

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson August Bogina at 11:00 a.m. on February 9, 1995 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Legislative Research Department
 Carolyn Rampey, Legislative Research Department
 Eric Milstead, Legislative Research Department
 Tim Colton, Legislative Research Department
 Michael Corrigan, Revisor of Statutes
 Avis Swartzman, Revisor of Statutes
 Judy Bromich, Administrative Assistant

Conferees appearing before the committee:

Others attending: See attached list

It was moved by Senator Brady and seconded by Senator Vancrum that bill drafts 5 RS 0278, 5 RS 0284, 5 RS 0023, 5 RS 0293, 5 RS 0046, 5 RS 0330, and 5 RS 0915 be introduced as requested by the Department of Administration. The motion carried on a voice vote.

SB 80: Appropriations for FY 96, arts commission, school for the blind, school for the deaf, historical society, council on vocational education and department of administration

Senator Kerr reviewed the FY 95 and FY 96 subcommittee reports for the Kansas Arts Commission (Attachment 1). It was noted that the table on page 3 (of Attachment 1) includes monies to provide funding for the Governor's salary plan. Because of the subcommittee's recommendation to place those monies in a separate bill, it was moved by Senator Kerr and seconded by Senator Salisbury to amend the table by deleting \$11,128 all funds and \$6,922 SGF from the table. The motion carried on a voice vote.

Senator Salisbury reviewed the FY 95 and FY 96 subcommittee report on the School for the Deaf (Attachment 2).

The FY 95 and FY 96 subcommittee reports for the School for the Blind (Attachment 3) were reviewed by Senator Salisbury. In response to questions regarding the recommendation to reduce funding for Accessible Arts, Inc., subcommittee members stated that they believed that private entities should be provided the opportunity to support a meaningful program, and, if that doesn't occur, the state could reexamine its commitment. It was moved by Senator Rock and seconded by Senator Petty that the FY 96 report be amended by reinstating the Governor's recommendation for Accessible Arts, Inc. There was discussion regarding the termination of federal programs. It was noted that the subcommittee's recommendations achieve a net reduction of \$24,000 from the Governor's recommendations for this agency. Senator Brady stated that is was the subcommittee's intent to provide adequate funding for faculty salaries at both the School for the Blind and the School for the Deaf over a two year period because it wasn't fiscally possible to accomplish this in one year. The motion to amend the report failed on a show of hands.

Senator Kerr reviewed the FY 95 and FY 96 subcommittee reports on the Historical Society (Attachment 4). In discussing recommendations #3 and #6 in the FY 96 report, it was stated that these recommendations do not result in an increase above the Governor's recommendations, but result in a change of use for the monies as suggested by the agency. Senator Kerr noted that the agency's preference to move money from capital improvements in FY 96 to FY 95 does not address the agency's need for an additional storage bay for newspapers. That space will have to be rented and will be an issue in appropriations for capital improvements. It was stated that the agency will have to absorb rental expenses within its existing budget. Ramon Powers, Executive Director of the Historical Society, told members that funding for the physical move was provided in the FY 95 budget. He stated that bids will be in within a month, so, if there is a funding

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 11:00 a.m. on February 9, 1995.

problem, it can be addressed by the 1995 Legislature during Omnibus considerations. Senator Vancrum supported the Governor's recommendation to impose a fee on admissions to the Kansas Museum of History and moved that the FY 96 report be amended by the deletion of recommendation #2. The motion died for lack of a second.

Senator Vancrum reviewed the FY 95 and FY 96 subcommittee reports for the State Council on Vocational Education (Attachment 5). There were no questions.

It was moved by Senator Kerr and seconded by Senator Moran that the FY 95 and FY 96 subcommittee reports as amended be adopted. The motion carried on a voice vote.

Senator Petty moved, Senator Salisbury seconded, that SB 80 be amended by deleting the Public Broadcasting section and by inserting it into the appropriations bill for the Department of Administration. It was noted that the House subcommittee had made the same recommendation. The motion carried on a voice vote.

The Chairman stated that the subcommittee report on the State Library portion of SB 80 was not complete and would be reviewed at a later date.

SB 190: State officers and employees, pay plan COLA and step increases, longevity bonuses, appropriations for FY 96

Senator Kerr asked the Director of the Budget for the rationale for the "seeming disparity" between what has been allocated for the regents institutions and state employees versus the allocations for elementary and secondary education and community colleges. Ms. Gloria Timmer stated that the Governor did not rewrite the funding mechanism for community colleges but funded current law. She made the following observations:

The K-12 budget authority increase in FY 96 is 3.7%. If the base per pupil aid (at \$3630) is added to the local option budget, the expected growth in total budget authority is equal to 3.7%. Because the budget is funded from a variety of sources, and there's a growth in local effort, the SGF component is smaller than 3.7%.

The special education recommendation was prepared by using the base that was approved in FY 95 which results in a 19% increase over 1994. That has a 1% enrollment growth using the same numbers for special education as for general education. In addition, the 3.5% inflation rate was used which caused the growth in special education to be a 4.7% increase.

The important issue in the K-12 appropriation is not just the percentage increase, but also the dollars. In fiscal year 1995, \$90.9 million in new money was added to the K-12 base; in FY 96, that increase is \$35.1 million.

In the Regents budget, when the 3.5% which is an equivalent merit pool for unclassified salaries is subtracted, the result is a salary increase of 1.1%

In the education budget, an exorbitant amount of money is required. \$16.6 million equates to \$30. per pupil.

Senator Kerr contended that without enrollment growth factored in, there is a decrease in state funding of 1.2%. He also believed that supplemental general aid might be lower than projected.

In answer to a question regarding parity growth, Ms. Timmer stated that growth in the education budget in 1992 was in the 9% range and growth in the regents budget was about 2.5%

SB 70: Appropriations for FY 96, department of education

Chairman Bogina reminded members that Senator Salisbury had offered several proposals during consideration of SB 70. He asked if there were any amendments to the FY 96 subcommittee report.

Senator Brady moved, Senator Rock seconded, that SB 70 be amended on page 2, line 11, by striking "\$37,259,446" and inserting "\$39,457,660." He explained that his proposed amendment would appropriate a 3.5% increase in SGF funding to community colleges, but noted that slightly more than \$1 million of that amount is the transfer of the vocational funding based on consolidation of Johnson County Community College. The amendment would result in a net increase of SGF monies in the amount of \$1,194,649 and would provide a 3.5% increase in a line item for credit hour aid. Concern was expressed that because no decision had been made regarding funding for the regents institutions, the recommended 3.5% increase might not mean "equity." Senator Brady expressed his concern that all higher education institutions be treated

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 11:00 a.m. on February 9, 1995.

uniformly, and pointed out that if nothing is included in this bill for community colleges, there might not be a vehicle later in the session. The motion carried on a show of hands.

Senator Salisbury reviewed the proposals she had offered for reducing the education budget on February 8, 1995. Senator Salisbury moved, Senator Vancrum seconded, that SB 70 be amended by reducing the operating budget by \$79,837 from the SGF and by reducing the subcommittee's recommendation for the adult basic education budget by \$200,000. The Chairman expressed his concern about reducing the budget for adult basic education, noting the need to retrain adults in technical expertise. Senator Morris called for a division of the question.

The motion to reduce the operating budget by \$79,837 carried on a show of hands.

Members discussed the subcommittee's decision to add \$200,000 for adult basic education. Senator Rock expressed his support of the subcommittee's recommendation, noting that 20-40% of adult students have disabilities, there is a substantial waiting list for the services, the population served is in need of more specific skills to avoid welfare. Senator Salisbury called for the question. The motion to delete the \$200,000 which was added by the subcommittee for adult basic education in FY 96 failed on a show of hands.

Senator Salisbury moved, Senator Vancrum seconded, that state funds for the student vocational education programs be deleted. It was noted that the programs included are Future Farmers of America, Business Professionals of America, and the Health Occupations of America. The motion failed on a show of hands.

It was moved by Senator Salisbury and seconded by Senator Vancrum that the Academy for At Risk program be eliminated for a savings of \$60,000 from the SGF. Senator Vancrum queried whether the state appropriation was sufficient to make a difference or whether the state was just keeping a program operating. Mr. Dale Dennis, Asst. Deputy Commissioner, Department of Education, told members that the program was started during the Hayden administration and has been maintained at the \$60,000 level for the last several years. He stated that there is no required federal match. The \$35,000 in federal funds would be used for other purposes if state funds are withheld. Mr. Dennis stated that the 48 students who are in the program are severe, at-risk students. The Department has asked for additional funds in the past to expand the program, but has not had success. The motion failed on a show of hands.

Senator Salisbury moved, Senator Lawrence seconded, that the student writing assessment be eliminated in FY 96 to save \$496,000. Senator Salisbury noted that she chose this particular assessment because it is the most time consuming and costly, not because it isn't a worthwhile assessment. Some members expressed support for testing in determining progress and in assessing the state's return on its investment in education. In responding to questions, Mr. Dennis stated, if the motion prevails, there would be a savings of \$496,000 to the Department of Education because no contract is signed until the money is received. He stated that KU will not begin to update the test until the Department agrees and has the money. The committee discussed the value of the tests to students, teachers, individual schools, local school districts and to the Board as part of the accreditation process.

Senator Salisbury told members that she had not fully endorsed all her proposals, but she had attempted to reduce the overall cost of government. The motion failed on a show of hands.

It was moved by Senator Kerr and seconded by Senator Rock that the FY 95 and FY 96 subcommittee reports as amended be adopted. The motion carried on a voice vote, with Senators Salisbury, Lawrence and Vancrum voting no.

Senator Rock moved, Senator Kerr seconded that SB 70 as amended be recommended favorable for passage. The motion carried on a roll call vote.

The Chairman thanked members for their indulgence and adjourned the meeting at 1:00 P.M. The next meeting is scheduled for February 10, 1995.

SENATE WAYS AND MEANS COMMITTEE GUEST LIST

DATE: FEBRUARY 9, 1995

NAME	REPRESENTING
Monica Wanken	Harden City Leadership
Jim Youally	USD #512
Ken Witzler	Ks. State Board of Education
Wale A. A. Amini	" " "
Diane Gjerstad	USD 259
ALAN COBB	KAAVTS
Ed Walburn	Washburn U
Merle Hill	KACC
Jim Hays	KASB
Patrick J. Shurley	Ks Educ Coalition
Don Royce	Kanor Valley 321
Sheri Nelson	USD 457
Lois Snow	State Library
Ramon Powers	Kansas State Historical Society
Ruth Shreve	K&MS
David A. Haury	KS ST HIST SOC

SENATE WAYS AND MEANS COMMITTEE GUEST LIST

DATE: FEBRUARY 9, 1995

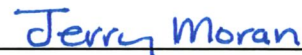
NAME	REPRESENTING
Dave DeRue	Vocational Council
Mike Bohnhoff	Div. of the Budget
Gloria Timmer	Div of Budget
Katly Sexton	Div. of Budget
Wes Esping	USD 384
Shirley Hanson	KVATA,
Doug Bowman	Coordinating Council
Heather Gray	Sen. Karr's Office
DOPSE IKIWOHO	KANSAS ARTS COMMISSION
Conchita Reyes	Kansas Arts Commission
Jean Langertson	KS Arts Council
John Allen	KEC
Denise Aft	USA - KACC
Craig Mount	KNEA
Ken Behr	4th Enrollment USD's
Elaine Frisbie	Div. of the Budget
Darla Daniels	Garden City Leadership College Garden City Comm. College
Janie Smith	USD 457 Garden City Garden City Leadership
Bill Doughty	Kansas State School for the Blind
Josie Torrez	Families Together, Inc.

KANSAS ARTS COMMISSION

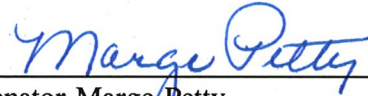
1995 S.B. 80 -- Section 3



Senator Dave Kerr, Chair



Senator Jerry Moran



Senator Marge Petty

SUBCOMMITTEE REPORT

Agency: Kansas Arts Commission

Bill No. --

Bill Sec. --

Analyst: Colton

Analysis Pg. No. 179

Budget Page No. 83

<u>Expenditure Summary</u>	<u>Agency Request FY 95</u>	<u>Governor's Recommendation FY 95</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 452,186	\$ 459,890	\$ 0
Program Grants	1,692,791	1,692,791	0
Total	<u>\$ 2,144,977</u>	<u>\$ 2,152,681</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 219,620	\$ 227,324	\$ 0
Program Grants	0	0	0
Total	<u>\$ 219,620</u>	<u>\$ 227,324</u>	<u>\$ 0</u>
FTE Positions	9.0	9.0	0.0

Agency Request/Governor's Recommendation

In FY 1995, the Kansas Arts Commission requests total funding of \$2,144,977. This is \$219,517 more than was approved by the 1994 Kansas Legislature, as adjusted by the State Finance Council. Included in the FY 1995 estimate is \$219,620 from the State General Fund (all for state operations). The requested supplemental funding is for position reclassifications at the agency. The agency is also seeking supplemental funding of \$100,000 from the EDIF for program grants. This supplemental funding would, apparently, in turn draw down \$104,745 in federal funding for program grants. The Governor concurs with the agency request, but makes technical adjustments for staff reclassifications. A retirement adjustment of \$4,709 will be made during the current year.

Senate Subcommittee Recommendations

Concur.

SUBCOMMITTEE REPORT

Agency: Kansas Arts Commission

Bill No. 80

Bill Sec. 3

Analyst: Colton

Analysis Pg. No. 179

Budget Page No. 3

<u>Expenditure Summary</u>	<u>Agency Request FY 96</u>	<u>Governor's Recommendation FY 96</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 535,345	\$ 474,768	\$ 0
Program Grants	1,884,017	1,433,043	0
Total	<u>\$ 2,419,362</u>	<u>\$ 1,907,811</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 257,799	\$ 227,025	\$ 0
Program Grants	0	1,112,197	0
Total	<u>\$ 257,799</u>	<u>\$ 1,339,222</u>	<u>\$ 0</u>
FTE Positions	10.0	9.0	0.0

Agency Request/Governor's Recommendation

The Kansas Arts Commission requests FY 1996 expenditures of \$2,419,362.

In its FY 1996 budget request, the agency lists what it considers to be its top priorities:

- ▶ Full funding of its current 9.0 FTE positions without imposition of shrinkage. (The Governor concurs.)
- ▶ Addition of an Administrative Officer III to serve as a program director and as Assistant Director of the agency. The cost of the position, without fringe benefits, would be \$30,594. The addition of the new position would take much of the day-to-day running of the agency out of the hands of the Executive Director, freeing up the Executive Director and other staff members for professional development work with Commissioners, provision of technical assistance to local arts organizations, implementation of the agency's long-range plan and exploration of alternative sources of federal, state and private funding. (The Governor does not recommend this position.)
- ▶ An increase of \$500,000 in state funding (from the EDIF) for the Arts in Education Program. The agency has targeted this program as one which has a significant impact on the arts, education and quality of life. Requests for funding for the program have risen by 66 percent in one year. (In FY 1995, the Legislature added \$100,000 from the EDIF to this program, so that the agency could fund grants for arts education for at-risk children and youth, particularly in the state's three youth centers.) (The Governor does not recommend the \$500,000

enhancement from the EDIF, but continues the \$100,000 added for FY 1995 in FY 1996, but switches funding to the State General Fund.)

- ▶ Increases in funding for printing, and for fees-professional services. This would allow the agency to reinstate or introduce new modes of communications, as called for in the agency's long-range plan. These would include a quarterly newsletter, an annual report and the development of wire service stories about the arts in Kansas for local newspapers. (The Governor does not recommend these enhancements.)
- ▶ Capital expenditures of \$6,736, which would include funding for the requested new position and for a computer and server for the SHARP centralized personnel system. (The Governor does not recommend this item.)

The Governor recommends FY 1996 expenditures of \$1,907,811, of which \$474,768 is for operating expenditures. The Governor's recommendation contains funding for step movement, a 1-percent base salary adjustment, and a 3.5-percent unclassified merit increase.

The Governor switches state support for the arts from the EDIF to the State General Fund.

State General Fund spending for both state operations and for state support for the arts would essentially allow the agency to continue to provide service at the same level as in FY 1995, but for the fact that an overall reduction in funding for grants occurs, due to a reduction in federal support for the arts.

Senate Subcommittee Recommendation

Concur with the Governor's recommendation, except:

1. Place funding for the Governor's salary plan (\$11,128 All Funds; \$6,922 SGF) in a separate bill.
2. The Subcommittee notes that the agency, in its presentation to the Subcommittee, requested a \$100,000 increase for its major grants program. This program is the primary one for arts development (*e.g.*, in rural or underserved areas), and is funded mainly by state grants. The Subcommittee applauds the agency's work to develop the arts in areas of Kansas that have, traditionally, been underserved. However, in light of possible budgetary difficulties in FY 1996, the Subcommittee supports the Governor's policy of continuing state support at the FY 1995 level.
3. The Subcommittee further notes that federal support for the arts in Kansas in FY 1996, with respect to FY 1995, declined by about \$247,000. This bill is due in part to the 2 percent cut in the congressional appropriation to the National Endowment to the Arts. It is also due in part to what the agency termed a cyclical "ebb and flow" in federal grant funding. According to the agency, two important federal grants are currently being applied for, and the amount indicated in the *Budget Analysis* for grants (\$320,846) may not be final.

SUBCOMMITTEE REPORT

Agency: School for the Deaf

Bill No. --

Bill Sec. --

Analyst: Milstead

Analysis Pg. No. 194

Budget Page No. 155

<u>Expenditure Summary</u>	<u>Agency Estimate FY 95</u>	<u>Governor's Recommendation FY 95</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 6,197,887	\$ 6,176,202	\$(40,865)*
Other Funds	184,748	184,748	0
Subtotal -- Operating	<u>\$ 6,382,635</u>	<u>\$ 6,360,950</u>	<u>\$ (40,865)</u>
Capital Improvements:			
State Institutions Building Fund	<u>\$ 5,659,353</u>	<u>\$ 5,659,353</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 12,041,988</u></u>	<u><u>\$ 12,000,000</u></u>	<u><u>\$ (40,865)</u></u>
FTE Positions	177.5	177.5	0.0
Special Project Appointments	0.0	0.0	0.0
TOTAL	<u><u>177.5</u></u>	<u><u>177.5</u></u>	<u><u>0.0</u></u>

* This adjustment stems from the School's revised utility expenditures. The Subcommittee recommends reappropriating that amount in FY 1996 for instructor salaries.

Agency Estimate/Governor's Recommendation

Estimated operating expenditures of \$6,382,635 in FY 1995 are \$15,427 below the approved amount, including \$6,512 from the State General Fund and \$8,915 in federal Elementary and Secondary Education Act (ESEA) funds. The revised estimate reflects reductions in Worker's Compensation and Unemployment Insurance rates. The agency's revised capital improvements estimate of \$5,659,353 from the State Institutions Building Fund is \$2,782,853 above the amount approved due to a carry forward of funds from FY 1994 to FY 1995.

For FY 1995 the Governor recommends operating expenditures for the School of \$6,360,950, a reduction of \$21,685 from the State General Fund (all in salaries and wages). The Governor concurs with the agency's estimate for capital improvement expenditures of \$5,659,353.

Senate Subcommittee Recommendation

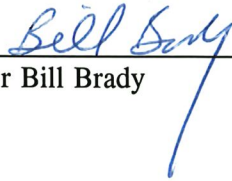
FY 1995. The Subcommittee concurs with the Governor's recommendation, with the following modification.

*SWAM
February 9, 1995
Attachment 2*

1. Reduce by \$40,865 expenditures from the State General Fund. That amount reflects the School's savings from its FY 1995 revised utility expenditures.



Senator Alicia Salisbury, Chair



Senator Bill Brady

SUBCOMMITTEE REPORT

Agency: School for the Deaf

Bill No. 80

Bill Sec. 5

Analyst: Milstead

Analysis Pg. No. 194

Budget Page No. 155

<u>Expenditure Summary</u>	<u>Agency Request FY 96</u>	<u>Governor's Recommendation FY 96</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 7,193,016	\$ 6,384,799	\$ (122,730)
Other Funds	182,477	182,477	(1,704)
Subtotal -- Operating	<u>\$ 7,375,493</u>	<u>\$ 6,567,276</u>	<u>\$ (124,434)</u>
Capital Improvements:			
State Institutions Building Fund	<u>\$ 781,800</u>	<u>\$ 485,000</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 8,157,293</u></u>	<u><u>\$ 7,052,276</u></u>	<u><u>\$ (124,434)</u></u>
FTE Positions	188.5	177.5	0.0
Special Project Appointments	0.0	0.0	0.0
TOTAL	<u><u>188.5</u></u>	<u><u>177.5</u></u>	<u><u>0.0</u></u>

Agency Request/Governor's Recommendation

The School for the Deaf (KSD) requests operating expenditures of \$7,375,493 for FY 1996, of which \$7,193,016 would be from the State General Fund and \$182,477 would be from other revenue sources. The request is an increase of \$992,858 above the FY 1995 estimate of operating expenditures. The FY 1996 request also includes \$781,800 from the State Institutions Building Fund for capital improvements. The operating request includes funding for 11.0 FTE new positions associated with implementing a new program for trainable mentally handicapped children who are deaf (\$231,109). The School is continuing its practice of requesting salary parity adjustments for its unclassified faculty and dormitory personnel, which are necessary, according to the agency, for the purpose of making KSD teacher salaries comparable to teacher salaries in surrounding school districts and to upgrade dormitory staff salaries. The agency-wide salary turnover rate is estimated at 3.9 percent in FY 1995 and 3.0 percent in FY 1996.

The Governor recommends a total of \$7,052,276 in FY 1996 to continue all programs at the current level of service, including the current 177.5 FTE positions. For operating expenses, \$6,384,799 is included from the State General Fund. The recommendation provides funding for four weeks of extended schooling for students whose Individual Education Plan (IEP) indicates that significant regression in language development will occur during the time away from school. The Governor does not recommend funding for 11.0 FTE new positions for a program to educate trainable mentally handicapped children. The Governor does recommend a 3.5 percent merit pool for unclassified staff.

Senate Subcommittee Recommendation

FY 1996. The Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. Add \$79,398 (from the State General Fund) to the instructors' salary pool (this includes both classroom instructors and dormitory teachers). To fund this increase, \$40,865 is reappropriated from the State General Fund from FY 1995. That reappropriation stems from the School's savings in FY 1995 utility expenditures. Also, \$14,533 of the \$79,398 is a shift from State General Fund financing from capital outlay. The Subcommittee notes that there is a need to close the salary disparity between the School's faculty and local school district instructors. The Subcommittee recognizes that an increase of \$79,398 will not resolve the existing salary disparity. The recommended addition, however, is made with the intent and recommendation that a like increase (\$79,398) be funded in FY 1997.
2. Reduce, by \$14,533 (from the State General Fund), the Governor's recommended capital outlay funding of \$90,130. The Subcommittee recommends that if the reduced capital outlay funding results in a shortfall in meeting capital outlay needs, that shortfall should be made up by additional funds from the School's Local Services Reimbursement Fund. The Subcommittee notes that the use of the Local Services Reimbursement Fund in such a manner should act as an incentive for the School to provide additional outreach services.
3. Delete \$189,299, including \$187,595 from the State General Fund based on the recommendation to delete funding for a 3.5 percent unclassified merit pool (\$137,967); classified step movement (\$17,546); a one percent base salary adjustment for classified employees (\$11,571); and the longevity bonus (\$22,056) from individual agency budgets.
4. The Subcommittee has been informed of the dearth of educational programs and opportunities for students who are both blind and deaf. The Subcommittee asks the administrations of the School for the Deaf and the School for the Blind to consider the possibility of coordinating efforts to address the unique problems facing such students. Specifically, the Subcommittee requests that the Schools examine ways in which they might better serve, through a collaborative effort, students who are both deaf and blind and also, those students who have been diagnosed with Usher's Syndrome. The Subcommittee requests that the administrations of both Schools present their findings and proposals to the House Subcommittee on Education and Legislative Operations.
5. The Subcommittee recommends that the School establish criteria to illustrate the fluency levels achieved by its students as a means of demonstrating the School's efficacy. The Subcommittee also recommends that the School re-examine its stated "Mission" in light of the special needs of students who are both deaf and blind and those who are deaf and multipli-handicapped.

Alicia Salisbury

Senator Alicia Salisbury, Chair

Bill Brady

Senator Bill Brady

SUBCOMMITTEE REPORT

Agency: School for the Blind

Bill No. --

Bill Sec. 2

Analyst: Milstead

Analysis Pg. No. 186

Budget Page No. 101

Expenditure Summary	Agency Estimate FY 95	Governor's Recommendation FY 95	Senate Subcommittee Adjustments
State Operations:			
State General Fund	\$ 3,500,115	\$ 3,468,489	\$ (1,787)
Economic Development Initiatives Fund	150,000	150,000	0
All Other Funds	208,208	208,208	0
Subtotal -- Operating	<u>\$ 3,858,323</u>	<u>\$ 3,826,697</u>	<u>\$ (1,787)</u>
Capital Improvements:			
State Institutions Building Fund	\$ 857,773	\$ 857,773	\$ 0
TOTAL	<u>\$ 4,716,096</u>	<u>\$ 4,684,470</u>	<u>\$ (1,787)</u>
FTE Positions	94.5	94.5	0.0
Special Project Appointments	0.0	0.0	0.0
TOTAL	<u>94.5</u>	<u>94.5</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

Operating expenditures for FY 1995 are estimated to be \$3,858,323, an increase of \$54,449 above the approved amount of \$3,803,874, including an increase of \$11,803 from the State General Fund. A supplemental State General Fund appropriation of \$21,746 is required to finance the agency's revised expenditure request because the agency spent \$9,943 in FY 1994 which had been anticipated to be reappropriated for expenditure in FY 1995. Expenditures above the approved amount include \$33,450 for the emergency establishment of a Teacher (1.0 FTE) to provide specialized orientation and mobility (O and M) services instruction to KSSB students to local school districts. This unforeseen need arose because of the death of an O and M instructor contracted from a local school district. The School is pursuing a special project appointment of an O and M instructor with reimbursement from local school districts for service as needed. The request assumes funding of this position from the State General Fund and the General Fees Fund.

The Governor recommends \$3,826,697 for operating expenditures in FY 1995 (\$31,626 less than the agency's estimate), including \$3,468,489 from the State General Fund. The reduction is attributable to a decrease of \$11,228 in salaries and wages, and a decrease of \$20,398 in fees for professional services in the Instructional Services program. The Governor recommends that the O and M instructor remain a special project position.

*SWAM
February 9, 1995
Attachment 3*

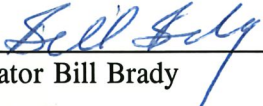
Senate Subcommittee Recommendation

FY 1995. The Subcommittee concurs with the Governor's recommendation, with the following modification.

1. Reduce by \$1,787 State General Fund expenditures for FY 1995. The reduction stems from the School's revised estimate of utility expenditures.



Senator Alicia Salisbury, Chair



Senator Bill Brady

SUBCOMMITTEE REPORT

Agency: School for the Blind

Bill No. 80

Bill Sec. 4

Analyst: Milstead

Analysis Pg. No. 186

Budget Page No. 101

Expenditure Summary	Agency Request FY 96	Governor's Recommen- dation FY 96	Senate Subcommittee Adjustments
State Operations:			
State General Fund	\$ 4,262,067	\$ 3,772,481	\$ (113,780)
Economic Development Initiatives Fund	0	0	0
All Other Funds	215,659	283,409	(2,679)
Subtotal -- Operating	<u>\$ 4,477,726</u>	<u>\$ 4,055,890</u>	<u>\$ (116,459)</u>
Capital Improvements:			
State Institutions Building Fund	\$ 2,307,159	\$ 2,307,159	\$ 0
TOTAL	<u>\$ 6,784,885</u>	<u>\$ 6,363,049</u>	<u>\$ (116,459)</u>
FTE Positions	97.0	93.5	0.0
Special Project Appointments	0.0	0.0	0.0
TOTAL	<u>97.0</u>	<u>93.5</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The School requests \$4,477,726 for FY 1996 operating expenditures, of which all but \$215,659 is from the State General Fund. The request is an increase of \$619,403 and 3.5 FTE new positions above the FY 1995 estimate. Requested positions include the continuation of the FY 1995 orientation and mobility teacher (1.0 FTE), a Safety and Security Officer I position (1.0 FTE), a resource center paraprofessional to report to the librarian (1.0 FTE), a 0.5 FTE job coach paraprofessional to drive to various local job sites to provide guidance to students who are learning vocational skills, and an elementary reading teacher (1.0 FTE). Also requested is \$156,000 from the State General Fund for a contract with Accessible Arts, Inc. compared to FY 1995 funding of \$150,000 from the Economic Development Initiatives Fund. The FY 1996 request for capital outlay of \$372,572 is an increase of \$264,337 above the current year. The capital outlay request includes \$200,000 (\$100,000 state/\$100,000 donated) for the requested Adapted Technology Loan Library. The agency request also shifts financing for the Kansas Instructional Resource Center from federal Title VI funds to the State General Fund (\$68,050) The agency states those federal funds are available only for start-up costs. The School in FY 1996 requests salary increases for its unclassified faculty (8.0 percent increase) in order to more effectively compete with surrounding school districts.

For FY 1996, the Governor recommends operating expenditures of \$4,055,890, a reduction of \$421,836 from the agency's request. The Governor recommends a reduction in financing from the State

General Fund of \$489,586. According to the Governor, his recommendation allows for continuation of all current programs, including the existing 93.5 FTEs and 1.0 special project position. Funding of \$150,000 is recommended from the State General Fund for Accessible Arts, a statewide special education initiative. The Governor does not recommend funding for the requested 3.5 new FTE positions. No state funding is recommended for the Adapted Technology Loan Library and there is no recommended change to State General Fund financing for the Kansas Instructional Resource Center. The Governor does recommend a 3.5 percent merit pool for unclassified employees and a 1.0 percent base salary adjustment and step movement for classified staff.

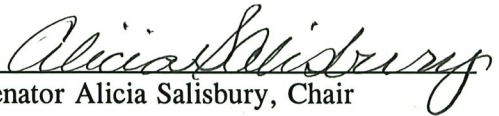
Senate Subcommittee Recommendation

FY 1996. The Subcommittee concurs with the Governor's recommendation with the following adjustments:

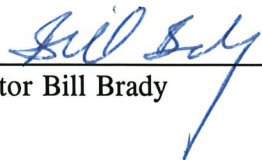
1. Reduce funding for Accessible Arts, Inc. to \$100,000 from the Governor's recommendation of \$150,000. The Subcommittee concurs with the Governor's recommendation that Accessible Arts be funded in FY 1996 from the State General Fund (in FY 1995 Accessible Arts received \$150,000 in funding, all from the Economic Initiative Development Fund (EDIF)). The Subcommittee notes, however, that State General Fund financing for the program should begin to be phased-out. The Subcommittee acknowledges that Accessible Arts is a very important enrichment program for the students and teachers it serves. The program, however, was begun with federal funding and now relies upon state financing. The Subcommittee's recommendation for a phase-out of state funding is premised on the expectation that funding for Accessible Arts will be provided by other entities.
2. Add \$26,000 to the instructor's salary pool (including both classroom instructors and dormitory instructors) for FY 1996. The Subcommittee notes that there is a need to close the salary disparity between the School's faculty (both dormitory teachers and classroom instructors) and local school district instructors. The Subcommittee recognizes that an increase of \$26,000 will not resolve the existing salary disparity. The Subcommittee notes, however, that the issue can and should be addressed and remedied further by the 1996 Legislature.
3. Delete \$92,459, including \$89,780 from the State General Fund, based on the recommendation to delete funding for a 3.5 percent unclassified merit pool (\$63,553); classified step movement (\$8,275); a one percent base adjustment for classified employees (\$9,393); and the longevity bonus (\$11,238) from individual agency budgets.
4. The Subcommittee has been informed of the dearth of educational programs and opportunities for students who are both blind and deaf. The Subcommittee asks the administrations of the School for the Deaf and the School for the Blind to consider the possibility of coordinating efforts to address the unique problems facing such students. Specifically, the Subcommittee requests that the Schools examine ways in which they might better serve, through a collaborative effort,

students who are both deaf and blind and also, those students who have been diagnosed with Usher's Syndrome. The Subcommittee requests that the administration of both Schools present their findings and proposals to the House Subcommittee on Education and Legislative Operations.

5. In light of the relatively brief two-year average enrollment by students at the School, the Subcommittee recommends that the School revise its "Mission" statement.



Senator Alicia Salisbury, Chair



Senator Bill Brady

SUBCOMMITTEE REPORT

Agency: Kansas State Historical Society

Bill No. --

Bill Sec. --

Analyst: Colton

Analysis Pg. No. 200

Budget Page No. 263

<u>Expenditure Summary</u>	<u>Agency Estimate FY 95</u>	<u>Governor's Recommendation FY 95</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 6,457,928	\$ 6,446,131	\$ 0
Aid to Local Units	787,870	787,870	0
Other Assistance	1,172,613	1,172,613	0
Subtotal - Operating	<u>\$ 8,418,411</u>	<u>\$ 8,406,614</u>	<u>\$ 0</u>
Capital Improvements	3,985,572	4,031,592	0
TOTAL	<u><u>\$ 12,403,983</u></u>	<u><u>\$ 12,438,206</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 5,061,620	\$ 5,048,752	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 5,061,620</u>	<u>\$ 5,048,752</u>	<u>\$ 0</u>
Capital Improvements	327,049	327,049	0
TOTAL	<u><u>\$ 5,388,669</u></u>	<u><u>\$ 5,375,801</u></u>	<u><u>\$ 0</u></u>
FTE Positions	140.5	140.5	--

Agency Estimate/Governor's Recommendation

The agency estimates FY 1995 operating expenditures in the amount of \$8,418,411. Of this amount, \$5,061,620 is from the State General Fund, and \$3,356,791 is from special revenue funds. The agency's estimate for State General Fund spending is \$42,887 less than the amount approved by the 1994 Legislature as adjusted by the State Finance Council. The reduction is due to an adjustment made to the agency's budget in light of a retirement; the adjustment also included the elimination of 1.0 FTE position. The Governor concurs with the agency request, except for reducing current year salary expenditures by \$12,868 (as a result of changes in fringe benefit rates), and adding \$3,911 for expenses associated with the conservation of the John Steuart Curry sketches acquired by the agency in FY 1993.

*SWAM
February 9, 1995
Attachment 4*

Senate Subcommittee Recommendation

Concur.



Senator Dave Kerr, Chair



Senator Jerry Moran



Senator Marge Petty

SUBCOMMITTEE REPORT

Agency: Kansas State Historical Society

Bill No. 80

Bill Sec. 6

Analyst: Colton

Analysis Pg. No. 200

Budget Page No. 263

Expenditure Summary	Agency Request FY 96	Governor's Recommendation FY 96	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 7,120,256	\$ 6,270,094	\$ 64,549
Aid to Local Units	399,141	387,000	0
Other Assistance	498,000	488,000	0
Subtotal - Operating	<u>\$ 8,017,397</u>	<u>\$ 7,145,094</u>	<u>\$ 64,549</u>
Capital Improvements	2,687,255	100,000	(43,363)
TOTAL	<u><u>\$ 10,704,652</u></u>	<u><u>\$ 7,245,094</u></u>	<u><u>\$ 21,186</u></u>
State General Fund:			
State Operations	\$ 5,939,864	\$ 4,940,303	\$ 38,150
Aid to Local Units	0	0	0
Other Assistance	0	100,000	0
Subtotal - Operating	<u>\$ 5,939,864</u>	<u>\$ 5,040,303</u>	<u>\$ 38,150</u>
Capital Improvements	1,978,075	100,000	(43,363)
TOTAL	<u><u>\$ 7,917,939</u></u>	<u><u>\$ 5,140,303</u></u>	<u><u>\$ (5,213)</u></u>
FTE Positions	144.5	138.5	--

Agency Request/Governor's Recommendation

i. Operating Expenditures. The agency requests FY 1996 operating expenditures in the amount of \$8,017,397. This is a reduction of 4.8 percent from the agency's revised current year estimate. The reduction is due to FY 1995 costs associated with the move to the new Center for Historical Research, and to reduced estimated grant funding from the Heritage Trust Fund. Of requested funding, \$5,939,864 is from the State General Fund, and the remainder from special revenue funds. The agency's request for State General Fund spending is 10.2 percent more than the amount in the agency's revised current year estimate.

The agency requests four new FTE positions in FY 1996: a Historic Preservation Officer II position, funded from the Heritage Trust Fund and federal Historic Preservation Fund grants, to serve as a grants manager for the Heritage Trust program; a Public Information Officer I position, to serve as the agency's main liaison to the media, and to promote activities and events of the Historical Society; a Microcomputer Systems Technician II, to assist in the planning and implementation of agency computer applications; and an Archaeologist II position, to replace a position lost as a retirement reduction, which would perform duties connected with the Unmarked Burial Sites Preservation Act.

The Governor recommends FY 1996 operating expenditures in the amount of \$7,154,094. This is a reduction of \$850,162 from the agency request. Recommended salary expenditures are \$344,941 less than those requested by the agency, and other operating expenditures are reduced by \$505,221. In the Governor's recommendation there is funding for classified employee step movement, a 1-percent base salary adjustment for classified employees, and a 3.5-percent merit increase for unclassified employees. The Governor's recommendation represents a reduction of \$1,261,520 from the revised current year recommendation. This is in part attributable to a very high level of grant funding awarded by the agency in FY 1995. However, all expenditure categories of state operations except for commodities are reduced to below current year levels: salary expenditures by \$34,730 (-0.7 percent), and contractual services by \$151,007 (-11.6 percent). The Governor recommends commodity expenditures of \$297,927 in FY 1996, up from \$267,726 in FY 1995, and funding for capital outlay in the amount of \$19,525. The Governor does not recommend the new positions requested by the agency. Indeed, the recommendation abolishes 2.0 FTE positions in the Historic Sites Division, and imposes a turnover rate of 4.0 percent on the agency (where there are currently two vacant positions).

The Governor recommends that an admission fee be introduced at the Kansas Museum of History. The Governor estimates revenue of \$200,000 to the agency's General Fees Fund, based upon about 140,000 visitors to the Museum, and a fee of \$2, with exemptions or reductions for children and seniors.

ii. Grants. The agency request contains \$897,141 in grants to local units of government and other assistance in FY 1996, all of which is from special revenue funds. Of the requested funding, \$650,000 is from the Heritage Trust Fund, \$123,141 from the National Historic Preservation Act Fund -- Local, \$100,000 from the Economic Development Initiatives Fund (grant to the Kansas Humanities Council), and \$23,000 from the Historic Preservation Overhead Fees Fund.

The Governor recommends \$875,000 for grants to local units of government and other assistance in FY 1996, a decrease of \$22,141 from the amount requested by the agency. Grant levels are reduced in the Governor's recommendation in order to use moneys, heretofore expended for grants, for operating expenditures. The Governor recommends \$100,000 for a grant to the Kansas Humanities Council; funding is from the State General Fund, rather than from the Economic Development Initiatives Fund.

iii. Capital Improvements. The agency requests \$2,687,255 in funding for capital improvements. Of the requested funding, \$1,978,075 (from the State General Fund) is requested for a third storage bay at the Center for Historical Research. The remainder of the requested funding is from the Historic Properties Fund, funded from the Economic Development Initiatives Fund. The funding would finance emergency repairs (\$25,000), cyclical maintenance (\$100,000), and preservation and development projects at the Center for Historical Research and at state historic sites (\$584,180).

The Governor recommends \$100,000 from the State General Fund for rehabilitation and repair projects in FY 1996.

Senate Subcommittee Recommendation

The Senate Subcommittee makes the following adjustments:

1. Place funding for the Governor's salary plan (\$163,046 all funds, \$145,117 SGF) in another bill.

2. This Subcommittee is not in agreement with the Governor's recommendation to impose a fee on admissions to the Kansas Museum of History. The Subcommittee agrees with the conclusion of last year's Senate Ways and Means Subcommittee and of the Joint Committee on Arts and Cultural Resources that a fee on admissions would limit access to the Museum, and that it would have a negative impact upon tourism in Topeka and in the whole region. The fee would very likely have a negative impact on the number of repeat visitors to the Museum, and would generally hurt the Museum's attractiveness as a touristic point of interest, and as a stimulus for economic development. The Subcommittee notes that, several years ago, the agency, in a pilot project, imposed a fee on admissions to Fort Hays and the Adair Cabin in Osawatomie. As a result, visitations to those sites dropped dramatically. The Subcommittee is concerned that an admissions fee would cause the Kansas Museum of History, which is the most-visited state-owned tourist site in Kansas, to suffer the same fate (the agency projects a 30-percent drop in attendance if an admissions fee is imposed).

The Governor, in his recommendations on this budget, projected revenues of \$200,000 from an admissions fee. He called for the agency to spend \$139,904 from fee revenues for education and outreach programs, museum operations and historic sites. (Parenthetically, the Subcommittee feels that the Governor was rather over-optimistic in his estimates of revenue that would be generated by a fee.

The agency presented credible evidence that the gross revenue from an admissions fee would total around \$60,000 per year. The Subcommittee notes, too, that the Governor did not address at all the costs of implementing an admissions fee, *e.g.*, installation of turnstiles, etc., in his budget recommendations.)

To replace operating funding that would have come from admissions fee revenue in the Governor's recommendations, the Subcommittee recommends the addition of \$139,904 from the State General Fund.

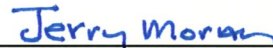
3. Switch \$43,363 from the State General Fund from capital improvement funding in 1995 S.B. 178, and add \$1,742 from federal funds to reduce shrinkage from four percent to three percent. The Subcommittee notes that there are currently two vacant positions at the agency. In light of this, a four-percent shrinkage rate is unrealistic and punitive.
4. Add \$42,586 from the Economic Development Initiatives Fund for continuation of the Historic Sites Transition Plan. Under the Plan, the agency is working to devolve three state historic sites (the First Territorial Capitol at Fort Riley, Goodnow House in Manhattan, and the Adair Cabin in Osawatomie) to local organizations. (The Funston House in Iola has already been transferred out of the state historic sites system.) The Subcommittee strongly believes that this is a legitimate use of funding from the EDIF, since the historic sites, once devolved into local ownership and management, will continue to function as tourism sites and as producers of tourist revenue (which is an important component of economic development) for the communities where the sites are located.

While the Subcommittee is pleased with the fact that the deaccessioning of the Funston House has been completed, it would be even more pleased if the transition of the other sites were proceeding more rapidly. The Subcommittee cautions the agency that this is the last year in which it will be willing to provide funding for the deaccessioning of the First Capitol and Goodnow House. The Subcommittee expects that with the funding that has been provided, the transition of these sites will be complete by this time next year.

5. Concur with GBA No. 2, which provides funding necessary to correct an error in salary funding that appeared in the *Governor's Budget Report*.
6. Allow the agency to use the capital improvement funding remaining in 1995 S.B. 178 (\$56,637) both for rehabilitation and repair projects and for cyclical maintenance at agency facilities.
7. Make the agency's FY 1996 reappropriation an unlimited reappropriation in order to give it flexibility in the funding of exhibit costs and utility expenditures, both at the Memorial Building and the Kansas History Center. Because the agency often has expenditures that are not confined to a single fiscal year (*e.g.*, costs of exhibits), it has traditionally been given an unlimited reappropriation.



Senator Dave Kerr, Chair



Senator Jerry Moran



Senator Marge Petty

SUBCOMMITTEE REPORT

Agency: State Council on Vocational Education Bill No. --

Bill Sec. --

Analyst: Rampey

Analysis Pg. No. 215

Budget Page No. 543

<u>Expenditure Summary</u>	<u>Agency Estimate FY 95</u>	<u>Governor's Recommendation FY 95</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Federal Funds	\$ 153,124	\$ 153,124	\$ 0
FTE Positions	2.0	2.0	0.0
Special Project Appointments	0.0	0.0	0.0
TOTAL	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>

Agency Overview


The State Council on Vocational Education is a 13-member body comprised of seven representatives of business and labor organizations and six representatives of vocational education institutions. The Council is funded entirely from federal funds and is mandated by federal law as a condition of Kansas receiving federal vocational education funds, estimated to be almost \$10.4 million. Its allocation for the last several years has been \$150,000. The Council is charged with making recommendations to the State Board of Education and other policymaking bodies concerning the State Plan for Vocational Education and other matters relating to vocational education and job training.

Agency Estimate/Governor's Recommendation

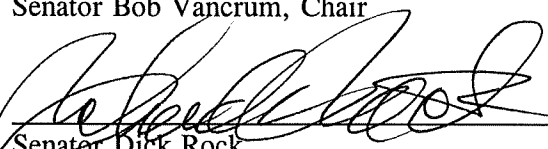
The Council estimates expenditures of \$153,124 in the current year. The Governor concurs with the Council's estimate.

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the Governor's recommendations.



Senator Bob Vancrum, Chair



Senator Dick Rock

SUBCOMMITTEE REPORT

Agency: State Council on Vocational Education **Bill No. 80**

Bill Sec. 7

Analyst: Rampey

Analysis Pg. No. 215

Budget Page No. 543

<u>Expenditure Summary</u>	<u>Agency Request FY 96</u>	<u>Governor's Recommendation FY 96</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Federal Funds	\$ 150,000	\$ 150,000	\$ (3,101)
FTE Positions	2.0	2.0	0.0
Special Project Appointments	0.0	0.0	0.0
TOTAL	<u>2.0</u>	<u>2.0</u>	<u>0.0</u>


Agency Request/Governor's Recommendation

The Council estimates expenditures of \$150,000 in FY 1996. The Governor concurs with the Council's request.

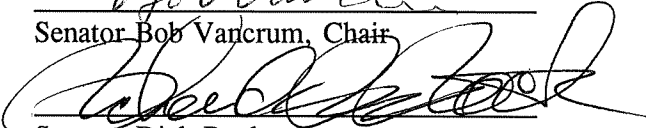
Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the recommendations of the Governor, with the following exception:

1. Delete \$3,101 based on the recommendation to delete funding for a 3.5 percent unclassified merit pool (\$1,795); classified step movement (\$54); a one percent base adjustment for classified employees (\$303); and the longevity bonus (\$949) from individual agency budgets.



 Senator Bob Varcrum, Chair



 Senator Dick Rock