

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 March 24, 1995 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Don Cawby, Legislative Research Department
Julian Efird, Legislative Research Department
Susan Wieggers, Legislative Research Department
Norman Furse, Revisor of Statutes
Michael Corrigan, Revisor of Statutes
Judy Bromich, Administrative Assistant
Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

Senator Karr moved, Senator Lawrence seconded, that the minutes of March 20 and March 21 stand approved as presented. The motion carried on a voice vote.

HB 2090 Appropriations for FY 96, public safety agencies and youth centers

Youth Centers Systemwide (Attachment 1) -- Senator Lawrence reviewed the systemwide subcommittee report on youth centers. She stated, in explanation of the first recommendation, that the youth center study had been requested because of the high proportion of offenders in the youth centers who have drug problems.

Chairman Bogina expressed concern that the subcommittee's recommendation (item 2, Attachment 1-3) to use one 16 bed unit at Youth Center at Topeka for violent offenders would impact a system that is already short on bed capacity, and expressed his opinion that changes need to be made within the system when space is available at the hospitals but admissions are denied by the gatekeepers. Senator Petty added that the Committee should also determine who has the ultimate decision-making authority. Senator Lawrence advised that the system is also impacted by the growing number of dually diagnosed clients.

Senator Kerr, chairman of the subcommittee on mental health, commented that though his subcommittee heard that, in some cases, community services are not sufficiently developed to handle people who are released from mental health institutions, they had not heard as dire stories as this subcommittee heard.

Youth Center at Atchison (Attachment 2) --Senator Vancrum presented the FY 95 and FY 96 subcommittee reports.

Youth Center at Beloit (Attachment 3) -- The FY 95 and FY 96 subcommittee reports were reviewed by Senator Vancrum. In answer to a question, it was stated that the minimum length of stay should be 12 months and the ideal length of stay is 14-15 months. It was noted that the 11 month length of stay at Beloit is an improvement, but Beloit is the only center experiencing an improvement in this area.

Senator Salisbury stated that the referral of pregnant offenders to the CETU for child delivery (item 3, Attachment 3-7) was troublesome to her because those persons have not been determined to be mentally ill and the CETU is an inappropriate setting for delivery. She expressed her belief that the children of the offenders will not have much of a chance if they are turned over to SRS custody and stated that she believes the policy pertaining to mothers giving birth in youth centers needs to be addressed.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 11:00 a.m. on March 24, 1995.

Larned State Hospital - Youth Center at Larned (Attachment 4) -- Senator Vancrum presented the FY 95 and FY 96 subcommittee reports.

Youth Center at Topeka (Attachment 5) -- The subcommittee reports for fiscal years 1995 and 1996 were reviewed by Senator Vancrum. He noted that the numbers in the first recommendation for FY 96 are for a ten month time period.

Members expressed concern about the percentage of offenders in the youth centers who are believed to be gang members and the declining average length of stay. It was mentioned that Wichita's approach to addressing gang problems and the Juvenile Offenders Task Force might be resources for potential solutions.

The Chairman suggested that the Committee review issues regarding youth centers in greater depth the following week and not pass the subcommittee report until completing that review.

HB 2555 **KPERS; retirement and pensions; benefits, contributions and other provisions**

The Chairman advised members that the subcommittee had endorsed several issues that were recommended by the House and had amended those issues into **HB 2555** which would be considered the KPERS Omnibus bill. Members discussed the subcommittee's recommendation regarding **HB 2076** (item 2, Attachment 6-2). The Chairman cited examples of persons (particularly superintendents) who retired with full benefits under KPERS and became employed by another KPERS participating employer at full compensation. The Chairman clarified that, under the provisions of **HB 2076** as amended by the House, a retiree in the KPERS system could receive social security benefits, full retirement benefits, and could earn up to \$11,280 in a calendar year. A retiree could seek employment by any non-KPERS participating employer and not be affected by this bill. Concern was expressed by some members about exemptions from the provisions of the bill. It was noted by staff that those exemptions listed are current law. Senator Kerr indicated that he believes superintendents are working the system, but urged support for allowing employment of a superintendent for one year in unique situations if it were trackable.

Senator Brady noted that he opposed the original bill which provided an 8.0% deferred compensation program (item 8, Attachment 6-3), noting that he believed the intent was to recruit cabinet level people to these positions, and objected to extending this proposal to unclassified staff as recommended by the subcommittee. The Chairman noted that vesting time under KPERS is 10 years and staff of the Lt. Governor's office and the Governor's office who might be employed for only 8 years would not vest.

Senator Vancrum expressed his support of conducting a thorough audit of the KPERS actuary's work (item 12, Attachment 6-3). Mr. Meredith Williams, Executive Director of KPERS, stated that the Legislative Coordinating Council would establish the specifications and scope of the audit.

Members discussed the proposed employer contribution rate increase as recommended by the subcommittee which would begin in FY 97 (item 15, Attachment 6-3). The Chairman stated that once the employer rate reaches 4.0%, both the employer and employee rates will raise together to achieve parity sooner. He stated that this recommendation does not include the COLA, and any adjustments made to the liability will increase the cost.

In answer to a question, it was stated that the present value actuarial impact of the early retirement buyout would be \$1.8 billion and would involve approximately 20% of the state employees.

The Chairman endorsed the concept of not taking action on the KPERS Omnibus bill until hearing from the KPERS actuary on Monday, March 27.

HB 2005 **Postretirement judicial service**

The Chairman noted that the House had provided (in **HB 2005**) that a retired judge could enter into a contract with the Supreme Court to return to work and be paid through KPERS in an amount equal to 25% of their annual salary. The KPERS actuary has stated that the Internal Revenue Service will not allow payment on a retirement basis. Therefore, the Senate subcommittee recommends amending **HB 2005** (Attachment 7) to remove the payment for these services through retirement benefits and allow retired judges to enter into a contract on a compensation basis. The Chairman noted that this provision would be in addition to the per diem alternative.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 11:00 a.m. on March 24, 1995.

Senator Kerr inquired whether the bill should include a minimum amount of time that retirees would be available to perform judicial duties.

In answer to Senator Moran, staff indicated that the fiscal impact of HB 2005 would be approximately \$.5 million based on the assumption that 25 judges would enter into contracts.

HB 2077 KPERS, requiring independent actuarial audit and evaluation of KPERS actuary's duties and responsibilities

The Chairman noted that the Senate subcommittee had recommended that the provisions of HB 2077 requiring the periodic actuarial audit of the KPERS actuary's work be amended into HB 2555 (item 12, Attachment 6-3), and that the provision for a COLA for retired members, certain retirant's beneficiaries and disabled members be deleted from HB 2555 and that the COLA as passed by the House be amended into HB 2077 (item 11, Attachment 6-3). Staff reviewed the COLA provisions as recommended by the House and their cost impact (Attachment 6, 6-9).

The Chairman urged members to review HB 2555, HB 2005, and HB 2077 which would be acted upon at a later date. The meeting was adjourned at 12:45 P.M. The next meeting is scheduled for March 27, 1995.

SENATE WAYS AND MEANS COMMITTEE GUEST LIST

DATE: MARCH 24, 1995

NAME	REPRESENTING
Basil Corey	KRTA
LINDA McGill	KSTA KQJA
Jack Hann	KPERF
Marilyn Williams	"
Helen Stephens	KPOA / KSA / BV
Kelly Jennings	KAPE
Craig Thront	HNEA
Jerry Sloan	OJA
Paul Shelby	OJA
Jackson Hambristie	SRS
Philip D. Knapp	Youth Center Operations Division
JERRY MARLATT	KSCFF
JAMES A Jodel	KS77A
ALAN CORB	City of Wichita
Chuck Bredahl	Adjutant General
Larry S Maple	KHP

SENATE SUBCOMMITTEE ON THE YOUTH CENTERS

Subcommittee Reports

1995 H.B. 2090

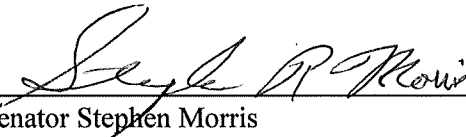
Youth Centers Systemwide
Sec. 9 -- Youth Center at Atchison
Sec. 8 -- Youth Center at Beloit
Sec. 10 -- Youth Center at Larned
Sec. 7 -- Youth Center at Topeka



Senator Robert Vancrum
Subcommittee Chair



Senator Barbara Lawrence



Senator Stephen Morris

SWAM
March 24, 1995
Attachment 1

**SYSTEMWIDE RECOMMENDATIONS
FY 1996**

**Youth Center at Atchison
Youth Center at Beloit
Youth Center at Larned
Youth Center at Topeka**

House Subcommittee Recommendations

1. **Competitive Bidding of Education Contracts.** The 1994 Senate Subcommittee requested SRS to review various options for handling education in the Youth Centers and return with a recommendation. This followed the "bidding out" of education for the 1994 school year at a greatly increased costs. The 1994 appropriation included a proviso which exempted the educational services contract from statutory competitive bid requirements in FY 1995.

For FY 1996, SRS requested the continuation of negotiation with current school districts with a permanent exemption from the bid procedure. The Subcommittee recommends introduction of a bill to provide a permanent bid exemption for education contracts, which would not prohibit the youth centers from receiving bids on the contracts in the future if the youth centers choose to do so.

2. **Limiting Admissions to Felony Type Offenses.** SRS Youth and Adult Services recommends the passage of legislation to limit youth center admissions to youth adjudicated for felony type offenses allowing for increased length of stay for those juveniles admitted. SRS also notified the Subcommittee of its intent to establish guidelines for placements lengths according to the offense. The Subcommittee supports the recommendations of SRS and the youth centers, but the Subcommittee believes that legislation which would restrict admissions to felony type offenses would only cause population pressures in other areas of the juvenile system since the number of alternative community placements for juveniles are currently insufficient.
3. **Notification Requirements.** The youth centers state a concern that three different requirements exist for notification of the community prior to the release of a juvenile from the youth center. The Subcommittee supports legislation which would consolidate these reporting requirements into one requirement.
4. **Education Services Contracts.** For FY 1996, the Governor recommended no increase in the youth centers' education services contracts over the FY 1995 funding level. The House Subcommittee notes that the youth centers are still negotiating their FY 1995 contracts. The Subcommittee recommends that funding for the school contract be revisited during the Omnibus Session.
5. **Capital Outlay.** The Governor recommended no funding for capital outlay items in FY 1996. The House Subcommittee recognizes the need for capital outlay in the youth centers, but recommends that funding for capital outlay items be revisited during the Omnibus Session once a determination is made if the youth centers will be moved under the authority of a different agency or remain in the Department of SRS.

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

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

Senate Subcommittee Recommendation

1. **Drug and Alcohol Program Evaluation.** The Commission of Youth and Adult Services, Department of SRS reported to the Subcommittee that an evaluation of the Youth Centers' Drug and Alcohol Program is being conducted through a contract with Mainstream. This evaluation is the final component of a four year federal grant which funded four positions to provide treatment and counseling services to youth at the Youth Centers.
2. **Comprehensive Evaluation and Treatment Unit (CETU).** The Commission of Youth and Adult Services also reported to the Subcommittee that the modification and expansion to 45 beds of the CETU, located at Topeka State Hospital, provided by the 1994 Legislature are meeting the needs of the Youth Centers' population. The Subcommittee notes, however, that SRS reported a handful of youth, as many as 7 youth at a time, are too violent for the CETU. SRS reported that as a condition to receipt of federal Title XIX funds for the CETU, mechanical and physical restraints cannot be used by staff.

The Subcommittee recommends converting one of the three, sixteen-bed security cottages at the Youth Center at Topeka into a Psychiatric Treatment Unit for youth who are too violent or need a more secure setting than is provided by the CETU. The Subcommittee notes that the creation of the unit at YCAT would not divert youth from the CETU. Youth who would be placed in the Psychiatric Treatment Unit are currently in the Youth Centers. The Subcommittee notes that prior to mental health reform, the type of youth who will be served by this unit would have been served in a State Hospital.

The Subcommittee recommends the following adjustments to allow State General Fund financing to be utilized for the Psychiatric Treatment Unit:

- | | |
|----------------|--|
| FY 1995 | Reduce Youth Center at Topeka State General Fund expenditures by \$32,000 to reflect utilities savings in the current year and reappropriate to FY 1996. |
| | Reduce Youth Center at Beloit State General Fund expenditures by \$3,000 to reflect utilities savings in the current year and reappropriate to FY 1996. |
| FY 1996 | Shift \$20,000 from State General Fund financing to the Youth Center at Atchison Fee Fund. |
| | Shift \$10,000 from State General Fund financing to the Youth Center at Beloit Fee Fund. |

3. **H.B. 2287 -- Youth Authority.** The Subcommittee notes the passage of H.B. 2287 by the House and by the Senate Judiciary Committee. The bill would create a separate Youth Authority to be responsible for the treatment and custody of juvenile offenders. Under the bill, the Youth Centers would be moved from the authority of SRS to the Youth Authority.

4. **Joint Committee on Juvenile Crime.** The Subcommittee recommends the creation of a Joint Committee on Juvenile Crime which could study the proposals for reform of the juvenile crime system, youth centers, and alternative placements during the interim and regular Legislative Sessions. The Subcommittee believes such a Committee would be beneficial to the Legislature by creating the opportunity for a more integrated and thorough review of juvenile crime issues and its governmental components.
5. **Youth Center Statistics.** The Subcommittee notes the following statistics which were provided by the Youth Centers:

	<u>YCAA</u>	<u>YCAB</u>	<u>YCAL</u>	<u>YCAT</u>
Youth previously in a Youth Center	17%	1.5%	n/a	7%
Youth who are reported to be or are believed to be members of a gang	50%	30%	73.6%	60%

6. **Capital Outlay.** The Subcommittee notes the recommendation of the House to revisit funding of capital outlay in the Omnibus Session. The Senate Subcommittee concurs with the Governor's recommendation of no funding for capital outlay items in FY 1996.

SUBCOMMITTEE REPORT

Agency: Youth Center at Atchison

Bill No. --

Bill Sec. --

Analyst: Cawby

Analysis Pg. No. 533

Budget Page No. 571

<u>Expenditure Summary</u>	<u>Agency Request FY 1995</u>	<u>Governor's Recommendation FY 1995</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 4,967,834	\$ 5,017,736	\$ 0
YCAA Fee Fund	105,000	105,000	0
Federal Education Fund	71,242	71,242	0
TOTAL	\$ 5,144,076	\$ 5,193,978	\$ 0
 FTE Positions	 127.5	 127.5	 --

Agency Request/Governor's Recommendation

The agency requests \$5,144,076 for state operations in FY 1995, \$100 less than the amount approved by the 1994 Legislature, as adjusted by Finance Council action.

The Governor recommends FY 1995 expenditures of \$5,193,978, an increase of \$49,902 over the agency's current year estimate. The increase represents: (1) a \$62,530 transfer to YCAA required by the 1994 Legislature and authorized by Executive Directive No. 94-240 (on November 18, 1994) to reduce the agency's shrinkage rate from 4.7 to 3.0 percent, and (2) downward adjustments of \$12,682 for health insurance rate reductions and other minor salary adjustments.

Agency Statistics

	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>
Average Length of Stay (months)	7.4	6.4	6.36
Returned/Readmitted Releases (%)	21.6%	20.9%	18.9%
Admissions	162	148	175
Misdemeanor Admissions (%)	43.2%	38.5%	33.7%
Direct Commitment Admissions	45 (28%)	90 (61%)	105 (60%)
SRS Placement Admissions	117 (72%)	58 (39%)	70 (30%)
Average Daily Census	89.7	97.9	91

*SWAM
March 24, 1995
Attachment 2*

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

The House Subcommittee notes the agency's estimated performance levels at the recommended expenditure level for FY 1995 and the status of the fee fund based on the recommendation.

Performance Indicators		
	<u>Actual FY 94</u>	<u>Estimate FY 95</u>
Percent of total annual population who escape from custody	12%	15%
Percent of total annual youth on home visit who escape	13%	15%
Percent (of total staff) of juvenile to staff assaults	15%	15%
Percent (of total annual population) of juvenile to juvenile assaults	20%	20%
Percent of shifts which achieve conformance with staffing standards	44%	45%
Percent of youth on conditional release returned to youth center on newly adjudicated offense within six months of release	5%	10%

<u>Resource Estimate</u>	<u>Actual FY 1994</u>	<u>Estimated FY 1995</u>
Beginning Balance	\$ 44,396	\$ 26,910
Projected Receipts	<u>113,199</u>	<u>113,197</u>
Total Available	157,595	140,107
Less: Expenditures	<u>130,685</u>	<u>105,000</u>
Ending Balance	<u>\$ 26,910</u>	<u>\$ 35,107</u>

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

The House concurs with the recommendation of the Committee.

<u>Expenditure Summary</u>	<u>House Adj. FY 95</u>	<u>House Rec. FY 95</u>	<u>Senate Sub. Adjustments</u>
State Operations:			
State General Fund	\$ 0	\$ 5,017,736	\$ 0
YCAA Fee Fund	0	105,000	0
Federal Education Fund	0	71,242	0
TOTAL	<u>\$ 0</u>	<u>\$ 5,193,978</u>	<u>\$ 0</u>
FTE Positions	--	127.5	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

SUBCOMMITTEE REPORT

Agency: Youth Center at Atchison

Bill No. 2090

Bill Sec. 9

Analyst: Cawby

Analysis Pg. No. 533

Budget Page No. 571

<u>Expenditure Summary</u>	<u>Agency Request FY 1996</u>	<u>Governor's Recommendation FY 1996</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 6,773,036	\$ 5,123,682	\$ (123,484)
YCAA Fee Fund	100,000	100,000	0
Federal Education Fund	73,841	71,547	0
TOTAL	<u>\$ 6,946,877</u>	<u>\$ 5,295,229</u>	<u>\$ (123,484)</u>
 FTE Positions	 163.5	 127.5	 --

Agency Request/Governor's Recommendation

For FY 1996, the youth center requests \$6,946,877 for state operations, an increase of \$1,802,801 (35.0 percent) over the revised current year request. The request includes \$1,377,572 for the following ten initiatives:

<u>Requested Initiatives -- FY 1996</u>	<u>Amount</u>	<u>Gov. Rec.</u>
Family Services Program (6.0 FTE)	\$ 404,666	\$ 0
Adequate Staffing (15.0 FTE)	346,834	0
Addiction Recovery (2.0 FTE)	63,124	0
Nursing Staff (2.0 FTE)	53,999	0
Range Realignment	47,616	0
Education Contract	30,199	0
Local Area Network	100,000	0
Physical Training Program	281,134	0
Telephone Replacement System	40,000	0
ACA Reaccreditation	10,000	10,000
TOTAL	<u>\$ 1,377,572</u>	<u>\$ 10,000</u>

The Governor recommends FY 1996 expenditures of \$5,295,229 for state operations in FY 1996, a reduction of \$1,651,649 (23.8 percent) from the agency request and an increase of \$101,251 (1.9 percent) from the Governor's current year recommendation. The Governor recommends \$10,000 for the agency's ACA reaccreditation initiative, but does not recommend any funding or additional positions for the agency's other requested initiatives and does not provide funding for capital outlay items. The Governor's recommendation represents a \$93,124 (2.6 percent) increase in salaries and wages, a decrease of \$19,925 (100.0 percent) in capital outlay, and an increase of \$28,052 (7.8 percent) for all other expenditures (excluding the education contract) from the FY 1995 recommendation. The Governor's recommendation includes funding for regular step movement, longevity pay, shift differential pay, downward health insurance rate adjustments, a 3.0 percent shrinkage rate, a 3.5 percent unclassified merit pool, and a 1.0 percent base salary increase for classified employees.

Agency Statistics

	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>
Average Length of Stay (months)	7.4	6.4	6.36
Returned/Readmitted Releases (%)	21.6%	20.9%	18.9%
Admissions	162	148	175
Misdemeanor Admissions (%)	43.2%	38.5%	33.7%
Direct Commitment Admissions	45 (28%)	90 (61%)	105 (60%)
SRS Placement Admissions	117 (72%)	58 (39%)	70 (30%)
Average Daily Census	89.7	97.9	91

House Subcommittee Recommendation

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

1. Delete \$123,484 from the State General Fund based on the recommendation to delete funding for a 3.5 percent unclassified merit pool (\$2,071); classified step movement (\$46,685); a 1 percent base adjustment for classified employees (\$32,225); and the longevity bonus (\$42,503) from individual agency budgets.
2. Technical adjustment to the appropriations bill to reflect the Governor's intent.

The House Subcommittee notes the agency's estimated performance levels at the recommended expenditure level for FY 1996 and the status of the fee fund based on the recommendation.

Performance Indicators			
	<u>Actual FY 94</u>	<u>Estimate FY 95</u>	<u>Request FY 96</u>
Percent of total annual population who escape from custody	12%	15%	15%
Percent of total annual youth on home visit who escape	13%	15%	15%
Percent (of total staff) of juvenile to staff assaults	15%	15%	15%
Percent (of total annual population) of juvenile to juvenile assaults	20%	20%	20%
Percent of shifts which achieve conformance with staffing standards	44%	45%	45%
Percent of youth on conditional release returned to youth center on newly adjudicated offense within six months of release	5%	10%	10%

<u>Resource Estimate</u>	<u>Actual FY 1994</u>	<u>Estimated FY 1995</u>	<u>Estimated FY 1996</u>
Beginning Balance	\$ 44,396	\$ 26,910	\$ 35,107
Projected Receipts	<u>113,199</u>	<u>113,197</u>	<u>108,197</u>
Total Available	\$ 157,595	\$ 140,107	\$ 143,304
Less: Expenditures	<u>130,685</u>	<u>105,000</u>	<u>100,000</u>
Ending Balance	<u><u>\$ 26,910</u></u>	<u><u>\$ 35,107</u></u>	<u><u>\$ 43,304</u></u>

The Governor recommends no limit on fee fund expenditures in FY 1996. The 1994 Legislature set the fee fund expenditure limit of \$105,000 in FY 1995.

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

The House concurs with the recommendation of the Committee.

<u>Expenditure Summary</u>	<u>House Adj. FY 96</u>	<u>House Rec. FY 96</u>	<u>Senate Sub. Adjustments</u>
State Operations:			
State General Fund	\$ (123,484)	\$ 5,000,198	\$ (20,000)
YCAA Fee Fund	0	100,000	20,000
Federal Education Fund	0	71,547	0
TOTAL	<u>\$ (123,484)</u>	<u>\$ 5,171,745</u>	<u>\$ 0</u>
FTE Positions	--	127.5	--

Senate Subcommittee Recommendation

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

1. Delete \$20,000 from the State General Fund and replace with \$20,000 in YCAA Fee Fund expenditures. The shifting of expenditures to the YCAA Fee Fund would allow State General Fund financing to be utilized for the recommended Psychiatric Treatment Unit at the Youth Center at Topeka.
2. The Subcommittee notes the agency reported one-third of its residents are chemically dependent. According to the agency, at least 85% of chemically dependent youth have at least one chemically dependent parent.
3. The Subcommittee notes the length of stay and admissions included in the **Agency Statistics** section of the Subcommittee report. The Subcommittee notes that the length of stay at YCAA has declined from 11.8 months in FY 1987 to a projected 7.6 months for FY 1995. The agency estimates FY 1995 admissions to be 151 and FY 1995 average length of stay to be 7.5 months.

SUBCOMMITTEE REPORT

Agency: Youth Center at Beloit

Bill No. --

Bill Sec. --

Analyst: Cawby

Analysis Pg. No. 547

Budget Page No. 573

<u>Expenditure Summary</u>	<u>Agency Request FY 1995</u>	<u>Governor's Recommendation FY 1995</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 4,224,524	\$ 4,303,220	\$ 0
YCAB Fee Fund	139,980	139,980	0
Federal Education Fund	76,150	76,150	0
TOTAL	\$ 4,440,654	\$ 4,519,350	\$ 0
 FTE Positions	 103.0	 103.0	 --

Agency Request/Governor's Recommendation

Estimated operating expenditures of \$4,440,654 are \$15,861 less than the amount approved by the 1994 Legislature as adjusted by Finance Council action.

The Governor recommends FY 1995 expenditures of \$4,519,350 in state operations, an increase of \$78,696 over the agency's current year estimate. The increase represents: (1) a \$91,165 transfer to YCAB required by the 1994 Legislature and authorized by Executive Directive No. 94-240 (on November 18, 1994) to reduce the agency's shrinkage rate from 4.5 to 1.5 percent and (2) \$12,469 in minor salary adjustments and downward adjustments of health insurance rates.

Agency Statistics

	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>
Average Length of Stay (months)	11.1	12.1	11.6
Returned/Readmitted Releases (%)	19.0%	12.5%	11.2%
Admissions	68	70	79
Misdemeanor Admissions (%)	29.4%	51.4%	38.0%
Direct Commitment Admissions	16 (24%)	26 (37%)	52 (66%)
SRS Placement Admissions	52 (76%)	44 (63%)	27 (34%)
Average Daily Census	71	80	75

*SWAM
March 24, 1995
Attachment 3*

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

The House Subcommittee notes the agency's estimated performance levels at the recommended expenditure level for FY 1995 and the status of the fee fund based on the recommendation.

Performance Indicators	Actual	Estimated
	FY 1994	FY 1995
Percent of total annual population who escape from custody	1.8%	5.0%
Percent of total annual youth on home visit who escape	4.4	10.0
Percent (of total staff) of juvenile to staff assaults	11.8	20.0
Percent (of total annual population) of juvenile to juvenile assaults	2.6	10.0
Percent of shifts which achieve conformance with staffing standards	71.0	70.0
Percent of youth on conditional release returned to youth center on newly adjudicated offense within six months of release	3.3%	5.0%

Resource Estimate	Actual FY 1994	Estimated FY 1995
Beginning Balance	\$ 10,469	\$ 43,728
Projected Receipts	173,510	132,467
Total Available	183,979	176,195
Less: Expenditures	140,251	139,980
Ending Balance	<u>\$ 43,728</u>	<u>\$ 36,215</u>

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 95</u>	<u>House Rec. FY 95</u>	<u>Senate Sub. Adjustments</u>
State Operations:			
State General Fund	\$ 0	\$ 4,303,220	\$ (3,000)
YCAB Fee Fund	0	139,980	0
Federal Education Fund	0	76,150	0
TOTAL	<u>\$ 0</u>	<u>\$ 4,519,350</u>	<u>\$ (3,000)</u>
FTE Positions	--	103.0	--

Senate Subcommittee Recommendation

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

1. Delete \$3,000 from the State General Fund to reflect utilities savings and reappropriate to FY 1996, based upon estimates of the agency's current year-to-date expenditures.

SUBCOMMITTEE REPORT

Agency: Youth Center at Beloit

Bill No. 2090

Bill Sec. 8

Analyst: Cawby

Analysis Pg. No. 547

Budget Page No. 573

<u>Expenditure Summary</u>	<u>Agency Request FY 1996</u>	<u>Governor's Recommendation FY 1996</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 6,324,690	\$ 4,356,939	\$ (97,901)
YCAB Fee Fund	139,002	136,449	(2,720)
Federal Education Fund	76,150	76,150	0
Subtotal -- Operations	\$ 6,539,842	\$ 4,569,538	\$ (100,621)
Capital Improvements:			
State Institutions Building Fund	304,000	0	0
TOTAL	<u>\$ 6,843,842</u>	<u>\$ 4,569,538</u>	<u>\$ (100,621)</u>
FTE Positions	140.5	103.0	--

Agency Request/Governor's Recommendation

For FY 1996, the Youth Center requests \$6,539,842 in state operations, an increase of \$2,099,188 (47.3 percent) over the revised current year request. Of the request \$6,324,690 is from State General Fund with the difference, \$215,152, in General Fee Funds and federal education funds. The Youth Center also requests \$304,000 from the State Institutions Building Fund for capital improvements in FY 1996. The request includes \$2,106,277 for the following ten initiatives:

<u>Requested Initiatives -- FY 1996</u>	<u>Amount</u>	<u>Gov. Rec.</u>
Family Treatment Program (4.0 FTE)	\$ 332,226	\$ 0
Adequate Staffing (17.0 FTE)	364,846	0
Alcohol and Drug Treatment (2.0 FTE)	61,352	0
Ancillary Services Staffing (3.5 FTE)	103,259	0
Range Realignment	45,614	0
Education Enhancements	786,676	0
Psychiatric Treatment	64,479	0
Local Area Network	35,000	0
Physical Training Program (11.0 FTE)	262,825	0
Telephone Replacement System	50,000	0
TOTAL	<u>\$ 2,106,277</u>	<u>\$ 0</u>

The Governor recommends FY 1996 expenditures of \$4,569,538 for state operations in FY 1996, a reduction of \$1,970,304 (30.0 percent) from the agency request and an increase of \$50,188 (1.1 percent) over the Governor's current year recommendation. The Governor does not recommend funding or additional positions for the agency's requested initiatives and provides no funding for capital outlay items. The recommendation increases salaries and wages by \$79,627 (2.7 percent) and reduces contractual services by \$2,431 (1.0 percent), commodities by \$7,733 (3.1 percent), and capital outlay by \$19,275 (100.0 percent) from FY 1995 recommended expenditures. The Governor's recommendation includes funding to reflect regular step movement, longevity, shift differential pay, downward health insurance rate adjustments, a 1.5 percent shrinkage rate, a 3.5 percent unclassified merit pool, and a 1.0 base salary increase for all classified salaries.

Agency Statistics

	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>
Average Length of Stay (months)	11.1	12.1	11.6
Returned/Readmitted Releases (%)	19.0%	12.5%	11.2%
Admissions	68	70	79
Misdemeanor Admissions (%)	29.4%	51.4%	38.0%
Direct Commitment Admissions	16 (24%)	26 (37%)	52 (66%)
SRS Placement Admissions	52 (76%)	44 (63%)	27 (34%)
Average Daily Census	71	80	75

House Subcommittee Recommendation

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

1. Delete \$100,621, including \$97,901 from the State General Fund and \$2,720 from the YCAB Fee Fund, based on the recommendation to delete funding for a 3.5 percent unclassified merit pool (\$2,367); classified step movement (\$40,058); a one percent base adjustment for classified employees (\$26,721); and the longevity bonus (\$31,474) from individual agency budgets.

The House Subcommittee notes the agency's estimated performance levels at the recommended expenditure level for FY 1996 and the status of the fee fund based on the recommendation.

Performance Indicators			
	Actual FY 1994	Estimated FY 1995	Estimated FY 1996
Percent of total annual population who escape from custody	1.8%	5.0%	5.0%
Percent of total annual youth on home visit who escape	4.4	10.0	10.0
Percent (of total staff) of juvenile to staff assaults	11.8	20.0	20.0
Percent (of total annual population) of juvenile to juvenile assaults	2.6	10.0	10.0
Percent of shifts which achieve conformance with staffing standards	71.0	70.0	70.0
Percent of youth on conditional release returned to youth center on newly adjudicated offense within six months of release	3.3%	5.0%	5.0%

<u>Resource Estimate</u>	<u>Actual FY 1994</u>	<u>Estimated FY 1995</u>	<u>Estimated FY 1996</u>
Beginning Balance	\$ 10,469	\$ 43,728	\$ 36,215
Projected Receipts	<u>173,510</u>	<u>132,467</u>	<u>136,449</u>
Total Available	\$ 183,979	\$ 176,195	\$ 172,664
Less: Expenditures	<u>140,251</u>	<u>139,980</u>	<u>133,729</u>
Ending Balance	<u>\$ 43,728</u>	<u>\$ 36,215</u>	<u>\$ 38,935</u>

The Governor recommends no limit on fee fund expenditures in FY 1996. The 1994 Legislature set the fee fund expenditure limit of \$139,980 in FY 1995, as adjusted by State Finance Council action.

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

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

Expenditure Summary	House Adj. FY 96	House Rec. FY 96	Senate Sub. Adjustments
State Operations:			
State General Fund	\$ (97,901)	\$ 4,259,038	\$ (10,000)
YCAB Fee Fund	(2,720)	133,729	10,000
Federal Education Fund	0	76,150	0
Subtotal -- Operations	\$ (100,621)	\$ 4,468,917	\$ 0
Capital Improvements:			
State Institutions Building Fund	0	0	0
TOTAL	\$ (100,621)	\$ 4,468,917	\$ 0
 FTE Positions	 --	 103.0	 --

Senate Subcommittee Recommendation

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

1. Delete \$10,000 from the State General Fund and replace with \$10,000 in YCAB Fee Fund expenditures. The shifting of expenditures to the YCAB Fee Fund would allow State General Fund financing to be utilized for the recommended Psychiatric Treatment Unit at the Youth Center at Topeka.
2. The Subcommittee notes the agency's report that 4 years ago YCAB reported approximately 150 assaults per year. The agency estimates 30 staff assaults will occur in FY 1995. The agency attributes this reduction to the Aggression Replacement Training (ART) program which the Youth Center at Beloit has fully implemented. The Subcommittee notes the ART program is currently under implementation systemwide.
3. The Subcommittee notes the agency indicated a significant increase in the number of residents who are mothers. According to the agency, as many as 8 to 10 admissions per year are mothers. Residents who are pregnant while at YCAB are referred to the CETU when it is time for the delivery of the child. After giving birth, the resident either returns to Beloit or is referred to a home placement.
4. The Subcommittee notes the length of stay and admissions included in the **Agency Statistics** section of the Subcommittee report. The agency estimates FY 1995 admissions to be 85 and FY 1995 average length of stay to be 11 months. For FY 1995, the agency is 20% ahead of last year's admission pattern.

SUBCOMMITTEE REPORT

Agency: Larned State Hospital --
Youth Center at Larned

Bill No. --

Bill Sec. --

Analyst: Wiegiers

Analysis Pg. No. 925

Budget Page No. 385

<u>Expenditure Summary</u>	<u>Agency Request FY 1995</u>	<u>Governor's Recommendation FY 1995</u>	<u>House Subcommittee Adjustments</u>
State Operations			
State General Fund	\$ 3,364,173	\$ 3,113,670	\$ 0
FTE Positions	122.0	122.0	--

Agency Request/Governor's Recommendation

The Youth Center at Larned estimates FY 1995 operating expenditures of \$3,364,173. The request includes \$3,198,237 for salaries and wages, \$32,468 for contractual services, \$60,354 for commodities and \$73,114 for capital outlay. The request does not include expenditures for the special education contract, utilities, food, medical services, maintenance, communications and other expenditures included in the Larned State Hospital budget. The Governor recommends \$3,113,670 for FY 1995, a decrease of \$250,503, or 7.4 percent, below the agency request. The recommendation includes \$2,947,734 for salaries and wages and concurs with the agency estimate for contractual services, commodities and capital outlay. The decrease in salaries and wages is due to an adjustment for lower health insurance rates.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the Subcommittee.

House Committee of the Whole Recommendation

The House Committee of the Whole concurs with the Committee.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House.

SUBCOMMITTEE REPORT

Agency: Larned State Hospital --
Youth Center at Larned

Bill No. 2090

Bill Sec. 10

Analyst: Wiegiers

Analysis Pg. No. 925

Budget Page No. 385

<u>Expenditure Summary</u>	<u>Agency Request FY 1996</u>	<u>Governor's Recommendation FY 1996</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 4,000,295	\$ 3,431,111	\$ (109,446)
FTE Positions	133.0	122.0	--

Agency Request/Governor's Recommendation

The agency requests \$4,000,295 for FY 1996, an increase of \$636,122, 18.9 percent, above the FY 1995 estimate. The request includes \$3,616,982 for salaries and wages, \$137,365 for contractual services, \$125,151 for commodities, and \$120,797 for capital outlay. The request does not include expenditures for the special education contract, utilities, food, medical services, maintenance, communications and other expenditures included in the Larned State Hospital budget. The request includes 11.0 new FTE positions for the Family Initiative program and the Physical Training program both of which are systemwide initiatives for all of the youth centers. The Governor recommends \$3,431,111 for FY 1996 a decrease of \$569,184, 14.2 percent, below the agency request. The recommendation includes \$3,359,656 for salaries and wages, \$18,434 for contractual services, \$53,021 for commodities, and \$0 for capital outlay. The Governor does not recommend the 11.0 new FTE positions or either of the two systemwide initiatives. The recommendation includes a 3.5 percent unclassified merit pool, a 1.0 percent classified base salary increase and classified step movement.

The following table shows selected agency performance measures:

<u>Performance Indicators</u>	<u>Goal FY 1995</u>	<u>FY 1995 Est.</u>	<u>FY 1996 Est.</u>
Percent of total annual Youth Center population who escape from Youth Center custody.	2%	2%	2%
Percent of total annual youth on off-unit or home visit who escape while being supervised by parent	2%	2%	2%
Percent of youth on Conditional Release returned to Youth Center on new adjudicated offense within six months of release	5%	5%	5%
Percent of youth on Conditional Release status during the fiscal year who successfully complete discharge	85%	85%	90%
Percent of youth discharged during the fiscal year who are 16 years of age and over, demonstrating entry-level job skills at release	12%	12%	15%
Percent of shifts which achieve conformance with staffing standards	85%	85%	95%
Percent of total annual population of juvenile-to-staff assaults.	10%	10%	5%
Percent of total annual population of juvenile-to-juvenile assaults	10%	10%	0.05

Agency Statistics

	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>
Average Length of Stay (months)	10	9.6	8.3
Misdemeanor Admissions (%)	34.0	27.7	24.4
Direct Commitment Admissions	53.0	45.7	69.1
SRS Placement Admissions	42.0	52.1	30.9
Average Daily Census	74	77	73

For FY 1995 the agency estimates 222 admissions and a six month average length of stay.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the House Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 1996</u>	<u>House Recommendation FY 1996</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ (109,446)	\$ 3,321,665	\$ 0
FTE Positions	0.0	122.0	0.0

Senate Subcommittee Recommendation

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

1. The Subcommittee notes that 73.6 percent of the agency's admissions are gang members.
2. The Subcommittee notes the length of stay and admissions included in the **Agency Statistics** section of the Subcommittee report.

SUBCOMMITTEE REPORT

Agency: Youth Center at Topeka

Bill No. --

Bill Sec. --

Analyst: Cawby

Analysis Pg. No. 561

Budget Page No. 575

<u>Expenditure Summary</u>	<u>Agency Request FY 1995</u>	<u>Governor's Recommendation FY 1995</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 9,045,188	\$ 9,163,205	\$ 0
YCAT Fee Fund	247,483	247,483	0
Federal Education Fund	170,722	170,722	0
Subtotal -- Operations	<u>\$ 9,463,393</u>	<u>\$ 9,581,410</u>	<u>\$ 0</u>
Capital Improvements:			
State Institutions Building Fund	24,064	24,064	0
TOTAL	<u><u>\$ 6,843,842</u></u>	<u><u>\$ 9,605,474</u></u>	<u><u>\$ 0</u></u>
 FTE Positions	 218.0	 218.0	 --

Agency Request/Governor's Recommendation

The agency estimates \$9,463,393 for state operations in FY 1995, the amount approved by the 1994 Legislature, as adjusted by State Finance Council action.

The Governor recommends FY 1995 expenditures of \$9,581,410 for state operations, an increase of \$118,017 over the agency's current year estimate. The increase represents two transfers between SRS institutions totaling \$148,219 authorized by Executive Directive No. 94-240 (dated November 18, 1994). One of the transfers was a \$73,219 transfer required by the 1994 Legislature, from the Youth Center at Larned to YCAT to reduce the agency's shrinkage rate from 5.2 percent to 4.1 percent. The other transfer was a \$75,000 transfer from Topeka State Hospital to YCAT to shift the medical expenses for the children at YCAT to the YCAT budget for FY 1995. The Governor's recommendation also includes a reduction of \$30,202 to reflect health insurance rate adjustments and other minor salary adjustments.

*SWAM
March 24, 1995
Attachment 5*

Agency Statistics

	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>
Average Length of Stay (months)	10.3	8.7	9.2
Violent Offenders (months)	16.2	18.7	14.4
Nonviolent Offenders (months)	9.4	7.3	7.8
Returned/Readmitted Releases (%)	5.0%	8.0%	7.0%
Admissions	312	322	295
Misdemeanor Admissions (%)	29.8%	28.9%	22.8%
Direct Commitment Admissions	161 (55%)	200 (63%)	214 (76%)
SRS Placement Admissions	134 (45%)	118 (37%)	62 (24%)
Average Daily Census	205	212	195

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

The House Subcommittee notes the agency's estimated performance levels at the recommended expenditure level for FY 1995 and the status of the fee fund based on the recommendation.

Performance Indicators	<u>Actual</u>	<u>Estimated</u>
	<u>FY 94</u>	<u>FY 95</u>
Percent of youth on conditional release returned to YCAT on newly adjudicated offenses within six months of release	3%	3%
Percent of youth on conditional release status during the fiscal year who successfully complete discharge	85%	85%
Percentage of total annual population who escape from custody	0.4%	0.3%
Rate (per hundred of total annual population) of juvenile to juvenile assaults	12	10
Rate (per hundred of total staff) of juvenile to staff assaults	7	7

<u>Resource Estimate</u>	<u>Actual FY 1994</u>	<u>Estimated FY 1995</u>
Beginning Balance	\$ 77,381	\$ 17,995
Projected Receipts	<u>238,097</u>	<u>238,097</u>
Total Available	\$ 315,478	\$ 256,092
Less: Expenditures	<u>297,483</u>	<u>247,483</u>
Ending Balance	<u>\$ 17,995</u>	<u>\$ 8,609</u>

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adjustments FY 1995</u>	<u>House Recommendation FY 1995</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 0	\$ 9,163,205	\$ (32,000)
YCAT Fee Fund	0	247,483	0
Federal Education Fund	<u>0</u>	<u>170,722</u>	<u>0</u>
Subtotal -- Operations	\$ 0	\$ 9,581,410	\$ (32,000)
Capital Improvements:			
State Institutions Building Fund	\$ 0	\$ 24,064	\$ 0
TOTAL	<u>\$ 0</u>	<u>\$ 9,605,474</u>	<u>\$ (32,000)</u>

FTE Positions	--	218.0	--
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Senate Subcommittee Recommendation

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

1. Delete \$32,000 from the State General Fund to reflect utilities savings and reappropriate to FY 1996, based upon estimates of the agency's current year-to-date expenditures.

SUBCOMMITTEE REPORT

Agency: Youth Center at Topeka

Bill No. 2090

Bill Sec. 7

Analyst: Cawby

Analysis Pg. No. 561

Budget Page No. 575

<u>Expenditure Summary</u>	<u>Agency Request FY 1996</u>	<u>Governor's Recommendation FY 1996</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 11,983,881	\$ 9,190,621	\$ (210,896)
YCAT Fee Fund	242,483	242,483	0
Federal Education Fund	170,722	170,722	0
TOTAL	\$ 12,397,086	\$ 9,603,826	\$ (210,896)
 FTE Positions	 281.0	 218.0	 --

Agency Request/Governor's Recommendation

YCAT requests \$12,397,086 for state operations, an increase of \$2,933,693 (31.0 percent) over the revised current year estimate. The request includes \$2,063,075 for the following initiatives.

<u>Requested Initiatives -- FY 1996</u>	<u>Amount</u>	<u>Gov. Rec.</u>
Family Services Program (10.0 FTE)	\$ 667,906	\$ 0
Adequate Staffing (51.0 FTE)	1,060,052	0
Alcohol and Drug Program (2.0 FTE)	53,144	0
Local Area Network	23,601	0
Education Contract	59,172	0
Security and Surveillance Equipment	199,200	0
TOTAL	\$ 2,063,075	\$ 0

The Governor recommends state operations expenditures of \$9,603,826 in FY 1996, a reduction of \$2,793,206 (22.5 percent) from the agency request and an increase of \$22,416 (0.2 percent) from the Governor's current year recommendation. The Governor does not recommend any funding or additional positions for the agency's requested initiatives and provides no funding for capital outlay items. The recommendation increases salaries and wages by \$136,140 (2.1 percent), decreases contractual services (excluding the education contract) by \$75,000 (12.6 percent), and decreases capital outlay by \$38,724 (100.0 percent) from FY 1995 recommended expenditures. The Governor's recommendation includes funding to reflect regular step movement, longevity pay, shift differential pay, holiday pay, downward health insurance rate adjustments, a 4.2 percent shrinkage rate, a 3.5 percent unclassified merit pool, and a 1.0 percent base salary increase for classified employees.

Agency Statistics

	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>
Average Length of Stay (months)	10.3	8.7	9.2
Violent Offenders (months)	16.2	18.7	14.4
Nonviolent Offenders (months)	9.4	7.3	7.8
Returned/Readmitted Releases (%)	5.0%	8.0%	7.0%
Admissions	312	322	295
Misdemeanor Admissions (%)	29.8%	28.9%	22.8%
Direct Commitment Admissions	161 (55%)	200 (63%)	214 (76%)
SRS Placement Admissions	134 (45%)	118 (37%)	62 (24%)
Average Daily Census	205	212	195

House Subcommittee Recommendation

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

1. Delete \$285,896 based on the recommendation to delete funding for a 3.5 percent unclassified merit pool (\$2,122); classified step movement (\$139,719); a 1 percent base adjustment for classified employees (\$57,319); and the longevity bonus (\$86,736) from individual agency budgets.
2. Add \$75,000 from the State General Fund for funding of clinical medical services that was intended to be shifted from Topeka State Hospital to YCAT for FY 1996.

The House Subcommittee notes the Board's estimated performance levels at the recommended expenditure level for FY 1996 and the status of the fee fund based on the recommendation.

Performance Indicators			
	<u>Actual FY 94</u>	<u>Estimated FY 95</u>	<u>Estimated FY 96</u>
Percent of youth on conditional release returned to YCAT on newly adjudicated offenses within six months of release	3%	3%	5%
Percent of youth on conditional release status during the fiscal year who successfully complete discharge	85%	85%	65%
Percentage of total annual population who escape from custody	0.4%	0.3%	0.3%
Rate (per hundred of total annual population) of juvenile to juvenile assaults	12	10	10
Rate (per hundred of total staff) of juvenile to staff assaults	7	7	7

<u>Resource Estimate</u>	<u>Actual FY 1994</u>	<u>Estimated FY 1995</u>	<u>Estimated FY 1996</u>
Beginning Balance	\$ 77,381	\$ 17,995	\$ 8,609
Projected Receipts	<u>238,097</u>	<u>238,097</u>	<u>238,097</u>
Total Available	\$ 315,478	\$ 256,092	\$ 246,706
Less: Expenditures	<u>297,483</u>	<u>247,483</u>	<u>242,483</u>
Ending Balance	<u>\$ 17,995</u>	<u>\$ 8,609</u>	<u>\$ 4,223</u>

The Governor recommends no limit on fee fund expenditures in FY 1996. The 1994 Legislature set the fee fund expenditure limit of \$247,483 in FY 1995.

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

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

<u>Expenditure Summary</u>	<u>House Adj. FY 1996</u>	<u>House Rec. FY 1996</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ (210,896)	\$ 8,979,725	\$ 162,932
YCAT Fee Fund	0	242,483	0
Federal Education Fund	0	<u>170,722</u>	<u>0</u>
TOTAL	<u>\$ (210,896)</u>	<u>\$ 9,392,930</u>	<u>\$ 162,932</u>
FTE Positions	--	218.0	5.0

Senate Subcommittee Recommendation

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

1. Add \$162,932 from the State General Fund and 5.0 FTE (4.0 Licensed Mental Health Technicians and 1.0 Registered Nurse) for the operation of a Psychiatric Treatment Unit in one of the agency's three, sixteen-bed secure cottages. The

appropriation would fund the 5.0 FTE (\$99,766), contracting a MR Education Specialist for 20 hours/week (\$12,500), contracting psychiatric care for 4 hours/week (\$43,333), and additional psychotropic medications (\$7,333).

The Subcommittee notes that a handful of youth are too violent for the Comprehensive Evaluation and Treatment Unit (CETU). SRS reported that as a condition to receipt of federal Title XIX funds for the CETU, mechanical and physical restraints cannot be used by staff.


The Subcommittee recommends the Psychiatric Treatment Unit at YCAT for youth who are too violent or need a more secure setting than is provided by the CETU. The Subcommittee notes that the creation of the unit at YCAT would not divert youth from the CETU. Youth who would be placed in the Psychiatric Treatment Unit are currently in the Youth Centers, because of problems which occurred in trying to place these youth in the CETU.

2. The Subcommittee expresses concern with the escape of two youth from a basketball game, the death of a youth center student, and the trip made by two youth from YCAT on an unapproved weekend pass, which all occurred in the past 12 months. The Subcommittee notes the agency has taken steps to correct the problems which led to these incidents, and encourages the agency to take actions to minimize the occurrence of such events in the future.
3. The Subcommittee notes the length of stay and admissions included in the **Agency Statistics** section of the Subcommittee report. The agency estimates FY 1995 admissions to be 342 and FY 1995 average length of stay to be 6 months.

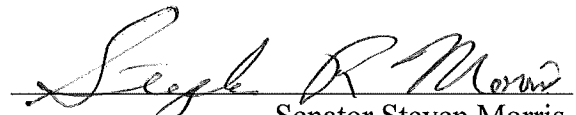
SUBCOMMITTEE REPORT

Subcommittee on Kansas Public Employees Retirement System (KPERs)
and Retirement Issues

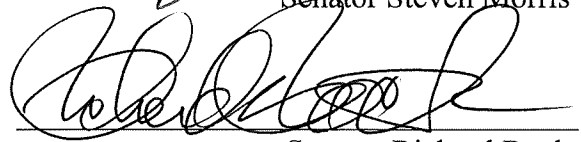
March 24, 1995



Senator August Bogina, Chairperson



Senator Steven Morris



Senator Richard Rock

SWAM
March 24, 1995
Attachment 6

Senate Subcommittee Recommendations

The Subcommittee concurs with the House and makes the following adjustments and additional recommendations:

1. Take no action on S.B. 44 (which would extend special disability benefits on a permanent basis for certain KPERS-Correctional employees). The Subcommittee action would allow the special disability enhancements for the KPERS-Correctional class to expire June 30, 1995. These disability benefits which are similar to those provided to members of KP&F have been extended since 1982 on an annual basis by past legislative actions. No change is anticipated in the state's actuarial contribution rate as a result of this change since the regular KPERS disability program will pick up these members and the assessment will need to continue for this purpose.
2. Incorporate H.B. 2076, as introduced (which would limit retirement benefit payments under certain conditions), into H.B. 2555. The Senate Subcommittee also recommends excluding retired judges and justices from these provisions. The bill, as introduced, would have provided that any KPERS retirant, who subsequently is employed by any KPERS participating employer, would not receive in that particular calendar year any KPERS retirement benefit after the retirant earns \$11,160 or more in compensation, beginning in calendar year 1995 or thereafter. This provision as recommended by the Senate Subcommittee would include most KPERS participating employers, including those state agencies with regular KPERS, local units and school districts, and the Kansas Police and Firemen's Retirement System (KP&F). The provisions will not apply to the Retirement System for Judges (which also includes the magistrates as well as judges and justices). In addition to exempting judges and justices, the salary earnings restrictions would not apply to retirants employed as substitute teachers; as officers, employees, appointees or members of the Legislature, or any other elected office; by a non-KPERS participating governmental employer; or by the private sector. An amendment to increase the amount of salary earnings to \$11,280 was added by the House.
3. Incorporate certain aspects of S.B. 45 (definition of what constitutes "support services") into H.B. 2555. The Senate Subcommittee recommends that law enforcement support personnel should be defined to include only dispatchers for the State Highway Patrol and local units. The actuarial cost impact on the state's contribution rate for KP&F has not been determined.
4. Include a portability provision relative to Wichita/Sedgwick County consolidations and transfers by municipal or county employees from the local retirement system to KPERS or from KPERS to the local retirement system.
5. Change the double-triple deduction method for purchasing or repurchasing service credit in order for additional purchases of service to be based on an actuarially determined rate over a fixed period of time for the individual to pay. KPERS staff indicated to the Senate Subcommittee that this method would be easier to calculate than the double-triple method.

6. Modify a provision allowing for purchase of TIAA service based on full actuarial costs and provide that additional purchases of service will be based on an actuarially determined rate over a fixed period of time for the individual to pay rather than using double or triple deductions.
7. Allow for the purchase of KP&F service by KPERS members for full actuarial costs based on either a lump sum or actuarially determine rate over a period of time for the individual to pay.
8. Add the Lt. Governor's staff to those state officials who are eligible for participation in the 8.0 percent deferred compensation program authorized for certain state officers in lieu of participating in regular KPERS. The state pays the entire 8.0 percent contribution and the employee does not make contributions to this deferred compensation program, which currently includes as eligible participants under K.S.A. 74-4911f the 10 cabinet secretaries, Highway Patrol Superintendent, State Grain Inspector, Lottery Executive Director, Racing Commission Executive Director, KDFFA President, State Fire Marshall, State Librarian, Securities Commissioner, Adjutant General, State Board of Tax Appeals, Kansas Parole Board, State Corporation Commission, unclassified staff of the Governor, and unclassified employees on the staff of the House and Senate officers. The fiscal note for this change has not been calculated, but the state would only make contributions for two staff who would be affected.
9. Restore statutory authorization for a new, unclassified position for KPERS staff which was deleted by the House. The Senate Subcommittee recommends adding an Assistant Investment Officer in statute. Funding of this new position should be considered during the Omnibus Appropriations deliberations, if this authorizing legislation passes to establish this new position.
10. Delete and/or revise references pertaining to KPERS-Correctional disability benefits as a result of recommending that the enhancements expire on June 30, 1995.
11. Delete provisions for a COLA for retired members, certain retirant's beneficiaries, and disabled members from H.B. 2555 and amend the COLA as passed by the House into H.B. 2077.
12. Amend provisions of H.B. 2077 (which would require a periodic actuarial audit of the KPERS actuary's work) into H.B. 2555. The cost range for an audit is estimated from \$10,000 to \$50,000 depending on the complexity of the audit.
13. Delete the references to "uniformed services" and define "armed forces" to include only the U.S. Coast Guard.
14. Delete the mandated KPERS 90-day reporting requirement since the Senate Subcommittee views this as an unnecessary mandate which would require an unreasonable amounting of copying of documents which are available to members of the Legislature without passing this statutory requirement of providing open KPERS records.
15. Change the current employer's annual, statutory contribution rate increase from 0.1 percent annually to 0.2 percent annually, effective in FY 1997, in order to begin reducing the projected actuarial shortfall in the KPERS long-term funding. Attached to this Subcommittee Report is the

KPERS calculations regarding this change and the cost impact. The Senate Subcommittee considered a parallel increase in employee contributions based on the model provided by KPERS as the Subcommittee's preferred option, but the Subcommittee does not recommend that the combined employer-employee method be incorporated into H.B. 2555. This issue should be revisited prior to the time that the employer rate exceeds 4.0 percent (which is the current statutory employee contribution rate) in order that consideration may be given to linking the employer and employee rates. The Senate Subcommittee considered the possible legal consequences which might result from increasing the employee contribution rate in the absence of a concurrent and significant increase in employee retirement benefits.

Kansas Public Employees Retirement System
 Summary of Additional Employer Contributions Required
 Employer Contribution Rate Increase Beginning in Fiscal Year 1997
 (Employee contribution Rate Constant at 4%)
 STATE / SCHOOL

Fiscal Year	Projected Salaries (1)	Base Rate	COLA Rate (2)	.10%		.20% Cap			.225% Cap			.25% Cap		
				Current Cap Contributions	Rate	Contributions	Additional	Rate	Contributions	Additional	Rate	Contributions	Additional	Rate
1995	\$ 2,628,514,502	3.20%		\$ 84,112,464	3.20%	\$ 84,112,464	\$ 0	3.20%	\$ 84,112,464	\$ 0	3.200%	\$ 84,112,464	\$ 0	3.20%
1996	2,647,491,897	3.30%		87,367,233	3.30%	87,367,233	0	3.30%	87,367,233	0	3.300%	87,367,233	0	3.30%
1997	2,753,391,573	3.40%	.09%	96,093,366	3.49%	98,846,757	2,753,392	3.59%	99,535,105	3,441,739	3.615%	100,223,453	4,130,087	3.64%
1998	2,863,527,236	3.50%	.09%	102,800,628	3.59%	108,527,682	5,727,054	3.79%	109,959,446	7,158,818	3.840%	111,391,209	8,590,582	3.89%
1999	2,978,068,325	3.60%	.09%	109,890,721	3.69%	118,824,926	8,934,205	3.99%	121,058,477	11,167,756	4.065%	123,292,029	13,401,307	4.14%
2000	3,097,191,058	3.70%	.09%	117,383,541	3.79%	129,772,305	12,388,764	4.19%	132,869,496	15,485,955	4.290%	135,966,687	18,583,146	4.39%
2001	3,221,078,701	3.80%	.09%	125,299,961	3.89%	141,405,355	16,105,394	4.39%	145,431,703	20,131,742	4.515%	149,458,052	24,158,090	4.64%
2002	3,349,921,849	3.90%	.09%	133,661,882	3.99%	153,761,413	20,099,531	4.59%	158,786,296	25,124,414	4.740%	163,811,178	30,149,297	4.89%
2003	3,483,918,723	4.00%	.09%	142,492,276	4.09%	166,879,707	24,387,431	4.79%	172,976,565	30,484,289	4.965%	179,073,422	36,581,147	5.14%
2004	3,623,275,471	4.10%	.09%	151,815,242	4.19%	180,801,446	28,986,204	4.99%	188,047,997	36,232,755	5.190%	195,294,548	43,479,306	5.39%
2005	3,768,206,490	4.20%	.09%	161,656,058	4.29%	195,569,917	33,913,858	5.19%	204,048,381	42,392,323	5.415%	212,526,846	50,870,788	5.64%
2006	3,918,934,750	4.30%	.09%	172,041,236	4.39%	211,230,583	39,189,347	5.39%	221,027,920	48,986,684	5.640%	230,825,257	58,784,021	5.89%
2007	4,075,692,140	4.40%	.09%	182,998,577	4.49%	227,831,191	44,832,614	5.59%	239,039,344	56,040,767	5.865%	242,911,252	59,912,674	5.96%
2008	4,238,719,825	4.50%	.09%	194,557,240	4.59%	245,421,878	50,864,638	5.79%	257,290,293	62,733,053	6.070%			
2009	4,408,268,619	4.60%	.09%	206,747,798	4.69%	264,055,290	57,307,492	5.99%						
2010	4,584,599,363	4.70%	.09%	219,602,309	4.79%	283,786,701	64,184,391	6.19%			\$ 359,380,296			
2011	4,767,983,338	4.80%	.09%	233,154,385	4.89%	297,045,362	63,890,977	6.23%						
2012	4,958,702,671	4.90%	.09%	247,439,263	4.99%									
2013	5,157,050,778	5.00%	.09%	262,493,885	5.09%									
2014	5,363,332,809	5.10%	.09%	278,356,973	5.19%									
2015	5,577,866,122	5.20%	.09%	295,069,118	5.29%									
								\$ 473,565,292						\$ 348,640,445

(1) Based on KPERS estimate.
 (2) COLA adjustments include 1994 legislation

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March 23, 1995

**SUBCOMMITTEE/COMMITTEE REPORTS
ON 1995 H.B. 2555 (KPERS AND RETIREMENT ISSUES)**

House Subcommittee Recommendation

The Subcommittee recommends **H.B. 2555** to implement a number of adjustments in what collectively will be known as the KPERS Omnibus Bill and includes the following recommended items (with bill sections referenced below in parenthesis):

1. Add a new, unclassified position of Assistant Investment Officer in statute. Funding of this new position should be considered during the Omnibus Appropriations deliberations, if authorizing legislation passes. (Section 5)
2. Make a technical change in correctional employees' disability benefits, Tier II, to be consistent with a provision added last year when changes were made in KP&F, which also should have been reflected in authorizing similar benefits for correctional employees. (Section 20)
3. Provide for an offset to Social Security benefits that should be applicable to correctional employees' disability benefits in order to conform treatment of this group to the treatment of other similarly situated KPERS members. (Section 6)
4. Require spousal consent in situations where vested members apply for withdrawal of contributions. (Section 18)
5. Incorporate by reference the Internal Revenue Code pertaining to pensionable compensation in order to grandfather current employees and new hires. (Section 22)
6. Authorize KPERS to collect payments for service credit purchases which are based on double or triple deductions to be longer than one year in order to collect an actuarially determined amount rather than basing the amount of current salary. (Section 19)
7. Require that dual system members must retire from both systems if credit from both systems is needed to establish eligibility for retirement. (Section 15)
8. Provide for purchase of service credit at Regents institutions for regular KPERS program to assist employees who change employers. (Section 21)
9. Incorporate a series of "technical" corrections into the bill as requested by the Board of Trustees and the Revisor's Office, including:
 - (a) Make statutory references consistent for definitions. (Sections 1, 3, 6, 10)

(b) Clarify that retirant death benefits are payable to the beneficiary. (Section 16)

(c) Further clarify that retirant death benefits are payable to the beneficiary and that the beneficiary may assign the benefit to a funeral home. (Section 9)

(d) Extend KP&F membership protection from two to five years which would be consistent with KPERS protection period. (Sections 12, 13)

(e) Clarify spousal consent at retirement by rewording 1994 law. (Section 7)

(f) Change a reference in the KP&F statute to correctly refer to an EMS definition. (Section 11)

(g) Resolve Revisor's conflicts. (Section 4)

10. Allow credit for military service that is immediately preceded by the signing of an employment contract with a participating employer, where the actual start of the contracted service is prevented by induction into the military and followed by a return to employment with the same participating employers after military service. (Section 3)

11. Permit KP&F members to purchase military service by double or triple deduction over the time period required to pay the full actuarial costs. (Section 14)

12. Authorize for Judges who attain the maximum level of 70 percent of final average salary, the member contribution rate would drop from 6.0 percent (or 4.0 percent under certain conditions) to 2.0 percent. Under current law, when a judge reaches the maximum benefit level, the contribution rate drops to 4.0 percent. Upon reaching age 65 and 20 years of service, the member contribution rate drops to 2.0 percent under current law. These provisions originally were in 1995 H.B. 2367. (Section 2)

13. Provide a benefit increase of 1.5 percent, effective July 1, 1995. All members who retired prior to July 1, 1994, and all disabled members, will receive whichever is the greater: either a 1.5 percent increase in retirement or disability benefits, or alternatively, \$0.50 for each year of service and \$0.50 for each year since retirement or disability. This increase would apply to all KPERS regular and special members who are retired or disabled, joint annuitants or beneficiaries, TIAA retirants, KPERS disability recipients, retirants of the State School Retirement System, and retirants of the Kansas City Kansas School Retirement System. By definition, most retired members of the Legislature are excluded from the increase in benefits. (New Section 17)

House Committee Recommendation

The House Committee concurs with the Subcommittee recommendations and makes the following changes:

1. Strike the prohibition in order to allow retired legislators to receive a cost-of-living adjustment in their retirement benefits. (New Section 17)

2. Amend provisions of H.B. 2554 which pertains to KPERS real estate holdings and investments into this bill without the implementation effective upon publication in the *Kansas Register*. (Section 8)

House Committee of the Whole Recommendations

The HCOW recommends the following changes in H.B. 2555:

1. Delete original Section 5 which would authorize a new, unclassified position for the KPERS staff by amending current law providing for positions in that agency.

2. Expand the definition of "military service" by changing the current reference from "armed forces" to "uniformed services" in order for members of a participating KPERS retirement plan to be able to obtain service credit for serving in such organizations as the U.S. Public Health Service. (Sections 1, 3, 7, 14)

3. Add a reporting requirement for KPERS to submit at least once every 90 days investment information and market values for review by the Legislature's Joint Committee on Pensions, Investments and Benefits. (Section 4)

Fiscal Note

The KPERS actuary has indicated the enactment of the cost-of-living adjustment would have the following cost impact, first to be reflected in FY 1998 for State/School, KP&F and Judges, and CY 1998 for local units:

Coverage Group	Increased Employer Contribution Rate	Annual Cost	Total Liability
KPERS State/School	0.07%	\$ 2,050,000	\$ 37,700,000
TIAA	0.02%	63,000	442,000
KP&F State	0.32%	82,000	657,000
Judges	0.19%	34,000	344,000
KPERS Local	0.07%	459,000	8,400,000
KP&F Local	0.32%	575,000	4,442,100
Total State Cost	--	\$ 2,229,000	\$ 39,143,000
Est. SGF Cost	--	1,901,000	32,837,000
Total Local Cost	--	1,034,000	12,842,100

HOUSE BILL No. 2005

By Special Committee on Judiciary

12-16

SWAM
March 24, 1995
Attachment 7

10 AN ACT concerning retirement; relating to postretirement judicial serv-
11 ice by certain retirants of the retirement system for judges.

12 *Be it enacted by the Legislature of the State of Kansas:*

13 Section 1. (1) On and after the effective date of this act, a retirant
14 who retires as provided in K.S.A. 20-2608 and amendments thereto, may
15 return to temporary judicial duties pursuant to the provisions of K.S.A.
16 20-310b and 20-2616 and amendments thereto while receiving service
17 retirement benefits. Upon written agreement with the Kansas supreme
18 court prior to retirement, such retirant shall be available to perform as-
19 signed judicial duties without pay for not more than 99 104 days or 40%
20 of each year. Such Notwithstanding the provisions of law in effect
21 on the retirement date of a retirant, such retirant shall receive a
22 retirement benefit increase, payable monthly, equal to 25% of the current
23 monthly salary of judges or justices serving in the same position as that
24 held by the retirant at the time of retirement. Such agreement shall be
25 for a period of not more than two years. A retirant may enter into sub-
26 sequent agreements, except that the aggregate of these agreements shall
27 not exceed 12 years.

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a stipend

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28 (2) Within five years after retirement, a retirant who did not enter
29 into an agreement as provided for in subsection (1) prior to retirement
30 may enter into such a written agreement within 30 days prior to any
31 anniversary date of retirement. Upon entering into such an agreement,
32 the retirement benefit shall be recalculated to include such benefit in-
33 crease as provided for in subsection (1). Agreements shall be signed by
34 the chief justice with the approval of a majority of the justices of the
35 Kansas supreme court.

Delete

36 (3) If a written agreement is entered into pursuant to the provisions
37 of subsection (1), and notice is received from by the chief justice of the
38 refusal of the retirant to accept a temporary assignment without just
39 cause, the written agreement shall be terminated. Upon termination, the
40 retirant's retirement benefit shall be recalculated to reduce the future
41 retirement benefit payments to the amount payable without the increase
provided for in this act. Such reduction shall be effective on the first day

Delete

~~of the first month following the retirant's refusal to accept a temporary assignment without just cause.~~

~~(4) The director of accounts and reports on July 1, 1995, and the first day of each fiscal year following thereafter, shall transfer from the state general fund to the Kansas public employees retirement fund an amount certified by the chief justice of the Kansas supreme court to cover the provisions of this act. All benefits shall be paid from the Kansas public employees retirement fund. As soon as practical after the close of each fiscal year, the executive secretary of the Kansas public employees retirement system shall certify to the chief justice of the supreme court the amount of benefits paid under this section during the preceding fiscal year. There shall be paid to the Kansas public employees retirement fund from moneys appropriated to the judicial branch a sum equal to the amount of any benefits payable in the preceding fiscal year under the provisions of this section.~~

~~(5) Nothing in this act shall be construed to require a retirant of the retirement system for judges to enter into an agreement to perform temporary judicial duties.~~

~~(6) Nothing in this act shall be construed to limit the supreme court's ability to make judicial assignments pursuant to the provisions of K.S.A. 20-310b and 20-2616 and amendments thereto.~~

~~(7) Any retirant who has fulfilled the requirements of an agreement entered into pursuant to this act may continue to accept judicial assignments and shall be compensated for such subsequent assignments in accordance with the provisions of K.S.A. 20-310b and 20-2616 and amendments thereto.~~

~~(8) For purposes of this act, "retirant" shall include any justice of the Kansas supreme court, judge of the Kansas court of appeals, and district judge of any district court of Kansas who retired pursuant to the provisions of the retirement system for judges. Retirant shall not include any district magistrate judge.~~

~~Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.~~

Delete

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5

and the stipend provided by this act shall not be counted toward the annual limitation on compensation found in K.S.A. 20-2616.

6

(7) If an assignment given to a retirant in accordance with this act will require the retirant to exceed the 104 day limitation in subsection (1) the retirant shall be compensated in accordance with the provisions of K.S. 20-2616 and any amendments thereto.

7-2