

Approved April 12, 1991

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Senator August "Gus" Bogina, Chairperson at 11:07 a.m. on March 26, 1991, in Room 123-S of the Capitol.

All members were present except:

Committee staff present:

Diane Duffy, Kansas Legislative Research Department
Leah Robinsonn, Kansas Legislative Research Department
Gordon Self, Revisors' Office
Judy Bromich, Administrative Assistant
Patti Beasley, Substitute Committee Secretary

Conferees appearing before the committee:

Tom Flannigan, City Engineer, City of Topeka
Bob Clawson, Department of Social and Rehabilitation Services

SUBCOMMITTEE REPORT ON HB 2044 - Appropriations for FY91 and FY92, Legislative Agencies, Governor's Department, Lieutenant Governor, Secretary of State, State Treasurer, Insurance Department

SECRETARY OF STATE

Senator Kerr reviewed Attachment 1 the FY91 and FY92 subcommittee report for the Secretary of State. There was discussion concerning the computer purchase in FY91. Senator Kerr noted the subcommittee was satisfied that the appropriate computer had been purchased and was suited to their needs.

DEPARTMENT OF INSURANCE

Senator Kerr reviewed Attachment 2 the FY91 and FY92 subcommittee report for the Department of Insurance. There was discussion regarding the \$4 million SGF demand transfers into the Workers Compensation Fund. Senator Kerr moved, Senator Feleciano seconded, that the subcommittee report be amended to request an Interim Study on the \$4 million being paid into the Second Injury Fund. The motion carried on a voice vote.

In answer to a question regarding personnel to handle the additional Watts Line that was recommended in the Subcommittee report, Senator Kerr stated that the Department felt they could manage the additional incoming calls with existing personnel.

ATTORNEY GENERAL

Senator Allen reviewed Attachment 3 the FY91 and FY92 subcommittee report on the Attorney General. In answer to a question concerning the transferring of funds from the Antitrust Special Revenue Fund to the State General Fund, Carolyn Rampey informed the committee that there has been legislation introduced in the House to change substantive law to provide that any amounts above what is needed to operate will be transferred to the State General Fund.

LIEUTENANT GOVERNOR

Senator Allen reviewed Attachment 4 the FY91 and FY92 subcommittee report on the Lieutenant Governor.

STATE TREASURER

Senator Winter reviewed Attachment 5 the FY91 and FY92 subcommittee report on the State Treasurer. There was discussion regarding the \$360,000 upgrade for their computer system. It stated that the amount was to be paid with a balloon type payment structure.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, March 26, 1991.

In answer to a question from Senator Parrish, Senator Winter stated that with the \$50,000 added in FY91, the need for furloughing of workers would be eliminated.

There was lengthy discussion concerning item 2, FY92, of the Senate recommendations. Senator Rock commented that the purpose was to allow the Legislature the ability to monitor the issuance of bonds for the Highway Plan. Presently these bonds are handled on a negotiated basis.

Chairman Bogina stated that the subcommittee reports on Legislative Agencies and the Governor's Department would be addressed at a later date.

SUBCOMMITTEE REPORT ON HB 2047 - Appropriations for FY91 and FY92, occupational and health professions licensing agencies and financial regulatory agencies

Senator Kerr reviewed Attachment 6 the subcommittee report.

BOARD OF HEALING ARTS

Regarding item 1, FY92 Attachment 6-24 of the House Subcommittee Recommendations, Senator Doyen moved, Senator Feleciano seconded that \$5,892 be added for salaries and wages for the 2.0 new classified FTE positions for the last two months of FY91. The motion passed on a voice vote.

BOARD OF NURSING

In answer to questions regarding letters of appeal, Tim Colton stated the letters were coming from the Kansas State Nurse's Association and other advocacy groups but not from the Board of Nursing.

SECURITIES COMMISSION

Senator Kerr noted that Senator Parrish abstained from voting on the \$20,000 on item 1 Attachment 6-73.

Senator Kerr moved, Senator Doyen seconded, adoption of the subcommittee report as amended. The motion carried on a voice vote.

Senator Kerr moved, Senator Doyen seconded, that HB 2047 as amended be recommended favorable for passage. The motion carried on a roll call vote. Senator Parrish abstained from the vote.

SB 406 - Appropriations for FY91 and FY92 for LCC; financing for Special Committee on KPERS Investments

Senator Winter explained that the bill appropriates \$500,000 in FY91 to the Legislative Coordinating Council to be used for expenditures by the Joint Committee on KPERS Investment Practices, primarily for legal counsel and expert assistance. The legal and accounting fees have a maximum cap on the blended rate of \$90.00 per hour.

Chairman Bogina noted that there is a potential for recovery if any damages awarded to KPERS can be collected from the investors and attorney fees are allowed by the Court.

Senator Winter moved, Senator Gaines seconded, that SB 406 be reported favorably for passage. The motion carried on a roll call vote.

SB 389 - Directing Secretary of SRS to convey certain state property to the City of Topeka

Tom Flannigan, City Engineer, City of Topeka, appeared before the Committee and stated that the bill allows the State to dedicate Right of Way along the south side of 21st Street between Atwood and Randolph, which is the property of KNI, for the improvement of 21st Street.

Bob Clawson, SRS, appeared in support of SB 389 and distributed Attachment

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, March 26, 1991.

7.

Senator Hayden moved, Senator Winter seconded, that SB 389 be recommended favorably for passage. The motion carried on a roll call vote.

The meeting was adjourned at 12:15 p.m.

SUBCOMMITTEE REPORT

Agency: Secretary of State

Bill No. 2456

Bill Sec. 51

Analyst: Mah

Analysis Pg. No. 351

Budget Page No. 506

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund:			
Noncensus	\$ 1,604,356	\$ 1,591,508	\$ (30,000)
Census	74,270	73,779	--
Uniform Commercial Code			
Fee Fund	540,209	535,599	146,014
Other Special Funds	397,934	396,209	146,014
	<u>\$ 2,616,769</u>	<u>\$ 2,597,095</u>	<u>\$ 262,028</u>
FTE Positions	61.0	61.0	--

Agency Request/Governor's Recommendation

FY 1991. The agency's current year estimate totals \$2,616,769 for all operating expenditures. Total estimated financing from the State General Fund is \$1,678,626. Included in the estimate is \$74,270 from the State General Fund for state census expenditures (\$68,653 for salaries and wages and \$5,617 for all other operating expense). Noncensus expenditures of \$2,542,499 in the current year include \$1,712,580 for salaries and wages and \$829,919 for other operating expenditures (including \$63,940 in fees -- other services for the publication costs associated with the electoral vote of 1990 H.C.R. 5010).

The Governor's current year recommendation totals \$2,597,095 for all operating expenditures. Census expenditures of \$73,779 are recommended from the State General Fund. This reduces the agency's estimate for census expenditures by \$491 due to adjustments to fringe benefits costs to reflect current rates. The recommendation for noncensus expenditures totals \$2,523,316, which is a reduction of \$19,183 from the agency's estimate. Salary and wage expenditures are reduced in the Governor's recommendation because of adjustments to fringe benefits costs to reflect current rates. The Governor concurs with the agency's current year estimate for all other operating expenses. (The Governor does not recommend the purchase of a computer the agency requested for FY 1992, but which was subsequently purchased as of January, 1991. The agency plans to finance the purchase of the computer, over three fiscal years, from receipts in the Information and Service Fee Fund and the Uniform and Commercial Code Fee Fund.)

House Subcommittee Recommendations

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

3-26-91
SWAM
Attachment 1

1. Shift \$63,940 for the printing and advertising of 1990 House Concurrent Resolution 5010 relating to the removal of the Board of Regents and the State Board of Education from Chapter 6 of the *Kansas Constitution* from fees -- other services to printing and advertising expenditures in order to correctly reflect the use of the funds.
2. The Subcommittee believes that the planning and purchasing of the AS 400 computer just prior to the beginning of the 1991 Session by the Secretary of State serves as an example of circumventing the legislative process. This purchase was not included in the agency's original FY 1991 budget request or the revised FY 1991 budget estimate submitted to the 1991 Legislature. The Subcommittee notes that conversion of the agency's data base and computer software already has taken place and that the new AS 400 is now functioning in place of the agency's existing System 36 computer. The Subcommittee understands that full funding for the computer will be from fee funds, and, after careful review of the situation, recommends that funds be provided, over two fiscal years, to complete the contractual agreement for the purchase of the computer. Payment over a two-year period will provide interest savings of \$2,421 on the purchase contract. The Subcommittee also understands that a penalty will not be incurred for completing payment on the contract prior to the agreement. Therefore, increase expenditures by \$146,014 from the Information and Copy Service Fee Fund and by \$146,014 from the Uniform Commercial Code Fee Fund to provide funding for the purchase of the AS 400 computer, for a total increase for FY 1991 of \$292,028. This increases expenditures to \$399,155 from the Information and Copy Service Fee Fund and \$681,613 from the Uniform and Commercial Code Fee Fund. In order to assure that expenditures from these Funds will be properly submitted to the Legislature for review, the Subcommittee recommends that these two Funds, which currently do not have a limit on the amount of expenditures that may be made from them, have expenditure limitations placed upon them to correspond to the Subcommittee's recommendations.
3. Delete \$30,000 from the State General Fund since the agency will receive revenues of \$30,000 from the sale of its System 36 computer, which were not anticipated when the budget was submitted.

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Sub. Adjustments</u>
State Operations:			
State General Fund:			
Noncensus	\$ (30,000)	\$ 1,561,508	\$ --
Census	--	73,779	--
Uniform Commercial Code			
Fee Fund	146,014	681,613	--
Other Special Funds	146,014	542,223	--
	<u>\$ 262,028</u>	<u>\$ 2,859,123</u>	<u>\$ --</u>
FTE Positions	--	61.0	--

Senate Subcommittee Recommendation

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

1. The Subcommittee recommends the removal of the expenditure limitations established by the House for the Uniform Commercial Code Fee Fund (UCC) and the Information and Copy Service Fee Fund. These funds have historically not had expenditure limitations placed upon them. This has allowed the agency the flexibility to adjust to fluctuations in receipts to these funds. For example, net receipts to the Information and Copy Service Fee Fund were \$69,942 in FY 1988, \$88,692 in FY 1989, and \$299,679 in FY 1990. Net receipts to the UCC Fee Fund were \$692,929 in FY 1988, \$506,640 in FY 1989, and \$461,986 in FY 1990. In addition, the Subcommittee understands that receipts to the UCC Fee Fund are very dependent upon constantly changing federal grain programs and market prices. Uniform Commercial Code listings also affect receipts to the Information and Copy Service Fee Fund. When grain prices rise, there is lowered participation in federal loan programs which results in diminished revenues due to less demand for UCC filings and lien searches. Correspondently, revenues increase for the funds when there are low grain prices and increased participation in the federal loan programs. For these reasons, the Subcommittee recommends that the appropriation bill be amended to place a "no limit" on expenditures from each of these funds.


 Senator Dave Kerr
 Subcommittee Chairman


 Senator Nancy Parrish

SUBCOMMITTEE REPORT

Agency: Secretary of State

Bill No. 2044

Bill Sec. 9

Analyst: Mah

Analysis Pg. No. 351

Budget Page No. 506

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund:			
Noncensus	\$ 1,756,246	\$ 1,821,190	\$ (347,293)
Census	47,932	42,655	--
Uniform Commercial Code			
Fee Fund	947,934	534,430	259,331
Other Special Funds	607,528	375,144	159,331
Local Aid:			
State General Fund	1,600,000	1,200,000	--
	<u>\$ 4,959,640</u>	<u>\$ 3,973,419</u>	<u>\$ 71,369</u>
FTE Positions	61.0	61.0	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

FY 1992. The agency's FY 1992 request totals \$4,959,640 for all operating expenditures. Of this amount, state census expenditures of \$47,932 are requested from the State General Fund, a reduction of \$26,338 from the current year estimate. The request for noncensus expenditures is \$4,911,708, an increase of \$2,369,209 from the current year estimate. Included in the agency's request is \$1.6 million from the State General Fund for reimbursement of Kansas counties for costs associated with the presidential primary, \$100,000 from the State General Fund for printing of materials associated with the Kansas observance of the Quincentenary of Columbus' discovery of America, and \$629,000 from the Uniform and Commercial Code Fee Fund and the Information and Copy Service Fee Fund for the purchase of an AS 400 computer. (The AS 400 computer requested by the agency has already been purchased as of January, 1991 to be paid over three fiscal years.)

The Governor's FY 1992 current resource budget totals \$2,573,419 for all operating expenditures. Beyond the current resource budget, the Governor recommends \$1.2 million for reimbursement of Kansas counties for costs associated with the presidential primary, \$150,000 for publication costs associated with proposed legislation on the implementation of public initiatives and referenda in Kansas, and \$50,000 for printing of materials associated with the Kansas observance of the Quincentenary of Columbus' discovery of America activities. Funding for these items is from the State General Fund. The recommendation deletes the requested funding of \$629,000 from the Uniform Commercial Code Fee Fund and the Information and Copy Service Fee Fund for the purchase of a computer. The total FY 1992 recommendation of the Governor equals \$3,973,419, a difference of \$1,400,000 from the FY 1992 current resource budget. Census expenditures of \$42,655

are recommended from the State General Fund for a reduction of \$31,124 from the current year recommendation. The recommendation for noncensus expenditures is \$3,930,764, an increase of \$1,407,448 from the current year recommendation. The Governor also recommends that the agency be allowed to utilize, above the FY 1992 recommendation, \$13,262 of FY 1991 money from the State General Fund which is reappropriated without limit.

House Subcommittee Recommendations

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

1. Delete \$50,000 from the State General Fund for printing of materials associated with the Kansas observance of the Quincentenary of Columbus' discovery of America activities. The Subcommittee believes that obtaining materials through the use of private donations would be very appropriate given the present demands that are being placed on the State General Fund. The Subcommittee encourages the Secretary of State to seek such financing for this special observance.
2. Delete \$150,000 from the State General Fund for publication costs associated with proposed legislation on the implementation of public initiatives and referenda in Kansas. The Subcommittee recommends that this item be reviewed when the Omnibus Bill is considered since the need for the funds is pending passage of legislation.
3. Concur with the Governor's enhanced budget recommendation of \$1.2 million from the State General Fund for reimbursement of Kansas counties for costs associated with the presidential primary. (According to K.S.A. 25-4508, the Secretary of State's Office is required to reimburse counties for their presidential primary election costs except when another election is to be held on the same day.) However, the Subcommittee recommends the introduction of legislation to postpone the holding of a Kansas presidential primary for a four-year period. Should the legislation be enacted, the funds then will need to be deleted from the State General Fund appropriation. The funding for the presidential primary costs is considered to be aid to local units of government rather than part of the agency's operating budget since the funds are to be used for the reimbursement of Kansas counties. Funding for this item is currently included in the agency's "Operating Expenditure" line item appropriation. Therefore, the Subcommittee also recommends that the \$1,200,000 be appropriated as a separate line item.
4. Delete \$47,293 from the State General Fund to increase estimated turnover savings from 2.4 percent to 5.0 percent. (Turnover savings equaled 8.7 percent in FY 1990.)
5. Reduce expenditures by \$100,000 from the State General Fund and increase expenditures from the Uniform Commercial Code (UCC) Fee Fund by this same amount to more appropriately reflect the agency's overhead costs of administering the Uniform Commercial Code Program. In addition, increase expenditures

from the UCC Fee Fund by \$159,331 to complete payment for the purchase of the AS 400 computer. Expenditures from the UCC Fee Fund would total \$793,761 (with an estimated ending balance of \$223,484). As discussed for FY 1991, in order to assure that expenditures from the UCC Fee Fund would be properly submitted to the Legislature for review, the Subcommittee recommends that the Fund have an expenditure limitation placed upon it to correspond to the Subcommittee's recommendations.

6. Add expenditures of \$159,331 from the Information and Copy Service Fee Fund to complete payment for the purchase of the AS 400 computer. Expenditures from this Fund would total \$382,383 (with an estimated ending balance of \$86,884). As discussed for FY 1991, in order to assure that expenditures from the Fund will be submitted to the Legislature for review, the Subcommittee recommends that the Fund have an expenditure limitation placed upon it to correspond to the Subcommittee's recommendations.

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 92</u>	<u>House Rec. FY 92</u>	<u>Senate Sub. Adjustments</u>
State Operations:			
State General Fund:			
Noncensus	\$ (347,293)	\$ 1,473,897	\$ --
Census	--	42,655	--
Uniform Commercial Code			
Fee Fund	259,331	793,761	--
Other Special Funds	159,331	534,475	--
Local Aid:			
State General Fund	--	1,200,000	--
	<u>\$ 71,369</u>	<u>\$ 4,044,788</u>	<u>\$ --</u>
FTE Positions	--	61.0	--

Senate Subcommittee Recommendation

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

1. The Subcommittee recommends the removal of the expenditure limitations established by the House for the Uniform Commercial Code Fee Fund and the Information and Copy Service Fee Fund for reasons stated in the FY 1991 Subcommittee Report. Therefore, amend the appropriation bill to place a "no limit" on expenditures from each of these funds.



Senator Dave Kerr
Subcommittee Chair



Senator Nancy Parrish

SUBCOMMITTEE REPORT

Agency: Department of Insurance

Bill No. --

Bill Sec. --

Analyst: Robinson

Analysis Pg. No. 328

Budget Page No. 329

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 11,908,765	\$ 11,879,340	\$ --
Local Aid	3,733,049	3,733,049	--
Other Assistance	38,147,810	38,147,810	--
TOTAL	\$ 53,789,624	\$ 53,760,199	\$ --
State General Fund:			
State Operations	\$ 4,660,998	\$ 4,641,077	\$ --
Other Assistance	3,930,000	3,930,000	--
TOTAL	\$ 8,590,998	\$ 8,571,077	\$ --
FTE Positions	154.2	154.2	--

Agency Request/Governor's Recommendation

FY 1991. For FY 1991, the Department estimates expenditures of \$53,789,624, a reduction of \$5,928,934 from the amount approved by the 1990 Legislature. The agency estimates expenditures of \$4,660,998 from the State General Fund for state operations, \$16,808 less than the amount approved by the 1990 Legislature including the reappropriation.

The Governor recommends FY 1991 expenditures of \$53,760,199, a reduction of \$29,425 from the agency estimate. The reduction is entirely in the area of salaries and wages. The recommendation includes \$4,641,077 from the State General Fund for state operations, a reduction of \$19,921 from the amount estimated by the agency.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor.

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

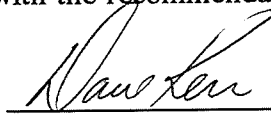
The House Committee of the Whole concurs with the recommendation of the House Committee.

3-26-91
SWAm
Attachment 2

<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ --	\$ 11,879,340	\$ --
Local Aid	--	3,733,049	--
Other Assistance	--	38,147,810	--
TOTAL	<u>\$ --</u>	<u>\$ 53,760,199</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ --	\$ 4,641,077	\$ --
Other Assistance	--	3,930,000	--
TOTAL	<u>--</u>	<u>\$ 8,571,077</u>	<u>--</u>
FTE Positions	--	154.2	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.



 Senator Dave Kerr
 Subcommittee Chair



 Senator Nancy Parrish

331-91

SUBCOMMITTEE REPORT

Agency: Department of Insurance

Bill No. 2044

Bill Sec. 11

Analyst: Robinson

Analysis Pg. No. 328

Budget Page No. 329

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 12,542,192	\$ 12,237,977	\$ 9,841
Local Aid	3,768,585	3,768,585	--
Other Assistance	35,626,609	35,626,609	--
TOTAL	<u>\$ 51,937,386</u>	<u>\$ 51,633,171</u>	<u>\$ 9,841</u>
State General Fund:			
State Operations	\$ 5,009,586	\$ 4,733,289	\$ 9,841
Other Assistance	4,000,000	4,000,000	--
TOTAL	<u>\$ 9,009,586</u>	<u>\$ 8,733,289</u>	<u>\$ 9,841</u>
FTE Positions	154.2	154.2	2.0

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

FY 1992. The agency requests FY 1992 expenditures of \$51,937,386, a decrease of \$1,852,238 from the revised current year estimate. The request includes \$5,009,586 from the State General Fund for state operations, an increase of \$348,588 from the current year estimate. The State General Fund request would finance 123.3 FTE positions, an increase of 2.0 FTE positions from the number currently approved.

The Governor recommends FY 1992 expenditures of \$51,633,171, a reduction of \$304,215 from the agency request. The recommended reductions are in salaries and wages (\$233,257), communications (\$22,347), professional fees (\$21,300), printing and advertising (\$11,041), other fees (\$2,707), commodities (\$3,051), and capital outlay (\$10,512). The Governor's current resources recommendation eliminates the requested \$4,000,000 demand transfer from the State General Fund to the Workers' Compensation fund, but this amount has been restored in recommendations dependent upon additional tax resources. The FY 1992 Governor's recommendation includes \$4,733,289 from the State General Fund for state operations, a reduction of \$276,297 from the agency request. The agency would also receive a portion of the recommended reserve for employee compensation. The Governor does not recommend any additional FTE positions for the agency.

House Subcommittee Recommendation

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

1. The Subcommittee recommends the introduction of legislation to eliminate the \$4,000,000 demand transfer from the State General Fund to the Workers' Compensation fund. The Subcommittee notes that expenditures from the fund would not be affected by the elimination of this transfer. In the absence of the transfer, assessments against insurance carriers would increase as needed to pay fund liabilities.
2. The Subcommittee recommends the introduction of legislation which would allow the Commissioner of Insurance to assess fees against insurance companies in an amount sufficient to offset the amount of State General Fund support utilized in the insurance company regulation program. The Subcommittee notes that passage of such legislation could result in overall State General Fund savings of \$1,800,000 in FY 1992. The agency estimates fees to the State General Fund totaling \$2,915,917, while the Subcommittee recommends expenditures of \$4,743,130 in the insurance company regulation program.
3. The Subcommittee concurs with the Governor's recommendation of \$274,904 for rents in FY 1992, but recommends that \$21,658 from the State General Fund be placed in a separate line item. This amount would be used for payment to cover potential property tax liability on the Department's office in Topeka.
4. Add \$20,000 from the State General Fund for actuarial fees. The agency had requested \$50,000 for actuarial fees and the Governor recommended \$30,000. The Subcommittee recommends the addition of \$20,000 and further recommends that the \$50,000 be placed in a separate line item.
5. Reduce State General Fund expenditures for capital outlay by \$10,159. The Subcommittee's recommendation would provide for expenditures of \$15,093 in capital outlay for the following items: dictating and transcribing equipment (\$1,295); books (\$1,835); microfiche machine (\$8,000); final installment payment on data processing equipment (\$2,295); and payments on the central dictaphone system (\$2,478).
6. Increase the authorized FTE positions by 2.0 FTE Examiner positions in the insurance company examination program. All fees and expenses incurred by examiners are paid by the company being examined. The Subcommittee believes that the additional positions are necessary to allow for increased scrutiny of the insurance industry.

House Committee Recommendation

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

1. Delete \$141,999 in State General Fund expenditures for state operations in FY 1992. This amount constitutes 3.0 percent of the amount recommended by the Governor from the State General Fund for state operations.

House Committee of the Whole Recommendation

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

Expenditure Summary	House Adj. FY 92	House Rec. FY 92	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ (132,158)	\$ 12,105,819	\$ 41,999
Local Aid	--	3,768,585	--
Other Assistance	--	35,626,609	--
TOTAL	\$ (132,158)	\$ 51,501,013	\$ 41,999
State General Fund:			
State Operations	\$ (132,158)	\$ 4,601,131	\$ 41,999
Other Assistance	--	4,000,000	--
TOTAL	\$ (132,158)	\$ 8,601,131	\$ 41,999
FTE Positions	2.0	156.2	1.0

House Subcommittee Recommendation

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

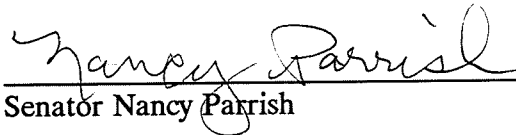
1. The Senate Subcommittee expresses concern over the proposed legislation to eliminate the \$4,000,000 demand transfer from the State General Fund to the Workers' Compensation Fund. According to the agency, this will result in an average increase of 1.5 percent in rates charged to insurers. The Senate Subcommittee urges that this proposed legislation be studied more thoroughly, as this represents a significant change in direction from the past.
2. The Senate Subcommittee also expresses concern over the proposed legislation which would allow the Commissioner to assess fees against insurance companies in an amount sufficient to offset the amount of State General Fund support

utilized in the insurance company regulation program. The Subcommittee believes that this legislation could have serious implications for Kansas-based insurance companies doing business in other states. If Kansas assessments increase, the amount of retaliatory taxes required of Kansas-based companies in other states would also increase. The Subcommittee encourages the Legislature to examine this proposed legislation thoroughly before enacting it.

3. The Subcommittee concurs with the recommendation to add \$20,000 from the State General Fund for actuarial expenses. To provide the agency with more flexibility, however, the Subcommittee does not concur with the recommendation to place the actuarial expenses in a separate line item.
4. Restore \$41,999 of the \$141,999 in State General Fund financing deleted by the full House Committee. The Subcommittee recommends that the agency apply this restoration to the establishment of a second consumer assistance WATS line. The Subcommittee was informed that the agency currently receives 30,000 calls annually on its existing WATS line and that there are 60,000 calls that never reach the office because the line is busy. The Subcommittee also recommends that part of the restored funds be utilized for a new FTE position, an in-house Financial Analyst. The Subcommittee believes that this additional position is necessary to allow the Department to properly evaluate and regulate insurance company solvency, and would recommend that the agency's position limitation be increased by 1.0 FTE.



Senator Dave Kerr
Subcommittee Chair



Senator Nancy Parrish

SUBCOMMITTEE REPORT

Agency: Attorney General

Bill No. --

Bill Sec. --

Analyst: Rampey

Analysis Pg. No. 318

Budget Page No. 86

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 3,648,706	\$ 7,030,978	\$ --
Aid to Local Units	1,014,593	1,514,593	--
Other Assistance	2,789,068	2,289,068	--
TOTAL	<u>\$ 7,452,367</u>	<u>\$ 10,834,639</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ 3,039,449	\$ 6,425,965	\$ --
FTE Positions	70.3	70.3	--

Agency Request/Governor's Recommendation

FY 1991. The Attorney General estimates expenditures of \$7,452,367 in FY 1991, of which \$3,039,449 is from the State General Fund. The total does not include a request for a supplemental appropriation of \$3.35 million for water litigation that was submitted after the budget was prepared. (The amount brings the total estimated for water litigation in FY 1991 to \$3,943,694, of which all but \$61,133 is from the State General Fund.) The budget includes a request to approve the expenditure of \$50,000 on behalf of the Highway Patrol and the Kansas Bureau of Investigation from a new fund created by the 1990 Legislature which was inadvertently omitted from an appropriations bill.

The Governor recommends expenditures of \$10,834,639 for FY 1991, of which \$6,425,965 is from the State General Fund. The amount includes a supplemental appropriation of \$3,418,290 for water litigation. Salary adjustments made by the Governor reduce the agency's estimate by \$36,017. The Governor makes no other changes to the agency's estimated expenditures for FY 1991.

House Subcommittee Recommendations

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

1. Place a \$50,000 expenditure limitation on the Kansas Bureau of Investigation and Kansas Highway Patrol Special Asset Forfeiture Fund. (The Governor has recommended a "no limit" expenditure limitation.) The agency estimates that revenues to the Fund will total \$50,000 in FY 1991. As of February, revenues in the Fund totaled \$30,825.

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SWAM
Attachment 3

2. Recommend legislation to amend the law relating to the Attorney General's Antitrust Special Revenue Fund. K.S.A. 75-715 *et seq.* provides that 10 percent of any money recovered from the Attorney General's prosecution of activities relating to violations of federal and state antitrust laws be credited to the Antitrust Special Revenue Fund and be used to support agency antitrust operations. Expenditures from the Fund are estimated to be \$115,369 in FY 1991.

Because of settlement reached in the Wyoming Tight Sands Antitrust Cases more than \$1.25 million has been credited to the Antitrust Special Revenue Fund in FY 1991. Because receipts to the Fund far exceed estimated expenditures, the Subcommittee recommends that the law be changed to require that a transfer be made to the State General Fund at the end of each fiscal year of balances in the Antitrust Special Revenue Fund that are in excess of the approved expenditure limitation on the Fund for the next fiscal year. If such legislation were to be enacted, it is estimated that \$825,743 would be credited to the State General Fund at the end of FY 1991, leaving a balance in the Antitrust Special Revenue Fund at the beginning of FY 1992 of \$152,718, which is the Fund's approved FY 1992 expenditure limitation.

House Committee Recommendation

Concur.

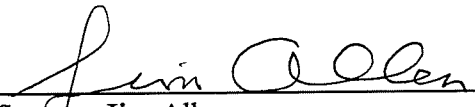
House Committee of the Whole


Concur.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House with the following addition:

1. Concur with the Governor's Budget Amendment No. 1 to delete \$68,290 from her recommended supplemental appropriation for water litigation. Due to a misunderstanding, the Governor recommended a supplemental appropriation of \$3,418,290, not \$3,550,000, as requested. (This adjustment has already been made by the Legislature in S.B. 37, which was signed by the Governor in February.)


 Senator Jim Allen
 Subcommittee Chair


 Senator Bill Brady

SUBCOMMITTEE REPORT

Agency: Attorney General

Bill No. 2044

Bill Sec. 8

Analyst: Rampey

Analysis Pg. No. 318

Budget Page No. 86

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 3,885,988	\$ 3,594,943	\$ --
Aid to Local Units	990,000	1,490,000	--
Other Assistance	3,177,645	2,452,520	--
TOTAL	<u>\$ 8,053,633</u>	<u>\$ 7,537,463</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ 3,212,537	\$ 2,944,054	\$ --
FTE Positions	71.3	70.3	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

FY 1992. Expenditures for FY 1992 are estimated to be \$8,053,633, of which \$3,212,537 is from the State General Fund. The request includes \$500,000 from the State General Fund for water rights litigation. One new position is requested, an Office Assistant I at a salary of \$12,792, plus benefits, paid from the Crime Victims Compensation Fund.

For FY 1992 the Governor recommends expenditures of \$7,537,463, of which \$2,944,054 would be from the State General Fund. The Governor does not approve the addition of a new position. In addition to reducing salaries by \$175,007, the Governor further reduces the agency's request by \$116,038, primarily in the areas of travel, computer services, expenditures for court costs, and capital outlay. The Governor concurs with the agency's estimate of \$500,000 for water litigation in FY 1992.

House Subcommittee Recommendations

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

1. Place a \$50,000 expenditure limitation on the Kansas Bureau of Investigation and Kansas Highway Patrol Special Asset Forfeiture Fund. (The Governor has recommended a "no limit" expenditure limitation.) The agency estimates that revenues to the Fund will total \$50,000 in FY 1992.

2. Recommend legislation to amend the law relating to the Attorney General's Antitrust Special Revenue Fund. K.S.A. 75-715 *et seq.* provides that 10 percent of any money recovered from the Attorney General's prosecution of activities relating to violations of federal and state antitrust laws be credited to the Antitrust Special Revenue Fund and be used to support agency antitrust operations. Expenditures from the Fund are estimated to be \$152,718 in FY 1992.

Because of settlement reached in the Wyoming Tight Sands Antitrust Cases, it is expected that \$270,000 will be credited to the Antitrust Special Revenue Fund in FY 1992. Because receipts to the Fund are expected to exceed estimated expenditures, the Subcommittee recommends that the law be changed to require that a transfer be made to the State General Fund at the end of each fiscal year of balances in the Antitrust Special Revenue Fund that are in excess of the approved expenditure limitation on the Fund for the next fiscal year.

3. Amend the law regarding the issuance of bonds by municipalities to authorize the Attorney General to charge a fee to cover the cost of reviewing and approving municipal bond issues. K.S.A. 1990 Supp. 10-108 charges the Attorney General with certain responsibilities to ensure that municipal bond sales conform to applicable statutes and are in proper order. These responsibilities are carried out as part of regular agency operations. It is the Subcommittee's opinion that the cost of reviewing and approving municipal bond sales should be paid for by the municipalities and that the Attorney General should be authorized to charge a fee to recover expenses.
4. The Subcommittee calls attention to the Attorney General's Consumer Protection Program, which is funded approximately 90 percent from the State General Fund and the remainder from the Court Cost Fund. Revenues to the Court Cost Fund are moneys from assessments against entities that are successfully prosecuted by the Attorney General and payments made by agencies or other entities as their share of the cost of litigation to which they are party. Receipts to the Fund were \$16,477 in FY 1987, \$53,826 in FY 1988, \$78,017 in FY 1989, \$24,900 in FY 1990, and \$16,718 to date in FY 1991. The Subcommittee questions the utility of the Consumer Protection Program, for which expenditures are budgeted at \$478,371 in FY 1991 and \$479,699 in FY 1992, given the meager amount of money it has recovered in consumer protection litigation.
5. The Subcommittee expresses its disapproval that the Attorney General has on his staff the position of "Public Information Officer II." The Subcommittee calls attention to the fact that other statewide elected officials, namely the State Treasurer and the Insurance Commissioner, do not appear to have a position whose sole purpose and designation is public relations.

House Committee Recommendation

The House Committee concurs with the Subcommittee, with the following exception:

1. Delete \$37,879 from the State General Fund for the salary and benefits of the Public Information Officer II and reduce the agency's position limitation from 70.3 FTE to 69.3 FTE.

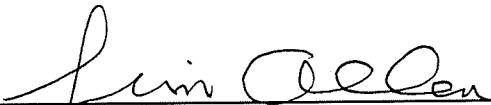
House Committee of the Whole

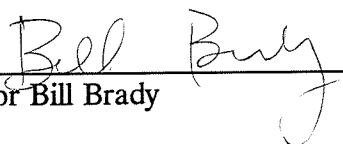
Concur.

Senate Subcommittee Recommendations

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

1. Restore \$37,879 from the State General Fund for the salary and benefits of the Public Information Officer II and increase the agency's position limitation from 69.3 FTE to 70.3 FTE.
2. Reduce the total State General Fund appropriation to the agency by \$67,713 (from \$2,944,043 to \$2,876,341). The amount of the reduction is 2.3 percent and reflects the Subcommittee's policy of imposing a general reduction in spending in a year of revenue shortfalls.
3. The Subcommittee concurs with the House's recommendation to impose a \$50,000 expenditure limitation on the Kansas Bureau of Investigation and Highway Patrol Special Asset Forfeiture Fund in both FY 1991 and FY 1992. However, the Subcommittee expresses its concern over another recommendation adopted by the House that was made by the Subcommittee that reviewed the Kansas Bureau of Investigation (KBI) budget. That Subcommittee recommended that revenues in the Special Asset Forfeiture Fund be used to match a \$213,005 federal grant that apparently would be used to fund operating expenditures of the KBI. In the first place, statutes establishing the Special Asset Forfeiture Fund specify that the Fund cannot be used to support normal operating expenditures. In the second place, it appears doubtful that there would be enough money in the Fund to meet the \$213,005 match. (Receipts to the Fund as of March 1, 1991, total \$56,878.) The Subcommittee urges the Committee to carefully consider the House's recommendation concerning the KBI's budget in view of the fact that the recommendation may be unworkable.


 Senator Jim Allen
 Subcommittee Chair


 Senator Bill Brady

SUBCOMMITTEE REPORT

Agency: Lieutenant Governor

Bill No. 2044

Bill Sec. 7

Analyst: Ahrens

Analysis Pg. No. 317

Budget Page No. 430

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State General Fund: State Operations	\$ 107,953	\$ 106,167	\$ --
FTE Positions	3.0	3.0	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The agency budget request for FY 1992 is \$107,953, an increase of \$2,117, or 2.0 percent from the FY 1991 revised agency estimate.

The Governor concurs with the agency except for reductions of \$669 to salaries and wages and \$1,117 to other operating expenditures. The resulting recommendation of \$106,167 is an increase of \$1,442, or 1.4 percent, above estimated FY 1991 expenditures. The recommended appropriation for FY 1992 provides a contingency amount of \$32,561 which is not included in the expenditure total.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee and Committee of the Whole Recommendation

The House Committee and Committee of the Whole concur with the Subcommittee recommendation.

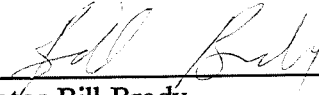
Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House action.

3-26-91
SWAM
Attachment 4



Senator Jim Allen
Subcommittee Chair



Senator Bill Brady

SUBCOMMITTEE REPORT

Agency: State Treasurer

Bill No. 2456

Bill Sec. New

Analyst: Duffy

Analysis Pg. No. 337

Budget Page No. 574

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,907,724	\$ 1,893,178	\$ --
Aid to Local Units	74,574,090	74,561,274	--
Debt Service	690,895	690,895	--
TOTAL	<u><u>\$ 77,172,709</u></u>	<u><u>\$ 77,145,347</u></u>	<u><u>\$ --</u></u>
State General Fund			
State Operations	\$ 1,850,224	\$ 1,835,678	\$ --
Aid to Local Units	65,528,000	65,515,184	--
TOTAL	<u><u>\$ 67,378,224</u></u>	<u><u>\$ 67,350,862</u></u>	<u><u>\$ --</u></u>
FTE Positions	52.0	52.0	

Agency Request/Governor's Recommendation

The revised FY 1991 expenditure estimate for state operations totals \$1,907,724 (excluding debt service of \$690,895). The revised estimate includes expenditures of \$48,702 above the amount estimated by the 1990 Legislature. The additional amount is financed from the reappropriated balance and requires no further legislative action. In addition to the State General Fund, the agency estimates expenditures of \$57,500 from the Unclaimed Property Contract Fund for state operations in FY 1991, as approved by the 1990 Legislature. The revised FY 1991 estimate for local aid includes actual distribution of \$37,164,184 from the Local Ad Valorem Tax Reduction Fund (LAVTRF) and \$28,351,000 from the City and County Revenue Sharing Fund (CCRSF).

The Governor recommends \$1,893,178 in FY 1991 for state operations (excluding debt service of \$690,895), a reduction of \$14,546 from the amount estimated by the agency. The reduction is due to revised employee health insurance rates. The Governor concurs with the agency's estimate of expenditures from the Unclaimed Property Contract Fund of \$57,500.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs.

3-26-91
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Attachment 5

House Committee of the Whole Recommendation

The House Committee of the Whole concurs.

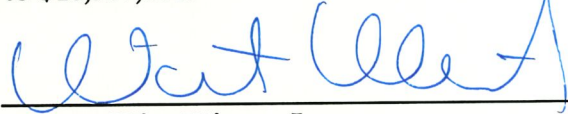
<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Sub. Adjustments</u>
All Funds:			
State Operations	\$ --	\$ 1,893,178	\$ 50,000
Aid to Local Units	--	74,561,274	--
Debt Service	--	690,895	--
TOTAL	<u>\$ --</u>	<u>\$ 77,145,347</u>	<u>\$ 50,000</u>
State General Fund			
State Operations	\$ --	\$ 1,835,678	\$ 50,000
Aid to Local Units	--	65,515,184	--
TOTAL	<u>\$ --</u>	<u>\$ 67,350,862</u>	<u>\$ 50,000</u>
FTE Positions	--	52.0	--

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

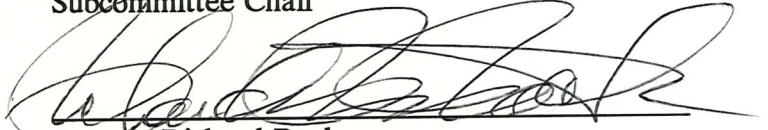
1. Add \$50,000 from the State General Fund as a supplemental appropriation to allow the State Treasurer to make a \$50,000 computer debt service payment on June 30, 1991. The Governor's State General Fund recommendation for FY 1991 with which the House concurred reflects a reduction of \$56,139 from actual FY 1990 expenditures, of which \$47,606 is due to an anticipated decrease in computer debt service payments. Under the House recommendation, the increase from FY 1991 to FY 1992 is \$11,966 or 0.6 percent; but FY 1992 is a reduction from FY 1990 of \$44,173 or 2.33 percent. The State Treasurer will have an increase in fixed costs of \$61,123 for computer financing payments that is not due in FY 1991 but must be made no later than the end of FY 1992. An upgrade in the Treasurer's computer system was contracted for in FY 1990 (including a down payment of \$65,000) and installed in FY 1991. At the time, there was no payment planned for FY 1991 and the first installment payment of \$50,000 was to be made in FY 1992. The Subcommittee's recommendation adds funding for the computer payment in the current fiscal year, but makes no addition to the budget for FY 1992. The Subcommittee intends to give the State Treasurer maximum flexibility to manage the budget shortfall over an 18 month period. This installment payment would be the first in a four year contract. Estimated payments under the installment schedule are as follows: FY 1991 -- \$50,000; FY 1993 -- \$50,000; FY 1994 -- \$130,000; FY 1995 -- \$130,000. The Subcommittee carefully reviewed the Treasurer's budget and believes that without additional funding the Treasurer will have no alternative but to lay off or furlough employees. The Subcommittee reviewed the list of agency employees and notes that the 51.0 filled positions perform functions mandated by law as well

as functions which produce substantial revenue for the State of Kansas. Without additional resources, the State Treasurer anticipates the necessity of furloughing employees two days per month in FY 1992.

2. Based on the most recent Consensus Estimate for the Private Club and Liquor Drinking Tax, the figure for FY 1991 should be adjusted to reflect an estimated increase in receipts from \$8,708,000 to \$10,587,851.



Senator Wint Winter, Jr.
Subcommittee Chair



Senator Richard Rock

SUBCOMMITTEE REPORT

Agency: State Treasurer

Bill No. 2044

Bill Sec. 10

Analyst: Duffy

Analysis Pg. No. 337

Budget Page No. 574

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 2,244,512	\$ 1,947,974	\$ 15,000
Aid to Local Units	77,261,997	82,182,778	(4,980,000)
Debt Service	666,996	666,996	--
TOTAL	<u>\$ 80,173,505</u>	<u>\$ 84,797,748</u>	<u>\$ (4,965,000)</u>
State General Fund			
State Operations	\$ 2,181,512	\$ 1,889,324	\$ 15,000
Aid to Local Units	68,035,000	73,136,703	(4,980,000)
TOTAL	<u>\$ 70,216,512</u>	<u>\$ 75,026,027</u>	<u>\$ (4,965,000)</u>
FTE Positions	52.0	52.0	--

Agency Request/Governor's Recommendation

State Operations. The agency requests FY 1992 expenditures for state operations of \$2,224,512 (excluding debt service of \$666,996), an increase of 17.7 percent or \$336,788 over the agency's revised FY 1991 request. The FY 1992 request is financed from the State General Fund (\$2,181,512) and the Unclaimed Property Contract Fund (\$63,000). The Governor recommends \$1,947,974 in FY 1992 for state operations (excluding debt service of \$666,996), a reduction of \$296,538 from the amount requested by the agency. The Governor's FY 1992 recommendation is composed of funding from the State General Fund (\$1,889,324) and Unclaimed Property Contract Fund (\$58,650). The Governor's FY 1992 recommendation, excluding amounts reserved from employee compensation, is 2.9 percent (\$54,796) over the Governor's FY 1991 recommendation.

Local Aid. The agency request (based on current law), current resources recommendation and Governor's recommendation are as follows:

	<u>Agency Request FY 1992</u>	<u>Current Resources FY 1992</u>	<u>Gov. Rec. FY 1992</u>
LAVTRF	\$ 38,696,000	\$ 37,164,000	\$ 43,676,000
CCRF	29,461,000	28,351,000	29,461,000

The FY 1992 CCRSF figure is actual and the agency's FY 1992 request for the LAVTRF is based upon the consensus estimate of sales and compensating use taxes as spread by month by the Legislative Research Department. The Governor's FY 1992 current resources budget includes the same level of funding for the LAVTRF and CCRSF as in FY 1991, which require statutory changes. The Governor's FY 1992 additional recommendation for the LAVTRF is \$6,511,816 more than FY 1991 (actual) of which \$1,532,000 is the estimated entitlement under the current tax base and \$4,979,816 is a result of the Governor's proposal to expand the sales tax base. The CCRSF would also share in the expanded base beginning in FY 1993.

House Subcommittee Recommendation

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

1. Add \$10,000 from the State General Fund for a total of \$13,000 for the travel of the State Treasurer.
2. Add \$5,000 from the State General Fund for professional services to increase the frequency of market valuations of collateral held to cover uninsured deposits.
3. Introduce legislation to provide the same level of funding for the LAVTRF (\$37,164,000) and CCRSF (\$28,351,000) as in FY 1991.
4. Reduce \$4,980,000 from the LAVTRF for a total of \$38,696,000 based on existing law. The Subcommittee notes that if the legislation recommended in item no. 3 passes, an additional \$1,532,000 would be reduced from the Governor's FY 1992 recommendation for the LAVTRF and \$1,110,000 for the CCRSF.
5. Introduce legislation to amend the existing law, which requires manual signatures, rather than facsimile signatures. The Subcommittee notes that requiring "live" signatures is costly and believes that adequate administrative safeguards can be imposed to insure the integrity of a facsimile signature.
6. Introduce legislation to amend the existing law, which prohibits the State Treasurer from charging a fee for registering and certifying bonds. The Subcommittee recommends that the State Treasurer be authorized to establish a fee to cover the costs of this process. The Subcommittee recommends, pending the passage of this legislation, that a fee fund be created and the receipts be used to offset current State General Fund expenditures in the State Treasurer's budget.

House Committee Recommendation

The House Committee concurs, with the following exception:

1. Reduce \$56,680 from the State General Fund for state operations.

House Committee of the Whole Recommendation


The House Committee of the Whole concurs.

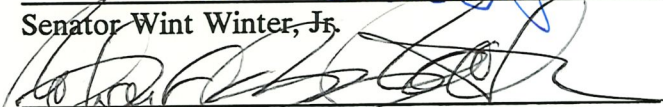
<u>Expenditure Summary</u>	<u>House Adj. FY 92</u>	<u>House Rec. FY 92</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ (41,680)	\$ 1,906,294	\$ --
Aid to Local Units	(4,980,000)	77,202,778	--
Debt Service	--	666,996	--
Total	<u>\$ (5,021,680)</u>	<u>\$ 79,776,068</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ (41,680)	\$ 1,847,644	\$ --
Aid to Local Units	(4,980,000)	68,156,703	--
Total	<u>\$ (5,036,680)</u>	<u>\$ 70,004,347</u>	<u>\$ --</u>
FTE Positions	--	52.0	

Senate Subcommittee Recommendation

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

1. Based on the most recent Consensus Estimate for the Private Club and Liquor Drinking Tax, the figure for FY 1992 should be adjusted to reflect an estimated increase in receipts from \$8,708,000 to \$11,170,000.
2. The Subcommittee requests that the State Treasurer submit a report to the Legislature outlining the process being used to issue the bonds for the State's comprehensive highway plan as well a monthly status report advising the Legislature on the progress of the bond financing. The Subcommittee stresses the Legislature's concern over the issuance of these bonds and the need for assurances that the process will be designed to provide maximum funding for highway construction. In addition to House and Senate leadership, reports should be submitted to the Chair, Vice-Chair, and Ranking Minority member of the following legislative committees: Senate Transportation, House Transportation, Senate Ways and Means, House Appropriations, and the Joint Committee on Economic Development.



 Senator Wint Winter, Jr.


 Senator Richard Rock

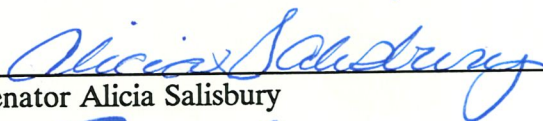
FEE AGENCIES

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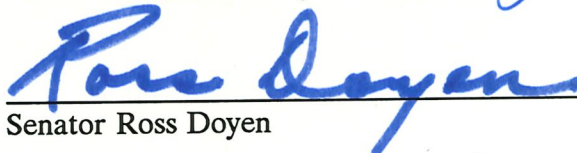
- Sec. 2 -- Abstracters' Board of Examiners
- Sec. 3 -- Board of Accountancy
- Sec. 4 -- State Bank Commissioner
- Sec. 5 -- Board of Barbering
- Sec. 6 -- Behavioral Sciences Regulatory Board
- Sec. 7 -- Board of Healing Arts
- Sec. 8 -- Board of Cosmetology
- Sec. 9 -- State Department of Credit Unions
- Sec. 10 -- Kansas Dental Board
- Sec. 11 -- State Board of Mortuary Arts
- Sec. 12 -- Board of Examiners for Hearing Aids
- Sec. 13 -- Consumer Credit Commissioner
- Sec. 14 -- Board of Nursing
- Sec. 15 -- Board of Examiners in Optometry
- Sec. 16 -- State Board of Pharmacy
- Sec. 17 -- Real Estate Commission
- Sec. 18 -- Savings and Loan
- Sec. 19 -- Securities Commissioner
- Sec. 20 -- State Board of Technical Professions
- Sec. 21 -- State Board of Veterinary Examiners



Senator Dave Kerr
Subcommittee Chair



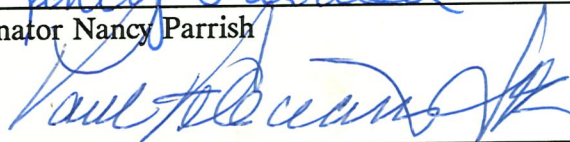
Senator Alicia Salisbury



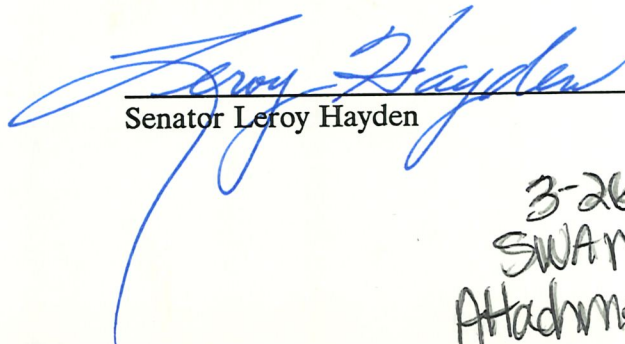
Senator Ross Doyen



Senator Nancy Parrish



Senator Paul Feleciano, Jr.



Senator Leroy Hayden

3-26-91
SWAM
Attachment 6

SUBCOMMITTEE REPORT

Agency: Abstracters Board of Examiners **Bill No. 2456** **Bill Sec. 2**
 Analyst: Porter **Analysis Pg. No. 1** **Budget Page No. 2**

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

Agency Estimate/Governor's Recommendation

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

House Subcommittee Recommendation

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

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

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

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

Senate Subcommittee Recommendation

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

SUBCOMMITTEE REPORT

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

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

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

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

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

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

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

Senate Subcommittee Recommendation

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

SUBCOMMITTEE REPORT

Agency: Board of Accountancy

Bill No. 2456

Bill Sec. 3

Analyst: Porter

Analysis Pg. No. 3

Budget Page No. 4

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 183,039	\$ 181,241	\$ --
FTE Positions	3.0	3.0	--

Agency Request/Governor's Recommendation

The Board of Accountancy estimates expenditures for FY 1992 to be \$183,039, a decrease of \$3 from the amount approved by the 1990 Legislature. The Governor recommends FY 1991 expenditures of \$181,241, a reduction of \$1,798 from the agency request.

House Subcommittee Recommendation

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

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 48,811	\$ 72,338	\$ 69,490
Net Receipts	187,651	178,393	184,707
Total Available	\$ 236,462	\$ 250,731	\$ 254,197
Less: Expenditures	164,124	181,241	188,040
Ending Balance	\$ 72,338	\$ 69,490	\$ 66,157

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

Senate Subcommittee Recommendation

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

SUBCOMMITTEE REPORT

Agency: Board of Accountancy

Bill No. 2047

Bill Sec. 3

Analyst: Porter

Analysis Pg. No. 3

Budget Page No. 4

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

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

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

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

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 48,811	\$ 72,338	\$ 69,490
Net Receipts	187,651	178,393	184,707
Total Available	<u>\$ 236,462</u>	<u>\$ 250,731</u>	<u>\$ 254,197</u>
Less: Expenditures	164,124	181,241	188,040
Ending Balance	<u><u>\$ 72,338</u></u>	<u><u>\$ 69,490</u></u>	<u><u>\$ 66,157</u></u>

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

Senate Subcommittee Recommendation

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

1. Add \$3,000 for professional consultant, investigation, and expert witness fees. The funding would allow the agency to investigate complaints filed against CPAs.
2. Add \$2,500 for a personal computer and computer work station.

Based on the Senate Subcommittee recommendations, the fee fund analysis is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 48,811	\$ 72,338	\$ 69,490
Net Receipts	187,651	178,393	184,707
Total Available	<u>\$ 236,462</u>	<u>\$ 250,731</u>	<u>\$ 254,197</u>
Less: Expenditures	164,124	181,241	193,540
Ending Balance	<u><u>\$ 72,338</u></u>	<u><u>\$ 69,490</u></u>	<u><u>\$ 60,657</u></u>

SUBCOMMITTEE REPORT

Agency: State Bank Commissioner

Bill No. 2456

Bill Sec. 4

Analyst: Duncan

Analysis Pg. No. 8

Budget Page No. 100

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 2,745,099	\$ 2,723,857	\$ --
FTE Positions	68.0	68.0	--

Agency Estimate/Governor's Recommendation

The agency estimates FY 1991 expenditures of \$2,745,099, an amount \$8,764 below the expenditure limitation approved by the 1990 Legislature. Major FY 1991 expenditures include \$212,683 for travel and subsistence, \$46,370 for rents and \$37,656 for communications. The Governor recommends FY 1991 expenditures of \$2,723,857, a decrease of \$21,242 for health insurance adjustments from the current year agency estimate. The Governor's recommendation is \$30,006 below the amount approved by the 1990 Legislature.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Governor.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 343,849	\$ 591,216
Net Receipts	2,788,385	2,603,863
Total Available	\$ 3,132,234	\$ 3,195,079
Less: Expenditures	2,541,018	2,723,857
Ending Balance	\$ 591,216	\$ 471,222

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
State Operations Special Revenue Fund	\$ --	\$ 2,723,857	\$ --
FTE Positions	--	68.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: State Bank Commissioner

Bill No. 2047

Bill Sec. 4

Analyst: Duncan

Analysis Pg. No. 8

Budget Page No. 100

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 2,757,414	\$ 2,682,732	\$ --
FTE Positions	68.0	68.0	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The agency requests \$2,757,414 in FY 1992, an increase of \$12,315 (less than 1 percent) over the revised current year estimated expenditures. The request would continue funding for 68.0 FTE positions. The agency's FY 1992 request would provide salary step movement and benefit adjustments for existing employees and reclassify three Financial Examiners I to Financial Examiners II (range 19 to 21), nine Financial Examiners II to Financial Examiners III (range 21 to 24), and one Financial Examiner III to Financial Examiner IV (range 24 to 27). The agency's request includes \$4,830 for salaries and per diem for the nine board members. The FY 1992 request incorporates a shrinkage factor of 4.3 percent. The Governor recommends \$2,682,732 in FY 1992, a decrease of \$74,682 in salaries and wages. The Governor's recommendation includes the requested reclassifications and incorporates a shrinkage factor of 4.4 percent.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 343,849	\$ 591,216	\$ 471,222
Net Receipts	2,788,385	2,603,863	2,405,100
Total Available	<u>\$ 3,132,234</u>	<u>\$ 3,195,079</u>	<u>\$ 2,876,322</u>
Less: Expenditures	2,541,018	2,723,857	2,682,732
Ending Balance	<u><u>\$ 591,216</u></u>	<u><u>\$ 471,222</u></u>	<u><u>\$ 193,590</u></u>

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House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 92</u>	<u>House Rec. FY 92</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ --	\$ 2,682,732	\$ --
FTE Positions	--	68.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Board of Barbering

Bill No. 2047, 2456

Bill Sec. 5

Analyst: Piekalkiewicz

Analysis Pg. No. 11

Budget Pg. No. 1

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

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The Board's request for FY 1992 totals \$96,482, a net increase of \$7,899 (8.9 percent) over the FY 1991 estimate of \$88,583. The request includes increases of \$3,212 for salaries and wages, \$2,034 for travel and subsistence, and \$1,392 for printing. The FY 1992 request for salaries includes a request for a revised staffing pattern -- the elimination of a part-time secretary position and the establishment of a full-time inspector position.

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

House Subcommittee Recommendation

FY 1991. The Subcommittee concurs with the Governor's recommendations for FY 1991, which reduces expenditures by \$581 from the amount approved by the 1990 Legislature.

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

1. The Subcommittee notes that one of the main functions of the Board is to conduct inspections of the 950 barber shops and seven schools of barbering in the state. The Board has requested funding to increase the present .5 FTE Inspector position to a full-time position; however, the Subcommittee believes inspections would be more effectively carried out if the full-time Administrative Officer would conduct inspections on a part-time basis, inspecting the northeast portion of the state. The Subcommittee strongly recommends that the Board review this option, instead of adding staff. The Subcommittee notes that K.S.A. 74-1807 provides the Administrative Officer with the authority to conduct inspections.

- The Subcommittee notes that as of July 1, 1990, the fee charged by the Board of Barbering for barber licenses was increased from \$35 per year to \$50. The Subcommittee is pleased to report that this increase in fees was not detrimental to the industry because there appears that there has not been a reduction in the number of barbers. To date the Board has received \$55,874 in revenue, and projections indicate that the same amount will be received in the second part of the fiscal year, bringing the total amount of revenue to \$111,000, approximately the same amount of revenue projected in the Governor's budget.

House Committee Recommendation

- Introduce legislation to require that Administrative Officer be a licensed barber.

House Committee of the Whole Recommendation

The House Committee of the Whole concurs.

<u>Expenditure Summary</u>	<u>House Adj. FY 92</u>	<u>House Rec. FY 92</u>	<u>Senate Subcommittee Adjustments</u>
	\$ --	\$ 87,248	\$ 4,752
FTE Positions	--	2.0	.5

Senate Subcommittee Recommendation

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

- Add \$4,752 to increase the .5 FTE Inspector to full time.

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

<u>Resource Estimate</u>	<u>Actual FY 90</u>	<u>Estimated FY 91</u>	<u>Estimate FY 92</u>
Beginning Balance	\$ 39,912	\$ 24,187	\$ 47,548
Net Receipts	74,404	107,608	108,248
Total Funds Available	<u>\$ 114,316</u>	<u>\$ 131,795</u>	<u>\$ 155,796</u>
Less: Expenditures	90,129	84,247	92,000
Ending Balance	<u>\$ 24,187</u>	<u>\$ 47,548</u>	<u>\$ 63,796</u>

SUBCOMMITTEE REPORT

Agency: Behavioral Sciences
Regulatory Board

Bill No. 2456

Bill Sec. 6

Analyst: Robinson

Analysis Pg. No. 14

Budget Page No. 105

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

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

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

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

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

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

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ --	\$ 241,264	\$ 2,522
FTE Positions	--	4.0	--

Senate Subcommittee Recommendation

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

1. Add \$2,522 in a variety of object codes based on year-to-date expenditures provided by the agency.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 63,421	\$ 52,344
Net Receipts	203,683	208,833
Total Available	<u>\$ 267,104</u>	<u>\$ 261,177</u>
Less: Expenditures	214,760	243,786
Ending Balance	<u><u>\$ 52,344</u></u>	<u><u>\$ 17,391</u></u>

SUBCOMMITTEE REPORT

Agency: Behavioral Sciences
Regulatory Board

Bill No. 2047

Bill Sec. 6

Analyst: Robinson

Analysis Pg. No. 14

Budget Page No. 105

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

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

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

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

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

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

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

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

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee with the following observation:

The House Committee notes that the estimated ending fee fund balance appears to be higher than necessary and would encourage the Board to review its fee structure to determine the appropriate amount needed to accomplish the mission of the Board.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 92</u>	<u>House Rec. FY 92</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ --	\$ 243,497	\$ --
FTE Positions	--	4.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 63,421	\$ 52,344	\$ 17,391
Net Receipts	203,683	208,833	352,809
Total Available	\$ 267,104	\$ 261,177	\$ 370,200
Less: Expenditures	214,760	243,786	243,497
Ending Balance	\$ 52,344	\$ 17,391	\$ 126,703

SUBCOMMITTEE REPORT

Agency: Board of Healing Arts

Bill No. 2456

Bill Sec. 7

Analyst: Robinson

Analysis Pg. No. 30

Budget Page No. 239

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

Agency Estimate/Governor's Recommendation

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

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

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

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

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue Fund	\$ --	\$ 1,098,368	\$ 45,233
FTE Positions	--	20.0	--

Senate Subcommittee Recommendation

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

1. Add \$45,233, as requested by the agency, for costs associated with disciplinary litigation.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 959,605	\$ 1,095,513
Net Receipts	1,392,125	1,279,755
Total Available	<u>\$ 2,351,730</u>	<u>\$ 2,375,268</u>
Less: Expenditures	1,252,182	1,143,601
Nonreportable Exps.	4,035	--
Ending Balance	<u><u>\$ 1,095,513</u></u>	<u><u>\$ 1,231,667</u></u>

SUBCOMMITTEE REPORT

Agency: Board of Healing Arts Bill No. 2047 Bill Sec. 7
 Analyst: Robinson Analysis Pg. No. 30 Budget Page No. 239

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

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

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

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

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

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

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

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

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

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

Expenditure Summary	House Adj. FY 92	House Rec. FY 92	Senate Subcommittee Adjustments
State Operations			
Special Revenue Fund	\$ 43,984	\$ 1,173,785	\$ 50,000
FTE Positions	2.0	22.0	--

Senate Subcommittee Recommendation

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

1. Add \$50,000 for costs associated with disciplinary litigation. The Subcommittee notes that the amount needed for hearings from year to year is difficult for the agency to estimate. The Subcommittee's recommendation provides total funding for disciplinary litigation costs of \$91,932.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 959,605	\$ 1,095,513	\$ 1,231,667
Net Receipts	1,392,125	1,279,755	1,322,865
Total Available	<u>\$ 2,351,730</u>	<u>\$ 2,375,268</u>	<u>\$ 2,554,532</u>
Less: Expenditures	1,252,182	1,143,601	1,223,785
Nonreportable Exps.	4,035	--	--
Ending Balance	<u><u>\$ 1,095,513</u></u>	<u><u>\$ 1,231,667</u></u>	<u><u>\$ 1,330,747</u></u>

SUBCOMMITTEE REPORT

Agency: Board of Cosmetology

Bill No. 2047, 2456

Bill Sec. 8

Analyst: Piekalkiewicz

Analysis Pg. No. 21

Budget Pg. No. 170

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Governor's Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 310,411	\$ 300,004	\$ --
FTE Positions	8.0	8.0	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The Board's FY 1992 request totals \$310,411, a net increase of \$21,785 over the FY 1991 estimate of \$288,626. Of the increase, \$13,657 is in salaries and wages, and \$6,718 is in travel and subsistence.

The Governor recommends FY 1992 expenditures of \$300,004, a reduction of \$10,407 from the Board's request. The recommendation includes a reduction of \$7,860 in salaries and wages, \$1,047 in travel and subsistence, and \$1,500 in communications.

House Subcommittee Recommendation

FY 1991. The Subcommittee concurs with the Governor's recommendations for the current year, which reduces expenditures by \$3,508 from the amount approved by the 1990 Legislature.

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

1. The Subcommittee was informed of the Board's plan to conduct cosmetology examinations in four different locations around the state instead of only in Topeka. The Subcommittee encourages the Board to pursue this concept which the Subcommittee believes will better serve students and allow for cost savings to the Board in travel and rental expenses.
2. The Subcommittee notes that the Board expressed concern over the need to upgrade its five computers. The Subcommittee encourages the Board to use those funds which are available to it for that purpose (\$1,000) and recommends that the Board work closely with the Division of Information Systems and Communications (DISC) on how to proceed with those upgrades.

House Committee Recommendation

The Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

The House Committee of the Whole concurs.

<u>Expenditure Summary</u>	<u>House Adj. FY 92</u>	<u>House Rec. FY 92</u>	<u>Senate Subcommittee Adjustments</u>
State Operations	\$ --	\$ 300,004	\$ 3,640
FTE Positions	--	8.0	--

Senate Subcommittee Recommendation

The Subcommittee concurs with the House, with the following exception:

1. Add \$3,640 to upgrade the Board's five computers. The Subcommittee notes that the Board worked with DISC to arrive at this figure, is directed by the House Subcommittee in its recommendation.

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

<u>Resource Estimate</u>	<u>Actual FY 90</u>	<u>Estimated FY 91</u>	<u>Estimated FY 92</u>
Beginning Balance	\$ 128,458	\$ 116,470	\$ 102,189
Net Receipts	268,837	270,837	268,837
Total Funds Available	<u>\$ 396,295</u>	<u>\$ 387,307</u>	<u>\$ 371,026</u>
Less: Expenditures	280,825	285,118	303,644
Ending Balance	<u><u>\$ 116,470</u></u>	<u><u>\$ 102,189</u></u>	<u><u>\$ 67,382</u></u>

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ --	\$ 559,904	\$ --
FTE Positions	--	12.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: State Department of Credit Unions Bill No. 2047

Bill Sec. 9

Analyst: Duncan

Analysis Pg. No. 24

Budget Page No. 172

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 633,267	\$ 599,373	\$ --
FTE Positions	12.0	12.0	--

Agency Request/Governor's Recommendation

The agency requests \$633,267 for operating expenditures in FY 1992, an increase of \$54,164 (9.4 percent) over the revised FY 1991 estimate. To provide funding for FY 1992, the agency requests that the 20 percent credit of gross fees to the General Fund be waived by an amendment to the statutes. If this occurs, the agency proposes cutting current fees by 18 percent to allow it to remain competitive with the new proposed federal fee structure. If the 20 percent transfer of fees is not waived, the agency proposes an increase in the operational fee scale of 8 percent and a 15.4 percent increase for central credit unions. As adjusted, the fees would generate approximately \$786,896, with 20 percent (\$157,379) to be credited to the State General Fund, with the remainder to the Credit Union Fee Fund. The FY 1992 request maintains the current staffing level of 12.0 FTE.

The Governor recommends FY 1992 expenditures totaling \$599,373, a decrease of \$33,894 from the agency's request. Reductions include \$27,504 for salaries and wages, \$900 for communications, \$200 for repairs and a \$5,290 decrease in capital outlay. The Governor's recommendation would continue funding for 12.0 FTE positions and does not include a reduction for shrinkage. The Governor does not recommend a change in the agency's fee structure.

House Subcommittee Recommendation

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

1. As directed by the House Subcommittee, which reviewed the budget of the Credit Union during the 1990 Legislative Session, the Subcommittee inquired as to whether the agency is able to improve its examination efficiency through the use of electronic transmission of data between central and regional offices and personnel. The agency testified that the size and location of many credit unions makes it impractical to use electronic transmission. Furthermore, the use of lap top computers in the field has proved very efficient for agency purposes.
2. The Subcommittee notes that the agency foresees that within the next three years it will be required, through the National Credit Union Administration (NCUA)

and the National Association of State Supervisors (NASS), to be nationally certified. To date, five states have received certification. The agency is currently involved in the first step toward certification which entails recodification of its present statutes and regulations. After step one is completed, the policy and training procedures of the agency will be evaluated. The final step would include a thorough examination by the certifying agencies. The Subcommittee recognizes that certification is a long-range goal of this agency and recommends that the 1992 Legislature address this issue in further detail.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 169,320	\$ 149,291	\$ 165,162
Net Receipts	481,678	575,775	575,775
Total Available	\$ 650,998	\$ 725,066	\$ 740,937
Less: Expenditures	501,707	559,904	599,373
Ending Balance	<u>\$ 149,291</u>	<u>\$ 165,162</u>	<u>\$ 141,564</u>

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 92</u>	<u>House Rec. FY 92</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue Fund	\$ --	\$ 599,373	\$ --
FTE Positions	--	--	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

SUBCOMMITTEE REPORT

Agency: Kansas Dental Board

Bill No. 2456

Bill Sec. 9

Analyst: Robinson

Analysis Pg. No. 27

Budget Page No. 177

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

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

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

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

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

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House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ --	\$ 146,989	\$ --
FTE Positions	--	1.5	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

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

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

SUBCOMMITTEE REPORT

Agency: Kansas Dental Board

Bill No. 2047

Bill Sec. 10

Analyst: Robinson

Analysis Pg. No. 27

Budget Page No. 177

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

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

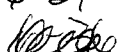
The House Subcommittee concurs with the Governor's recommendation.

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

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

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

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House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 92</u>	<u>House Rec. FY 92</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ --	\$ 153,307	\$ --
FTE Positions	--	1.5	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

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

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

SUBCOMMITTEE REPORT

Agency: Board of Mortuary Arts

Bill No. 2456

Bill Sec. 10

Analyst: Porter

Analysis Pg. No. 35

Budget Page No. 434

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

Agency Estimate/Governor's Recommendation

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

House Subcommittee Recommendation

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

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

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

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

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House Committee of the Whole Recommendation

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

Senate Subcommittee Recommendation

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

SUBCOMMITTEE REPORT

Agency: Board of Mortuary Arts

Bill No. 2047

Bill Sec. 11

Analyst: Porter

Analysis Pg. No. 31

Budget Page No. 426

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

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

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

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

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

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

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

Senate Subcommittee Recommendation

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

SUBCOMMITTEE REPORT

Agency: Board of Examiners for
Hearing Aids

Bill No. 2047

Bill Sec. 12

Analyst: Rampey

Analysis Pg. No. 33

Budget Page No. 238

Expenditure Summary	Agency Req. FY 92	Gov. Rec. FY 92	Subcommittee Adjustments
State Operations:			
Special Revenue Fund	\$ 15,034	\$ 13,724	\$ 133
FTE Positions	--	--	--

Agency Request/Governor's Recommendation

FY 1991. The Board estimates it will spend \$13,724 in FY 1991, which is the amount approved. The Governor concurs with the Board's estimate of \$13,724.

FY 1992. The Board's FY 1992 request is \$15,034, an increase of \$1,310 over the current year. The increase is accounted for primarily by increases in salaries (\$421), travel (\$350), and fees for professional services (\$400). The Governor recommends expenditures of \$13,724, the same amount estimated for the current year and a reduction of \$1,310 from the Board's request.

House Subcommittee Recommendation

FY 1991. The Subcommittee concurs with the recommendations of the Governor.

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

1. Add \$133 for travel, for a total of \$1,506. The requested amount of \$1,700 is based on perfect attendance of all five members at each meeting. While the Subcommittee thinks it is unlikely that no one will miss a meeting, it has been told that all vacancies on the Board are filled and the Executive Director makes an effort to schedule meetings to accommodate members' schedules. Therefore, the Subcommittee thinks it is quite possible that the amount of \$1,373 recommended by the Governor for travel is too low and recommends that the amount be increased to \$1,506.
2. The Subcommittee calls attention to the fact that, for the first time in several year, the Board plans to reprint copies of its rules and regulations. The Board requested \$500 for printing costs in FY 1992, which the Governor reduced to \$422. It is the Subcommittee's understanding that the Executive Director, who lives in Wichita, plans to come to Topeka to discuss with the State Printer the cost of printing Board materials. The Subcommittee concurs with the Governor's

recommendation of \$422 for printing costs, but suggests that, if the Executive Director obtains more precise printing estimates, she present them to the Senate Subcommittee on the Board's budget for its consideration.

An analysis of the Board's fee fund reflecting the Subcommittee's recommendation is shown below:

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 22,103	\$ 23,359	\$ 23,395
Net Receipts	12,772	13,760	13,760
Total Available	<u>\$ 34,875</u>	<u>\$ 37,119</u>	<u>\$ 37,155</u>
Less: Expenditures	11,516	13,724	13,857
Ending Balance	<u><u>\$ 23,359</u></u>	<u><u>\$ 23,395</u></u>	<u><u>\$ 23,298</u></u>

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

Senate Subcommittee Recommendation

Concur.

SUBCOMMITTEE REPORT

Agency: Consumer Credit Commissioner Bill No. 2456 Bill Sec. 11
 Analyst: Duncan Analysis Pg. No. 18 Budget Page No. 128

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

Agency Estimate/Governor's Recommendation

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

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Governor.

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

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

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

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<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue Fund	\$ --	\$ 314,188	\$ --
FTE Positions	--	7.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Consumer Credit Commissioner **Bill No.** 2047 **Bill Sec.** 13
Analyst: Duncan **Analysis Pg. No.** 18 **Budget Page No.** 128

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

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

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

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

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

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

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 92</u>	<u>House Rec. FY 92</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue Fund	\$ --	\$ 320,620	\$ --
FTE Positions	--	7.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. 2456

Bill Sec. 12

Analyst: Colton

Analysis Pg. No. 38

Budget Page No. 438

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

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

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

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

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

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

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House Committee of the Whole Recommendation

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

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. 2047

Bill Sec. 14

Analyst: Colton

Analysis Pg. No. 38

Budget Page No. 438

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

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

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

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

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

House Committee Recommendation

The House Committee concurs with the Subcommittee recommendations.

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

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

House Committee of the Whole Recommendation

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

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

SUBCOMMITTEE REPORT

Agency: Board of Optometry Examiners **Bill No.** 2456 **Bill Sec.** 13
Analyst: Colton **Analysis Pg. No.** 43 **Budget Page No.** 440

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 36,200	\$ 33,224	\$ --
FTE Positions	0.3	0.3	--

Agency Estimate/Governor's Recommendation

The agency requests FY 1991 expenditures of \$36,200, a decrease of \$1,125 from the amount approved by the 1990 Legislature. The decrease is due to turnover in wages and salaries (\$747), and decreases in costs for communication (\$1,250), printing and advertising (\$1,150), fees -- other services (\$829), and rents (\$250). These decreases are partially offset by increases in costs for travel and subsistence (\$200) and for fees -- professional services (\$3,300).

The Governor recommends FY 1991 expenditures of \$33,224, a decrease of \$4,101 from the amount approved by the 1990 legislature. Recommended are decreased expenditures for salaries and wages (\$1,109), communications (\$1,250), printing and advertising (\$1,150), rents (\$250), fees -- other services (\$829), and stationery and office supplies (\$150). The recommended decreases are offset by recommended increases for travel and subsistence (\$200) and for fees -- professional services (\$437).

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations.

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

Fee Fund Analysis. The fee fund analysis, based on the House Committee's recommendation, is as follows:

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<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 43,649	\$ 38,296
Net Receipts	23,846	25,398
Total Available	<u>\$ 67,495</u>	<u>\$ 63,694</u>
Less: Expenditures	29,199	33,224
Ending Balance	<u><u>\$ 38,296</u></u>	<u><u>\$ 30,470</u></u>

House Committee of the Whole Recommendation

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

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Board of Optometry Examiners Bill No. 2047 Bill Sec. 15
Analyst: Colton Analysis Pg. No. 43 Budget Page No. 440

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 39,000	\$ 35,603	\$ 1,400
FTE Positions	0.3	0.3	--

Agency Request/Governor's Recommendation

The agency requests expenditures of \$39,000, an increase of \$2,800, or 7.7 percent, over the current year request. The request would continue the present staffing of a 0.3 FTE position, and would permit the current level of operations to continue.

The Governor recommends FY 1992 expenditures of \$35,603, a reduction of \$3,397 from the agency's request. The recommendation includes a downward adjustment in salaries and wages (\$933), fees -- other services (\$13), fees -- professional services (\$2,701), as well as an increase for stationery and office supplies (\$250).

House Subcommittee Recommendations

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

1. Add \$400 for freight and express. The Subcommittee was informed that the present Secretary-Treasurer will resign in FY 1992. The additional moneys would pay for the transport of the Board's files to the new Secretary-Treasurer.
2. Add \$1,000 for printing and advertising. The additional moneys would allow the printing of a booklet containing new rules and regulations for practitioners, based on legislation passed by the 1990 Legislature (L. 1990, Ch. 223). The revision of the rules and regulations is anticipated to be completed during FY 1991.

The Subcommittee recommends the following fee schedule for FY 1992:

	<u>Subcommittee Recommendation</u>	<u>Statutory Limit</u>
License Fee	\$ 25.00	\$ 30.00
License Renewal Fee	90.00	100.00
Examination Fee	130.00	150.00
Exam -- First Repeat	50.00	75.00
Exam -- Second Repeat	35.00	45.00
Renewal Penalty	300.00	500.00

The Subcommittee, while concurring with the Governor's recommendation for fees -- professional services for FY 1992 (\$20,280), recommends that a more detailed breakdown for expenses in this category be given than was discernable from the Board's FY 1992 budget request. The breakdown should include detailed figures on the number of practitioners who avail themselves of the impaired practice program.

House Committee Recommendation

The House Committee concurs with the Governor's recommendation.

The status of the Optometry Fee Fund, reflecting the recommendations of the House Committee, is shown below:

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 43,649	\$ 38,296	\$ 30,470
Net Receipts	23,846	25,398	46,195
Total Available	<u>\$ 67,495</u>	<u>\$ 63,694</u>	<u>\$ 76,665</u>
Less: Expenditures	29,199	33,224	37,003
Ending Balance	<u><u>\$ 38,296</u></u>	<u><u>\$ 30,470</u></u>	<u><u>\$ 39,662</u></u>

House Committee of the Whole Recommendation

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

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: State Board of Pharmacy

Bill No. 2456

Bill Sec. 49

Analyst: Colton

Analysis Pg. No. 46

Budget Page No. 452

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations	\$ 352,437	\$ 340,492	\$ 7,403
FTE Positions	6.0	6.0	--

Agency Request/Governor's Recommendation

The Board of Pharmacy estimated FY 1991 expenditures of \$11,945 higher than those approved by the 1990 Legislature. Included are increases for fees -- professional services (\$10,000) and for other operating expenditures (\$2,854). The increases are partially offset by decreases in operating expenditures of \$909.

The Governor recommends FY 1991 expenditures equal to those approved by the 1990 Legislature. The Governor's recommendation contains decreases in the amounts approved for salaries and wages (\$2,738) and rents (\$95); these reductions are partially offset by a \$2,455 increase for fees -- professional services and other increases totaling \$378.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor, with the subsequent exceptions:

1. Add \$5,100 for fees -- professional services in order to finance total expenditures of \$58,555 for legal fees for the Board's disciplinary activity and its impaired-practitioner program. The amount approved by the 1990 Legislature was \$51,000. The Governor recommended \$53,455 for FY 1991. Actual FY 1990 expenditures were \$49,647.
2. Add \$2,303 for professional and scientific supplies, for total expenditures of \$15,970 for the purchase of licensure examinations. The amount approved by the 1990 Legislature was \$13,667. The Governor recommended revised FY 1991 expenditures in the same amount. Actual FY 1990 expenditures totaled \$15,882.

Fee Fund Analysis. An analysis of the Board's fee fund, based upon the Subcommittee recommendations, is shown below:

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<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 167,915	\$ 173,710
Net Receipts	334,009	307,974
Total Available	<u>\$ 501,924</u>	<u>\$ 481,684</u>
Less: Expenditures	328,214	347,895
Ending Balance	<u><u>\$ 173,710</u></u>	<u><u>\$ 133,789</u></u>

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

SUBCOMMITTEE REPORT

Agency: State Board of Pharmacy

Bill No. 2047

Bill Sec. 16

Analyst: Colton

Analysis Pg. No. 46

Budget Page No. 452

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92</u>	<u>Subcommittee Adjustments</u>
State Operations	\$ 371,150	\$ 350,395	\$ 14,000
FTE Positions	6.0	6.0	--

Agency Request/Governor's Recommendation

The Board requests an increase of \$18,713, or 5.3 percent, over the current year estimate. Salaries and wages are increased by \$8,549, fees -- professional services by \$5,000, and other expenditures by \$5,164. The Governor's recommendation reduces the Board's request by \$20,755, exclusive of the reserve for salaries and wages.

House Subcommittee Recommendation

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

1. Restore \$12,000 for fees -- professional services for expenditures totaling \$67,099 for the Board's impaired-practitioners program and legal expenditures. The agency's original FY 1992 request totaled \$66,000. The Governor recommended FY 1992 expenditures of \$55,099.
2. Restore \$2,000 for professional and scientific supplies, for expenditures totaling \$16,450 for the purchase of licensure examinations. The Board's original FY 1992 request totaled \$16,150. The Governor recommended FY 1992 expenditures of \$14,450.

Fee Fund Analysis. An analysis of the Board's fee fund, based on the recommendations of the Subcommittee, is shown below:

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 167,915	\$ 173,710	\$ 133,789
Net Receipts	334,009	307,974	309,712
Total Available	\$ 501,924	\$ 481,684	\$ 443,501
Less: Expenditures	328,214	347,895	364,395
Ending Balance	\$ 173,710	\$ 133,789	\$ 79,106

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House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendation.

House Committee of the Whole Recommendation

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

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House recommendation, with the following adjustment:

1. Add \$9,868 for salaries and wages to permit salary increases (from range 23 to range 25) for the Board's three Drug Inspectors, provided that the reclassifications are approved by the Division of Personnel Services. The addition would provide for total FY 1992 salaries and wages expenditures of \$219,927. The Board's original FY 1992 request was \$216,230. The Governor recommended \$210,058 for FY 1992.

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>House Rec. FY 92</u>	<u>Subcommittee Adjustments</u>
State Operations	\$ 371,150	\$ 364,395	\$ 9,868
FTE Positions	6.0	6.0	--

Fee Fund Analysis. An analysis of the Board's fee fund, reflecting the recommendation of the Subcommittee, and revised to reflect new revenue estimates for FY 1991 and FY 1992 provided by the Board, is shown below:

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 167,915	\$ 173,710	\$ 177,789
Net Receipts	334,009	351,974	353,712
Total Available	\$ 501,924	\$ 525,684	\$ 531,501
Less: Expenditures	328,214	347,895	374,263
Ending Balance	\$ 173,710	\$ 177,789	\$ 157,238

SUBCOMMITTEE REPORT

Agency: Real Estate Commission

Bill No. --

Bill Sec. --

Analyst: Efird

Analysis Pg. No. 50

Budget Page No. 472

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

Agency Request/Governor's Recommendation

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

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

House Subcommittee Recommendation

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

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

House Recommendation

The House makes no changes.

Senate Subcommittee Recommendation

The Subcommittee concurs with the House.

SUBCOMMITTEE REPORT

Agency: Real Estate Commission Bill No. 2047 Bill Sec. 17
 Analyst: Efirid Analysis Pg. No. 50 Budget Page No. 472

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

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

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

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

House Subcommittee Recommendation

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

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

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

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

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

House Subcommittee Recommendation

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

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

OTHER ASSISTANCE

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

House Subcommittee Recommendation

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

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendations.

House Recommendation

The House makes no other changes.

Senate Subcommittee Recommendation

The Subcommittee concurs with the House and adds the following:

- Increase 1.0 FTE position and expenditures by \$23,368 in FY 1992 for one Special Investigator with financing of 70 percent from the Real Estate Fee Fund and 30 percent from the Appraiser Fee Fund.

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 92*</u>	<u>House Rec. FY 92</u>	<u>Senate Subcommittee Adjustments</u>
Special Revenue Funds:			
Real Estate Fund	\$ 568,874	\$ 532,312	\$ 16,358
Appraiser Board Fund	63,604	53,010	7,010
Recovery Fund	1,000	1,000	--
Subtotal -- St. Ops.	<u>\$ 633,478</u>	<u>\$ 586,322</u>	<u>\$ 23,368</u>
Claims -- Recovery Fund	10,000	10,000	--
Total -- Operating	<u>\$ 643,478</u>	<u>\$ 596,322</u>	<u>\$ 23,368</u>
 FTE Positions	 15.0	 14.0	 1.0

* Excludes amounts reserved for employee compensation.

<u>Real Estate Fund Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 440,458	\$ 476,282	\$ 318,309
Net Receipts	516,563	399,892	420,672
Transfers In (Out)	0	(25,000)	25,000
Total Available	<u>\$ 957,021</u>	<u>\$ 851,174</u>	<u>\$ 763,981</u>
Less Expenditures	480,739	532,865	548,670
Ending Balance	<u>\$ 476,282</u>	<u>\$ 318,309</u>	<u>\$ 215,311</u>

<u>Appraiser Board Fund Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 0	\$ 0	\$ 44,178
Net Receipts	0	58,000	49,500
Transfers In (Out)	0	25,000	(25,000)
Total Available	<u>\$ 0</u>	<u>\$ 83,000</u>	<u>\$ 68,678</u>
Less Expenditures	0	38,822	60,020
Ending Balance	<u>\$ 0</u>	<u>\$ 44,178</u>	<u>\$ 8,658</u>

SUBCOMMITTEE REPORT

Agency: Savings and Loan Department

Bill No. 2456

Bill Sec. 15

Analyst: Duncan

Analysis Pg. No. 54

Budget Page No. 504

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 210,272	\$ 204,215	\$ --
FTE Positions	4.5	4.5	--

Agency Estimate/Governor's Recommendation

The agency requests FY 1991 expenditures of \$210,272, the amount approved by the 1990 Legislature. The estimate would continue funding for the current 4.5 FTE positions. The Governor recommends \$204,215 for FY 1991, a decrease of \$6,057 from the current year estimate. Reductions include \$2,433 for salaries and wages and \$3,624 for travel and subsistence. The FY 1991 recommendation does not include reduction for shrinkage.

House Subcommittee Recommendation

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

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 142,804	\$ 119,304
Net Receipts	199,514	170,300
Total Available	\$ 342,318	\$ 289,604
Less: Expenditures	223,013	204,215
Ending Balance	\$ 119,305	\$ 85,389

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

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House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue Fund	\$ --	\$ 204,215	\$ --
FTE Positions	--	4.5	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

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SUBCOMMITTEE REPORT

Agency: Savings and Loan Department

Bill No. 2047

Bill Sec. 18

Analyst: Duncan

Analysis Pg. No. 54

Budget Page No. 504

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 208,576	\$ 197,612	\$ (5,000)
FTE Positions	4.0	4.0	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The agency request for FY 1992 totals \$208,576, a decrease of \$1,696 from current year estimated expenditures. The request would decrease the present level of staffing by .5 FTE for an agency total of 4.0 FTE positions. Major requested expenditures include \$159,555 for salaries and wages and \$23,000 for travel and subsistence. For FY 1992, the Governor recommends \$197,612, a decrease of \$10,964 from the agency request. Recommended reductions include \$3,987 from salaries and wages and \$6,977 for travel and subsistence. The FY 1992 recommendation does not include a reduction for shrinkage.

House Subcommittee Recommendation

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

1. The Subcommittee learned that, due to changes in the federal examination fee structure, the agency is no longer participating in on-site examinations of state savings and loans. The Governor recommends 4.5 FTE for the current year, and 4.0 FTE for FY 1992. The Subcommittee learned, however, that by the end of February, 1991, the agency intends to eliminate one additional Financial Examiner; reducing the actual FTE to 3.5 for FY 1992 and 4.0 for FY 1991. The precarious financial state of the federal savings and loans indicate that the state's responsibility for performing examinations of the 18 remaining state savings and loans may shift at any time. To allow the agency's budget to handle any contingency, the Subcommittee elects not to adjust shrinkage or eliminate the FTE position at this time. The Subcommittee's intent is to allow the agency flexibility to rehire an examiner if the Commissioner believes conditions are warranted.
2. Delete \$5,000 from travel in FY 1992.

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

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 142,804	\$ 119,304	\$ 85,389
Net Receipts	199,514	170,300	170,300
Total Available	\$ 342,318	\$ 289,604	\$ 255,689
Less: Expenditures	223,013	204,215	192,612
Ending Balance	<u>\$ 119,305</u>	<u>\$ 85,389</u>	<u>\$ 63,077</u>

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 92</u>	<u>House Rec. FY 92</u>	<u>Senate Subcommittee Adjustments</u>
State Operations: Special Revenue Fund	\$ (5,000)	\$ 192,612	\$ --
FTE Positions	--	4.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Securities Commissioner

Bill No. 2456

Bill Sec. 16

Analyst: Robinson

Analysis Pg. No. 57

Budget Page No. 105

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

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

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

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

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

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

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 5,325	\$ 1,278,781	\$ --
FTE Positions	--	27.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

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

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

SUBCOMMITTEE REPORT

Agency: Securities Commissioner

Bill No. 2047

Bill Sec. 19

Analyst: Robinson

Analysis Pg. No. 57

Budget Page No. 519

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

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

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

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

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

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

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

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

Expenditure Summary	House Adj. FY 92	House Rec. FY 92	Senate Subcommittee Adjustments
State Operations:			
Special Revenue Fund	\$ --	\$ 1,288,278	\$ 20,000
FTE Positions	--	26.0	--

Senate Subcommittee Recommendation

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

1. Add \$20,000 to allow for salary increases to the three-member legal staff of the Securities Commissioner.
2. During the Subcommittee's meeting with the Securities Commissioner, the Subcommittee was informed that the Commissioner has the authority to raise additional funds for the agency and the State General Fund in the following ways:
 - a. The statutory maximum fee in Kansas for agent registrations is \$50. If the fee, which is currently set at \$25 were raised to \$30, revenues would increase by approximately \$157,000. The agency

noted that approximately 96 percent of this amount would be paid by broker-dealers based outside of Kansas who do business in Kansas.

- b. Approximately \$50,000 in additional revenue can be generated by recovering a portion of the costs to conduct field examinations of broker-dealers.
- c. The Commissioner also indicated that under K.S.A. 17-1266a (c)(2), fines may be imposed at \$5,000 per violation. The Commissioner stated that in many cases, this could be \$5,000 per transaction, so that substantial fines may result from a single case.

All of the additional revenue generated by the suggestions of the Commissioner would flow through the State General Fund because it would increase the excess funds that are transferred at the end of the fiscal year. The Subcommittee strongly encourages the Office of the Securities Commissioner to follow through on implementing these additional revenue generating measures.

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

Resource Estimate	Actual FY 1990	Estimated FY 1991	Estimated FY 1992
Beginning Balance	\$ 500,218	\$ 500,000	\$ 500,000
Net Receipts	2,552,716	2,445,717	2,491,060
Total Available	<u>\$ 3,052,934</u>	<u>\$ 2,945,717</u>	<u>\$ 2,991,060</u>
Less: Expenditures	1,216,740	1,278,781	1,308,278
Transfer to State General Fund	1,335,599	1,166,936	1,182,782
Less: Nonreportable Expenditures	645	--	--
Ending Balance	<u><u>\$ 499,950</u></u>	<u><u>\$ 500,000</u></u>	<u><u>\$ 500,000</u></u>

SUBCOMMITTEE REPORT

Agency: Board of Technical Professions Bill No. 2456 Bill Sec. 17
 Analyst: Colton Analysis Pg. No. 60 Budget Page No. 556

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 269,885	\$ 268,322	\$ --
FTE Positions	4.0	4.0	--

Agency Request/Governor's Recommendation

The Board estimates FY 1991 expenditures of \$269,885, or the amount approved by the 1990 Legislature. The Governor's recommendation reduces the Board's estimate by \$1,563. The Governor's expenditure limitation reduction is reflected in the supplemental bill (H.B. 2456) for the current year.

House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis. An analysis of the Board's fee fund, based upon the Subcommittee recommendations, is shown below:


<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>
Beginning Balance	\$ 227,597	\$ 200,142
Net Receipts	222,920	259,791
Total Available	\$ 450,517	\$ 459,933
Less: Expenditures	250,375	268,322
Ending Balance	\$ 200,142	\$ 191,611

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

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Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

SUBCOMMITTEE REPORT

Agency: Board of Technical Professions Bill No. 2047

Bill Sec. 20

Analyst: Colton

Analysis Pg. No. 60

Budget Pg. No. 556

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92</u>	<u>Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 296,955	\$ 274,400	\$ 3,231
FTE Positions	4.0	4.0	--

Agency Request/Governor's Recommendation

The Board requests an increase of \$27,070, or 10.0 percent, above the current year estimate. Salaries and wages are increased by \$4,390 and other operating expenditures by \$22,680. The Governor's recommendation reduces the Board's request by \$22,555, exclusive of the reserve for salaries and wages.

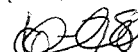
House Subcommittee Recommendations

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

1. Restore \$3,231 for in-state travel and subsistence, for total travel and subsistence expenditures of \$13,558.
2. In the event that anticipated legislation regulating the practice of the technical professions is passed by the 1991 Legislature, the Subcommittee recommends that \$5,294 for printing and advertising expenditures be restored, for total printing and advertising expenditures of \$8,819; and that \$2,323 in communications expenditures be restored, for communications expenditures totalling \$14,373.

Fee Fund Analysis. An analysis of the Board's fee fund, based upon the Subcommittee recommendations, is shown below:

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 227,597	\$ 200,142	\$ 191,611
Net Receipts	222,920	259,791	249,051
Total Available	\$ 450,517	\$ 459,933	\$ 440,662
Less: Expenditures	250,375	268,322	277,631
Ending Balance	\$ 200,142	\$ 191,611	\$ 163,031

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House Committee Recommendation

1. Delete the \$3,231 for in-state travel and subsistence, the restoration of which was recommended by the House Subcommittee, for total travel and subsistence expenditures of \$10,327, as recommended by the Governor.

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92</u>	<u>Committee Adjustments</u>
Fee Fund:			
State Operations	\$ 296,955	\$ 274,400	\$ --
FTE Positions	4.0	4.0	--

Fee Fund Analysis. An analysis of the Board's fee fund, based upon the House Committee recommendation, is shown below:

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 227,597	\$ 200,142	\$ 191,611
Net Receipts	222,920	259,791	249,051
Total Available	\$ 450,517	\$ 459,933	\$ 440,662
Less: Expenditures	250,375	268,322	274,400
Ending Balance	\$ 200,142	\$ 191,611	\$ 166,262

House Committee of the Whole Recommendation

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

Senate Subcommittee Recommendation

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

1. Add \$5,979 for travel expenditures. Of the addition, \$3,231 is for in-state travel and \$2,748 is for out-of-state travel. The recommendation would provide for total FY 1992 travel expenditures of \$16,306, which was the amount requested by the agency.

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<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>House Rec. FY 92</u>	<u>Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 296,955	\$ 274,400	\$ 5,979
FTE Positions	4.0	4.0	--

Fee Fund Analysis. An analysis of the Board's fee fund, based upon the Senate Subcommittee recommendation, is shown below:

<u>Resource Estimate</u>	<u>Actual FY 1990</u>	<u>Estimated FY 1991</u>	<u>Estimated FY 1992</u>
Beginning Balance	\$ 227,597	\$ 200,142	\$ 191,611
Net Receipts	222,920	259,791	249,051
Total Available	\$ 450,517	\$ 459,933	\$ 440,662
Less: Expenditures	250,375	268,322	280,379
Ending Balance	\$ 200,142	\$ 191,611	\$ 160,283

SUBCOMMITTEE REPORT

Agency: State Board of Veterinary Examiners **Bill No. 2456**

Bill Sec. 18

Analyst: Duncan

Analysis Pg. No. 64

Budget Page No. 588

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

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

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

1. Delete \$175 for capital outlay in FY 1991, reducing the agency's capital outlay appropriation from \$1,055 to \$880. This would allow the agency to purchase one desk and two storage shelves.

2. The Subcommittee inquired into the Impaired Provider program and learned that the agency has spent approximately \$5,000 to date for impaired veterinarians. Additionally, the agency is in the process of negotiating a \$15,000 contract with Professional Advisory Services, Inc. to handle the program. The Subcommittee recommends that the Senate Subcommittee review the completed contract between the agency and Professional Advisory Services to determine whether the budget contains adequate funding for this program.

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

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

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue Fund	\$ (175)	\$ 103,098	\$ --
FTE Positions	--	1.0	--

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: State Board of Veterinary Examiners **Bill No. 2047**

Bill Sec. 21

Analyst: Duncan

Analysis Pg. No. 64

Budget Page No. 588

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

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

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

House Subcommittee Recommendation

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

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

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

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

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

Expenditure Summary	House Adj. FY 92	House Rec. FY 92	Senate Subcommittee Adjustments
State Operations			
Special Revenue Fund	\$ (1,880)	\$ 113,594	\$ --
FTE Positions	--	1.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SB No. 389

by

COMMITTEE ON WAYS AND MEANS

SENATE BILL 389

The Department of Social and Rehabilitation Services supports Senate Bill 389 which gives property at the Kansas Neurological Institute to the City of Topeka. The content of the bill carries a brief description of that tract of land.

The bill carries no fiscal impact to the State.

Submitted by:

**Mr. George D. Vega
Acting Commissioner
Mental Health and Retardation Services
Social and Rehabilitation Services**

*3-26-91
SWAm
Attachment 7*