by \$12,000 in FY 1991 and \$20,000 in FY 1992 to permit expenditure of the receipts received from the rental of camping equipment.

A company has donated 15 sets of camping equipment consisting of a tent, stove, lantern, and cooler to the Department of Wildlife and Parks. The Department intends to rent this equipment to campers for a fee of \$15 per night. The receipts would be used to maintain the donated equipment and to purchase additional camping equipment to expand the program.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>12,000</u>	<u>20,000</u>
All Funds	\$ 12,000	\$ 20,000

#### Department of Revenue

#### 20. Property Valuation Restoration

*Withdrawn*

For FY 1992, I recommended a total of \$5,807,414 from the State General Fund for the Division of Property Valuation. The recommendation included funding of \$2,507,414 for 62.0 FTE positions, \$300,000 for operating expenditures, and \$3.0 million in aid to counties for reappraisal. The recommendation was \$481,829 and 11.0 FTE positions below the FY 1991 budget. After staff review of the Division of Property Valuation, I found the recommended level of funding will not allow the Division to comply with all statutory activities assigned to it.

My amendment would add a total of \$529,426 from the State General Fund (and 11.0 FTE positions to the Division of Property Valuation to include: \$413,569 for salaries and wages and \$115,857 for other operating expenditures. The funds and personnel will be utilized to continue the Division of Property Valuation's statutory audit responsibilities in all 105 counties on an annual basis.



	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ 529,426
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 529,426

## 21. Postage Increase

Annual postage expenditures for the Department of Revenue are approximately \$2.0 million. The Department estimates 3,371,720 pieces of mail will be mailed in FY 1992, including renewal notices for drivers licenses and motor vehicles, income tax refunds, tax notices and licensing. My amendment would increase the FY 1992 total postage recommendation of \$1.8 million by \$317,091 because of the postage increase that took effect February 1991. Of this amount, \$125,979 would be from the State General Fund and \$191,112 would be from the Vehicle Operating Fund.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ 125,979
All Other Funds	<u>--</u>	<u>191,112</u>
All Funds	\$ --	\$ 317,091

Department of Education

## 22. Washburn University Funding Shift

The *FY 1992 Governor's Budget Report* contained \$667,416 for Washburn University Out-District State Aid and \$3,703,136 in regular credit hour state aid in FY 1991. Based on the latest information received from Washburn and the Department of Education officials, \$590,340 is necessary to fund out-district aid fully, and \$3,739,190 is necessary to fund regular credit hour aid fully. All funding is from the State General Fund. I recommend a decrease in out-district aid of \$77,076 and an increase in regular credit hour aid of \$36,054 for a net reduction of \$41,022 in FY 1991 for Washburn University.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ (41,022)	\$ --
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ (41,022)	\$ --

## 23. School District Income Tax Rebate

Based on the revised consensus revenue estimate of April 3, 1991, the School District Income Tax Rebate estimate is revised



to \$191,904,230 in FY 1991 and \$201,000,000 in FY 1992. The FY 1991 amount is an actual expenditure for the fiscal year. The previous estimate contained in the *FY 1992 Governor's Budget Report* was \$189,720,000 in FY 1991 and \$203,900,000 in FY 1992. Based on these revisions, I increase my recommended expenditures by \$2,184,230 in FY 1991 and decrease the expenditures by \$2,900,000 in FY 1992. It should be noted that no adjustment to appropriation bills is necessary, because the SDIT rebate is a "no limit" appropriation. This is a net decrease of \$715,770 over the two-year period.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ 2,184,230	\$(2,900,000)
All Other Funds	--	--
All Funds	<u>\$ 2,184,230</u>	<u>\$(2,900,000)</u>

Kansas Department of Transportation

24. Public Transportation Aid

I amend my budget to include an additional \$125,000 in federal funds for handicapped accessibility of public transportation. The recent passage of the Americans with Disabilities Act has made available an additional \$125,000 in federal funds to Kansas to provide handicapped accessibility of public transportation. The grant will be passed through the Department's Local Planning Support subprogram as fees -- professional services and administered by the Kansas University Center for Transportation Research. My recommendation would increase the Planning and Development line item by \$125,000 from \$4,446,780 to a total of \$4,571,780.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	--	125,000
All Funds	<u>\$ --</u>	<u>\$ 125,000</u>

25. Shrinkage

I amend my budget to include \$800,000 from the State Highway Fund in FY 1991 to be added to the Department's Operations line item to reduce shrinkage. My amendment would reduce the shrinkage rate for this division from 4.7 percent to 3.7 percent in the current year.

For FY 1992, I recommend that the five line items in the Department of Transportation's appropriation bill be combined into two lines: salaries and wages and other operating expenditures. Although this recommendation should provide the



agency with the flexibility necessary to manage better the agencywide shrinkage rate of 4.5 percent, it is possible the rate cannot be achieved. If it becomes evident that a lower shrinkage rate is necessary in order to assure the continuation of the Comprehensive Highway Program, I will revise the Department's FY 1992 salary and wage budget and submit that revision to the 1992 Legislature.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>800,000</u>	<u>--</u>
All Funds	\$ 800,000	\$ --

#### 26. Consensus Revenue Estimate Adjustments to Sales Tax Transfer

I amend my budget to reduce the 10.0 percent sales tax transfer by \$97,372 in FY 1991 to reflect the actual amount transferred. In addition, I recommend the FY 1992 10.0 percent sales tax transfer be increased by \$149,000 to reflect the latest consensus revenue estimate.

The April 3, 1991 consensus revenue estimate of \$762,000,000 for sales tax revenues retains the November estimate, but year-to-date transfers to the State Highway Fund total \$74,370,628, a reduction of \$97,372 from my original recommendation of \$74,468,000. The sales tax estimate for FY 1992 of \$790,000,000 also retains the November estimate, but the internal distribution would increase the 10.0 percent transfer to \$78,249,000, an increase of \$149,000 from the original estimate of \$78,100,000.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ (97,372)	\$ 149,000
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ (97,372)	\$ 149,000

#### 27. Motor Carrier Property Tax Transfer

I amend my budget to reduce the FY 1991 Motor Carrier Property Tax demand transfer from the State General Fund to the Special City and County Highway Fund by \$74,991. My recommendation would reduce the current amount from \$9,127,000 to \$9,052,009 to reflect the current year's actual transfer amounts.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ (74,991)	\$ --
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ (74,991)	\$ --



28. Highway Bond Debt Service Fund and Highway Bond Proceeds Fund

I amend my budget to establish a Highway Bond Debt Service Fund in FY 1991 and a Highway Bond Proceeds Fund in FY 1992, both with "no limit" expenditure authority. Both funds were created by the passage of HB 2014 by the 1989 Legislature, establishing the Comprehensive Highway Program, and have yet to be incorporated within the agency's appropriations.

Regents Institutions

29. Utility Adjustments

*Already Done*  
The Board of Regents annually submits revised estimates of utility expenditures based on actual expenditures through February or March and estimates for the rest of the fiscal year. For FY 1991, the Board of Regents estimates that six institutions will require supplemental funding for utilities, two will have savings from the Governor's recommendations, and one will not require any adjustment.

I amend my budget to recommend utility funding adjustments for the Regents institutions as requested. I recommend supplemental funding for the underfunded institutions and recommend that the savings at KU and KSU be used to offset the demand on the State General Fund. Total funding adjustments are \$148,983 from the State General Fund as follows:

	FY 1991 Original <u>Recommendation</u>	FY 1991 Revised Estimate of <u>Expenditures</u>	Estimated Surplus (Deficit)
KU	5,596,607	5,362,764	233,843
KUMC	4,822,787	4,954,903	(132,116)
KSU	5,624,625	5,434,390	190,235
KSUVMC	736,886	738,613	(1,727)
WSU	2,663,937	2,975,434	(311,497)
ESU	701,016	723,728	(22,712)
FHSU	825,478	880,158	(54,680)
KCT	122,725	173,054	(50,329)
Total			(148,983)

I also recommend that the same adjustments made in FY 1991 be used for FY 1992 at all institutions. This recommendation will address the ongoing shortfall problem at Wichita State University and, it is hoped, provide a reasonable level of funding for FY 1992 at all the other institutions.



	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ 148,983	\$ 148,983
All Other Funds	--	--
All Funds	<u>\$ 148,983</u>	<u>\$ 148,983</u>

### 30. General Fee Fund Adjustments

The Board of Regents has submitted revised fee fund estimates for FY 1991 and FY 1992. I amend my budget and recommend that the General Fees Fund expenditure limitations on the Regents institutions be revised to reflect the latest estimates for both fiscal years. The recommendation will adjust the institutions' funding as follows:

	<u>Original Recommendation</u>	<u>Revised Recommendation</u>	<u>Difference</u>
FY 1991:			
Fort Hays State	\$ 5,114,356	\$ 5,050,966	(\$63,390)
Kansas State	27,476,159	27,276,419	(199,740)
Veterinary Medical	3,413,760	3,376,290	(37,470)
Wichita State	16,486,036	16,401,927	<u>(84,109)</u>
			\$(384,709)
FY 1992:			
Fort Hays State	\$ 5,381,535	\$ 5,090,680	(\$290,855)
Kansas State	28,219,614	28,077,550	(142,064)
Vet Med	3,434,746	3,384,753	(49,993)
University of Kansas	49,372,666	49,267,783	(104,883)
Wichita State	17,151,710	17,050,589	(101,121)
KU Medical Center	6,694,472	6,752,120	<u>57,648</u>
			\$(631,268)

The recommendation will reduce fee fund expenditures by \$384,709 in FY 1991 and \$631,268 in FY 1992 and require funds from the State General Fund of the same amounts in each fiscal year.

Generally, the fee estimates are reduced because of the number of students affected by the Desert Storm activity. In addition, the Fort Hays recommendation was overstated by \$203,372 in FY 1992 and must be corrected as a technical matter. Finally, original recommendations for the Kansas College of Technology have not been revised. That institution must collect the significant amount of deferred payments it has outstanding in order to meet my recommendation.



	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ 384,709	\$ 631,268
All Other Funds	<u>(384,709)</u>	<u>(631,268)</u>
All Funds	\$ --	\$ --

Board of Regents

31. Optometry Seat Purchase Done

Subsequent to the budget submission, the Board of Regents has renegotiated a reciprocal agreement with Missouri for dental and architecture students. For the first time, the Board was also able to include the optometry students in the reciprocal agreement. That agreement will allow 16 seats at St. Louis to be available to Kansas students at no cost to the state, a savings of \$76,200 to my original recommendations.

I amend my budget to delete \$76,200 from the State General Fund for the optometry scholarship program and endorsement of the Board of Regents reciprocal agreement with Missouri. This agreement is definitely of great benefit to the state of Kansas and should provide additional seats to Kansas students at a lower cost.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ (76,200)
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ (76,200)

University of Kansas

32. Sunflower Landfill Clean-Up

I amend my budget for FY 1991 and FY 1992 to provide funds for the investigation and remedial action design phases of the clean-up at the Sunflower Landfill in Western Johnson County. The amendment will allow expenditures of \$30,000 in FY 1991 and \$535,000 in FY 1992 from the Environmental Remediation Fund of the Department of Health and Environment. The funds are already included in my recommendation for expenditures from the Environmental Remediation Fund in the budget of the Department of Health and Environment.

33. Classified Salary Shortfall

I amend my budget to correct a classified salary funding shortfall of \$99,018 for FY 1992. All funding is from the State General Fund.



	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ 99,018
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 99,018

Kansas State University

34. Funding Correction

The Division of Budget and budget staff at Kansas State University have reconciled the Governor's recommendations for FY 1992 for the University. During the reconciliation process, it was discovered that the University received a total of \$458,379 too much from the State General Fund, \$262,791 in salaries and wages and \$195,588 in other operating expenditures. I amend my budget to correct the overfunding of \$458,379 from the State General Fund in the Kansas State University budget in FY 1992.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ (458,379)
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ (458,379)

35. Parking Staff and Fees Adjustments

I amend my budget to allow Kansas State University to change the administration organization of the parking staff and of the Parking Fees Fund. The amendment will increase operating expenses from the Parking Fees Fund from \$465,072 to \$630,000 in FY 1992. Funding of \$355,948 for 2.0 unclassified employees and 7.5 classified staff will be included as well as operating expenditures of \$274,052. No new FTE positions are requested and no State General Fund monies are requested. The Parking Fee Fund has sufficient revenues and balances to allow this change.

In addition, the University requests a reduction from \$1,200,000 to \$600,000 in parking capital improvement expenditures from the Parking Fee Fund. This reduction will more accurately reflect the current plans for parking lot improvements and is consistent with the revised plans submitted to the Board of Regents in April 1991.

Finally, although the University does not request any change in the authorized debt service of \$460,000 for FY 1992, it does request the inclusion of a proviso on the Parking Fees Fund line item to clarify that payment may be made for debt service in addition to the expenditure limitation on the fund.



The proviso would also allow the expenditure of funds for capital improvements. I recommend the provisos be added to the proviso already included in the University's appropriation bill as follows:

1. "Provided, That Kansas State University may make expenditures from this fund for parking lot maintenance and improvements."
2. "Provided, That payment of principal and interest shall be in addition to any expenditure limitation imposed on the parking fees fund for fiscal year 1992."

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	--	(435,072)
All Funds	\$ --	\$ (435,072)

University of Kansas Medical Center

36. Medical Scholarship Repayment Fund

The FY 1992 budget of the University of Kansas Medical Center as recommended in the *FY 1992 Governor's Budget Report* includes expenditures from the Medical Scholarship Repayment Fund of \$3,380,000. This amount assumes a reappropriated balance of \$1,468,714 from FY 1991, receipts of \$2,300,000 in FY 1992, and a balance forward to FY 1993 of \$388,714. Of the expenditures recommended, \$2,090,992 is for operating expenditures and \$1,289,008 is recommended for the financing of medical scholarships.

The FY 1992 expenditure estimate as included in the *FY 1992 Governor's Budget Report* assumes receipts in FY 1991 of \$3,200,000. However, receipts to date in the current fiscal year total \$3,590,472, almost \$400,000 more than the estimate for the entire year.

I amend my budget to permit additional expenditures from the Medical Scholarship Fund in FY 1992 for state operations of \$820,000 (for total expenditures of \$4,200,000 from the fund) and to reduce State General Fund expenditures by a like amount. This amendment assumes receipts in FY 1991 will be \$3,970,000, thereby increasing the balance forward to FY 1992 to \$2,238,714. Receipts in FY 1992 are estimated to be \$2,450,000, which approximates actual FY 1990 receipts and assumes that FY 1991 estimated receipts reflect a one-time "windfall." The recommended expenditure level for FY 1992 will result in a balance of \$488,714 in the fund at the end of FY 1992.



	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ (820,000)
All Other Funds	--	820,000
All Funds	\$ --	\$ --

### Kansas Lottery

#### 37. Computer for Financial Reporting

My original recommendation for the Kansas Lottery included financing for the purchase of software designed to correct a lack of financial reporting capability from the agency. Since that recommendation was made, the agency has investigated several options for correcting this problem. However, only an actual replacement of the computer system now appears as the appropriate long term solution. The agency has recommended a three-year purchase process using existing resources in FY 1991 and FY 1992 as well as resources that are anticipated to be available in FY 1992 as a result of the sale of the existing computer. The final payment is anticipated to be made in FY 1993. The estimated FY 1993 payment would range from \$1.15 - 1.65 million.

I therefore amend my FY 1991 budget to allow the agency to spend \$100,000 of capital outlay funds previously budgeted for software for an initial payment for the new computer system. Further, I amend my FY 1992 budget to shift \$125,000 from maintenance to capital outlay and authorize the sale of the existing computer, in accordance with existing law, to provide for a second payment on the system.

### Racing Commission

#### 38. Greyhound Breeding Development Fund

The Racing Commission indicates that its original budget submission did not include releases of funds from the Greyhound Breeding Development Fund for purse supplements in the estimates and that the estimates for expenditures for greyhound research studies were greatly understated. To make these adjustments, I amend my budget to include expenses for purse supplements and for research grants, all from the Greyhound Breeding Development Fund.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	935,700	964,900
All Funds	\$ 935,700	\$ 964,900



## 39. Greyhound Tourism Transfer

The Racing Commission has revised its estimate of the amount which will be transferred on June 30 from the Greyhound Breeding Development Fund to the Greyhound Tourism Fund of the Department of Commerce. A transfer is made at the end of the year in accordance with current law. The agency indicates that the amount to be transferred will be \$156,000.

## 40. Drug Testing

The Racing Commission indicates that the recommended amount for drug testing in FY 1992 was not based upon the new testing procedures which have been implemented in the current year. This testing procedure provides more reliability and includes procedures which test for a broader range of drugs. I amend my budget to include the additional amount needed to ensure the reliability of the tests and the quality of the race performances.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	--	<u>61,000</u>
All Funds	\$ --	\$ 61,000

Department of Human Resources

## 41. Governor's Industrial Safety and Health Conference

I amend my budget to establish a fund entitled "Industrial Safety and Health Conference and Workshops, Attendance, Gift and Donation Fund" for the Department of Human Resources. The fund would be a "no limit" appropriation.

Creation of the proposed fund was recommended by the conference planning committee. This committee, comprising approximately 35 members representing industry, labor, academia and political subdivisions from around the state, all concurred that establishing this fund would be beneficial and possibly vital to ensuring future conferences.

I recommend the following proviso language:

Provided, That the department of human resources is hereby authorized to fix, charge and collect conference and workshop attendance fees for the industrial safety and health conferences and workshops sponsored by the department: Provided further, That the department is



hereby authorized to receive gifts and donations of money for Kansas safety and health conferences and workshops sponsored by the department: And provided further, That such gifts and donations of money shall be deposited in the state treasury and credited to this fund: And provided further, That expenditures may be made from this fund to defray all or part of the costs of such conferences and workshops including official hospitality: And provided further, That expenditures shall be made from this fund for the purpose specified by the donor or contributor, if any.

There is currently a fund in existence entitled "Special Project Funds/Industrial Safety Conference." The fund contains approximately \$2,000. However, the current appropriation bill does not carry language to allow the Department to utilize this fund. Establishing the fund as requested by the Department would allow the Department to administer the annual Safety and Health Conference more efficiently.

#### 42. Federal Indirect Cost Offset Fund Expenditure Limitation Increase

I amend my budget to increase the expenditure limitation for the Federal Indirect Cost Offset Fund by \$60,000 for a total of \$258,341 for FY 1992. This increase will facilitate the reorganization of the Department of Human Resources. This is to bring the agency's organizational structure in line with statutory requirements. KSA 75-5710 requires a Division of Labor and Management Relations and Employment Standards. The requested \$60,000 is to fund the salary plus fringe benefits for a division director.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	--	<u>60,000</u>
All Funds	\$ --	\$ 60,000

#### Department of Corrections

#### 43. Women's Education Equity Act - Program Funds

Subsequent to preparation of its budget request, the Department of Corrections was informed that funding for the Women's Educational Equity Act Program would be extended through January of 1991, rather than September of 1990. The revised estimate of federal funding for the program totals \$67,722, an increase of \$43,033 over the original estimate of \$24,689.



I am amending my FY 1991 budget by increasing the expenditure limitation for the Women's Education Equity Act - Federal Fund by \$43,033 to \$67,722, and reducing State General Fund expenditures by \$18,531. My amendment provides \$24,502 for previously unbudgeted activities in the program.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ (18,531)	\$ --
All Other Funds	<u>43,033</u>	<u>--</u>
All Funds	\$ 24,502	\$ --

#### 44. Federal Grant Award for Education

I am amending my FY 1991 budget to establish a "no limit" special revenue fund entitled "Eisenhower Science and Mathematics Act - Federal Fund" to allow the Department of Corrections to expend an \$842 federal grant award received through the State Department of Education. The funds have been awarded under Title II of the Dwight D. Eisenhower Mathematics and Science Act to provide inservice training in the area of mathematics for teachers at the Hutchinson Correctional Facility.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>842</u>	<u>--</u>
All Funds	\$ 842	\$ --

#### 45. Ellsworth Library Grant

I am amending my FY 1991 budget to establish a "no limit" special revenue fund entitled "Institutional Library Services Grant Fund" to allow the Ellsworth Correctional Facility to expend an Interlibrary Loan Development Grant of \$425 received through the State Library. Of the grant award, \$80 would be used to finance processing fees for services provided by the Central Kansas Library System, while \$345 would be used to acquire books for the inmate library.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>425</u>	<u>--</u>
All Funds	\$ 425	\$ --

#### 46. Transfer Language for Oil Overcharge Funds



My budget recommendation for the Department of Corrections in FY 1992 contains a "no limit" Oil Overcharge Fund appropriation to allow the expenditure of any monies awarded to the Department of Corrections by the federal Department of Energy through the State Corporation Commission for the purchase of vehicles for correctional facilities. SB 141, the appropriation bill for the Department of Corrections, does not contain the necessary language which would allow Accounts and Reports to transfer oil overcharge funds to the Department of Corrections from the Corporation Commission. At this time, it is unknown whether the Department of Corrections will receive any oil overcharge monies. I am amending my FY 1992 budget to include the necessary transfer language in the appropriation bill for the Department of Corrections.

~~47. Establishment of Employed Parolees Fee Fund per SB 146~~

~~SB 146, which was introduced at the request of the Department of Corrections with my endorsement, requires individuals who are under post-release supervision from the Department of Corrections to pay a \$7 monthly employment generation fee upon becoming employed. The fees would be credited to the Employed Parolees Fee Fund, established in the bill, and would be used to pay operating costs for one job development position in each of the five parole districts.~~

~~In order to expend the collected fees for the purpose outlined in the bill, I am amending my FY 1992 budget to include the Employed Parolees Fee Fund with a "no limit" expenditure limitation. I recommend that the Department of Corrections establish special project job development positions to be funded as allowed by the incoming fees.~~

Kansas Bureau of Investigation

48. ASTRA Conversion Costs

The KBI requested additional funding to complete the Automated Statewide Telecommunications Records Access (ASTRA) network system conversion. The system conversion will produce significant communications cost savings beginning in FY 1993. The conversion was originally scheduled for FY 1991 but has since been delayed.

Therefore, I amend my budget to delete \$100,000 from the State General Fund for FY 1991 conversion costs. For FY 1992, I recommend increased State General Fund expenditures of \$117,411 and expenditures of \$155,900 from the State Asset Forfeiture Fund to complete the ASTRA conversion.



	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ (100,000)	\$ 117,411
All Other Funds	<u>    --</u>	<u>155,900</u>
All Funds	\$ (100,000)	\$ 273,311

State Fire Marshal

49. Shrinkage Reduction and Additional Travel

The State Fire Marshal requests a reduced shrinkage rate for FY 1991. The agency had no vacancies for eight months and then experienced three costly retirements. Additional travel funds are requested to allow the agency to complete additional investigations and inspections. I amend the agency's recommended budget to include \$15,974 from the State General Fund to reduce shrinkage and to provide for additional travel.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ 15,974	\$ --
All Other Funds	<u>    --</u>	<u>    --</u>
All Funds	\$ 15,974	\$ --

Kansas Highway Patrol

50. Vehicle Identification Number (VIN) Program

The Kansas Highway Patrol requested an expenditure limitation and FTE position limitation increase in order to expand the agency's performance in vehicle identification number inspections. I am amending my recommendation to increase the VIN Fee Fund expenditure limitation by \$524,014 to \$824,014 and to increase the FTE position limitation by 20 positions to 821.8. The amended recommendation will allow the Highway Patrol to perform most vehicle inspections which are presently performed by private designees.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>    --</u>	<u>524,014</u>
All Funds	\$ --	\$ 524,014

Youth Center at Beloit

51. Salary of Alcohol and Drug Abuse Director

My recommendation was designed to fund fully the Youth Center at Beloit's Alcohol and Drug Abuse Director position



entirely with receipts from the agency's fee fund. The agency has re-calculated the salaries and wages costs for this position and determined that the amount originally recommended will not completely fund the position. Increased expenditures from the agency's fee fund of \$1,396 in FY 1991 and \$1,524 in FY 1992 were requested by the agency.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>1,396</u>	<u>1,524</u>
All Funds	\$ 1,396	\$ 1,524

### State Hospitals - Systemwide

#### 52. Fee Fund Collections

I am amending my budget to offset fee fund expenditures in FY 1991 and in FY 1992 with expenditures from the State General Fund and the Title XIX Fund at five of the state hospitals. For FY 1991, I am reducing the fee fund expenditures at Larned State Hospital and Topeka State Hospital by a total of \$724,737 and increasing respective Title XIX Fund expenditures by an equal amount. For FY 1992, I am reducing fee fund expenditures at Larned State Hospital, Osawatomie State Hospital, Rainbow Mental Health Facility, Topeka State Hospital, and Winfield State Hospital and Training Center by a total of \$2,711,191 and increasing State General Fund expenditures by \$1,741,569 and Title XIX Fund expenditures by \$969,622. Fee fund receipts at the four mental health hospitals have decreased primarily because of utilization review, reduced insurance coverage, and increases in coinsurance and deductibles. A decrease in fee fund receipts at Winfield State Hospital and Training Center is attributable to census reduction.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ 1,741,569
All Other Funds	<u>--</u>	<u>(1,741,569)</u>
All Funds	\$ --	\$ --

### Rainbow Mental Health Facility

#### 53. Shrinkage

I am amending my budget recommendation to reduce the agency's shrinkage rates from 5.8 percent to 4.0 in FY 1991 and from 5.5 percent to 4.0 percent in FY 1992. The amendments increase the Title XIX Fund expenditure limitations by \$67,034 in FY 1991 and by \$58,747 in FY 1992. In preparation for a scheduled accreditation survey, the agency has filled positions



held vacant during the first half of the fiscal year; therefore, it does not anticipate meeting the recommended shrinkage rate.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>67,034</u>	<u>58,747</u>
All Funds	\$ 67,034	\$ 58,747

Larned State Hospital

54. Fees -- Other Services and Professional Supplies

I am amending my budget recommendations to increase the Title XIX Fund expenditure limitation by \$70,000 in FY 1991 to meet cost increases for pharmaceuticals and contractual laboratory services.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>70,000</u>	<u>--</u>
All Funds	\$ 70,000	\$ --

Topeka State Hospital

55. Shrinkage

I am amending my recommendations to increase the Title XIX expenditure limitation in FY 1991 by \$105,692 to reduce the agency's shrinkage rate from 7.4 percent to 6.8 percent. Despite cost saving measures by the agency, employee furloughs likely would be necessary without an increase in expenditure authority.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>105,692</u>	<u>--</u>
All Funds	\$ 105,692	\$ --

Kansas Neurological Institute

56. Diapers

I am amending my recommendations to increase the State General Fund appropriation by \$51,309 in FY 1992 to allow additional purchases of diapers. The agency request underestimated real need by inadvertently using an expenditure



base which was not representative of annual consumption.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ 51,309
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 51,309

Department of Social and Rehabilitation Services

57. Regular Medical Savings

I recommend the reduction of \$28,880,016, of which \$20,453,053 is from the SRS Fee Fund, in FY 1991 and \$16,399,880 from all funds and \$29,085,783 from the State General Fund in FY 1992 for the Regular Medical Assistance program. This cost reduction is primarily due to the decreased cost per person, based on the average cost of medical services during the first nine months of FY 1991, as well as minor revisions in expected caseload, again using data available for three quarters of FY 1991.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$(29,085,783)
All Other Funds	<u>(28,880,016)</u>	<u>12,685,903</u>
All Funds	\$(28,880,016)	\$(16,399,880)

58. OBRA 1990 Medicaid Mandate Delay

Because of delays by the federal government in issuing rules and regulations governing implementation of changes in the Federal Medicaid program contained in the Omnibus Budget Reconciliation Act of 1990, the budget for the Department of Social and Rehabilitation Services is overstated by \$4,674,180, of which \$2,045,682 is from the State General Fund in FY 1991.

The *FY 1992 Governor's Budget Report* recommended FY 1991 expenditures of \$3,711,270, of which \$1,630,361 is from the State General Fund, for a change in prescription drug reimbursement and \$3.3 million, of which \$1.4 million is from the State General Fund, for a change in veterans' pensions. These two changes in federal law were expected to take effect January 1, 1991. It now appears that a more likely implementation date will be May 1.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$(2,045,682)	\$ --
All Other Funds	<u>(2,628,498)</u>	<u>--</u>
All Funds	\$(4,674,180)	\$ --



## 59. Long Term Care Savings

Based on year-to-date expenditures, the funding contained in the *FY 1992 Governor's Budget Report* for Long Term Care is overstated by \$4,492,173, of which \$1,939,234 is from the State General Fund in FY 1991, and \$1,075,999, of which \$442,540 is from the State General Fund in FY 1992.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$(1,939,234)	\$ (442,540)
All Other Funds	<u>(2,552,939)</u>	<u>(633,459)</u>
All Funds	\$(4,492,173)	\$(1,075,999)

## 60. DRG Recalibration

I recommend the reduction of \$16,712,576, of which \$7,329,837 is from the State General Fund, from the funding budgeted for reimbursement of providers of inpatient hospital services for medical assistance recipients. This reduction would delete the funds contained in the *FY 1992 Governor's Budget Report* for a six percent rate increase for inpatient hospital services (\$9,312,576, of which \$4,279,837 is from the State General Fund) and would further reduce \$7,400,000, of which \$3,050,000 is from the State General Fund, to reduce the average reimbursement to hospitals under the Diagnosis Related Group (DRG) system by five percent. This DRG recalibration is possible because of reductions in the length of stay and reductions in the complexity of patients treated. The planned DRG recalibration will provide hospitals with reimbursement under the state Medical Assistance program of approximately 91 percent of their estimated FY 1992 cost.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ (7,329,837)
All Other Funds	<u>--</u>	<u>(9,382,739)</u>
All Funds	\$ --	\$(16,712,576)

## 61. Nursing Facility Injunction

I recommend the addition of \$5,175,352, of which \$2,318,558 is from the SRS Fee Fund in FY 1991, and \$18,676,368, of which \$8,058,853 is from the State General Fund in FY 1992, to finance the estimated cost of complying with the federal court injunction against implementation of a new reimbursement system for adult care homes in FY 1991. The court order requires the department to adjust its reimbursement to nursing facilities by reinstating the cost report methodology for reimbursing nursing facilities; increasing reimbursement for 24 hour nursing care; and allowing a pass-through as reimbursement for the increase in the federal minimum wage.



	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ 8,058,853
All Other Funds	<u>5,175,352</u>	<u>10,617,515</u>
All Funds	\$ 5,175,352	\$18,676,368

### 62. Continuous Medicaid Eligibility for Infants

The federal Omnibus Budget Reconciliation Act of 1990 requires that newborn infants receive continuous eligibility for Medicaid services throughout their first year of life regardless of increases in the family's income. Previously, any increases in income could result in ineligibility for the child. This program change is expected to cost approximately \$1,013,576, of which \$418,100 is from the State General Fund in FY 1992 in addition to the funding contained in the *FY 1992 Governor's Budget Report*. This estimate presumes continued eligibility for Medicaid benefits for six months for approximately 540 infants who would otherwise have been ineligible.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ 418,100
All Other Funds	<u>--</u>	<u>595,476</u>
All Funds	\$ --	\$ 1,013,576

### 63. Division of Income

I recommend the addition of \$567,276, of which \$234,001 is from the State General Fund in FY 1992, to finance the estimated cost to the Medicaid program of the spousal impoverishment provisions of the federal Medicare Catastrophic Care Act. Effective July 1, 1991, the level of income a well spouse may retain when an ill spouse enters a nursing home will rise to 133 percent of the federal poverty level from the current maximum of 122 percent of the federal poverty level. This transfer will lower the patients' nursing home liability and, consequently, increase the cost to the state of Medicaid recipients in adult care homes. The Department of Social and Rehabilitation Services estimates that this will affect approximately 577 persons each year.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ 234,001
All Other Funds	<u>--</u>	<u>333,275</u>
All Funds	\$ --	\$ 567,276



## 64. SRS Fee Fund Receipts

Receipts to the Department of Social and Rehabilitation Services' Fee Fund are expected to exceed the funds contained in the *FY 1992 Governor's Budget Report* by \$1,532,997 by the end of FY 1992. These increased receipts are primarily due to greater than anticipated recovery of current year expenditures. I recommend that the additional available funds be used to reduce the State General Fund required to finance the Medical Assistance program in FY 1992.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$(1,532,997)
All Other Funds	<u>--</u>	<u>1,532,997</u>
All Funds	\$ --	\$ --

## 65. MediKan to July 1

Based on a planned restructuring of the MediKan program, effective July 1, 1991, approximately \$3.4 million from the State General Fund should be added to the funding for MediKan in FY 1992 contained in the *FY 1992 Governor's Budget Report*.

The budget originally assumed that the MediKan program would be restructured by April 1, 1991, to conform to the program approved by the 1990 Legislature. This restructuring includes eliminating eligibility for persons over age 55 who are not disabled and providing only limited medical services. Because the *Martha Bullock, et al. v. Robert C. Harder, Acting Secretary* court case was not settled until April 9, 1991, the program restructuring has not occurred. The Department of Social and Rehabilitation Services plans to implement the restructured MediKan program effective July 1, 1991. Because of the two month interval between the clients' receipt of services and the payment of provider claims for inpatient hospital services, the department expects to spend approximately \$3.4 million during FY 1992 to pay for services received by MediKan recipients through the end of FY 1991.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$3,400,000
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$3,400,000

## 66. General Assistance to July 1

Based on year-to-date expenditures and a planned restructuring of the General Assistance program effective July 1, 1991, approximately \$900,000 from the State General Fund



should be added to the funding for General Assistance in FY 1991 contained in the *FY 1992 Governor's Budget Report*.

The budget originally assumed that the General Assistance program would be restructured by April 1, 1991, to conform to the program approved by the 1990 Legislature. This restructuring includes eliminating eligibility for persons over age 55 who are not disabled and reducing the average cash grant by \$9 per person per month. Because the *Martha Bullock, et al. v. Robert C. Harder, Acting Secretary* court case was not settled until April 9, 1991, the program restructuring has not occurred. The Department of Social and Rehabilitation Services plans to implement the restructured General Assistance program, effective July 1, 1991.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ 900,000	\$ --
All Other Funds	<u>    --</u>	<u>    --</u>
All Funds	\$ 900,000	\$ --

#### 67. CMRC Special Purpose Grant Savings

Based on anticipated expenditures for new special purpose grant placements in FY 1991, the funding for Community Mental Retardation Center special purpose grants in FY 1991 in the *FY 1992 Governor's Budget Report* is overstated by \$945,843 from the State General Fund. The total amount originally appropriated for 150 additional special purpose grant placements in FY 1991 was \$1,592,746.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ (945,843)	\$ --
All Other Funds	<u>    --</u>	<u>    --</u>
All Funds	\$ (945,843)	\$ --

#### 68. HCBS-MR Waiver

I recommend the addition of \$2,310,422, of which \$952,818 is from the State General Fund in FY 1992, to increase the number of persons receiving services from the HCBS-MR waiver from 600 (as contained in the *FY 1992 Governor's Budget Report*) to 942 by June 30, 1992. This will allow the agency to serve an additional 255 developmentally disabled persons during FY 1992. My recommendation will reduce the census of Parsons State Hospital and Training Center by 20, with a resulting savings of \$134,594, of which \$55,506 would be from the State General Fund. The agency would also reduce the number of persons receiving services in private Intermediate Care Facilities for the Mentally Retarded by 67, with a resulting



savings of \$785,441, of which \$323,916 would be from the State General Fund.

Social and Rehabilitation Services:

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ 1,008,324
All Other Funds	--	<u>1,436,692</u>
All Funds	\$ --	\$ 2,445,016

Parsons State Hospital:

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ (55,506)
All Other Funds	--	<u>(79,088)</u>
All Funds	\$ --	\$ (134,594)

69. GA Foster Care Savings

Based on year-to-date expenditures, the funding contained in the *FY 1992 Governor's Budget Report* for foster care for children, not eligible for federal matching funds, is overstated by approximately \$750,000 from the State General Fund.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ (750,000)	\$ --
All Other Funds	--	--
All Funds	\$ (750,000)	\$ --

70. Foster Care Education

Based on year-to-date expenditures and anticipated billings, the funds for out-of-state education for foster care children in FY 1991 contained in the *FY 1992 Governor's Budget Report* are overstated by \$125,507 from the State General Fund. This proposed reduction will allow the Department to expend \$989,461 from the State General Fund for foster care education in FY 1991. These funds are paid to Missouri school districts to reimburse them for the expense of educating Kansas children placed in foster care in Missouri.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ (125,507)	\$ --
All Other Funds	--	--
All Funds	\$ (125,507)	\$ --



## 71. Postage Rate Increase

I recommend the addition of \$68,955, of which \$34,477 is from the State General Fund in FY 1991, and \$380,546, of which \$231,061 is from the State General Fund in FY 1992, to finance the cost of the 16 percent postage rate increase for the Department of Social and Rehabilitation Services. The majority of postage costs for the agency are associated with the mailing of notices to cash, food stamp, and medical assistance recipients as well as the mailing of benefits to cash assistance and food stamp recipients.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ 34,477	\$ 231,061
All Other Funds	<u>34,478</u>	<u>149,485</u>
All Funds	\$ 68,955	\$ 380,546

## 72. Zebley Decision Administrative Costs

I recommend the addition of \$79,072, of which \$870 is from the State General Fund, and 8.0 FTE positions in FY 1991 and \$345,081, of which \$3,796 is from the State General Fund, and 8.0 FTE positions in FY 1992 for Disability Determination Services to process a new workload of disability claims resulting from the settlement of the *Zebley v. Sullivan* court case. This case determined that the standards used for denying children eligibility for Social Security benefits in recent years were not valid. The federal Social Security administration has been ordered to reevaluate all the cases of children who were denied eligibility using new standards (the total number of pending cases is estimated to increase by 94,000 cases nationwide because of this decision).

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ 870	\$ 3,796
All Other Funds	<u>78,202</u>	<u>341,285</u>
All Funds	\$ 79,072	\$ 345,081

## 73. Foster Care Lawsuit Fund

I recommend that whatever funds are unexpended at the end of FY 1991 in the Foster Care Lawsuit Fund reappropriate on an unlimited basis to FY 1992. The agency notes that because the ACLU foster care lawsuit (*Sheila A. v. Hayden*) has been proceeding more slowly than anticipated, expenditures have been less than anticipated.



## 74. ADAS Block Grant

I recommend the Department of Social and Rehabilitation Services expend an additional \$550,000 in FY 1991 from the federal Alcohol, Drug Abuse, and Mental Health Block Grant for alcohol and drug abuse programming. These funds will be granted to community providers of alcohol and drug abuse services.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>550,000</u>	<u>--</u>
All Funds	\$ 550,000	\$ --

## 75. ADAS Waiting List

I recommend the Department of Social and Rehabilitation Services expend \$90,417 in federal funds to reduce the waiting lists in existing alcohol and drug abuse treatment programs in FY 1992. An amount of \$216,482 from this federal fund is budgeted in FY 1991 in the *FY 1992 Governor's Budget Report*. No funding was included for FY 1992, because the agency was not aware, at the time the budget was developed, that additional federal funds would be available for FY 1992.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>90,417</u>
All Funds	\$ --	\$ 90,417

## 76. Child Abuse and Neglect Grant

I recommend the Department of Social and Rehabilitation Services expend an additional \$20,395 from the federal Child Abuse and Neglect Fund in FY 1992. These funds would be granted to community organizations for various programs to prevent child abuse and neglect.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>20,395</u>
All Funds	\$ --	\$ 20,395

## 77. Youth Independent Living Funds

I recommend the Department of Social and Rehabilitation Services expend an additional \$98,252 in federal Title IV-E



Independent Living funds for grants to community groups during FY 1992. These funds are granted to the Foster Parents Association, group homes, and other community organizations to develop "transition" activities for children who are aging out of foster care.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>98,252</u>
All Funds	\$ --	\$ 98,252

#### 78. Children's Justice Act Grant

I recommend the Department of Social and Rehabilitation Services expend an additional \$49,053 in FY 1991 and \$45,073 in FY 1992 from the Federal Children's Justice Act Grant. These funds would be granted to community organizations to provide training for judges, demonstration projects, and the development of a multi-disciplinary task force.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>49,053</u>	<u>45,073</u>
All Funds	\$ 49,053	\$ 45,073

#### 79. Child Care Federal Funds

I recommend the Department of Social and Rehabilitation Services spend an additional \$14,856 in FY 1991 and \$14,856 in FY 1992 from the federal Child Care Dependent Planning and Development Grant Fund. These additional funds will be granted to a community organization to provide additional subsidized child care slots for income eligible children.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>14,856</u>	<u>14,856</u>
All Funds	\$ 14,856	\$ 14,856

#### 80. McKinney Homeless Act Grant

I recommend the Department of Social and Rehabilitation Services expend an additional \$25,000 from the federal McKinney Act Mental Health Services for the Homeless Block Grant in FY 1992. These funds will be granted to Community Mental Health Centers to provide more services for homeless mentally ill persons.



	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>    --</u>	<u>25,000</u>
All Funds	\$ --	\$ 25,000

### 81. DD Council Salaries

I recommend the increase of \$9,752 in federal Developmental Disabilities funds for salaries and the decrease of \$9,752 in federal Developmental Disabilities funds for aid to local units in the Department of Social and Rehabilitation Services' budget in FY 1991. This shift will finance the salary costs of a Secretary II who was hired at a higher step on the pay range than her predecessor.

### 82. Economic Opportunity Funds

I recommend the Department of Social and Rehabilitation Services expend an additional \$66,500 in FY 1991 and \$843,139 in FY 1992 in federal Economic Opportunity Program funds. These additional federal funds would be used to increase grants to local agencies for weatherization, community action, and homeless services to low income clients statewide.

	<u>FY 1991</u>	<u>FY 1992</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>66,500</u>	<u>843,139</u>
All Funds	\$ 66,500	\$ 843,139

### 83. Weatherization Assistance

I recommend a reduction of \$68,274 in Weatherization Assistance funding for salaries, an increase of \$6,000 in Weatherization Assistance funding for travel, an increase of \$5,820 for capital outlay, and an increase of \$56,454 in Weatherization Assistance funding for assistance payments in the budget of the Department of Social and Rehabilitation Services in FY 1992. These adjustments are necessary because of the reorganization the agency has undergone during the past few months (i.e. the combining of the Adult Services and Youth Services commissions). The Department is currently utilizing three fewer FTE staff to administer the Weatherization Assistance program than had been utilized in the past, which will allow more funds to be sent to the sub-grantee organizations that provide weatherization assistance to eligible persons.



Department of Administration

## 84. Property Contingency Fund

The Property Contingency Fund, budgeted in the Division of Facilities Management in the Department of Administration, has been used in recent years to finance moving expenses of state agencies. It has an approved expenditure limitation of \$100,000 for FY 1991. As of April 9, 1991, the unencumbered cash balance in the fund was \$30,707.

The Department of Administration proposes to convert the Property Contingency Fund to a revolving fund, using the balance in the fund at the end of FY 1991. The monies would be advanced to cover the moving costs of agencies to prevent relocation delays and the lowering of occupancy rates, which in turn could result in lost rental receipts. Agencies would be expected to budget repayment of the "loans" in the next fiscal year.

I amend my budget to add a "no limit" appropriation for the Property Contingency Fund for FY 1992 with the following proviso:

"Provided, That any reimbursement for expenditures from this fund shall be credited to this fund."

1099



**Oil Overcharge Expenditures and Balances --  
FY 1991 and FY 1992**

Agency and Project	Warner/Non-Warner Funds	
	Gov. Rec. FY 1991	Amount Approved By 1991 Legislature FY 1991
July 1, 1990 Cash Balance	\$ 21,166,886	\$ 21,166,886
FY 1991 Oil Overcharge Receipts	1,287,023	1,287,023
Estimated Interest - FY 1991	1,357,929	1,357,929
Estimated Cash Available - FY 1991	<u>\$ 23,811,838</u>	<u>\$ 23,811,838</u>
<b>Board of Agriculture</b>		
Conservation	\$ 90,000	\$ 90,000
Noxious Weeds	40,000	40,000
<b>Corporation Commission</b>		
Energy Extension	76,357	76,357
State Conservation Program	1,016,098	1,016,098
Mennonite Housing	100,000	100,000
Institutional Conservation	1,679,583	1,679,583
<b>Department of Education</b>		
Foundation for Agriculture	30,000	30,000
<b>Department of Transportation</b>		
Highway and Bridge Safety	2,500,000	2,500,000
<b>Social and Rehabilitation Services</b>		
Low Income Energy Assistance (LIEAP)	3,000,000	3,000,000
Weatherization	1,500,000	1,500,000
<b>Department of Commerce</b>		
Commission on Waste Reduction, Recycling & Market Development	40,343	40,343
Subtotal Expenditures - FY 1991	<u>\$ 10,072,381</u>	<u>\$ 10,072,381</u>
Prior Year Encumbrances to Be Expended in FY 1991	<u>8,616,622</u>	<u>8,616,622</u>
Total Expenditures - FY 1991	<u>\$ 18,689,003</u>	<u>\$ 18,689,003</u>
Expected Cash Balance - June 30, 1991	<u>\$ 5,122,835</u>	<u>\$ 5,122,835</u>

HA  
4-23-91  
Attachment 3

Agency and Project	Warner/Non-Warner Funds	
	Gov. Rec. FY 1992	Amount Approved By 1991 Legislature FY 1992
July 1, 1991 Estimated Cash Balance	\$ 5,122,835	\$ 5,122,835
FY 1992 Oil Overcharge Receipts	1,000,000	1,000,000
Estimated Interest - FY 1992	313,601	313,601
Balance Forward From SRS - LIEAP	2,500,000	2,500,000
Estimated Cash Available - FY 1992	<u>\$ 8,936,436</u>	<u>\$ 8,936,436</u>
<b>Board of Agriculture</b>		
Conservation	\$ 90,000	\$ 90,000
Noxious Weeds	14,648	14,648
<b>Corporation Commission</b>		
Energy Extension	38,300	38,300
State Conservation Program	283,680	283,680
Mennonite Housing	0	0
Institutional Conservation	650,000	650,000
<b>Department of Education</b>		
Foundation for Agriculture	30,000	0 <sup>a</sup>
<b>Social and Rehabilitation Services</b>		
Low Income Energy Assistance (LIEAP)	5,300,000	5,300,000
Weatherization	2,000,000	2,000,000
<b>Department of Commerce</b>		
Commission on Waste Reduction, Recycling & Market Development	41,890	41,890
<b>Total Expenditures - FY 1992</b>	<u>\$ 8,448,518</u>	<u>\$ 8,418,518</u>
<b>Expected Cash Balance - June 30, 1992</b>	<u>\$ 487,918</u>	<u>\$ 517,918</u>

- a) The Department of Education's appropriation bill (S.B. 70) was still in Conference Committee when the table was completed. Expenditures for the Foundation for Agriculture were recommended at \$0 by the Senate and \$15,000 by the House.