

Approved

June 11, 1991

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Senator August "Gus" Bogina, Chairperson at 8:12 a.m. on May 3, 1991, in Room 123-S of the Capitol.

All members were present except:

Committee staff present:

Norman Furse, Gordon Self - Revisors' Office
Fiscal Analysts of the Kansas Legislative Research Department
Judy Bromich, Administrative Assistant
Ronda Miller, Committee Secretary

Conferees appearing before the committee:

None

An updated version of State General Fund projections based on HB 2122 (tax proposal) was distributed to the members (Attachment 1).

The Committee continued its review of recommendations for agency budget reductions contained in Attachment 2. The members endorsed all recommendations of the subcommittees unless otherwise noted.

DEPARTMENT OF REVENUE

1. Reduce 20 FTE positions - The Committee agreed to delete half the recommended amount of \$847,171 but did not delete the positions.

KANSAS TECHNOLOGY ENTERPRISE CORPORATION

2. The Committee did not authorize the expenditure of \$1. million from the EDIF to support the Mid-American Manufacturing Tech. Cntr, but encouraged the agency to use existing resources for this purpose.

Attachment 3 was distributed during discussion of Public Broadcasting.

Committee deliberations were interrupted by the delivery of Attachment 4, a press release from the Governor stating that the tax proposal, if passed by the House, would be vetoed. The members discussed the importance of continuing their work to balance the budget and decided to meet again in the afternoon to continue their review of the subcommittee recommendations. The Chairman recessed the meeting at 9:00 a.m.

Chairman Bogina reconvened the meeting at 2:22 p.m.

STATE HISTORICAL SOCIETY

1. The Committee concurred that only the \$80,000 for renovation of Constitution Hall should be deleted.

4 and 5 - It was recommended that \$74,500 be deleted from the agency's budget, but that the Secretary be given authority to designate which position to cut.

6 and 7 - The Committee agreed to restore \$77,000 SGF for OOE and \$25,000 EDIF for emergency repairs vetoed by the Governor.

STATE LIBRARY

1. It was noted that this recommendation would result in a 4% budget reduction to the agency. The Committee did not concur with this recommendation.

DEPARTMENT OF ADMINISTRATION

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, May 3, 1991.

2 and 3 - The Committee did not agree with these recommendations to reduce special maintenance budgets.

BOARD OF AGRICULTURE

1. The Committee recommended deleting \$200,000 and merging the salaries and wages line item with OOE.
2. The recommendation to delete the window replacement capital improvement project was not approved.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

1. It was noted by staff that recommendations 1 and 7 of the Department of Health and Environment were made in order to provide a safety net for some persons who would have received general assistance. Senator Kerr stated that the subcommittee had honored Secretary Harder's request that the appropriations for new programs be retained, that General Assistance be cut, and that other programs be targeted for additional appropriations.

There was discussion involving the members' hesitancy in recommending how much money should be cut from which programs. Senator Brady expressed concern that the reductions in SRS accounted for nearly 50% of the budget cuts.

In response to Senator Bogina's question, Secretary Harder indicated that he believed the agency would be in good legal standing if the Legislature either made reductions in specific programs or provided a lump sum to the Secretary along with discretionary authority as long as \$772,500 was provided for hospital reimbursement.

In discussing options, the Secretary stated that if the reduction in General Assistance were halved, the most vulnerable population could still be served. He added that a larger reduction in the Emergency Assistance program could then be made.

The Chairman announced that because it was time for conference committees to meet, the discussion of budget cuts would continue at the next meeting. The meeting was then adjourned.

GUEST LIST

COMMITTEE: SENATE WAYS AND MEANS

DATE: May 3, 1991

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
WAKE WOTCIMA	TOPEKA	DOB
DB. Dallam	Topeka	Div of Budget
Carole Morgan	TOPEKA	Ks. Dept. of Commerce
Theresa Shwey	Topeka	KCS
Lila Parlay	Topeka	acc/Ks
Gina McDonald	Topeka	KACIZ
Richard Morrissey	Topeka	KDHE
Edward L. Moran	Topeka	Ks. App. Producers
Patrick J. Heerley	Topeka	Econ. Life Line
Marle Hee	Topeka	KACC
John L. Turner	Topeka	Ks. Hospital Assn
Blair Smith	Topeka	KDPA
Charles Christ	Topeka	KDPA
Marilyn Bracht	Lawrence	KINH
CINDY GILPIN	TOPEKA	BUDGET
susan duffy	" "	REVENUE
Dick Koentz	" "	DWP
Janice Leavelle	" "	KOOC
Sherry Brown	" "	KLOA
Tom Peterson	Manhattan	KANSAS STATE U
Ron P. [Signature]	Hays	FHJM
R. Harder	Topeka	SRS
T. Muple	" "	KHP
W.E. Watts	" "	KDOT
Jim [Signature]	Lawrence	KU
Jerry Sloan	Topeka	OJA
Ramon Powers	Topeka	KSHS
Ben Coanos	Topeka	KSC
MARY E. TURKINGTON	Topeka	Ks. Moh. Comm. Assn
Bob Totten	Topeka	Ks. Contractors Assoc.

STATE GENERAL FUND PROJECTIONS -- WITH CONFERENCE COMMITTEE TAX PLAN

In Millions

	<u>FY 1991</u>	<u>FY 1992</u>	<u>Increase</u>	<u>FY 1993</u>	<u>Projected Increase</u>
Beginning Balance	\$272.9	\$132.6		\$128.9	
Receipts					
Consensus Est.	2,359.6	2,431.3	3.0%	2,528.6	4.0%
Transfers and Misl	--	4.2		--	
H.B. 2122 (Conference)	--	138.3		143.8	4.0%
Total	<u>2,359.6</u>	<u>2,573.8</u>	<u>9.1%</u>	<u>2,672.4</u>	<u>3.8%</u>
Expenditures					
Current Status*	2,499.9	2,532.9	1.3%		
With 5%/6% Bal.	--	2,577.5	3.1%	2,642.7	2.5%
		+44.6			
Ending Balance					
With 5%/6% Bal.	132.6	128.9		158.6	
% of Expend.	5.3%	5.0%		6.0%	
Receipts in Excess of Expend.					
With 5%/6% Bal.	(140.3)	(3.7)		29.7	

* Senate status after first adjournment and Senate version of the omnibus bill.

Note: The H.B. 2122/H.B. 2428 agreement calls for \$59.1 million more than the Senate current status of \$2,532.9 million (\$55.1 million in general school aid and \$4.0 million for the income tax rebate in FY 1992).

Kansas Legislative Research Department
May 3, 1991

91-456/RWR

SWAM
May 3, 1991
Attachment 1

SENATE WAYS AND MEANS SUBCOMMITTEE RECOMMENDATIONS

*SWAM
May 3, 1991
Attachment 2*

Agency	Description	FY 1992 Reduction	FY 1992 Revenue
Department of Corrections	1. Computer expansion project	\$ (576,851)	
	2. Salaries and wages pool	(650,000)	
	3. 10.0 FTE parole officers	(367,430)	
	4. Community Corrections Act reduction	(500,000)	
	Subtotal	\$ (2,094,281)	
Corrections Ombudsman Board	1. 3.0 percent reduction	\$ (5,343)	
Adjutant General	1. Reduce repair and rehabilitation funding by 50 percent	\$ (103,343)	
Highway Patrol	1. Eliminate the motorcycle program on October 1, 1991	\$ (276,088)	
	2. Delete 19 (@ \$14,000) patrol cars, but add repairs for 19 cars (@ \$2,000)	(228,000)	
	3. Reappropriate \$95,000 salary savings to FY 1992	(95,912)	
	Subtotal	\$ (600,000)	
Emergency Medical Services	1. Reduce SGF by 3 percent	\$ (23,351)	
Kansas Sentencing Commission	1. Reduce budget to \$200,000	\$ (64,535)	
Kansas Bureau of Investigation	1. Reappropriate savings from FY 1991 to FY 1992 and reduce SGF expenditures	\$ (61,858)	
	2. Reduction from OOE	(100,000)	
	3. Eliminate separate funding for capital improvements	(5,000)	
	Subtotal	\$ (166,858)	

Agency	Description	FY 1992 Reduction	FY 1992 Revenue
State Board of Regents	1. Delete \$250,000 for Teacher Scholarships in FY 1992, for a total appropriation of \$244,921	\$ (250,000)	
	2. Delete \$72,000 for Nursing Scholarships in FY 1992, for a total appropriation of \$590,593. In addition, make a corresponding reduction in sponsor funds.	(72,000)	
	3. Delete \$90,968 for tuition grants, for a total of \$5,120,924. The deletion is half of the difference between the House Committee reduction of 6 percent from the current year and the Senate reduction of 2.6 percent. The effect is a reduction of 4.3 percent from FY 1991.	(90,968)	
	4. Delete \$100,000 for the Honors Academy, the effect being to delete all funding for the program in FY 1992.	(100,000)	
Subtotal		\$ (512,968)	
Regents' Institutions	1. Additional tuition increase	\$ (5,766,616)	
KSU	1. Merger savings with KSU-SCT	\$ (100,000)	
	2. EDIF funding of extension program	(2,000,000)	
Subtotal		\$ (2,100,000)	
KUMC	1. Eliminate 30 new medical scholarships	\$ (303,000)	
KSU-SCT	1. Merger savings with KSU	\$ (100,000)	
Judicial Branch	1. Eliminate funding for the National Center for State Courts contained in the Senate version of the Omnibus bill	\$ (200,000)	
	2. Reduce \$500,000 from the district courts	(500,000)	
Subtotal		\$ (700,000)	
Indigents' Defense Services	1. Eliminate funding for LSP to serve the El Dorado Correctional Facility	\$ (25,000)	
	2. Eliminate the 2.5% salary increase for LSP employees included in the Senate version of the Omnibus bill	(8,811)	
Subtotal		\$ (33,811)	

Agency	Description	FY 1992 Reduction	FY 1992 Revenue
Department of Revenue	1. Reduce 20 FTE	\$ (847,171)	
Lottery	1. Transfer to SGF	\$	1,500,000
Department of Commerce	1. Delete 3.0 FTE positions which were not funded in S.B. 99	\$	--
	2. Delete 1.0 FTE added to support the Rural Development Council	(35,194)	
Subtotal		\$ (35,194)	
Kansas, Inc.	1. Shift 50% of approved salaries to EDIF	\$ (99,462)	
Kansas Technology Enterprise Corp.	1. Shift salaries and wages for KTEC and KVAC to EDIF 2. Authorize the expenditure of \$1,000,000 from EDIF to support the Mid-American Manufacturing Tech. Ctr.	\$ (509,197)	
Subtotal		\$ (509,197)	
Public Broadcasting	1. Public television and radio stations 2. KTWU translator station (in Omnibus bill)	\$ (124,015) (10,000)	
Subtotal		\$ (134,015)	
State Historical Society	1. Shift capital improvement funding for Constitution Hall and Fort Hays to EDIF (Doyen) 2. Lapse \$144,528 of unexpended balances in several FY 1991 SGF capital improvement accounts and appropriate \$144,528 from EDIF for capital improvements in FY 1991 (Doyen) 3. Lapse \$67,000 of unexpended final planning funds for the new Center for Historical Research (Doyen) 4. 1.0 FTE Folk Arts Coordinator 5. Historic sites exhibits 6. Do not restore funding of \$77,000 for OOE vetoed by Governor 7. Add \$25,000 from EDIF for emergency repairs which was vetoed by Governor	\$ (160,000) (144,528) (67,000) (32,000) (42,500) -- --	
Subtotal		\$ (446,028)	

Agency	Description	FY 1992 Reduction	FY 1992 Revenue
Arts Commission	1. Shift \$370,733 for arts programming grants from SGF to EDIF	\$ (370,733)	
State Library	1. Reduce aid to local libraries	\$ (29,000)	
Wildlife and Parks	1. Shift funding for park major maintenance from SGF to EDIF	\$ (150,000)	
Department of Administration	1. Reduce state operations (\$220,000 for engine overhaul on executive aircraft; \$10,000 for KANS-A-GRAM; \$70,000 for misc.)	\$ (300,000)	
	2. Reduce rehabilitation and repair -- Statehouse, Judicial Center, Printing Plant, Cedar Crest	(114,000)	
	3. Eliminate heating and air conditioning renovation Cedar Crest	(36,000)	
Subtotal		\$ (450,000)	
Board of Agriculture	1. Eliminate FACTS program and 8.0 FTE positions	\$ (165,110)	
	2. Delete window replacement capital improvement project	(18,514)	
Subtotal		\$ (183,624)	
Kansas State Fair	1. Shift funding of \$100,000 for capital improvements to EDIF	\$ (100,000)	
State Conservation Commission	1. Reduce State General Fund financed aid to local conservation districts by \$25,000 and shift remaining \$334,394 to the State Water Plan Fund	\$ (359,394)	
SRS	1. Delete General Assistance effective Sept. 1, 1991	\$ (8,371,566)	
	2. Eliminate cash grant increase	(2,121,937)	
	3. Reduce guardianship to FY 1991 levels	(100,000)	
	4. Delay KanWork to July 1, 1991	(659,646)	
	5. Reduce administrative expenditures	(300,000)	
	6. Increase hospital reimbursement to 90th percentile	772,500	
	7. Expand Emergency Assistance	2,600,000	

Agency	Description	FY 1992 Reduction	FY 1992 Revenue
	8. Delete Family and Children Trust Fund Transfer	(191,000)	
	9. Delete transportation as an optional Medicaid service for adults effective Sept. 1, 1991	(389,616)	
Subtotal		\$ (8,761,265)	
Health and Environment	1. Increase Primary Care pilot project	\$ 500,000	
	2. Reduce operating expenditures	(350,000)	
	3. Increase nursing home fees from \$7 to \$15 per bed by rules and regulations		240,624
Subtotal		\$ 150,000	\$ 240,624
Department on Aging	1. Delete \$22,500 from SGF for state operations	\$ (22,500)	
Kansas Commission on Veterans Affairs/Kansas Soldiers' Home	1. Delete funding added for salaries and wages and OOE	\$ (121,783)	
Dept. of Revenue - Homestead Property Tax Refunds	1. Reduce estimated payments	\$ (620,000)	
GRAND TOTAL		\$ (25,663,472)	\$ 1,740,624
			\$27,404,096

STATION	FY 1991	FY 1992 REQUEST	FY 1992 GOV. REC.	FY 1992 S.B. 87	HOUSE PROPOSAL ADJUST.	TOTAL HOUSE REC	HOUSE & SENATE OMNIBUS	SENATE SUBCOMM. ADJUST.	TOTAL SENATE REC
KTWU	\$132,137	\$143,000	\$132,137	\$132,137		\$132,137		(\$23,785)	\$108,352
KPTS	132,137	143,000	132,137	132,137		132,137		(23,785)	108,352
KOOD/KSWK	273,818	344,000	273,818	223,389		223,389	50,000	(50,000)	223,389
KCPT	114,581	124,000	114,581	114,581	(114,581)	(114,581)		(20,625)	93,956
KANZ-FM/KZNA-FM	32,341	70,000	32,341	32,341		32,341		(5,821)	26,520
Equipment Grants	39,300	150,000	39,300	0		0			
KCPT Transmitter	99,125 **								
KHCC-FM (Hutchinson)				68,000		68,000			
KTWU Repeater							10,000	(10,000)	0
TOTAL	\$823,439	\$974,000	\$724,314	\$702,585	(\$114,581)	\$473,423	\$60,000	(\$134,015)	\$560,570

SWAM
May 3, 1991
Attachment 3

STATE OF KANSAS



OFFICE OF THE GOVERNOR

JOAN FINNEY, Governor
State Capitol, 2nd Floor
Topeka, KS 66612-1590

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

GOVERNOR JOAN FINNEY
PRESS RELEASE
MAY 3, 1991

Substitute Senate Bill 2122, passed last night by the Kansas Senate is too little too late. If it is passed by the House of Representatives, I will honor my commitment to the Kansas people and veto it.

For this entire session, the will of the people has been ignored by the Kansas Legislature.

It is time for them to stop wasting money and time, to close shop and go home. Their tax bill is DOA.

SUAM
May 3, 1991
Attachment 4