

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 11:05 a.m. on March 27, 1991, in Room 123-S of the Capitol.

All members were present except:

Committee staff present:

Diane Duffy, Kansas Legislative Research Department
Norm Furse, Revisors' Office
Judy Bromich, Administrative Assistant
Patti Beasley, Substitute Committee Secretary

Conferees appearing before the committee:

None

SUBCOMMITTEE REPORT ON HB 2044 - Appropriations for FY91 and FY92, Legislative Agencies, Governor's Department

Chairman Bogina reviewed Attachment 1 the FY91 and FY92 subcommittee report for the Legislative agencies and for the Governor's department.

SUBCOMMITTEE REPORT ON HB 2045 - Appropriations for FY91 and FY92, Homestead Tax Refunds, Dept. of Human Resources, Commission on Veteran Affairs, Dept. of Health and Environment, Dept. on Aging

HOMESTEAD PROPERTY TAX/CIRCUIT BREAKER REFUNDS

Senator Allen reviewed Attachment 2 the FY91 and FY92 subcommittee report for Homestead Property Tax/Circuit Breaker Refunds

KANSAS COMMISSION ON VETERANS AFFAIRS/KANSAS SOLDIERS' HOME

Senator Allen reviewed Attachment 3 the subcommittee report on the Kansas Soldiers' Home. He noted that costs for clean-up of a leaking tank could total as much as \$100,000.

DEPARTMENT OF HUMAN RESOURCES

Senator Winter reviewed Attachment 4 the subcommittee report on the Department of Human Resources.

DEPARTMENT ON AGING

Senator Doyen reviewed Attachment 5 the subcommittee report on the Department on Aging. Esther Wolfe explained that the State is divided into 11 districts and the funds are distributed to each district by weighted formula.

DEPARTMENT OF HEALTH AND ENVIRONMENT

Senator Brady reviewed Attachment 6 the subcommittee report on the Department of Health and Environment. David Traster, General Counsel for Health and Environment, and Richard Morrissey, Assistant Director of Health, explained the licensure and certification procedures to the Committee. Richard Morrissey also explained that the Grocery Store Fee would be used to reimburse SGF for the cost of their annual inspection. It is expected to raise \$120,000 - \$140,000.

Senator Gaines moved, Senator Doyen seconded, to restore the LIVELY program with funds from the SGF. The motion carried on a voice vote.

Following a discussion regarding the low-level waste compact with Nebraska, Chairman Bogina stated that a bill was being drafted that would address that issue.

Senator Doyen moved, Senator Gaines seconded to reconsider the prevailing

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, March 27, 1991.

motion. There was discussion concerning taking \$150,000 out of the Healthy Start Program to fund the LIVELY Program. The motion failed on a show of hands.

Senator Allen moved, Senator Gaines seconded, adoption of the subcommittee report of HB 2044, Legislative Agencies and the Governor's Dept. The motion carried on a voice vote.

Senator Allen moved, Senator Doyen seconded, that HB 2044 as amended be recommended favorably for passage. The motion carried on a roll call vote.

Senator Brady moved, Senator Rock seconded, adoption of the subcommittee report on HB 2045. The motion carried on a voice vote.

Senator Brady moved, Senator Gaines seconded, that HB 2045 as amended be recommended favorably for passage. The motion carried on a roll call vote.

Chairman Bogina informed the committee that James Cobler, Director, Accounts and Reports, presented a tabulation of costs for the Court case that determined the winner of the Osage County House seat. The charges included \$1,350.81 for court costs incurred by the county clerks of Lyon and Osage counties and \$49,930.64 for legal fees which equal a total of \$51,281.45. Chairman Bogina proposed that the matter could be handled either as an amendment to a bill that was passed out of committee today or it could be included in the Department of Administration, Accounts and Reports, subcommittee report. He further stated that he preferred that the \$51,281.45 be put in an emergency supplemental bill. After lengthy discussion by the committee as to whether attorney fees should be paid for by the State, it was decided that the charges would not be addressed at this time.

The meeting was adjourned at 12:26 p.m.

GUEST LIST

COMMITTEE: SENATE WAYS AND MEANS

DATE: 3-27-91

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
MIKE WOJCIK	TOPEKA	DOB
Alice Kwart	KDOA Topeka	KDOA
Esther V. Wolf	Topeka	KDOA
Sabrina Wells	Topeka	DOB
Kevin Siek	"	KCDC/DHR
Dean Edison	"	United Methodist Women, Inc.
Alan Grant	"	KDHE
DAVID M. TRASTER	"	KDHE
Richard Morrissey	"	KDHE
Robert Schuman	"	KDHE
Marty Kennedy	"	Div. of Budget
LAURA EPLEK	"	KDHE
Ron Hammeischmidt	"	KDHE, Div. of ENV.
Charles Konigsberg	"	KDHE
Kathy Martin	"	Secretary of State
Mike Beam	"	Ks. LOST ASSN
Stan Teasley	"	KCVA
John A. Hill	"	Disabled American Veterans (DAV)
R.M. JAY	ARKANSAS CITY	(GUEST OF SEN. ROCK)
Marilyn Bradt	Lawrence	KINHI
Peggy Jarman	Wichita	PCAL
Jay Sibson	Top	AARP
Lynnda D. ...	Topeka	KDOA
Ric Silber	"	"
Jeff Montague	"	DOB
ELIZABETH E. TAYLOR	"	ASSN of Local ^{DEPT} HEALTH
Susan K. ...	Topeka	Dept of Revenue
Doug Bowman	"	Ch. Advs. & Youth Advisory
Melissa Ness	Topeka	Ks. Ch. Serv. League
Gerald Schneider	"	KDHR
Duke Johnston	"	KDHR

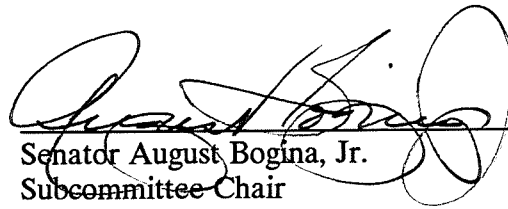
SENATE SUBCOMMITTEE REPORT

House Bill No. 2456, FY 1991

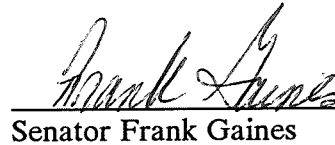
Sec. 20 -- Legislative Coordinating Council
Sec. 21 -- Legislature

House Bill No. 2044, FY 1992

Secs. 2-5 -- Agencies of the Legislative Branch
Sec. 6 -- Governor's Department



Senator August Bogina, Jr.
Subcommittee Chair



Senator Frank Gaines

SWAM
March 27, 1991
Attachment 1

SUBCOMMITTEE REPORT

Agency: Legislative Coordinating Council **Bill No.** 2456 **Bill Sec.** 20
Analyst: Ahrens **Analysis Pg. No.** 305 **Budget Page No.** 406

<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	\$ 363,299	\$ 360,511	\$ --
FTE Positions	10.0	10.0	--

Agency Request/Governor's Recommendation

The agency's revised budget request of \$363,299 for FY 1991 would require a supplemental General Fund appropriation of \$5,196 to finance salaries as approved by the Legislative Coordinating Council.

The Governor's recommendation of \$360,511 for FY 1991 reflects revised health insurance rates and requires a supplemental appropriation of \$2,408.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee and Committee of the Whole Action

The House Committee and Committee of the Whole concurred in the Subcommittee's recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the action of the House.

SUBCOMMITTEE REPORT

Agency: Legislature

Bill No. 2456

Bill Sec. 21

Analyst: Ahrens

Analysis Pg. No. 312

Budget Page No. 414

<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	\$ 9,526,647	\$ 9,276,852	\$ --
All Other	115,000	115,000	--
	<u>\$ 9,641,647</u>	<u>\$ 9,391,852</u>	<u>\$</u>
FTE Positions	32.0	32.0	--

Agency Request/Governor's Recommendation

The revised FY 1991 budget for the Legislature, as approved by the Legislative Coordinating Council, is \$880,866 more than the amount authorized by the 1990 Legislature following the veto by the Governor of a \$754,676 line item appropriation for redistricting technology. Financing of the revised budget requires a supplemental General Fund appropriation of \$765,866 and authorization to spend \$115,000 received under a contractual agreement with the Kansas Water Office for use of software acquired by the Legislature in connection with the redistricting project. The \$880,866 of additional expenditure authority includes \$577,803 for the purchase, installation, and operation of the computerized redistricting system, \$206,569 for the first year of a project to computerize the Legislature, and \$96,494 for regular legislative operations.

The Governor's recommendations reduce the revised request by \$249,795. The Governor reduces salaries and wages expenditures by \$43,226 mainly to reflect revised health insurance rates and does not recommend the expenditure of \$206,569 in FY 1991 for computerization of the Legislature. As a result, the Governor recommends additional expenditure authority of \$631,071, including a \$516,071 General Fund supplemental appropriation and \$115,000 received from the Kansas Water Office. The Governor makes additional recommendations with respect to the computerization project in FY 1992.

House Subcommittee Recommendation

The Subcommittee concurs with the recommendations of the Governor.

House Committee and Committee of the Whole Action

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

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the action of the House.

SUBCOMMITTEE REPORT

Agency: Legislature and Related Agencies Bill No. 2044

Bill Sec. 2-5

Analyst: Ahrens

Analysis Pg. No. 303-315

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
State Operations -- All Funds			
Interstate Cooperation Commission	\$ 247,868	\$ 247,699	\$ (43,100)
Legislative Coordinating Council:			
Council Expenses and Administrative Serv.	379,813	369,082	--
Legislative Research Department	1,802,890	1,759,566	--
Revisor of Statutes	2,134,077	2,087,150	--
Educational Planning Committee	38,330	38,330	--
Legislature	10,045,529	10,220,629	(917,908)
Division of Post Audit	1,442,024	1,411,200	--
TOTAL	<u>\$ 16,090,531</u>	<u>\$ 16,133,656</u>	<u>\$ (961,008)</u>
State Operations: State General Fund	<u>\$ 16,014,525</u>	<u>\$ 16,057,650</u>	<u>\$ (961,008)</u>
FTE Positions	124.1	124.1	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The combined FY 1992 budget requests for agencies of the Legislative Branch total \$16,090,531 of which \$16,014,525 would be financed from the General Fund. The FTE position total for these agencies is 124.1, an increase of 1.0 FTE position for the Legislature to assist in operating the redistricting computer system. The budget requests for all agencies except the Interstate Cooperation Commission are submitted with the approval of the Legislative Coordinating Council. The requested budget for the Legislature includes \$711,339 for the second phase of a legislative computerization program.

The Governor recommends FY 1992 expenditures of \$16,133,656 for the agencies of the Legislative Branch, including financing for 124.1 FTE positions. The recommendation includes \$917,908 for the first and second phases of legislative computerization, an amount which is not included in the current resources budget. The Governor's recommendation combines the \$206,569 requested in FY 1991 for phase one of legislative computerization and the \$711,339 requested in FY 1992 for phase two. The Governor's recommendations also include reductions based on revised health insurance rates and adjustments to compensation items relating to the reserve of funds for employee compensation.

House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendations except as follows:

1. Delete \$43,100 from the budget of the Interstate Cooperation Commission. This amount is this state's estimated share of the operating costs of the Education Commission of the States which the Subcommittee believes should be reflected in the budget of the State Department of Education as it has in all fiscal years except the current one.
2. Delete \$917,908 from the budget of the Legislature. This is the amount included in the FY 1992 Governor's budget recommendations for computerization of the Legislature. The House Committee on Computers, Communication, and Technology is currently reviewing the proposed legislative computerization project, including possible utilization of the redistricting computer in that project. Financing of the computerization project should be removed pending the Committee's report and recommendation. If the eventual decision is not to finance computerization, the position of Information Resource Manager in the Division of Legislative Administrative Services may not be necessary.
3. As a consequence of its review of the budgets for Legislative Branch agencies, particularly that of the Legislative Educational Planning Committee, the Subcommittee is concerned that duplication of efforts may result from the state's current participation in various organizations dealing with matters of educational policy. The Subcommittee recommends that the Legislative Coordinating Council authorize an interim study regarding this matter.

House Committee Recommendations

The House Committee adopted the report of the Subcommittee with the following amendments:

1. Delete \$108,542 included in the Governor's recommendation for the Legislature. The amount represents the salary and other operating expenditures for the vacant positions of Legislative Counsel and secretary.
2. Delete \$156,177 from the Governor's recommendation for the Legislature. This amount represents the amount of out-of-state travel charged to the Legislature's FY 1990 appropriation.

House Committee of the Whole Recommendations

The House Committee of the Whole further amended the Legislature's appropriation by reducing the Committee recommendation \$50,000.

<u>Expenditure Summary</u>	<u>House Changes</u>	<u>House Recommendation</u>	<u>Senate Subcommittee Adjustments</u>
State Operations -- All Funds			
Interstate Cooperation Commission	\$ (43,100)	\$ 204,599	\$ 43,100
Legislative Coordinating Council:			
Council Expenses and Administrative Serv.	--	369,082	--
Legislative Research Department	--	1,759,566	--
Revisor of Statutes	--	2,087,150	--
Educational Planning Committee	--	38,330	--
Legislature	(1,232,627)	8,988,002	50,000
Division of Post Audit	--	1,411,200	--
TOTAL	<u>\$ (1,275,727)</u>	<u>\$ 14,857,929</u>	<u>\$ 93,100</u>
State Operations: State General Fund	<u>\$ (1,275,727)</u>	<u>\$ 14,781,923</u>	<u>\$ 93,100</u>
FTE Positions	(2.0)	122.1	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the expenditures approved by the House except as follows:

1. Restore \$43,100 for the state's share of the operating costs of the Education Commission of the States; the matter of which agency's budget should include this cost can be determined in conference committee.
2. Restore the \$50,000 of operating expenditures to the Legislature's budget which was removed by House floor action.

SUBCOMMITTEE REPORT

Agency: Governor's Department

Bill No. 2044

Bill Sec. 6

Analyst: Ahrens

Analysis Pg. No. 316

Budget Page No. 224

<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	\$ 1,451,345	\$ 1,459,067	\$ --
FTE Positions	29.5	29.5	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The agency budget request for FY 1992 is \$1,451,345, an increase of \$28,458, or 2.0 percent, from the FY 1991 revised agency estimate.

The Governor recommends a budget of \$1,459,067 for FY 1992, which is equal to the Governor's recommendation for FY 1991 expenditures. The recommended appropriation for FY 1992 provides a contingency amount of \$4,189 which is not included in the expenditure total.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

House Committee and Committee of the Whole Action

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

<u>Expenditure Summary</u>	<u>House Changes</u>	<u>House Rec.</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
All Funds	\$ --	\$ 1,459,067	\$ 154,525
State General Fund	--	1,459,067	102,446
FTE Positions	--	29.5	--

Senate Subcommittee Recommendation

House action on FY 1992 appropriations for the Department of Administration removed from that agency the expenditure authority associated with the operations of the Federal/State Liaison Program which operates under the authority of the Governor's Department. Financing for the program heretofore has been obtained entirely through contractual agreement with 13 separate state agencies. The Subcommittee has received a communication from the Governor's office requesting that the Federal/State Liaison Program be reauthorized and financed by appropriations made directly to the Governor's Department. The Subcommittee recommends concurrence with this additional Governor's recommendation pertaining to her own budget, and its implementation through the following changes to Section 6 of House Bill No. 2044:

1. Appropriate an additional \$102,446 from the General Fund for operations of the Governor's Department.
2. Establish a new special revenue fund with an expenditure limitation of \$52,079 and transfer to it the following amounts:
 - a. The June 30, 1991, unencumbered balance in the Federal and State Liaison Fund of the Department of Administration, estimated to be \$15,847.
 - b. \$18,116 from the State Highway Fund and \$18,116 from the Employment Security Fund which are the amounts of FY 1992 contributions which the Departments of Transportation and Human Resources would have contributed under the previous arrangement.

Together with \$6,038 already included in the appropriations to the Governor's Department, these amounts would provide \$160,563 for the Federal/State Liaison Program which is the estimated amount removed from the Department of Administration's budget. In addition, the budgeted General Fund contributions of the following agencies are no longer needed due to the recommended direct appropriation to the Governor's Department:

Department of Administration	\$	12,077
Department of Agriculture		6,038
Department of Commerce		12,077
Department of Revenue		12,077
Department of Corrections		12,077
Department on Aging		12,077
Department of Health and Environment		12,077
Department of Wildlife and Parks		12,077
Department of Social and Rehabilitation Services		18,115
Kansas Water Office		6,038
Total	\$	<u><u>114,730</u></u>

The only other adjustments recommended by the Subcommittee to Section 6 for the Governor's Department are technical changes to the provisos to the line item General Fund appropriation which contain language from last year's bill which is no longer appropriate.

SUBCOMMITTEE REPORT

Agency: Homestead Property Tax/
Circuit Breaker Refunds

Bill No. 2456

Bill Sec. 36

Analyst: Efird

Analysis Pg. No. 362

Budget Page No. 500

<u>Expenditure Summary</u>	<u>Revised FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
All Funds:			
Circuit Breaker	\$ 739,984	\$ 679,105	\$ --
Regular Program	9,510,070	9,510,070	(500,000)
Total -- Other Asst.	<u>\$ 10,250,054</u>	<u>\$ 10,189,175</u>	<u>\$ (500,000)</u>
State General Fund:			
Circuit Breaker	\$ 0	\$ 0	\$ --
Regular Program	9,510,070	9,510,070	(500,000)
Total -- Other Asst.	<u>\$ 9,510,070</u>	<u>\$ 9,510,070</u>	<u>\$ (500,000)</u>

Agency Request/Governor's Recommendation

For FY 1991, the agency estimates lower expenditures for both the regular homestead property tax assistance program and the residential circuit breaker program than amounts approved by the 1990 Legislature. The new estimates reflect a revision downward in the number of people filing claims. The maximum amount of the circuit breaker refund will drop from \$500 to \$250 for calendar year 1991 taxes. The agency estimates a reduction of almost \$2.6 million for the two programs, or approximately \$1.3 million for the regular homestead refund program and \$1.3 million for the residential circuit breaker program.

For FY 1991, the Governor generally concurs with estimates for both programs, with a minor reduction in the circuit breaker program. The Governor recommends State General Fund estimated savings of \$1.3 million, of which \$653,634 in the regular homestead program be lapsed in FY 1991, with additional savings of \$650,000 to be reappropriated to FY 1992. An additional \$1.3 million savings of special revenue funds estimated for the circuit breaker program would carry over to FY 1992 by the Governor's recommendation.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's FY 1991 recommendations, with the following adjustments:

1. Based on fewer claims being filed to date than in the same period last fiscal year (14,251 compared with 18,111 through February 22), reduce an additional \$500,000 in estimated regular homestead refund payments this fiscal year.

*SWAM
March 27, 1991
Attachment 2*


2. Allow any State General Fund savings from FY 1991 to reappropriate to FY 1992 in order to reduce new FY 1992 financing required for the regular homestead program. This financing estimated at \$1,803,634 (\$1,303,634 based on the Governor's recommended reduction and \$500,000 based on the Subcommittee's reduction) will be available in FY 1991 if unexpected claims occur, which would not be the case if funds were lapsed.

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House recommendation.



Senator Jim Allen
Subcommittee Chair



Senator Frank Gaines

SUBCOMMITTEE REPORT

Agency: Homestead Property Tax/
Circuit Breaker Refunds

Bill No. 99

Bill Sec. 2

Analyst: Efird

Analysis Pg. No. 362

Budget Page No. 500

<u>Expenditure Summary</u>	<u>Estimated FY 1992</u>	<u>Gov. Rec. FY 1992</u>	<u>Subcommittee Adjustment</u>
All Funds:			
Circuit Breaker	\$ 64,165	\$ 32,338	\$ --
Regular Program	9,906,648	9,906,648	(896,578)
Total -- Other Assistance	<u>\$ 9,970,813</u>	<u>\$ 9,938,986</u>	<u>\$ (896,578)</u>
State General Fund:			
Circuit Breaker	\$ 0	\$ 0	\$ 32,338
Regular Program	9,906,648	9,906,648	(896,578)
Total -- Other Assistance	<u>\$ 9,906,648</u>	<u>\$ 9,906,648</u>	<u>\$ (864,240)</u>

Agency Request/Governor's Recommendation

For FY 1992, the agency estimates increased claims for regular homestead refunds and reduced expenditures for the circuit breaker program since the program will end prior to the 1992 tax year. A net reduction in total expenditures is estimated next fiscal year due to the expiration date of October 15, 1991, for the circuit breaker program's filing period.

For FY 1992, the Governor generally concurs with the agency's expenditure estimates for both programs, with a minor reduction in the circuit breaker program. The Governor recommends that accrued FY 1991 savings estimated to be \$1,288,557 be transferred from the special revenue fund for the circuit breaker program to the State General Fund in early FY 1992.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's FY 1992 recommendations, with the following adjustments:

1. Shift \$32,338 of expenditures for circuit breaker refunds from special revenue fund financing to the State General Fund.
2. Increase the estimated amount of special revenue funds to be transferred to the State General Fund by \$32,338.
3. Reduce estimated expenditures for the regular homestead refund program by \$896,578 financed by the State General Fund by assuming the same level of payments in FY 1992 as the Subcommittee estimated for FY 1991 expenditures. This adjustment reflects a reduction of 9.1 percent in the Governor's recommended State General Fund expenditures for the regular homestead program in FY

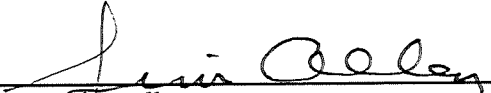
1992. The net reduction to the Governor's recommended State General Fund financing would be 8.7 percent due to shifting the circuit breaker funding.

House Committee Recommendation

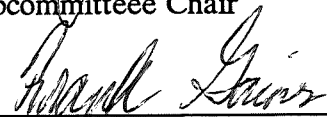
The House Committee concurs with the recommendations of the Subcommittee.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House recommendation.



Senator Jim Allen
Subcommittee Chair



Senator Frank Gaines

SUBCOMMITTEE REPORT

Agency: Kansas Commission on Veterans Affairs/Kansas Soldiers' Home

Bill No. 2456

Bill Sec. 38

Analyst: Porter

Analysis Pg. No. 380

Budget Page No. 587

<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	\$ 2,514,740	\$ 2,442,973	\$ --
Special Revenue Funds	2,444,671	2,444,671	--
Subtotal	<u>\$ 4,959,411</u>	<u>\$ 4,887,644</u>	<u>\$ --</u>
Capital Improvements			
State Institutions Bldg. Fund	\$ 253,898	\$ 253,898	\$ --
GRAND TOTAL	<u>\$ 5,213,309</u>	<u>\$ 5,141,542</u>	<u>\$ --</u>
FTE Positions	188.8	188.8	--

Agency Request/Governor's Recommendation

A. **Kansas Soldiers' Home.** The agency's FY 1991 total estimate for operating expenditures of \$3,441,425 is \$65,388 less than the amount approved by the 1990 Legislature for the Soldiers' Home. The FY 1991 estimate for the Kansas Commission on Veterans Affairs, however, is \$65,388 above the amount appropriated by the 1990 Legislature, so that the total estimate for the agency is the amount approved by the 1990 Legislature. Of the total estimate for FY 1991 operating expenditures, \$1,081,834 is from the State General Fund and \$2,359,591 is from the fee fund. The FY 1991 total is an increase of \$65,231 or 1.9 percent, over FY 1990 actual expenditures of \$3,376,194.

The Governor recommends FY 1991 operating expenditures of \$3,389,887, a reduction of \$51,538 from the agency estimate. The recommendation includes a downward adjustment for the cost of employee health insurance, a reduction of \$576 from the amount requested for member help, and an increase in the turnover rate for salaries and wages, from 4.0 percent to 4.1 percent. Funding includes \$1,030,296 from the State General Fund and \$2,359,591 from the fee fund.

B. **Kansas Commission on Veterans Affairs.** The agency estimates total expenditures from all funds of \$1,517,896, an increase of \$65,388 over the amount approved by the 1990 Legislature for the KCVA. The total estimate for both the KCVA and the Soldiers' Home is the amount approved by the 1990 Legislature. The FY 1991 estimate is an increase of \$62,750 or 4.3 percent, over actual FY 1990 expenditures of \$1,455,236. Of the total requested for FY 1991, \$1,432,906 is from the State General Fund and \$85,080 is from the federal fee fund. The State General Fund portion includes a \$1,965 grant to the Veterans of World War I.

SWAM
March 27, 1991
Attachment 3

The Governor recommends FY 1991 expenditures of \$1,497,757, a reduction of \$20,229 from the agency estimate. The recommended reduction is from the amount requested from the State General Fund. The recommendation includes an increase of \$5,667 for fees for professional services, a downward adjustment for the cost of employee health insurance, and an increase in the agency salaries and wages turnover rate, from 4.0 percent to 4.4 percent.

House Subcommittee Recommendation

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

1. The Subcommittee was informed that, during replacement of the Home's underground fuel storage tank, it was discovered that fuel had leaked from the tank and has contaminated the surrounding ground. Home officials have consulted the Kansas Department of Health and Environment to determine what measures must be taken as a result of the fuel leak, but Health and Environment officials have not yet had an opportunity to inspect the site. The agency requested funds for an inspection and core sampling studies to determine the extent of the leakage and whether clean-up efforts are necessary. If subsurface clean-up is necessary, the Home could be liable for up to \$100,000 of the clean-up costs, including the cost of the core sampling studies, before federal clean-up funds are available. The Subcommittee does not recommend funding for this purpose until the Department of Health and Environment has assessed the situation. The Subcommittee suggests that the agency report the recommendations of the Department of Health and Environment to the Senate Subcommittee.
2. The Subcommittee received a report on the first phase of a consultant's study which was to determine the needs of aging Kansas veterans. The 1989 Legislature appropriated \$20,000 for the first phase of the study. The Subcommittee notes with disappointment that the study did not address the issue of whether the Soldiers' Home should be kept open, whether an additional facility could be utilized, or whether other alternatives would better serve the needs of Kansas veterans. The study also did not address the issue of the Home's licensure. The Subcommittee was informed that the Home's nursing facility, Halsey Hall, is currently licensed as a recuperative care center. The Subcommittee was informed that the recuperative care classification was created for the nursing facility and that it might be more appropriately licensed as an intermediate care facility. To ensure that the nursing facility is providing adequate care for its residents and that it is appropriately licensed for the level of care provided, the Kansas Commission on Veterans Affairs has requested that the Department of Health and Environment conduct an informal medical and environmental survey.

House Committee Recommendation

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

House Committee of the Whole Recommendation

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

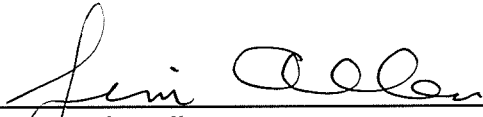
Expenditure Summary	House Adj. FY 91	House Rec. FY 91*	Senate Subcommittee Adjustments
State Operations:			
State General Fund	\$ --	\$ 2,442,973	\$ 80,313
Special Revenue Funds	--	2,444,671	--
Subtotal	<u>\$ --</u>	<u>\$ 4,887,644</u>	<u>\$ 80,313</u>
Capital Improvements			
State Institutions Bldg. Fund	\$ --	\$ 253,898	\$ --
TOTAL	<u>\$ --</u>	<u>\$ 5,141,542</u>	<u>\$ 80,313</u>
FTE Positions	--	188.8	--

* Excludes amounts reserved for employee compensation.


Senate Subcommittee Recommendation

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

1. Add \$25,813 from the State General Fund for salaries and wages and \$1,500 for travel and subsistence for the Kansas Commission on Veterans Affairs. Funding added for salaries and wages would allow the Commission to fill a Veterans Service Representative position and four Office Assistant II positions and would fund a projected shortfall in salaries and wages. Funding added for travel and subsistence would allow veterans service representatives to travel to Topeka from locations across the state to take advantage of free federal training which will be offered in mid-April.
2. Add \$53,000 from the State General Fund for operating expenditures at the Kansas Soldiers' Home. The Subcommittee was informed that current year expenditures for utilities at the Home are projected to exceed the present funding level by \$25,000 and that expenditures for professional supplies are projected to be \$7,000 in excess of the present funding level. The Subcommittee was also informed that the Home has received bids for inspection and core sampling studies to determine the extent of the fuel leak from the Home's underground fuel storage tank. The base bid is in excess of \$18,000 and the Home may also be liable for incidental costs and for storage of any contaminated ground removed. The Subcommittee recommends the addition of \$21,000 from the State General Fund for this purpose.



Senator Jim Allen
Subcommittee Chair



Senator Frank D. Gaines

SUBCOMMITTEE REPORT

Agency: Kansas Commission on Veterans Affairs/Kansas Soldiers' Home

Bill No. 2045

Bill Sec. 4

Analyst: Porter

Analysis Pg. No. 380

Budget Page No. 587

<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	\$ 2,917,034	\$ 2,560,338	\$ (93,817)
Special Revenue Funds	2,470,255	2,404,633	91,852
Subtotal	<u>\$ 5,387,289</u>	<u>\$ 4,964,971</u>	<u>\$ (1,965)</u>
Capital Improvements			
State Institutions Bldg. Fund	\$ 100,000	\$ 100,000	\$ --
Gift and Benefit Fund	79,300	79,300	--
GRAND TOTAL	<u><u>\$ 5,566,589</u></u>	<u><u>\$ 5,144,271</u></u>	<u><u>\$ (1,965)</u></u>
FTE Positions	188.8	187.3	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

A. Kansas Soldiers' Home. The agency requests a total of \$3,817,612 for operating expenditures in FY 1992, an increase of \$376,187, or 10.9 percent, over the FY 1991 estimate. Of the total requested for state operations, \$1,947,244 is from the State General Fund (51 percent of the total) and \$1,870,368 is from the fee fund. For FY 1992, the agency's Operating Expenditures - - Soldiers' Home account has been combined with the Operating Expenditures -- Veterans Services Account to form a single agency operating expenditures account. The Soldiers' Home Fee Fund and the Veterans Affairs Fund are combined into a single KCVA Fee Fund.

The Governor recommends a total of \$3,489,208 for operating expenditures in FY 1992, a reduction of \$328,404 from the agency request. Reductions are recommended from the requests for temporary help (\$23,708), member help (\$4,116), contractual services (\$29,027), commodities (\$27,400), and capital outlay (\$113,325). The recommendation also includes an increase in turnover savings, from the 4.5 percent requested to 5.7 percent. Funding includes \$1,184,575 from the State General Fund and \$2,304,633 from the KCVA Fee Fund. The Governor does not recommend combining the Soldiers' Home Fee Fund and the Veterans Affairs Fund into a single KCVA Fee Fund.

B. Kansas Commission on Veterans Affairs. The agency requests a total of \$1,569,677 from all funds for expenditures in FY 1992, an increase of \$51,691, or 3.4 percent, over the FY 1991 estimate. Of the total, \$969,790 is from the State General Fund (61.7 percent of the total) and \$599,887 is from the agency fee fund. State General Fund expenditures include \$2,000 for the

Veterans of World War I grant. For FY 1992, the agency has combined its Salaries and Wages -- Veterans Services account, the Operating Expenditures -- Veterans Services account, and the Operating Expenditures -- Soldiers' Home account, all of which are State General Fund accounts, into a single agency operating expenditures account. The Veterans Affairs Fund and the Soldiers' Home Fee Fund are combined into a single KCVA Fee Fund.

For FY 1992 the Governor recommends expenditures of \$1,475,763, a reduction of \$93,914 from the agency request. The recommendation includes the deletion of 1.5 FTE, reductions of \$2,100 from the amount requested for contractual services, \$2,351 from the request for capital outlay, a downward adjustment for the cost of employee health insurance, and an increase in the salaries and wages turnover rate, from 5.0 percent to 6.0 percent. The Governor does not recommend combining the Soldiers' Home Fee Fund and the Veterans Affairs Fund into a single KCVA Fee Fund.

House Subcommittee Recommendation

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

1. Reduce the State General Fund appropriation by \$91,852.
2. Increase the Soldier's Home fee fund expenditure limitation by \$91,852. The recommendation would result in an FY 1992 ending balance of the Soldiers' Home fee fund of \$98,933. The Subcommittee notes that this revised ending balance is the same as the balance recommended for FY 1991 and is consistent with the FY 1990 ending balance of \$98,436.
3. The Subcommittee was informed that the Veterans of World War I will not apply for its annual grant in FY 1992. According to the organization, the average age of its members is approximately 95 years, and total membership is expected not to exceed 200 in 1991. The Subcommittee recommends that the \$1,965 recommended by the Governor for this grant be lapsed. The Subcommittee commends the organization for its long history of promoting the interests of World War I veterans.
4. The Subcommittee recommends adjustments to the appropriations bill to reflect the recommendations of the Governor, as follows:
 - a. Change the State General Fund operating expenditures account from a single account to two accounts (operating expenditures -- veterans affairs and operating expenditures -- Kansas soldiers' home), as has been the practice in the past.
 - b. The bill currently combines the agency's two fee funds, the Kansas Commission on Veterans Affairs fund and the Soldiers' Home fee fund. The Subcommittee concurs with the Governor's recommendation that these funds not be combined and recommends that appropriations be made separately from the

Kansas Commission on Veterans Affairs fund and the Kansas Soldiers' Home fund.

- c. Remove the expenditure limitation from the Soldiers' Home Benefit and Gift fund. The fund has been a no-limit fund in the past, allowing the Home to expend funds donated to the Home for projects or items which benefit the Home's residents.

The Subcommittee also recommends that the amount reappropriated from the State General Fund be specified in the appropriations bill, rather than allowing the agency an unlimited reappropriation.

5. The Subcommittee was informed that a Governor's Budget Amendment correcting the base pay for agency employees in FY 1992 is pending.

House Committee Recommendation

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

House Committee of the Whole Recommendation

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

1. Add \$92,558 from the State General Fund for state operations for the Kansas Soldiers' Home. This funding was added to H.B. 2086.

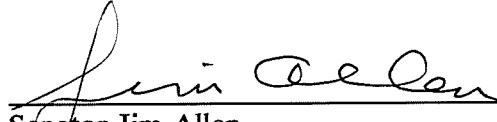
<u>Expenditure Summary</u>	<u>House Adj. FY 92</u>	<u>House Rec. FY 92*</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ (93,817)	\$ 2,466,521	\$ 150,311
Special Revenue Funds	91,852	2,496,485	--
Subtotal	<u>\$ (1,965)</u>	<u>\$ 4,963,006</u>	<u>\$ 150,311</u>
Capital Improvements			
State Institutions Bldg. Fund	\$ --	\$ 100,000	\$ --
Gift and Benefit Fund	--	79,300	--
GRAND TOTAL	<u>\$ (1,965)</u>	<u>\$ 5,142,306</u>	<u>\$ 150,311</u>
FTE Positions	--	187.3	--

* Excludes amounts reserved for employee compensation.

Senate Subcommittee Recommendation

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

1. Add \$29,225 from the State General Fund for salaries and wages for the Kansas Commission on Veterans Affairs. The additional funding would reduce the turnover rate for the Commission from the 6.0 percent recommended by the Governor to 4.0 percent.
2. Add \$92,558 from the State General Fund for state operations for the Kansas Soldiers' Home. Included in the total added is \$19,333 for salaries and wages, which would reduce the Soldiers' Home turnover rate from the 5.7 percent recommended by the Governor to 5.0 percent. Also included is funding for the following items: \$35,000 for professional and medical supplies; \$10,000 for utilities; \$8,000 for maintenance materials and housekeeping supplies; and \$20,225 for capital outlay, including five replacement electrical beds (\$10,000), mattresses and covers (\$3,500), smoke detectors (\$975), a warning siren (\$1,000), a gas cooking stove (\$3,000), and an industrial toaster and blender (\$1,750). The \$92,558 added to H.B. 2086 for the Kansas Soldiers' Home was deleted by the Senate Subcommittee on H.B. 2086.
3. The Subcommittee concurs with Governor's Budget Amendment No. 1, which adds \$28,528 from the State General Fund to correct a miscalculation in the base budget for salaries and wages for the Kansas Commission on Veterans Affairs.



 Senator Jim Allen
 Subcommittee Chair



 Senator Frank D. Gaines

SUBCOMMITTEE REPORT

Agency: Department of Human Resources

Bill No. 2456

Bill Sec. 37

Analyst: Porter

Analysis Pg. No. 364

Budget Page No. 300

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 37,438,356	\$ 36,511,826	\$ --
Other Assistance	195,464,000	195,464,000	--
Subtotal -- Operating	\$ 232,902,356	\$ 231,975,826	\$ --
Capital Improvements	236,860	236,860	--
TOTAL	\$ 233,139,216	\$ 232,212,686	\$ --
State General Fund:			
State Operations	\$ 1,078,156	\$ 1,058,855	\$ --
FTE Positions	892.0	892.0	--

Agency Request/Governor's Recommendation

A. **FY 1991.** The agency's revised estimate for FY 1991 operating expenditures is \$232,902,356, a reduction of \$20,523,427 from the budget authorized by the 1990 Legislature. Of the decrease, \$772,427 is from the amount approved for state operations and \$19,751,000 is from the amount approved for other assistance. Included in the FY 1991 estimate are expenditures of \$200,000 from the Federal Indirect Cost Offset Fund, which was established by the 1990 Legislature so that federal programs could be charged for the costs of indirect state services, such as personnel services.

The Governor's recommendation for FY 1991 is \$231,975,826, a reduction of \$926,530 from the agency's revised estimate. Major components of the recommended decrease from the agency's request for the current year include reductions of \$556,570 from salaries and wages, \$51,167 from contractual services, \$3,793 from commodities, and \$315,000 from capital outlay. The Governor concurs with the agency's estimate of \$195,464,000 for other assistance, including unemployment security benefits and other grants. The Governor recommends expenditures of \$193,062 from the Federal Indirect Cost Offset Fund.

1. **State General Fund.** The Department's current year estimate for State General Fund expenditures totals \$1,078,156, as authorized by the 1990 Legislature. Included in this amount are operating expenditures and contingencies for court reporting and for fact finding and mediation.

The Governor recommends total FY 1991 State General Fund expenditures of \$1,058,855, a reduction of \$19,301 from the agency estimate.

*SWAM
March 27, 1991
Attachment 4*

2. **Other Funds.** The Department estimates that FY 1991 operating expenditures from non-State General Fund sources will total \$231,824,200, a reduction of \$20,523,427 from the budget approved by the 1990 Legislature.

The Governor recommends FY 1991 operating expenditures from non-State General Fund sources of \$230,916,971, a reduction of \$907,229 from the agency estimate. The FY 1991 recommendation includes expenditures of \$184,000,000 for unemployment security benefits, as estimated by the agency. Other expenditures include \$25,389,096 from the Employment Security Administration Fund, \$15,160,752 from federal Job Training Partnership Act (JTPA) funds, \$3,223,708 from the Workers Compensation Fee Fund, and \$3,143,415 from other funds.

3. **Capital Improvements.** The agency estimates expenditures of \$236,860 from federal Reed Act funds for capital improvement projects in FY 1991. Included in the FY 1991 total are funds approved for projects in FY 1990 which were not completed in FY 1990. The projects are to be funded from federal Reed Act funds.

The Governor concurs with the agency's estimate for capital improvement projects.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's budget recommendation.

House Committee Recommendation

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

House Committee of the Whole Recommendation

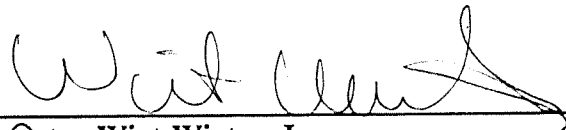
The House Committee of the Whole concurs with the recommendations of the House Committee.

<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
All Funds	\$ --	\$ 36,511,826	\$ 17,600
Other Assistance	--	195,464,000	--
Subtotal	\$ --	\$ 231,975,826	\$ 17,600
Capital Improvements	--	236,860	--
TOTAL	<u>\$ --</u>	<u>\$ 232,212,686</u>	<u>\$ 17,600</u>
State General Fund:			
State Operations	\$ --	\$ 1,058,855	\$ --
FTE Positions	--	892.0	--

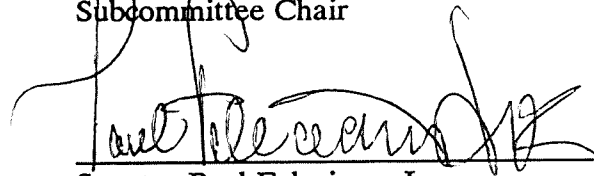
Senate Subcommittee Recommendation

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

1. Remove the expenditure limitation from the Boiler Inspection Fee Fund. The Subcommittee was informed that additional expenditure authority is needed in the current year to pay for services provided by the DHR legal department associated with the Boiler Inspection Program. Additionally, the Boiler Inspection Program will pay for its share of the salaries of the Director of Industrial Safety and the Supervisor of Industrial Safety, both of whom have supervisory authority over the Boiler Inspection Program. Both of these positions are currently funded approximately 50 percent from the State General Fund and 50 percent from federal funds. The Subcommittee notes that, due to a fee increase in FY 1990, the balance of the fee fund is sufficient to allow the \$17,600 expenditure limitation increase requested by the Department. To allow the agency greater flexibility, the Subcommittee recommends that the Boiler Inspection Fee Fund be made a no-limit fund.



Senator Wint Winter, Jr.
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Department of Human Resources

Bill No. 2045

Bill Sec. 3

Analyst: Porter

Analysis Pg. No. 364

Budget Page No. 300

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 38,881,454	\$ 36,940,336	\$ (32,351)
Other Assistance	213,800,000	213,800,000	--
Subtotal -- Operating	<u>\$ 252,681,454</u>	<u>\$ 250,740,336</u>	<u>\$ (32,351)</u>
Capital Improvements	168,000	168,000	--
TOTAL	<u><u>\$ 252,849,454</u></u>	<u><u>\$ 250,908,336</u></u>	<u><u>\$ (32,351)</u></u>
State General Fund:			
State Operations	\$ 1,387,771	\$ 1,078,364	\$ (32,351)
FTE Positions	898.0	892.0	--

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

B. FY 1992. The agency requests FY 1992 operating expenditures of \$252,681,454, an increase of \$19,779,098 above the FY 1991 revised estimate. The amount requested for unemployment insurance benefits is an increase of \$18,500,000 above the FY 1991 estimate.

The Governor's recommendation for the FY 1992 operating budget is \$250,740,336, a reduction of \$1,941,118 from the agency request and an increase of \$18,764,510 above the FY 1991 recommendation. The Governor's recommendation for FY 1992 includes a reserve of funds for step movement, longevity bonuses, unclassified merit pool, and a cost-of-living increase; but these items are excluded from the detailed expenditure estimates for each agency.

1. State General Fund. The Department requests \$1,387,771 from the State General Fund in FY 1992, an increase of \$309,615 from the current year estimate of \$1,078,156. Of the requested increase, the majority would fund a portion of the salaries and wages and related operating expenses of the 5.0 FTE positions requested for the Industrial Safety and Health Program.

The Governor recommends \$1,078,364 from the State General Fund in FY 1992, a reduction of \$309,407 from the agency request and an increase of \$19,509 from the current year recommendation of \$1,058,855. The Governor recommends one appropriation from the State General Fund for both salaries and wages and other operating expenses, as in FY 1991.

2. Other Funds. All other expenditures for the operating budget requested by the agency in FY 1992 total \$251,293,683, a net increase of \$19,469,483 from the current year estimate. Unemployment insurance benefits are expected to increase by \$18,500,000. Expenditures from all

other grants (excluding fee funds) will have a net increase of \$256,638. The agency requests expenditures of \$204,000 from the Federal Indirect Cost Offset Fund.

The Governor recommends expenditures of \$249,661,972 from non-State General Fund sources for all other operating expenses of the agency in FY 1992, a reduction of \$1,631,711 from the agency request. The Governor recommends expenditures of \$198,341 from the Federal Indirect Cost Offset Fund and does not recommend a transfer from the Penalty and Interest Fund to the State General Fund.

3. Capital Improvements. The agency requests \$168,000 for eight capital improvement projects in FY 1991. The projects would be financed with federal Reed Act funds and federal Employment Security Administration funds.

The Governor concurs with the agency's capital improvement request.

House Subcommittee Recommendation

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

1. Transfer \$500,000 from the Special Employment Security Fund (Penalty and Interest Fund) to the State General Fund for the purpose of financing operating expenditures of the Department of Human Resources for which appropriations are made from the State General Fund. Transfers of \$500,000 and \$450,000 were made for this purpose in fiscal years 1990 and 1991, respectively. The Subcommittee recommends that this transfer be reviewed during the Omnibus session in light of legislation pending to finance \$198,341 required for the Federal Indirect Cost Offset Fund from the Penalty and Interest Fund.
2. Reduce State General Fund financing by \$32,351, or 3.0 percent. The Subcommittee recommends that \$10,797 of the total reduction be made from the amount budgeted for support services. This would provide FY 1992 funding for support services at the FY 1991 level of funding. The Subcommittee recommends that the remaining \$21,554 of the reduction be generated from turnover savings. Total turnover savings for the agency would be increased from \$1,240,544, or 4.0 percent, to \$1,262,098, or 4.07 percent.
3. The Subcommittee recommends that, as soon as financially possible, the agency fill the Administrative Officer I position in the Commission on Disability Concerns Program and the Intergroup Education Specialist position in the Hispanic Affairs Program. These positions, which are funded from the State General Fund, are currently unfilled and are being held open to generate turnover savings of State General Fund money. The Subcommittee recommends that, as other position openings occur within the agency, the Secretary give priority to filling these positions.
4. The Subcommittee recommends technical adjustments to the appropriations bill to reflect the Governor's recommendations.

House Committee Recommendation

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

House Committee of the Whole Recommendation

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

<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	\$ (32,351)	\$ 36,907,985	\$ 19,150
Other Assistance	--	213,800,000	--
Subtotal	<u>\$ (32,351)</u>	<u>\$ 250,707,985</u>	<u>\$ 19,150</u>
Capital Improvements	--	168,000	--
TOTAL	<u><u>\$ (32,351)</u></u>	<u><u>\$ 250,875,985</u></u>	<u><u>\$ 19,150</u></u>
State General Fund:			
State Operations	\$ (32,351)	\$ 1,046,013	\$ --
FTE Positions	--	892.0	--

Senate Subcommittee Recommendation

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

1. As in FY 1991, remove the expenditure limitation from the Boiler Inspection Fee Fund.

 Senator Wint Winter, Jr.
 Subcommittee Chair

 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Department on Aging

Bill No. 2456

Bill Sec. 40

Analyst: Howard

Analysis Pg. No. 416

Budget Page No. 48

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,325,292	\$ 1,317,595	\$ 21,662
Other Assistance	12,452,625	12,893,702	(72,402)
TOTAL	<u>\$ 13,777,917</u>	<u>\$ 14,211,297</u>	<u>\$ (50,740)</u>
State General Fund:			
State Operations	\$ 738,038	\$ 730,341	\$ (10,000)
Other Assistance	1,605,248	1,605,248	(12,738)
TOTAL	<u>\$ 2,343,286</u>	<u>\$ 2,335,589</u>	<u>\$ (22,738)</u>
FTE Positions	31.8	31.8	--

Agency Request/Governor's Recommendation

The agency's estimate of current year expenditures is an increase of \$280,013 from the amount approved by the 1990 Legislature. The estimate reflects a reduction of \$5,276 from the State General Fund and an increase of \$285,289 from federal funds. The estimate reflects higher than anticipated receipts from federal funds. The following summarizes changes in expenditures from the approved budget: Nutrition Program (\$201,234), General Community Grants (\$71,432), All Other Programs (\$7,347), for total changes from the approved budget of \$280,013.

The Governor's recommendation for expenditures in FY 1991 is an increase of \$433,380 from the agency estimate, including an increase of \$441,077 from federal funds in other assistance and a reduction of \$7,697 from the State General Fund in state operations. The recommendation reflects revised estimates of Older Americans Act Funds for FY 1991. Expenditures in addition to the agency's request are included from federal funds in the following assistance areas: General Community Grants (\$256,945), Nutrition Program (\$184,132), for total additions to the agency's request of \$441,077.

House Subcommittee Recommendation

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

1. Delete \$10,000 from the State General Fund in operating expenditures based on year-to-date expenditures.

*SWAM
March 27, 1991
Attachment 5*

2. Delete \$12,738 from the State General Fund in other assistance for the Senior Care Act. The Subcommittee was informed that one Senior Care project did not expend its entire allotment in FY 1990. A total of \$25,355 was not expended. The Subcommittee recommends that these unexpended funds from FY 1990 be applied to fund a portion of the Senior Care Act for that area in FY 1991 and FY 1992 and recommends the deletion of \$25,355 from the Senior Care Act appropriation (\$12,738 in FY 1991, \$12,617 in FY 1992).
3. The Subcommittee concurs with the Department's proposed expenditure plan for nutrition programs. The Governor's recommendation did not specifically allocate new federal funds for meals in FY 1991. Under the agency's plan, a portion of additional federal funds recommended by the Governor in FY 1991 would be shifted to FY 1992. The agency's plan would increase the number of meals in both fiscal years. The Subcommittee recommends that meals funding for FY 1991 be reduced by \$28,002 in federal funds and that meals funding in FY 1992 be increased by \$65,092 in federal funds from the Governor's recommendation. The net effect of this recommendation is to increase the number of meals in both fiscal years by 33,154 meals from the Governor's recommendation.
4. Shift \$3,675 in federal funds from assistance to state operations to permit the agency to fill a vacant trainer position for the remainder of the fiscal year. The 1990 Legislature deleted funding for this position and directed the agency to hold the position vacant. The Subcommittee feels that this position provides vital technical assistance as a direct service to area agencies. The Subcommittee recommends a 0.5 FTE trainer. The current vacant position is a 0.8 FTE position.
5. Shift \$27,987 in FY 1991 from other assistance to state operations as a technical adjustment to allow the agency to expend the new Older Americans Act allotment for the Ombudsman program.

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 Subcommittee.


<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	\$ 21,662	\$ 1,339,257	\$ --
Other Assistance	(72,402)	12,821,300	--
TOTAL	<u>\$ (50,740)</u>	<u>\$ 14,160,557</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ (10,000)	\$ 720,341	\$ --
Other Assistance	(12,738)	1,592,510	--
TOTAL	<u>\$ (22,738)</u>	<u>\$ 2,312,851</u>	<u>\$ --</u>
FTE Positions	--	31.8	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.



 Senator Ross O. Doyen
 Subcommittee Chair



 Senator Leroy Hayden

SUBCOMMITTEE REPORT

Agency: Department on Aging

Bill No. 2045

Bill Sec. 6

Analyst: Howard

Analysis Pg. No. 416

Budget Page No. 48

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92*</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,448,982	\$ 1,349,840	\$ 581
Other Assistance	14,543,944	13,247,212	11,984
TOTAL	<u>\$ 15,992,926</u>	<u>\$ 14,597,052</u>	<u>\$ 12,565</u>
State General Fund:			
State Operations	\$ 900,615	\$ 808,556	\$ (58,218)
Other Assistance	2,781,520	1,549,377	5,691
	<u>\$ 3,682,135</u>	<u>\$ 2,357,933</u>	<u>\$ (52,527)</u>
FTE Positions	32.8	31.8	(1.8)

* Excludes amounts reserved for employee compensation.

Agency Request/Governor's Recommendation

The Department on Aging's request for FY 1992 is an increase of \$2.2 million from the FY 1991 estimate, and includes an increase of \$1.3 million from the State General Fund. The request would fund 32.8 FTE positions, including one new position, a Personnel Management Specialist. The request includes funding to expand the Senior Care Act and Older Kansans Employment programs statewide, as well as additional oil overcharge funds to purchase 42 vehicles for area agencies on aging. The request for nutrition programs assumes that the cost per meal will increase by 3.5 percent in FY 1992 and includes \$150,000 for capital equipment at the nutrition sites.

The Governor's recommendation for FY 1992 is a reduction of \$1.4 million from the agency request, including \$1.3 million from the State General Fund. The recommendation maintains current agency operations and does not include funding for the requested new position. Funding to expand the Senior Care Act and Older Kansans Employment programs statewide is not recommended. The Governor's recommendation includes \$457,000 from oil overcharge funds for the purchase of vehicles for area agencies on aging. The recommendation for nutrition programs assumes that the cost per meal will increase by 1.9 percent in FY 1992. No funding is recommended for capital equipment at the meal sites.

House Subcommittee Recommendation

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

1. Delete 1.8 FTE positions and \$62,000 from the State General Fund. The Subcommittee recommends the deletion of the 1.0 FTE Undersecretary/legal position, the deletion of a 0.5 FTE employment accountant and the reduction of a trainer position from 0.8 FTE to 0.5 FTE. The recommendation deletes the funding associated with all three positions from the State General Fund.
2. Shift \$14,700 in federal funds from other assistance to state operations to allow the agency to maintain the 0.5 FTE trainer position. The Subcommittee feels that this position provides vital technical assistance as a direct service to area agencies. This recommendation reduces the current position from 0.8 FTE to 0.5 FTE.
3. Add \$18,308 from the State General Fund for the Retired Senior Volunteer Program (RSVP). This recommendation continues funding for the RSVP program in FY 1992 at the FY 1991 level of \$18,308.
4. Delete \$12,617 from the State General Fund in other assistance for the Senior Care Act. The Subcommittee was informed that one Senior Care project did not expend its entire allotment in FY 1990. A total of \$25,355 was not expended. The Subcommittee recommends that these unexpended funds from FY 1990 be applied to fund a portion of the Senior Care Act services for that area in FY 1991 and FY 1992 and recommends the deletion of \$25,355 from the Senior Care Act appropriation (\$12,738 in FY 1991, \$12,617 in FY 1992).
5. The Subcommittee concurs with the Department's proposed expenditure plan for nutrition programs. The Governor's recommendation did not specifically allocate new federal funds for meals in FY 1991. Under the agency's plan, a portion of additional federal funds recommended by the Governor in FY 1991 would be shifted to FY 1992. The agency's plan would increase the number of meals in both fiscal years. The Subcommittee recommends that meals funding for FY 1991 be reduced by \$28,002 in federal funds and that meals funding in FY 1992 be increased by \$65,092 in federal funds from the Governor's recommendation. The net effect of this recommendation is to increase the number of meals in both fiscal years by 33,154 meals from the Governor's recommendation.
6. The Subcommittee concurs with the Governor's recommendation for \$457,000 in oil overcharge funds for the purchase of vehicles for area agencies on aging. However, the Subcommittee discussed the possibility of using a portion of these funds for the purchase of replacement kitchen equipment. The Subcommittee has requested the Department on Aging to investigate this possibility and to prepare a summary of local equipment needs. The Subcommittee will also review oil overcharge funding again during consideration of the SRS budget and may make additional modifications at that time.
7. Shift \$23,983 in FY 1992 from other assistance to state operations as a technical adjustment to allow the agency to expend the new federal Older Americans Act allotment for the ombudsman program.
8. Add \$3,461 from the State General Fund in state operations as a technical adjustment. Funds in the Governor's recommendation relating to certain

employment programs were inadvertently reduced from the State General Fund rather than from federal funds.

9. Add \$321 from the State General Fund as a technical adjustment to provide the required State match for the ombudsman program.
10. Make several technical adjustments to the bill to reflect the Governor's recommendation.
11. The Subcommittee would also note that testimony was received concerning the five meal sites in Western Kansas that were opened in FY 1990 with targeted State General Fund start-up dollars outside the regular funding formula. The 1990 Legislature approved additional targeted funding of \$35,000 towards these five sites. The Subcommittee report on the Department on Aging during the 1990 Session clearly stated that FY 1991 should be the last year in which these sites would be funded in an exceptional way and that in subsequent fiscal years these sites would be expected to continue with the support of the regular nutrition funding formula and local resources. For FY 1992, the Southwest Area Agency on Aging has indicated that its two new sites (LaCrosse, Ulysses) can be maintained without additional targeted State General Fund appropriations. However, the Northwest Area Agency on Aging has indicated that it needs \$24,864 to support its three new sites (Atwood, Oberlin, Osborne) and that without such funding the sites will close. The Subcommittee heard a plan from the Department on Aging to fund these projects in FY 1992 through requiring the Northwest Area Agency on Aging to target its increased federal funds allotment to these sites. The Subcommittee does not recommend an additional targeted State General Fund appropriation for these sites but does note that the local agency has the authority and discretion to allocate the funding it receives under the federal funding formula. The Subcommittee further stresses that no additional targeted funding outside the regular funding formula should be available to these sites in subsequent fiscal years.
12. The Subcommittee reviewed in-home care services funded in the Department on Aging budget including federal funds targeted for in-home care services and State General Funds under the Senior Care Act. The Subcommittee would stress that in-home services are a high priority and will be reviewed further during Subcommittee consideration of the SRS budget. Recommendations made at that time could further impact this budget. The Subcommittee would also note S.B. 54 which would transfer certain in-home care services from SRS to the Department on Aging. The Subcommittee will further review this bill and appropriate agency roles during consideration of the SRS budget. The Subcommittee reviewed aging population trends and notes that from 1980 to 1990 the population in Kansas over age 65 grew from 305,000 to 346,000 and is expected to increase to 358,000 by the year 2000. The fastest growing segment of this population is the 85 years and older group with an increase from 33,000 in 1980 to 45,000 in 1990 and 56,000 in the year 2000. At the same time that the population is increasing and federal dollars have increased, state funding for community services in the Department on Aging budget has declined. The Subcommittee again emphasizes that particularly in light of the population trends, in-home services must be a priority.

13. The Subcommittee also believes that it is essential that a continuum of care for in-home services be developed in order to provide alternatives to nursing home care for older individuals. The Subcommittee believes that the first priority in long-term care must be to allow individuals to remain at home or in a community setting as an alternative to institutional services. In order to implement this policy priority, this continuum of services must be developed. The Subcommittee would note that the SRS Task Force has recommended the introduction of legislation to create a long-term care planning commission to be charged with identifying the most effective alternatives to institutional care and with identifying direction for the development of an effective statewide alternative services program including service delivery and funding.
14. Shift \$20,116 in federal funds from assistance to state operations to reduce the budgeted turnover rate from 5 percent to 3.2 percent. The Subcommittee further recommends that if positions become open that will allow the agency to meet the budgeted turnover, these dollars should instead be used in direct services. The Subcommittee recognizes that the agency needs flexibility to manage its budgeted shrinkage without holding open essential staff positions or unduly reducing funding for services.

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 Subcommittee.

<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	\$ 581	\$ 1,350,421	\$ 40,000
Other Assistance	11,984	13,259,196	24,864
TOTAL	<u>\$ 12,565</u>	<u>\$ 14,609,617</u>	<u>\$ 64,864</u>
State General Fund:			
State Operations	\$ (58,218)	\$ 750,338	\$ 40,000
Other Assistance	5,691	1,555,068	24,864
TOTAL	<u>\$ (52,527)</u>	<u>\$ 2,305,406</u>	<u>\$ 64,864</u>
FTE Positions	(1.8)	30.0	1.0

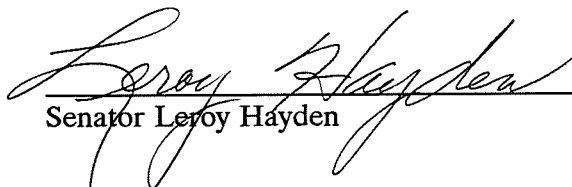
Senate Subcommittee Recommendation

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

1. Add \$40,000 from the State General Fund and 1.0 FTE position to restore the Undersecretary position deleted by the House.
2. Add 24,864 from the State General Fund for continued funding for three new nutrition sites in northwest Kansas for an additional year. Five meal sites were opened in FY 1990 with targeted State General Fund start-up dollars outside the regular funding formula. The 1990 Legislature approved additional targeted funding of \$35,000 towards these five sites. For FY 1992, the Southwest Area Agency on Aging has indicated that its two new sites (LaCrosse, Ulysses) can be maintained without additional targeted State General Fund appropriations. However, the Northwest Area Agency on Aging has indicated that it needs \$24,864 to support its three new sites (Atwood -- \$8,115, Oberlin -- \$12,256, and Osborne -- \$4,493) and that without such funding the sites will close. The Subcommittee further recommends that a plan be developed to address funding for these sites in future year.



Senator Ross O. Doyen/
Subcommittee Chair



Senator Leroy Hayden

SUBCOMMITTEE REPORT

Agency: Department of Health and Environment

Bill No. 2456

Bill Sec. 39

Analyst: Rothe

Analysis Pg. No. 393

Budget Page No. 240

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Gov. Rec. FY 91</u>	<u>House Adjustments</u>
All Funds:			
State Operations	\$ 62,789,334	\$ 62,348,334	\$ (221,415)
Aid to Local Units	14,631,356	14,048,981	--
Other Assistance	21,477,000	19,066,000	--
TOTAL	\$ 98,897,690	\$ 95,463,315	\$ (221,415)
State General Fund:			
State Operations	\$ 20,334,140	\$ 20,066,652	\$ (210,924)
Aid to Local Units	4,904,896	4,904,896	--
Other Assistance	0	0	--
TOTAL	\$ 25,239,036	\$ 24,971,548	\$ (210,924)
FTE Positions	729.2	723.2	--

Agency Request/Governor's Recommendation

The Department requests a total budget of \$98,897,690 in FY 1991 with 729.2 FTE positions, an increase of \$13,112,541 and 6.0 FTE positions above the amount approved. The agency's revised estimate includes funding of \$62,789,334 for state operations (an increase of \$13,154,306) and \$36,108,356 for aid to local units and other assistance (a reduction of \$41,765). Most of the increase includes \$9,916,474 from the Petroleum Storage Tank Release Trust Fund and \$2,568,745 from the unexpended balance of the Remediation Projects Fund. A requested supplemental appropriation from the State General Fund totaling \$82,106 includes \$32,106 for costs associated with the Governors Commission on Health Care and \$50,000 for medication for certain persons with AIDS/HIV.

The Governor recommends FY 1991 expenditures of \$95,463,315, a reduction of \$3,434,375 from the agency's revised estimate. The recommendation includes \$24,971,548 from the State General Fund and \$70,491,767 from other funds. The recommendation includes a supplemental appropriation from the State General Fund of \$18,824 for OOE. The Governor recommends \$50,000 from the State General Fund for AIDS/HIV medication and \$9,614 for salaries associated with the Governor's Commission on Health Care. Recommended reductions include \$2,411,000 from the federal WIC food voucher program due to a revision in the availability of federal receipts, \$396,854 from salaries and wages due mostly to salary benefit and shrinkage adjustments, \$582,375 from environmental grants to local governments financed from the Water Plan Fund, \$39,928 from contractual services, and \$4,218 from commodities. The Governor recommends salary shrinkage savings of \$1,173,518 (a 4.7 percent rate) compared to the agency's estimate of \$1,032,043 (4.1

SWAM
March 27, 1991
Attachment 6

percent). Six new special project positions are recommended for the Environmental Remediation Program beginning in January, 1991 (\$65,429).

House Subcommittee Recommendations

FY 1991. The House Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Delete \$150,000 from vaccine expenditures from the State General Fund. The 1990 Legislature appropriated \$1,424,048 for vaccine supplies in FY 1991, including \$1,344,792 from the State General Fund and \$79,256 from federal funds, compared to actual FY 1990 expenditures of \$768,535. The Subcommittee notes that the federal contract for vaccine is renegotiated each May and the price was reduced in the contract that commenced in May, 1990. For example, 110,000 doses of DTP vaccine were approved for FY 1991 at approximately \$8.00 per dose compared to the renegotiated price of approximately \$7.00 per dose.
2. Delete \$44,758 from the State General Fund which represents the salaries of 3.0 FTE vacant positions, including a Legal Assistant, an Attorney, and an Executive Manager in the Bureau of Environmental Remediation.
3. Delete \$26,657 from the salaries of two vacant positions in the Air Quality Program, including \$16,166 from the State General Fund and \$10,491 from federal funds. The Subcommittee recommends the positions (each of which has been vacant for at least six months) remain vacant for the remainder of FY 1991 and for all of FY 1992.
4. Make technical adjustments in the agency's FY 1991 supplemental appropriation bill (H.B. 2456) to conform with the Governor's intent.

House Committee Recommendation

The Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

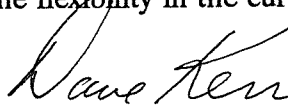
The House concurs with the Committee's recommendation.

<u>Expenditure Summary</u>	<u>House Adjustments</u>	<u>House Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ (221,415)	\$ 62,126,919	\$ --
Aid to Local Units	--	14,048,981	--
Other Assistance	--	19,066,000	--
TOTAL	<u>\$ (221,415)</u>	<u>\$ 95,241,900</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ (210,924)	\$ 19,855,728	\$ --
Aid to Local Units	--	4,904,896	--
Other Assistance	--	0	--
TOTAL	<u>\$ (210,924)</u>	<u>\$ 24,760,624</u>	<u>\$ --</u>
FTE Positions	--	723.2	--

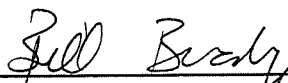
Senate Subcommittee Recommendations

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

1. The Subcommittee concurs with the deletion of \$71,415 and five vacant positions, but recommends that the portion financed from the State General Fund (\$60,924) be reappropriated to FY 1992 rather than be lapsed. The recommendation would provide the agency with some flexibility in the current year.



 Senator Dave Kerr
 Subcommittee Chair



 Senator William Brady

SUBCOMMITTEE REPORT

Agency: Department of Health and Environment

Bill No. 2045

Bill Sec. 5

Analyst: Rothe

Analysis Pg. No. 393

Budget Page No. 240

<u>Expenditure Summary</u>	<u>Agency Req. FY 92</u>	<u>Gov. Rec. FY 92</u>	<u>House Adjustments</u>
All Funds:			
State Operations	\$ 74,058,483	\$ 67,042,968	\$ (820,426)
Aid to Local Units	15,211,452	14,385,603	617,713
Other Assistance	19,901,347	19,901,348	--
TOTAL	\$ 109,171,282	\$ 101,329,919	\$ (202,713)
State General Fund:			
State Operations	\$ 22,038,517	\$ 19,734,904	\$ (534,873)
Aid to Local Units	5,328,275	4,909,638	(308,662)
Other Assistance	0	0	--
TOTAL	\$ 27,366,792	\$ 24,644,542	\$ (843,535)
FTE Positions	777.2	730.5	(14.0)

Agency Request/Governor's Recommendation

The Department requests a total budget of \$109,171,282 in FY 1992, an increase of \$10,273,592 above the revised current year estimate. The request would fund 777.2 FTE positions, an increase of 54.0 FTE above the number approved for the current year. The request includes \$74,058,483 for state operations and \$35,112,799 for aid to local units and other assistance. The agency's request includes \$27,366,792 from the State General Fund, including \$22,038,517 for state operations (an increase of \$1,704,377) and \$5,328,275 for aid to local units (an increase of \$423,379).

The Governor recommends FY 1992 expenditures of \$101,329,919, a reduction of \$7,841,363 from the agency's request. The recommendation includes funding for 730.5 FTE positions, an increase of 7.3 FTE above the number approved for the current year. The Governor recommends 10.0 FTE new positions (\$310,310), the deletion of 2.7 FTE existing positions, and the addition of 23 special project worker positions (\$669,614). The recommendation includes \$24,644,542 from the State General Fund (a reduction of \$2,722,250) and \$76,685,377 from other funds. The largest reduction is \$4,923,044 in financing from the State Water Plan Fund for environmental remediation projects (\$3.8 million), and for environmental grants to local governments (\$1,123,044). The Governor's recommendation for FY 1992 includes a reserve of funds for step movement, longevity bonuses, unclassified merit pool, and a cost-of-living increase; but these items are excluded from the detailed expenditure estimates for each agency. The Governor recommends salary shrinkage savings of \$1,068,083 (a 4.0 percent rate) compared to the agency's request of 2.5 percent.

The recommendation includes \$3,882,424 from the State Water Plan Fund for environmental contamination remediation projects (\$2.0 million), the evaluation and development of plans for local environmental needs (\$1,216,137), a household hazardous waste collection program (\$150,000), the implementation of a private well protection program (\$86,226), and technical assistance to local governments preparing and implementing nonpoint source pollution control programs (\$430,061).

The Governor recommends \$310,310 in FY 1992 for the salaries of 10.0 FTE health Facility Surveyors and \$669,614 for the salaries of 23 full-time special project positions. The recommendation for special project positions includes \$151,922 from the Petroleum Storage Tank Release Trust Fund for six positions continued from January, 1991, \$38,959 from the state Waste Tire Management Fund for one position, and \$478,733 from federal funds for 16 positions associated with: OSHA projects (one position, \$23,720); Galena Subsite studies (two positions, \$65,854); air quality (one position, \$42,733); nonpoint source pollution (six positions, \$181,139); and a laboratory improvement program (six positions, \$165,287).

House Subcommittee Recommendations

FY 1992. The House Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Make technical adjustments in the FY 1992 appropriations bill (H.B. 2045) to conform with the Governor's intent.
2. Discontinue the perinatal contractual arrangement with the University of Kansas Medical Center. The Subcommittee recommends that discontinued expenditures of \$194,000 from the federal Maternal and Child Health Services Block Grant Fund be shifted to replace existing State General Fund financing of the Maternal and Infant (M & I) program (aid to local units). The purpose of the perinatal program is to reduce infant and neonatal mortality and the incidence of developmental handicaps in children through a coordinated regional medical and hospital system. Program activities include developing a mobile and airborne referral transportation system, and planning follow-up services by perinatal centers and public health departments.
3. Delete \$100,000 from the State General Fund and 2.0 FTE positions from activities associated with the state feedlot regulation program in the Bureau of Water Quality.
4. Delete \$63,862 from the State General Fund (aid to local units) for nursing home visits provided by local health departments. The Subcommittee notes that the KDHE will be making additional visits to nursing homes due to the addition of 10 FTE Health Facility Surveyor positions added for FY 1991. The Subcommittee will study nursing home reform in its review of the SRS budget.
5. Discontinue the LIVELY (Life, Interest and Vigor Entering Later Years) program. The Subcommittee recommends that discontinued funding of \$150,800 from the federal Preventive Health and Health Services Block Grant Fund be

shifted to replace existing State General Fund financing for the Home Visitor/Healthy Start Program (aid to local units). The LIVELY program was developed in 1982 as a case management health promotion program to coordinate local health services for the aging to promote healthy lifestyles and preserve independence of clients aged 50 and over. In response to the fact that cardiovascular disease is the number one cause of death in Kansas, the risk factors most commonly addressed in this grants program (28 local projects are funded for FY 1991) are those that contribute to cardiovascular disease. The Subcommittee notes the need for this program and may revisit the issue later in the Session.

6. Delete \$25,000 from the State General Fund for educational films requested for the Office of Education and Public Information. The Governor recommends \$33,620 for new and replacement films and videotapes for FY 1992.
7. The Subcommittee recommends the introduction of legislation to require the state's low-level waste compact contribution to the State of Nebraska (\$75,000) be funded by Kansas utilities rather than from the State General Fund.
8. The Subcommittee concurs with the Governor's FY 1992 recommendation of \$2,000,000 from the State Water Plan Fund for contamination remediation projects. The Subcommittee notes that the latest report issued by the Bureau of Environmental Remediation indicates that 386 sites are in varying stages of remediation activities. Sites chosen by the Bureau typically involve the contamination of groundwater by saltwater from salt mining or oil field activities or pesticides from fumigation of grain elevators. The Governor's current resources budget included a total of \$500,000 from the State Water Plan Fund for contamination remediation projects. This was the only current resource budget item in the KDHE budget. In addition, the Subcommittee recommends the addition of \$582,375 from the State Water Plan Fund to increase the grant to local environmental aid to \$1,948,512 as requested by the agency. The Subcommittee further recommends that a discussion on State Water Plan Fund priorities is needed in Committee.
9. The Subcommittee recommends the addition of \$150,000 from the State Water Plan Fund for On-site Assistance to Public Water Supply System Personnel. The Subcommittee learned that the Governor intended to add this item to the agency's budget. A Kansas Water Office document explains that a five-year, \$750,000 state program of on-site assistance is needed so that rural water districts, small communities, and others responsible for the day-to-day operation of public water supply systems can have access to, and receive hands-on training to deal with the full spectrum of water problems that are confronting them.
10. Delete \$20,110 from the State General Fund in the Laboratory Division for return-postage costs. KDHE currently sends postage-paid containers to local governments which are returned to the KDHE laboratory with water samples. The Subcommittee recommends that the postage costs be borne by public water suppliers.

11. Add \$400,000 from the State General Fund to finance the second dose of Measles, Mumps and Rubella (MMR) vaccine to a second group of students. Currently, a first dose of MMR is being administered to 15-month old children. Beginning in FY 1991, a second dose is being administered to children upon first entrance to school (upon the recommendation of the Centers for Disease Control in Atlanta). The Subcommittee notes that while the second dose policy will provide the recommended immunization to persons born prior to approximately 1985, the systematic second-dose immunization will not have been available to those born after 1985. The Subcommittee recommends that a second dose be administered to older groups of students until those born in 1985 reach that age group.
12. Add \$100,000 from the State General Fund (aid to local units) to expand the family planning services in Kansas. The Governor's recommendation includes \$1,076,654 from federal funds for family planning services, including \$816,566 for aid to local units. For FY 1991, the same level of federal funding provides grants to 32 Kansas counties. Family planning assures, along with maternal and child health programs, provision of basic preventive and primary care to low-income and high-risk women. Family planning is often the sole source of Health care for most low-income women, according to KDHE. The current level of federal funding does not allow development of services in most Kansas counties. The Subcommittee recommends that the funds be targeted to teenage pregnancy prevention.
13. Add \$228,963 from the State General Fund for the Healthy Start/Home Visitor program (aid to local units). Program services for pregnant women and families with newborns include education, support, and referral services through home and hospital visits by lay visitors under public health nurse supervision. In FY 1990, services were available in 44 counties. The 1990 Legislature added \$200,000 to the program, financing services in a total of 62 counties. The Subcommittee's recommendation would permit the expansion of services to an additional 16 counties which have expressed an interest in offering the services.
14. Delete \$110,000 from State General Fund expenditures for OOE and replace with \$110,000 from the recently increased Underground Storage Tank Fee.
15. The Subcommittee recommends a reduction in State General Fund expenditures totaling \$404,914 be offset by a recommended increase in fees. The Subcommittee recommends that the agency utilize the rules and regulations process to increase: the radioactive license renewal fee to generate an additional \$64,731; the registration fee for X-Ray machines to generate an additional \$41,041; and the Right-to-Know fees to generate an additional \$299,142.
16. The Subcommittee recommends the introduction of legislation and the adoption of rules and regulations to increase the receipts raised by three fees by \$1,151,400. The Subcommittee will review the progress of the legislation, and if passed, will recommend State General Fund expenditures be offset by fee increases during consideration of the Omnibus bill. Recommended fee increases include \$300,000 from vital statistics fees, \$708,400 from nursing home fees, and

\$143,000 from Food, Drug, and Lodging fees. The following table details the fee increases recommended by the Subcommittee in items 14, 15, and 16.

Fee	FY 1990 Receipts	Increase	Statute or Rules
Vital Statistics	\$ 1,427,910	\$ 300,000	(\$1/copy) S&R
Nursing Home Fees	264,546	708,400	(\$33/bed) S&R
Food and Lodging	457,016	143,000	(New \$45/food store and increase food service fee) S&R
Radioactive License	28,110	64,731	(inc. renewal) Rules
X-ray Registration	88,941	41,041	(\$27.5/machine) Rules
Right-to-Know Fees	126,202	299,142	(Inc. Fees & Volume) Rules
Underground Tank Fee	46,020	<u>110,000</u>	(\$7 -- already increased but not reflected in the Gov. Rec.)
		<u>\$ 1,666,314</u>	

With regard to the recommendation for fee increases, the Subcommittee recognizes the need for a requested Accountant II (\$35,716) and a requested electronic billing system (\$50,000) to enhance the agency's ability to track state and federal fees and federal mandates, to recommend increases, reductions or consolidation of fees where possible, and to electronically match receipts with billings at the time of receipt for deposit. If the requested position and billing system are priorities of the agency, the Subcommittee recommends that existing financial resources or proceeds from proposed fee increases be utilized to finance the request.

17. Delete the \$422,981 in salaries and OOE and 10.0 FTE new Health Facility Surveyors recommended by the Governor for FY 1992. The Subcommittee intends to review nursing home regulation in its review of the Department of Social and Rehabilitation Services, and may address these new positions in the Omnibus Bill. The Subcommittee notes that the Federal Omnibus Budget Reconciliation Act of 1987 (OBRA) required major changes in the process of surveying and certifying long term care facilities resulting in a 60 percent increase in the survey workload. The workload increase results primarily from an increased emphasis on resident interview as the center of the survey process and a requirement that the surveyors, in evaluating resident care, essentially follow the same resident assessment process that the facility is required to develop and improvement to meet federal regulation. The facilities must be certified to receive Medicare (Title XVIII) and Medicaid (XIX) funds. As a result of OBRA, the 1990 Legislature increased the number of Health Facilities Surveyors from 38 FTE to 48 FTE for FY 1991. The \$422,981 recommended by the

Governor for an additional 10 FTE includes \$91,787 from the federal Medicare Fund and \$331,194 from Medicaid Funds. For the purposes of the Health Facilities Licensure program, the Subcommittee notes that the State General Fund match within the Medicaid Fund is 10 percent in FFY 1991, 15 percent in FFY 1992, 20 percent in FFY 1993, and 25 percent thereafter.

18. Delete \$139,268 and 3.0 FTE vacant positions financed entirely from the State General Fund, including a Legal Assistant, an Attorney, and an Executive Manager in the Bureau of Environmental Remediation (the Governor deleted the "FTE count" for the Executive Manager, but not the financing).
19. Delete \$83,757 from the salaries of two vacant positions in the Bureau of Air Quality, including \$50,831 from the State General Fund and \$32,926 from federal funds. The Subcommittee recommends the positions (each of which has been vacant for at least six months) remain vacant for the remainder of FY 1991 and for all of FY 1992. The positions include an Environmental Engineer II (\$38,027) and a Chief of Services (\$45,730).

House Committee Recommendation

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

1. Delete \$228,963 from State General Fund expenditures added by the Subcommittee (Item No. 13) for the Healthy Start/Home Visitor program.
2. Delete \$308,000 for computer equipment and software recommended for the Health Facilities Licensure program from Title XIX Medicaid funds. In addition, delete \$46,310 for other new computer equipment and software, including \$9,520 from the State Water Plan Fund, \$9,750 from the State General Fund, and \$27,040 from other funds.
3. Delete Geographic Information System (GIS) expenditures from the KDHE budget for FY 1992.

House Committee of the Whole Recommendation

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

1. Delete \$75,000 from the State General Fund, which is the payment to the State of Nebraska as part of the start-up costs associated with the development of a low-level waste disposal site.

<u>Expenditure Summary</u>	<u>House Adjustments</u>	<u>House Rec. FY 92</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ (820,426)	\$ 66,222,542	\$ 827,291
Aid to Local Units	617,713	15,003,316	(383,412)
Other Assistance	--	19,901,348	--
TOTAL	\$ (202,713)	\$ 101,127,206	\$ 443,879
State General Fund:			
State Operations	\$ (534,873)	\$ 19,200,031	\$ 524,664
Aid to Local Units	(308,662)	4,600,976	198,963
Other Assistance	--	0	--
TOTAL	\$ (843,535)	\$ 23,801,007	\$ 723,627
FTE Positions	(14.0)	716.5	6.0

Senate Subcommittee Recommendations

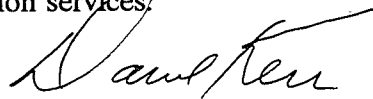
The Senate Subcommittee concurs with the recommendations of the House with the following adjustments:

1. Add \$50,000 from the Water Plan Fund to restore one of the two feedlot regulation program positions deleted by the House. Because Water Plan Funds cannot be utilized for salaries, the Subcommittee recommends a State General Fund shift of \$31,689 from the OOE account to the salaries account, and the addition of \$50,000 from the Water Plan Fund for OOE. The Subcommittee encourages the agency to develop a fee structure for feedlots in order to continue periodic inspections of small feedlots.
2. The Subcommittee concurs with the recommended introduction of legislation to require utilities to pay the state's low-level waste compact contribution to the State of Nebraska, as well as the House's deletion of the state's share (\$75,000). Although the compact will bill utilities directly if the state doesn't pay, legislation is necessary to enforce the payment by utilities. The Subcommittee further notes that the Wolf Creek Power Plant would pay 95 percent of the costs.
3. Delete \$582,375 from the Water Plan Fund, the amount added by the House to enhance environmental grants to local governments in FY 1992. The Senate Subcommittee concurs with the Governor's recommendation of \$1,366,137 for FY 1991 and FY 1992 from the Water Plan Fund for environmental grants. Actual FY 1990 expenditures were \$574,403. The funds are provided to local health departments to assist with the preparation of plans and implementation of environmental programs based on approval of county-wide strategies.

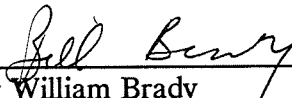
4. Restore \$228,963 from the State General Fund to enable KDHE to increase the number of counties which provide Healthy Start/Home Visitor services from 62 to 78. The amount was added by the House Subcommittee, but was deleted by the House Committee.
5. Restore \$422,981 in salaries and OOE for 10.0 FTE new limited-term Health Facility Surveyors recommended by the Governor for FY 1992, but deleted by the House. The Senate Subcommittee learned that the 10.0 FTE positions are necessary if KDHE is to comply with new federal nursing home regulations which will result in a 60 percent increase in the long-term care facility survey workload. The recommendation includes \$91,787 from the federal Medicare Fund and \$331,194 from Medicaid funds.
6. The Subcommittee concurs with the House Subcommittee's recommendation to delete the salaries of 5.0 FTE vacant positions (Items 18 and 19). The Senate Subcommittee further recommends the reduction in the FTE position limitation by 5.0 FTE, rather than continuing to hold the positions vacant.
7. Restore \$354,310 for computer equipment deleted by the House. The amount includes \$308,000 from federal funds for 88 laptop computers, printers and software for use by field personnel in the Health Facilities Licensure Program and in the Laboratory Division. The federal government has offered the funds to ensure the quick production of uniform reports which can be directly entered into the federal data system. The remainder of the restoration includes \$9,750 from the State General Fund to add three computer workstations to the Laboratory, \$9,520 from the Water Plan Fund for a microcomputer and a computer workstation, and \$27,040 from federal funds for five computers and associated printers and software.
8. Restore \$514,914 from the State General Fund. The amount was deleted by the House and replaced with various fees that the House believed could be increased by rules and regulations (Items 14 and 15). The Senate Subcommittee later learned that while the fees could be increased by rules and regulations, a statutory change would also be necessary to credit the fees back to the agency rather than directly to the State General Fund where they are currently credited. While the Senate Subcommittee concurs with the House's intent to reduce expenditures from the State General Fund by fully financing regulatory programs by fees wherever possible, the same goal can be realized by crediting the fees directly to the State General Fund.

Specifically, the Senate Subcommittee recommends the increase by rules and regulations of radioactive license renewal fees by \$64,731, X-Ray registration fees by \$41,041, and Right-to-Know program fees by \$299,142. The substantial increase in Right-to-Know fees may need to be implemented over a period of years in order to avoid working a hardship on feepayers. An increase of the Underground Tank Fee of \$110,000 has already occurred, but was not reflected in the Governor's Budget. The four fee increases, totaling \$514,914, reflect total agency regulatory costs, would be credited to the State General Fund, and would offset the amount restored to the KDHE budget for FY 1992.

9. The Subcommittee also reviewed the House's recommendation to introduce legislation to increase three additional fees to fully support program costs (Item 16): Vital Statistics program fees by \$1.00 per copy to raise \$300,000; Nursing home fees from the current maximum of \$7.00 per bed to a proposed maximum of \$33 per bed to raise \$708,400; and a new fee of \$45 per grocery store to raise \$143,000. The Senate Subcommittee does not concur with the proposed increase in the Vital Statistics program fee because current fee receipts already exceed program costs. The Senate Subcommittee recommends introduction of legislation to increase nursing home fees to a maximum of \$15 per bed (to raise approximately \$218,000 in new fees to be credited to the State General Fund). The Senate Subcommittee concurs with the House's recommendation to create a \$45 fee for grocery stores to reflect inspection costs (S.B. 404 would create a grocery store fee of \$50).
10. The Subcommittee notes that FY 1992 is the fifth year of a five-year federal pilot project which identifies and provides services to infants and toddlers with special health care needs. KDHE is designated as the lead state agency through which the federal funds are expended (about \$700,000 per year). Currently, approximately 1,100 infants and toddlers (1.0 percent of the 0 - 2 age population in Kansas) are being provided with early intervention services in the pilot project, including case management, "child find", evaluation, and individualized family service plans. Public Law 99-457 requires that by the end of the fifth year of the federal pilot project, the state must have implemented a statewide early intervention program or risk the loss of continued federal financing of approximately \$700,000 per year. KDHE estimates that full implementation of a statewide program would cost \$1,777,343 from the State General Fund and continued financing of \$700,000 from federal funds, including four to six FTE new positions (\$128,000), case management for 1,710 additional infants and toddlers (\$1,026,000), and child find grants to each county (\$262,500). KDHE did not request approximately \$1.8 million in its FY 1992 budget request, and the Subcommittee does not recommend the addition of the funds due to current budget constraints. It is likely, however, that the Subcommittee will encounter an agency request for state financing during the 1992 Legislative Session and will review the issue in more detail at that time.
11. Delete \$30,000 from the State General Fund of the \$100,000 added by the House (Item 12) for family planning services. The Senate Subcommittee recommends that a proviso be added to the remaining \$70,000 limiting expenditures to community-based teenage pregnancy reduction services.



Senator Dave Kerr
Subcommittee Chair



Senator William Brady