

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson August Bogina at 10:00 a.m. on April 20, 1995 in Room 123-S of the Capitol.

All members were present except:

Senator Rock, who was excused
Senator Petty, excused on April 21
Senator Kerr, excused on April 25

Committee staff present:

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

Approval of minutes

Senator Moran moved, Senator Karr seconded, that the minutes of the March 28, 29, and 30 meetings be approved as presented. The motion carried on a voice vote.

Introduction of bills

It was moved by Senator Salisbury and seconded by Senator Feleciano that bill draft 5 RS 1308 be introduced. The motion carried on a voice vote.

The Chairman welcomed Senator Paul Feleciano to the Committee, who was appointed by the OCR to serve on the Committee in Senator Rock's absence. He reviewed the agenda for the meetings of April 20, 21, 24, and 25, noting that the 100 hour audit on the Racing Commission would be presented to the Post Audit Committee on the afternoon of April 25 and, subsequent to that time, the Committee would address funding for the Racing Commission. The minutes for this four day meeting will be contained in one document.

Mr. Richard Ryan, Director of the Legislative Research Department, distributed and reviewed a memorandum dated April 6, 1995 regarding adjusted estimates of State General Fund receipts for FY 95 and FY 96 (Attachment 1). He told members that aside from **SB 14**, estimates of receipts for the two year period have not changed much from the beginning of the 1995 legislative session.

Ms. Laura Howard, KLRD, presented information comparing the House, Senate and Conference positions on expenditures from the SGF and all funds in FY 95 and FY 96 (Attachment 2), a summary of the fulltime equivalent positions as recommended by the Legislature (Attachment 3), and a profile of the State General Fund from FY 95 through FY 2000 (Attachment 4) {Revised figures were provided by KLRD in the afternoon -- See pages 3 and 4 of Attachment 4}. In answer to questions, staff noted that correlation weighting is included in the expenditure line for general and supplemental school aid in the out years and stated that the declining growth rate is the result of a reduction in enrollment growth, assessed valuation of real property and motor vehicles. Staff advised members that the figures in the consensus estimates line had been adjusted to accommodate legislative action.

Mr. Paul West, KLRD, distributed copies of a table which reflects the status of the Economic Development Initiatives Fund (Attachment 5), and pointed out that the table does not reflect the Governor's Budget Amendment #4 and assumes the continuation of the Lottery and Racing Commission.

Mr. Russell Mills, KLRD, provided a tabulation of the expenditures from the resources of the State Water Plan Fund (Attachment 6).

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 10:00 a.m. on April 20, 1995.

Omnibus Appropriations Bill (5 RS 1313, later to be known as SB 385)

A memorandum from the Research Department titled "Items for Omnibus Consideration," dated April 19, 1995 was distributed to members (Attachment 7). Staff indicated that the memorandum includes the fiscal impact of legislation that has advanced to the conference stage, any items that the Committee recommended be considered during Omnibus considerations, technical adjustments to the budget, recommendations of the Joint Committee on Building Construction or the Joint Committee on Computers and Telecommunications that have not been addressed, and any of the Governor's budget amendments which have been received but not acted upon by the Committee. Not included in this memorandum are items recommended in the Governor's Budget Amendment #4 (Attachment 8) and agency appeals which may have been directed to the Chairs of the Senate Ways and Means Committee and the House Appropriations Committee.

The Chairman noted that Legislative Research staff assigned to agency budgets would review "Items for Omnibus Consideration" for the Committee's consideration in writing the Omnibus Appropriations Bill and would simultaneously review related items from the Governor's Budget Amendment #4. The minutes will reflect any lengthy discussion generated by items which were considered and action that was subsequently recommended by the Committee. Recommendations which were made by the consensus of the Committee can be found on Attachment 32. Those items which are preceded by an asterisk do not appear in either Attachment 7 or Attachment 8. (*)

Department of Transportation

A. Omnibus Review Item and Joint Committee on State Building Construction Recommendation (Attachment 7-1) -- A program statement for the subarea shop proposed in East Wichita was distributed to members (Attachment 11). A representative from the Department of Transportation stated that state law requires that the Department maintain any fully controlled access facility.

Kansas Lottery

A. Governor's Budget Amendment No. 3. dated March 24, 1995 (Attachment 7-1) -- The Committee deferred action on this item until April 25, 1995. (See page 10 of this document for additional Committee discussion regarding the Lottery.)

B. Omnibus Review Item (Attachment 7-1) -- A letter from the office of Gregory Ziemak, Executive Director of the Lottery, regarding the security staff was made available (Attachment 12). Members discussed the certification requirements and duties of the Lottery security staff.

C. Technical Correction (Attachment 7-2)-- The Committee did not recommend that the expenditure limitation for FY 96 be increased.

D. Pending legislation (Attachment 7-2) -- Deferred.

* The Chairman noted that an appeal had been submitted for the Committee's consideration regarding payment for a lost lottery ticket (Attachment 13). Senator Lawrence moved, Senator Morris seconded, that \$117,037 from the Lottery Operating Fund be provided in a separate line item for payment of a lost lottery ticket. The motion carried on a voice vote.

Kansas Racing Commission

A. Omnibus Review Item (Attachment 7-2) -- On April 20, 1995, the Committee agreed to add 2.0 FTE positions and funds as recommended by the Senate Subcommittee for two classified auditors in order to monitor activities at each race track, to add a provision to assure that three race judges or stewards would be stationed at each race track, and to provide that anyone hired as Inspector of Parimutuels be certified as a public accountant. The Committee also concurred with the Governor's revised estimates of transfers to the State Gaming Revenue Fund from parimutuel wagering.

B. Pending Legislation (Attachment 7-7) -- It was noted that there would still be a disparity between the salary of the Racing Commissioners and the Lottery Commissioners with the passage of SH 190, and, in conference, an attempt would be made to raise the salary of the Lottery Commissioners to \$65 per day.

See page 11 of this document for recommendations made following the review of the Post Audit Performance Study on the Racing Commission.

Kansas Public Employees Retirement System (KPERS)

A.

2. Employer Contribution Rate Increase (Attachment 7-7 and GBA #4 (Attachment 8-30, item

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 10:00 a.m. on April 20, 1995.

65) -- House and Senate recommendations for increasing the employer contribution rate to satisfy the unfunded liability caused by previously authorized post retirement benefit enhancements were reviewed. Staff distributed copies of a table illustrating the annual increases of adopting the .2% cap on the employers' contribution rate as compared to the current statutory increase in rates (Attachment 14). Senator Kerr moved that the Committee adopt the House version. For the purpose of discussion, Senator Vancrum seconded the motion. It was noted that the fiscal cost in FY 96 for the House version would be \$2.2 million from the SGF. Senator Kerr noted he believed that because the state is committed to these liabilities, it is important to put the earnings into the fund sooner. In answer to questions regarding what this recommendation would do to various tax relief issues, he stated that it was his opinion that the state should not look for additional ways to spend or reduce revenues until it has met current financial obligations. Others expressed concern about committing to the House version with the projected "tight" budget for FY 97. The motion failed on a show of hands.

C. SHaRP Revised Cost Estimates (Attachment 7-9 and GBA #4, Attachment 8-11, item 26) Deferred.

GBA #4, Attachment 8, item 64. Retirement Reduction Savings -- The analyst explained that when a position becomes available due to retirement during the fiscal year, both the salary and the FTE position are frozen. Through the review process, 0.75 FTE position and entry level funding can be reallocated in that fiscal year. In answer to a question, staff indicated that an agency must appeal in the subsequent year to reinstate positions that were eliminated through retirement. The number of FTE positions which were vacated and lost due to retirements in FY 94 and the first six months of FY 95 were reviewed. Members inquired why the reduction in FTE positions had not been reflected in agency budgets and requested additional information from the agency.

On April 25, the fiscal analyst reviewed a summary of the net reduction of employees due to retirement (Attachment 25). It was noted that the figures shown under "net reduction" equate to the amounts identified by the Governor for reduction in the state employee pay bill. The analyst pointed out that if the Legislature over appropriates in FY 96, the Finance Council would not release the monies. Senator Salisbury commented that the numbers reflected in the summary make one question whether an early retirement plan could be implemented. The Committee concurred with the Governor's recommendation and also recommended that the mechanics for the reduction be placed in the state employee pay bill (SB 190).

Legislature

* Senator Morris suggested that if the chairs in the Senate Chamber are replaced that the Committee recommend that the surplus property rules be suspended to allow the senators to purchase them at a fair market price. Though some members believed that the chairs should be repaired rather than replaced, the Committee concurred with this recommendation.

Legislative Coordinating Council

A. HB 2555 (Attachment 7-10) -- The Committee concurred and recommended that \$50,000 from the SGF be provided for the actuarial audit of KPERS in a separate line item of the Legislative Coordinating Council.

Department of Health and Environment

A. HB 2256 (Attachment 7-10) -- Members expressed concern about adding FTE positions particularly because the agency currently employs 20.5 geologists. The Committee concurred with the expenditure limitation of \$1,117,500, but recommended that the agency use existing staff to provide oversight necessary to administer the program, and further recommended that a proviso be placed on the Drycleaning Facility Release Trust Fund to limit salary expenses to \$95,234 in order to assure that most of the monies would be used for corrective action contracts for environmental cleanup.

B. House Substitute for SB 127 (Attachment 7-11) -- The Committee concurred, but recommended that a proviso be placed on the Driving Under the Influence Equipment Fund that would limit expenditures to the purchase of blood or alcohol concentration testing equipment.

22. Department of Energy National Industrial Competitiveness Grant (Attachment 8-10) -- In answer to senators' concerns, the fiscal analyst distributed copies of information pertaining to the NICE3 Project (Attachment 15) and stated that the grant is provided on a 1:1 match and that the awardee (which would be the state) is expected to continue financing projects started by the one-time grant. The Committee concurred with the Governor's recommendation, but recommended that a proviso be placed on the new fund requiring the grant recipient to provide any matching amounts necessary for the federal monies and to assume all liability for continuing the grant for this or any ensuing fiscal year and prohibiting the use of the monies for state operations.

24. State Motor Pool Charges (Attachment 8-10) -- This request was denied.

25. Grant for Breast and Cervical Cancer Early Detection (Attachment 8-11) -- In answer to

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 10:00 a.m. on April 20, 1995.

questions, the analyst stated that part of the agency's request included \$184,036 in total salary expenses including 3.0 new FTE and some monies to set off existing staff. The Committee concurred with the Governor's recommendation to allow the expenditure of \$650,047 from a new federal grant to fund early detection of breast and cervical cancer activities, but denied the agency's request for additional FTE positions and stated that the monies should be used for aid-to-locals.

* A letter of appeal from the Secretary of the Department of Health and Environment was reviewed (Attachment 16). The Secretary requested that the limit on a number of funds listed in his letter be converted to no-limit funds. Members stated that the funds were made no-limit in order to prevent the agency from adding FTE positions. Because it was noted that monies could be released through the Finance Council, the Committee took no action on this item.

* A second letter of appeal from the Department of Health and Environment was presented to the Committee (Attachment 17). The members recommended the addition \$659,433 in FY 96 from the AIDS Project, but stipulated that the monies be used for aid-to-locals and not for new FTE positions. The Committee also recommended that the expenditure limit on the Training Fee Fund be raised to \$120,000, but recommended no new FTE positions. It was further recommended by the Committee that the expenditure limitation on the Disease Prevention and Health Promotion Fund be increased so that anticipated remaining balances from FY 95 can be expended in FY 96, that a proviso be placed on the fund that would limit salary expenses from this fund so the agency would not use the monies for additional FTE positions and would limit expenditures to the health projects which experienced the carryover balances. To clarify a misunderstanding (the agency believed no carryover monies could be used to pay salaries of existing staff), this recommendation was altered on April 25 to provide that the carryover balances from the federal grant for the breast cancer project be placed in the Grant for Breast and Cervical Cancer Early Detection (which could be used for salaries of existing staff but no new FTE positions) and to include a proviso restricting use of the carryover balances from the other four health projects to aid-to-local units. (This proviso places a limit on the total amount from the fund that can be expended for state operations.) In response to the fourth request in the letter, the Committee authorized the shift of Title I monies from FY 95 to FY 96. A copy of the agency's request for a Governor's budget amendment was distributed to members (Attachment 24).

Kansas State Board of Agriculture/Kansas Department of Agriculture

A. Sen. Sub. for HB 2384 (Attachment 7-11 and GBA #4, Attachment 8-6, item 12) -- Members discussed current staffing of the agency. Because the agency has an existing executive manager position, the Committee recommended that the executive manager position and associated salary expenses be deleted, that the assistant Secretary position and funding be authorized, and, because the current executive manager has a personal secretary, that the existing position and funding for the personal secretary be reallocated. On April 25 the Committee was informed that because the executive manager position was classified, the state could be potentially liable. The Committee concurred with the Chairman's suggestion to add 1.0 FTE unclassified Assistant Secretary of Agriculture position in FY 96 and funding in the amount of \$68,400. The Chairman noted that the Secretary of Agriculture agrees with leaving the executive manager position open when it becomes vacant. The Committee concurred with the request for \$5,000 for travel and subsistence for the new advisory board in FY 96.

B. SHaRP implementation (Attachment 7-12) -- The Committee recommended that SHaRP expenses be placed in a line item within the Department of Administration's budget.

C. Governor's Budget Amendment No. 3 (Attachment 7-12) -- Deferred. See Lottery.

* Senator Morris informed the Committee that \$131,000 which had been recommended to finance the FACTS program was transferred to Kansas Agricultural Statistics to offset a portion of the costs of use value data collection. No action was taken pending additional information.

Kansas Guardianship Program

A. SB 342 (Attachment 7-13) -- Senator Brady suggested that 75% of the requested amount for moving expenses be provided. The Committee concurred with lapsing \$1,074,200 in grant funding for the KGP from SB 342 and appropriating \$1,074,200 to the KGP in FY 96, with appropriating \$120,563 in FY 96 for costs associated with separation, and with appropriating \$44,800 to annualize the cost of serving clients added to the program in FY 95. The Committee also recommended that \$32,171 lapsed from the operating grant to KAPS be used to finance part of this.

Department of Social and Rehabilitation Services

* The Committee concurred with a technical adjustment recommended by the fiscal analyst to appropriate the Medicaid Assistance Federal Fund created in SB 343 for FY 96.

* Senator Brady moved, Senator Petty seconded, that \$800,000 from the SGF be added in FY 95 for the Community Mental Health Centers. The motion carried on a show of hands. This recommendation restores funding deleted by the 1994 Legislature for anticipated savings from a mental health managed care plan which has not been implemented to date.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 10:00 a.m. on April 20, 1995.

* Senator Salisbury requested that the Committee reevaluate its position on supportive employment in the MR budget. A letter of appeal was distributed to members from Tom Laing, Executive Director of Kansas Association of Rehabilitation Facilities (Attachment 26). Senator Salisbury reviewed the Committee's position and acknowledged that, though there is a concern about ongoing funding, the decision needs to be based upon the knowledge of who is and is not served under Vocational Rehabilitation. The analyst told members that some of the persons who would have received services in MHRS under the old system will get services under Vocational Rehabilitation, but they won't receive continued support when the timeline runs out. The \$1. million would provide continued support of services for persons who are in the existing class. Senator Petty moved, Senator Brady seconded, that \$400,000 be added in FY 96 to provide a total of \$1. million in matching funds and concur with the Governor's initial recommendation which included \$395,326 and the \$1. million in MHRS rather than in Vocational Rehabilitation Services. The Chairman objected to the motion, noting that SB 343 had been signed by the Governor. A substitute motion was offered by Senator Petty and seconded by Senator Brady to add \$395,326 in FY 96 to provide a total of \$1. million in funding for continuation services in special purpose grants. The motion carried on a voice vote. Senator Salisbury commented that, in making this decision, the Committee must recognize that the Legislature will be faced with the same issue next session and it is important that SRS and related services improve coordination and streamlining of services. Senator Petty moved, Senator Brady seconded, that the Secretary of SRS be allowed to determine whether the match monies would be used in Vocational Rehabilitation Services or in MHRS. The analyst noted that the executive branch currently has that authority and there is a potential problem that monies spent in MHRS would increase the need for SGF support in the out years. The motion failed on a voice vote.

Consumer Credit Commissioner

A. SB 95 (Attachment 7-18) -- A letter of appeal from the Commissioner, requesting that the FY 95 expenditure limitation on the Consumer Credit Fee Fund be increased by \$10,000, was distributed to members (Attachment 18). Members concurred with the request.

Board of Healing Arts

A. SB 57 (Attachment 7-20) -- The Committee did not concur with the requested \$3,000 for one-time expenses in FY 96 for the establishment of a new council within the Board and recommended reducing the expenditure limitation by \$3,000.

Kansas Bureau of Investigation

A. Governor's Budget Amendment No. 3 (Attachment 7-20) -- Deferred.

B. Automated Fingerprint Identification System Replacement (Attachment 7-20) -- The fiscal analyst reviewed the maintenance costs for the current AFIS system as submitted by three vendors and told members that the maintenance costs of the new technology would be two to three times less expensive. It was noted that \$78 million is available from the federal government for grants to states, but Kansas will not know if the grant has been approved until July 1995. Members expressed their interest in making sure that the new technology would provide for interchange of criminal history information without passing the cost on to the local units. A representative from the KBI indicated that the estimated cost of the new system includes replacing the work stations, and also stated that, unlike the current system which is proprietary, the new technology would open the door for vendor competition which would make future upgrades less expensive. It was also noted that the agency had looked at certificate of participation financing over a five year period. The cost of the \$2. million system would be \$300,000 in interest. The Committee recommended that \$2. million be appropriated from the SGF for the replacement of the current Automated Fingerprint Identification System, subject to release by the State Finance Council pending notification regarding the agency's application for a federal grant. The \$2. million would be reduced by the amount of any federal grant monies received. The Committee also recommended that a proviso be added to the no-limit KBI Federal Grants Fund that provides that the agency shall make no expenditures from this fund for an AFIS system replacement or upgrade without approval of the State Finance Council.

State Board of Indigents' Defense Services (BIDS)

A. Funding for Assigned Counsel and Regional Defense Delivery System Expansion (Attachment 7-22) -- The analyst noted that the Governor's FY 95 and FY 96 recommendation for assigned counsel (Attachment 8-5, item 9) is in addition to legislative action to date. Senator Salisbury expressed concern about monies paid for assigned counsel and suggested that public defenders be adequately funded and that separate budgets for non capital cases versus capital defender cases be established to maintain sufficient monies to pay for non capital cases. Members of the BIDS subcommittee supported providing additional dollars for capital defender cases, noting that their original recommendation provided funding for only two attorneys. A representative from the agency told members that the agency expects large expenditures for assigned counsel in the next two and one half months because there will be 4 to 7 capital cases. In answer to questions, he stated that the agency has over \$1 million in unpaid vouchers to date for assigned counsel and needs \$411,000 to get through FY 95. Members expressed a desire to provide an additional team (2 attorneys and a mitigation

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 10:00 a.m. on April 20, 1995.

specialist) in order to reduce costs associated with assigned counsel.

The Committee concurred with the Governor's recommendation for \$167,065 in FY 95 and with \$477,811 in FY 96 from the SGF for payments for assigned counsel. The Committee recommended the addition of \$200,000 in FY 95 and \$1,180,000 in FY 96 from the SGF for defending capital cases; of the total recommended for FY 96, \$900,000 should be used for operating expenditures including assigned counsel and \$280,000 should be used to fund the salaries, wages and operating expenditures of 3.0 new FTE attorneys and 1.0 new FTE mitigation specialist for capital cases. The Committee also recommended that \$846,468 of the amount approved for assigned counsel in FY 96 in SB 48 be deleted from the operating expenditures account and appropriated in a separate line item for regional defense delivery system. This would shift expenditures from assigned counsel to public defender attorneys.

Department of Administration

A. Statewide Human Resource and Payroll System (SHaRP) Project Personal Computers and Related Equipment for State Agencies (Attachment 7-25 and GBA #4, Attachment 8-11, item 26) -- The analyst distributed an updated chart reflecting the requests made by agencies to allow them to access the SHaRP project (Attachment 20). It was noted that the recommendations for the Attorney General, the Department of Credit Unions, the Kansas Real Estate Commission, and the Board of Tax Appeals (Attachment 20-4) had not been addressed by either House but were recommended by the Governor. In answer to a question, it was stated that the SHaRP appropriation for SRS would not be transferred to the Department of Administration's budget. The Committee concurred with the updated amounts prepared by the Research Department (Attachment 20).

28. Conversion of Special Project and Intermittent Positions to FTE Positions (GBA #4, Attachment 8-13, item 28) The Governor's recommendation to convert special project and intermittent positions to FTE positions generated lengthy discussion. Members expressed concern that the SHaRP system could not identify special project positions, that some limited term employees would become permanent employees under the Governor's recommendation even when federal grants expired, and that conscious decisions made by subcommittees regarding the number of FTE positions within agencies' budgets would be eradicated with this proposal. Ms. Gloria Timmer, Director, Division of the Budget, appeared before the Committee and explained that the proposal was made because employees are on the state payroll but are not accounted for. She stated that the proposal would not change the number of employees on the payroll, but would identify them and provide a stronger management system. In answer to a question regarding how agency budgets are programmatically tracked through position limitations, Ms. Timmer stated that the Legislature, to this point, has evaluated those which have been counted, and that has been inaccurate. She told members that, under SHaRP, adding an unclassified temporary position (or what is currently called a special project position) would require approval from the Governor. There was some concern that those persons converted to FTE positions would receive additional benefits, specifically longevity. Ms. Timmer stated that an attempt was made to not provide additional benefits. Members requested information identifying those persons who would receive no additional rights under SHaRP.

Ms. Timmer distributed an agency by agency tabulation of the conversion of special project positions (Attachment 9), pointing out that the document analyzes all the special project positions to determine how they would be handled under SHaRP and noting that not all of them require an FTE position. Ms. Timmer, in response to the Committee, also distributed a chart illustrating state position and appointments information and benefits comparison (Attachment 10).

Senator Vancrum moved, Senator Salisbury seconded, that the special projects positions (spo's) be converted to unclassified temporary positions (Attachment 8-32). Members inquired whether this action would violate any contractual arrangements. A representative from the SHaRP projects stated that the two categories would have the same benefits. The motion carried on a voice vote.

It was moved by Senator Vancrum and seconded by Senator Lawrence that the intermittent positions be converted to unclassified temporary positions. The motion carried on a voice vote.

Following the Committee's initial recommendation, Ms. Timmer appeared before the Committee on April 21 and distributed a table illustrating the headcount of state employees in the various classifications (Attachment 19). She told members that currently temporary positions can be either classified or unclassified, but are limited to 999 hours. Under the SHaRP system, there would still be temporary positions, but classified would be limited to 999 hours, and unclassified would not be limited. Under SHaRP, unclassified positions would be essentially the same as special project positions. Ms. Timmer pointed out that the 1,384.4 total FTE positions identified by the Governor (Attachment 8-32) is a part of the 3,111 unclassified temporary persons

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 10:00 a.m. on April 20, 1995.

identified by the Division of Personnel Services (Attachment 19). Currently, intermittent positions do not count as FTE, and it is that group of employees who need to be identified in SHaRP and translated to FTE. (Conversion would be based on the percentage of time worked.) There has been no FTE limitation on intermittent positions to date, but after the implementation of SHaRP, there will be an FTE position limitation on each agency. Ms. Timmer stated that by converting all special projects positions and intermittent positions to unclassified temporary positions, the Committee had, in effect, simply continued the special project positions because unclassified temporaries are not limited to 999 hours. The Governor had said he would not approve these positions except in extreme instances. It was pointed out that the conversion (recommended by the Committee) applied to **classified** intermittent positions and could have legal consequences.

In response to a senator's concerns about the timing of the proposal, Ms. Timmer stated that issues continue to rise in the implementation of the new personnel and payroll system which must be addressed. She noted that the SHaRP team made this recommendation in response to a need to keep future system modifications to a minimum and, at the same time, provide control and management over the personnel system. Ms. Timmer told members that the frustration they felt in the review process of state employees is, in itself, a strong argument for implementing the Governor's recommendation.

It was moved by Senator Vancrum and seconded by Senator Salisbury that those persons who were in classified positions would remain classified. (Combined with previous action, this would have the effect of converting to FTE positions only those positions that are currently classified. If not converted to FTE positions, these positions would become unclassified temporary positions under the SHaRP system.) The motion carried on a voice vote, with Senator Feleciano recorded as having voted "no."

32. Utilities for the Memorial Building (GBA #4, Attachment 8-15, item 32) -- The Committee concurred with the Governor's recommendation to increase the expenditure limitation on the State Buildings Operating Fund, but recommended a corresponding reduction in the expenditure limitation of the State Historical Society.

Attorney General

A. **SB 3** (Attachment 7-28) -- Members discussed the number of anticipated commitments of sexually violent predators. The Committee recommended adding two assistant attorneys general and associated operating costs from the State General Fund in FY 96.

B. **HB 2448** (Attachment 7-29) -- The Committee concurred with appropriating the Consumer Protection Special Revenue Fund with an expenditure limitation of \$100,000.

55. State Medicaid Fraud Control Unit (GBA #4, Attachment 8-26, item 55) -- The analyst stated that \$10,000 requested by the agency would be for start up costs. The Federal monies, which would be available in October, provide 90% of the costs for the first three years of participation, and 75% in subsequent years. This is a federally required program for state participation in Medicaid and cannot be performed by the agency which provides the service (SRS). It was noted that the Attorney General is providing 50% of the 10% march from existing funds.

Department of Corrections

A. GBA No 3, Item 9 (Attachment 7-40) -- Defer.

6. Bed Capacity Expansion (GBA #4, Attachment 8-3, item 6) -- The Committee discussed at length the agency's request for additional beds and staffing. Secretary of Corrections, Mr. Charles Simmons, appeared at the Committee's request to answer questions. In answer to a concern regarding the use of the Federal Flood Relief Fund for the purpose of providing inmate beds, Mr. Simmons stated that the beds were lost to the flood and FEMA recommends that the beds be replaced, but not in the same flood plain location. Therefore, the agency has recommended the expansion project.

Mr. Simmons informed the Committee that, based on current projections, the Department may have to double cell and provide additional beds. He told members that the inmate population is currently 6,716 and is projected to be 7,045 by June 30, 1996. There are 20 beds currently available and the Department may have to double bunk at El Dorado as soon as May in order to accommodate the growing number of inmates. In answer to questions, he stated that inmates are currently double bunked at the Topeka and Ellsworth Correctional Facilities. By relocating inmates (moving maximum security inmates from El Dorado and transferring medium security inmates to El Dorado), the agency could pick up 256 beds in 2 cell houses. Responding to questions, Mr. Simmons stated that the number of inmates could be impacted by changes in good time rate and revocation (**SB 360**), but the impact would not be known for 18-24 months.

Senator Moran inquired whether item 8 (Attachment 8-4), a recommended shift of monies for the planning of correctional housing units, meant that the Department also believed construction would be a necessity in the future. Mr. Simmons stated that he had requested that \$600,000, which was appropriated by the 1994

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 10:00 a.m. on April 20, 1995.

Legislature for the planning of the sexual predator population, be shifted to the planning for general facilities. He indicated that two or three units could be added at El Dorado and, by planning ahead, the Department hoped to obtain crime bill monies for that construction.

The Committee concurred with the Chairman's suggestion to agree with the Governor's recommendation with the proviso that the funding be subject to State Finance Council release following a detailed review by the Senate Ways and Means Committee. Senator Vancrum indicated a desire to have more information regarding the consequences of some of the issues such as double bunking. Senator Salisbury noted that there has been some movement by the Judiciary Committee toward changing sentences for certain crimes and expressed her opinion that this issue and others that might impact prison population should be addressed by the Senate Ways and Means Committee. Senator Moran suggested that efforts to expand inmate beds should be coordinated with efforts to move populations from mental health and/or mental retardation facilities as recommended by the Governor's commission. The Chairman stated that the Committee would meet at the earliest convenient time following the 1995 legislative session to address these issues.

Topeka Correctional Facility

- A. GBA #3 -- (Attachment 7-40) -- Defer.

Kansas Sentencing Guidelines

2. Transfer of Federal Grant Program Monies to the Attorney General (GBA #4, Attachment 8-2, item 2) -- The Committee concurred with the creation of a no limit expenditure fund in FY 96, but also recommended that the no limit fund be established in FY 95 because of the availability of federal funds in the current year.

Department of Commerce and Housing

- A. GBA #3 (Attachment 7-32) -- Defer.

3. Increase Economic Opportunity Fund (GBA #4, Attachment 8-3, item 3) -- Information provided by the Department of Commerce and Housing was distributed to members (Attachment 21). The analyst reviewed House recommendations regarding the KBEL monies and reviewed the Kansas Economic Opportunity Initiatives Fund (KEOIF) project requests for which the KBEL monies would be used under the Governor's recommendations (Attachment 21-3). Secretary Gary Sherrer told members that the KEOIF monies would be used to provide infrastructure to either create or expand industries in Kansas. He stated that there are no open ended grants, but zero interest loans will be forgiven if a company does what it promises. If the company does not live up to the terms of the agreement, it will have to repay the loan. Secretary Sherrer also told members that though the agency is an advocate of small businesses, he will be evaluating that program in terms of how the money is accounted for. In response to senators, the Secretary reviewed the loan approval process and the success rate of the KEOIF programs.

4. Resource Reallocation GBA #4, Attachment 8-3, item 4) -- Secretary Sherrer explained that the Mainstreet Grant and Development Program would provide grants under \$50,000 to small businesses. Senator Kerr observed that the agency was subdividing its budget by creating another small business grant and questioned whether there was a better way to provide this type of grant. The Secretary stated that if he could go back and create broader categories of grants he would, but he did not believe the KBEL monies could be used for this type of business. He commended the strategic planning of the current Mainstreet program and endorsed shifting the monies so that the plans could be carried out. The Committee concurred with the Governor's recommendation with a show of hands.

Kansas Technology Enterprise Corporation

- A. GBA #3 (Attachment 7-32) -- Defer.
- B. Pending Bills

1. SB 12 -- Senator Kerr noted that KTEC has tried over the past few years to provide SBIR monies to firms. The Committee concurred with his suggestion to add \$200,000 in FY 96 for the Small Business Innovation Research Bridge Financing Fund from the EDIF.

Kansas Inc.

- A. GBA #3 (Attachment 7-33) -- Defer.
- B. Senate Subcommittee Recommendation (Attachment 7-33) -- No action was taken because of insufficient balances in the EDIF.

Department of Human Resources

- A. HB 2305 (Attachment 7-33) -- The Committee recommended addressing receipts to the

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 10:00 a.m. on April 20, 1995.

Employment Security Trust Fund as a supplemental during the 1996 legislative session.

Kansas Water Office

C. **HB 2038** (Attachment 7-39) -- Members discussed the potential negative balance in the State Water Plan Fund with the enactment of **HB 2038**. The fiscal analyst stated that the SWPF is short \$8,000 with the \$663,756 counted as a receipt. See "A" under State Conservation Commission for Committee recommendation.

State Conservation Commission

A. State Water Plan Fund Savings (Attachment 7-39) -- The Committee concurred with adding \$24,811 (SWPF) in FY 96 for the aid to conservation districts program and recommended reducing \$150,000 (SWPF) in FY 96 in the Non-Point Source Pollution Program to ensure a positive ending balance in the SWPF at the end of FY 96. The Committee recommended that any prior years' savings from various projects be transferred back to the SWPF (estimated at \$223,132 by the agency).

Department of Wildlife and Parks

A. Wolf Creek Fishing Facility (Attachment 7-39) -- Mr. John Strickler, Acting Secretary, told members that there is a balance in the Wildlife Conservation Fund of \$4.4 million. The source of this money is lifetime hunting and fishing licenses. In response to a Post Audit recommendation, the agency has proposed using a portion of the monies from this fund on several projects, one of which is the Wolf Creek Fishing Facility. He stated that the monies would be used as a revolving loan fund and would be reimbursed by the federal government and would also meet some of the federal requirements on fishing expenditures. Secretary Strickler stated that interest on the balance of \$2 million in the Conservation Fund would be used to pay taxes on property which the agency has acquired. Secretary Strickler stated that the Wolf Creek Maintenance Corporation will assume all future maintenance costs of the fishing facility. The Committee concurred with adding \$800,000 in FY 95 (\$600,000 Wildlife Conservation Fund and \$200,000 in private funds) for a capital improvement project to develop a public fishing facility at the Wolf Creek generating facility.

Regents Institutions -- Systemwide Issues

A. General Fee Fund Adjustments (Attachment 7-34 and GBA #4, Attachment 8-23, item 48) and

B. Utility Adjustments (Attachment 7-35 and GBA #4, Attachment 8-22, item 47) -- The Chairman told members that it would be his preference to evaluate the recommendations for higher education, general education and community colleges together in order to make comparable adjustments from the State General Fund. It was his suggestion that the Committee recommend \$2. million from the SGF for FY 95 utilities at institutions of higher education, and that the FY 96 utilities be addressed in a supplemental appropriation next year. He also suggested that the Committee recommend adding \$2.2 million from the SGF in FY 96 for tuition shortfall at the universities. He advised that the addition of \$2.2 million in FY 96 equates to an approximate increase of 2.7% in SGF support for higher education in FY 96, and he would propose making additional appropriations for general education to coincide with increased State General Fund support of higher education.

C. GTA Salaries (Attachment 7-35) -- Members discussed the value of the stipend and tuition waiver afforded to GTAs currently. It was noted that the GTAs at the University of Kansas receive 101% of peer faculties. By a show of hands, the Committee recommended that the limitations on the amount of expenditures from the from the State General Fund operating expenditures account at each Regents institution for Graduate Teaching Assistant salaries be limited to the FY 95 level.

University of Kansas Medical Center

* Senator Morris recommended that \$277,000 from the SGF and 4.0 FTE positions in FY 96 be added for a nurse anesthesia outreach program to train nurse anesthetists in rural Kansas. The Committee concurred.

KSU - Extension Systems and Agricultural Research Program

* Senator Morris moved that \$50,000 be added from the EDIF in FY 96 to coordinate environmental education activities across the state. Senator Moran seconded the motion, which carried on a show of hands.

Pittsburg State University

The fiscal analyst told members that the Board of Regents had approved a new enrollment procedure

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 10:00 a.m. on April 20, 1995.

which is specific to PSU and which would allow students from Missouri and Oklahoma to enroll as Kansas residents. The procedure would be limited to 100 students. The Committee recommended that a new account in FY 96 be created for restricted use funds to allow for fee collections under the contiguous county program at Pittsburg State University.

Board of Regents

A letter from Stephen Jordan, Executive Director of the Kansas Board of Regents, was distributed to members (Attachment 22). The fiscal analyst pointed out that the Senate's funding recommendations regarding the Scholarship Program provide continued funding for existing students, but do not provide for new students to be admitted into the program. The Committee recommended that a proviso be added to the SGF appropriation for the state scholarship program in FY 96, making expenditures subject to release by the Finance Council based on the level of federal funding available for the program.

Department of Education

A. Revisions to Estimated Expenditures for State Aid Programs (Attachment 7-29 and GBA #4, Attachment 8-6, item 13) -- The fiscal analyst pointed out that the reductions for state aid identified by the Research Department memorandum and the Governor's Budget Amendment differ because the Governor is adjusting his original school finance recommendations which did not include correlation weighting, and the Research Department adjustments are made in response to SB 70. Therefore, there is approximately a \$7. million difference.

The Chairman noted that with the reductions made in general and supplemental general state aid, state support for general education drops from 2.6% to 2.0%. Members discussed whether the reduction in state aid was due primarily to the growth in assessed valuation or to lower enrollments, and what impact various suggestions for bolstering state support would have on mill levies. The Committee recommended that SGF funding be provided to fund 85% of special education excess costs in FY 96, that \$10,000 from the SGF be added in FY 96 for educable deaf-blind and severely handicapped children's aid, and that \$214,334 from the SGF be added in FY 96 for postsecondary area vocational school aid.

* A letter from Kansas Action for Children regarding the Communities in Schools program was distributed to members (Attachment 23). The Committee recommended adding \$50,000 from the SGF in FY 96 for "Communities in Schools."

D. GBA #3 (Attachment 7-31) -- Defer.

I. SB 150 (Attachment 7-32) -- No action.

Board of Nursing

* For FY 96, the Committee recommended that a proviso be added allowing expenditures for board requested KBI background checks to be in addition to the expenditure limitation on the Board of Nursing Fee Fund.

Lottery

The fiscal analyst distributed and reviewed a chart summarizing the impact of the nonrenewal of the Lottery (Attachment 27). It was noted that the chart does not reflect additional appropriations which were recommended in the Omnibus Bill and, at a minimum, there is a \$31.4 million shortfall if appropriations are retained at the current recommended level. A summary of the Senate Committee's recommendations in the Omnibus Bill was distributed (Attachment 28). The fiscal staff also distributed a document from the Governor dated March 24, 1995 which included his budget recommendations should the Lottery not be reauthorized (Attachment 29).

Members discussed issues involved with nonrenewal of the Lottery -- the cut-off date for various games as they are phased out, liability for payment of prizes and the redemption period as required by rules and regulations, operating expenses, violation of any contracts, and the possibility of establishing a receivership. The Committee concurred that the impact of nonrenewal would be significant and discussed the procedure for reconciling the budget.

Kansas Highway Patrol

* The Chairman noted that the low bid for the motor carrier inspection station in the city of Caney recommended by the 1994 Legislature is \$3,300 over the appropriated amount of \$35,000. The Committee recommended using \$3,300 of the lapsed funding for the replacement of a trailer at Caney that is used as a Motor Carrier Inspection facility.

* The Chairman read a request from the Highway Patrol regarding funding for an addition to the Patrol's maintenance garage at I-70 and Gage Boulevard (Attachment 30). The Committee recommended that \$23,350 of the lapsed funding be used for this project.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 10:00 a.m. on April 20, 1995.

Kansas Racing Commission

Ms. Barbara Hinton, Division of Post Audit, appeared before the Committee and reviewed the Performance Audit Report #9554 titled "Reviewing Racing Commission Records Regarding Race Track Operations," dated April 1995 which is on permanent file with the Division of Post Audit. Ms. Hinton stated that this report tracks financial information and updates the previous audit. Members discussed the impact of riverboats in the Kansas City area, expenses associated with advertising, and the effect of simulcasting on the financial condition of the race tracks. The Committee recommended that a proviso be included that authorizes the Kansas Racing Commission to undertake an independent audit and investigation (as described in Attachment 31), that the audit scope statement and request for proposal be developed by the Kansas Racing Commission and submitted to the Legislative Post Audit Committee for its review, comments and approval, and that any expenditures or transfers from the State Racing Fund for such audits and investigations be in addition to any expenditure limitation imposed on the State Racing Fund. The Committee agreed that a cost of approximately \$200,000 would be valid as the audit would encompass a great deal of fieldwork. Following the review of the Post Audit report on the Racing Commission (on April 25, 1995), Senator Feleciano moved, Senator Vancrum seconded, that the financing and staffing authority which was previously zeroed out in HB 2132 be restored. The motion carried on a voice vote.

It was moved by Senator Vancrum and seconded by Senator Feleciano that the Omnibus Appropriations Bill (bill draft 5 RS 1313) be introduced and recommended favorable for passage. The motion carried on a roll call vote.

The Chairman adjourned the meeting at 4:00 P.M. which extended from April 20 to April 25.

The next meeting is scheduled for April 27, 1995.

SENATE WAYS AND MEANS COMMITTEE GUEST LIST

DATE: April 21, 1995

NAME	REPRESENTING
Scott Alisoglu	Div. of Budget
Kathly Sexto	"
Jane Chase	KUFA
Nancy Aft	USA
Jacques (Dales)	SQE
Alan Holner	Div of Budget
Ron Wifely	KSBE
Walter P. Quinn	KSBE
Bill Murrell	KSBE
Pam Scott	Ks Funeral Directors Assn
Jim Josseland	KU
Tom Laing	Ks. Assoc. of Rehab. Facilities
TK Shively	KLS
DAVID SIM	KBI
MARCIA PAPAEN	KBI
ELY MEZA	KBI

SENATE WAYS AND MEANS COMMITTEE GUEST LIST

DATE: April 24, 1995

NAME	REPRESENTING
Ken Bahr	Ks. Hospital Assn.
Bob Wunsch	KUMC
Bill Hollenbeck	PSU
Marlene Reem	KU
Erin Sesto	WSU
ASAM Peterson	K-SAA
Karen Lowery	KHSB
Jacques Oakes	SQE
Tom Winter	KMCA
Kelly Jennings	KAPE
Jon Jossward Jr.	KU
Mark Barcellona	KDOCH
Sherry Brown	KDOCH
Craig Grant	KNEA
Megan Digg	Steve Keating + Assoc - VOTECM
LINDA McGill	PMA
Mary Ellen O'Sullivan Wright	assis. Tech. for Kansas project
John McDonald	RACIK
Shannon Jones	SILCR

DIVISION OF THE BUDGET
Room 152-E
State Capitol Building
Topeka, Kansas 66612-1504
(913) 296-2436
FAX (913) 296-0231

Bill Graves
Governor

Gloria M. Timmer
Director

MEMORANDUM

April 6, 1995

To: Governor Bill Graves and Legislative Budget Committee

From: Division of the Budget and Legislative Research Department

STATE GENERAL FUND (SGF) RECEIPTS

Adjusted Estimates for FY 1995 and FY 1996

On April 4, the Consensus Revenue Estimating Group met to adjust the estimates made last November of SGF receipts for FY 1995 and FY 1996. The attached table shows the changes, if any, for each source of revenue. Significant changes in specific revenue sources are discussed later in this memo.

The estimate of total receipts in FY 1995 was decreased by \$7.3 million and the estimate for FY 1996 was reduced by \$33.03 million. For the two years combined, the change is a decrease of \$40.33 million, or 0.6 percent, from the estimates made last November. Importantly, \$31.9 million of the reduction over the two-year period is attributable to passage of SB 14, eliminating the sales tax on original construction services and utilities consumed in the production process.

Economic Forecasts

In November 1994, moderate and steady growth in the Kansas economy was forecast for the period ending on June 30, 1996. There has been no change in that opinion.

SWAM
April 20, 1995
Attachment 1

Kansas Personal Income. The forecast last November was that Kansas personal income would increase 5.3 percent in CY 1994, 5.2 percent in CY 1995, and 5.3 percent in CY 1996. The forecast has been changed to 5.4 percent in CY 1994, 5.6 percent in CY 1995, and 5.0 percent in CY 1996.

Inflation Rate. The November forecast was that inflation, as measured by the Consumer Price Index for All Urban Consumers, would rise by 2.7 percent in CY 1994, by 3.4 percent in CY 1995, and by 3.2 percent in CY 1996. Inflation increased by 2.6 percent in CY 1994. For 1995, the new forecast is 2.9 percent. An increase of 3.2 percent is still the estimate for CY 1996.

Interest Rates. The Pooled Money Investment Board invests state idle funds in bank CDs, repurchase agreements, and statutorily-authorized securities, with the latter being the largest component of the total portfolio. Last November, the rate of return on the whole portfolio was estimated to be 4.7 percent in FY 1995 and 5.1 percent in FY 1996. The FY 1996 estimate has now been adjusted to 4.9 percent.

Natural Gas. For purposes of estimating severance tax receipts, the November forecast was that natural gas prices (gross) would average \$1.60 per mcf in FY 1995 and \$1.70 per mcf in FY 1996. It is now estimated that the average prices will be somewhat lower at \$1.45 in FY 1995 and \$1.60 in FY 1996. Last November's estimate of the taxable value of gas was \$1.065 billion for FY 1995 and \$1.159 billion for FY 1996. The new estimate is \$957.4 million in FY 1995 and \$1.092 billion in FY 1996, a reduction of 7.9 percent for the two years combined.

Crude Oil. The November forecast was that crude oil taxable prices would average \$16.50 per barrel in FY 1995 and \$17 per barrel in FY 1996. Those averages have been lowered to \$15.75 for FY 1995 and \$16.40 for FY 1996. For taxable oil production, the estimates last November were 27.9 million barrels in FY 1995 and 27.6 million barrels in FY 1996. The new estimate for FY 1995 is 27.8 million barrels and for FY 1996 is 26.5 million barrels, a reduction of 2.2 percent for the two-year period.

FY 1995 Receipts

The adjusted estimate of total SGF receipts in FY 1995 is \$3.281 billion, which is \$7.3 million less than the estimate made last November and is \$105.1 million, or 3.3 percent, more than actual receipts in FY 1994.

Individual income tax revenue was reduced by \$5.0 million, and no change was made in the estimate of corporate income tax receipts. Estimated revenue from the privilege tax on financial institutions was lowered by \$1.0 million, and the inheritance tax estimate was reduced by \$2.0 million, primarily based on receipt patterns to date.

Retail sales tax receipts remained unchanged while compensating use tax revenue was increased by \$6.0 million. Although the retail sales tax estimate is unchanged, the revised estimate would be \$2.1 million greater if SB 14 had not been enacted. The insurance premiums tax also is expected to yield \$2.0 million more than previously forecast.

Severance tax receipts were lowered by a total of \$7.0 million in FY 1995 primarily because of lower gas and oil prices. The reduction includes a \$6.1 million decrease in the estimate for the severance tax on gas and a \$0.9 million decrease in the severance tax on oil.

FY 1996 Receipts

The new estimate of SGF receipts in FY 1996 is \$3.376 billion. That amount is \$33.03 million less than the estimate made last November and is \$95.5 million, or 2.9 percent, over the adjusted estimated for FY 1995. The growth rate for FY 1996 is lower than for FY 1995 because the estimate for FY 1996 takes into account 1995 SB 14.

Retail sales tax receipts were reduced by \$26.0 million from the November estimate. The new estimate reflects an increase from the November estimate of \$3.8 million coupled with a reduction of \$29.8 million because of the passage of 1995 SB 14.

Income and privilege tax receipts were reduced by a total of \$13.0 million, of which \$7.0 million was for the individual income tax, based on slightly less growth in personal income in CY 1996 than previously forecast. Corporate income tax revenue was decreased by \$5.0 million from the November estimate. The estimate for corporate income tax receipts does not include any extraordinary assessments in either fiscal year.

Interest earnings were increased by \$6.0 million based primarily on the forecast of higher short-term interest rates. Insurance premiums tax receipts increased \$1.7 million.

Other reductions from the November estimates were \$4.6 million in oil and gas severance tax revenue for reasons previously noted and \$1.4 million in net transfers.

Pending Legislation Not Considered

The adjusted estimates made on April 4 do not take into account any pending state or federal legislation that would affect SGF receipts. Further adjustments will be made prior to final adjournment of the Legislature, as required by KSA 1994 Supp. 75-6701, to account for recently passed legislation.

State General Fund Receipts

(In Thousands)

	FY 1995			FY 1996		
	Estimate of 11/15/94	Estimate of *4/4/95	Change	Estimate of 11/15/94	Estimate of *4/4/95	Change
Property Tax:						
Motor Carrier	\$11,600	\$11,800	\$200	\$12,600	\$12,800	\$200
Income Taxes:						
Individual	\$1,280,000	\$1,275,000	(\$5,000)	\$1,370,000	\$1,363,000	(\$7,000)
Corporation	210,000	210,000	0	210,000	205,000	(5,000)
Financial Inst.	40,000	39,000	(1,000)	40,000	39,000	(1,000)
Domestic Ins. Co.	1,915	1,840	(75)	1,715	1,715	0
Total	\$1,531,915	\$1,525,840	(\$6,075)	\$1,621,715	\$1,608,715	(\$13,000)
Inheritance	\$60,000	\$58,000	(\$2,000)	\$62,000	\$60,000	(\$2,000)
Excise Taxes:						
Retail Sales	\$1,165,000	\$1,165,000	\$0	\$1,210,000	\$1,184,000	(\$26,000)
Compensating Use	142,000	148,000	6,000	149,000	155,000	6,000
Cigarette	52,000	52,000	0	52,000	52,000	0
Tobacco Prod.	2,700	2,700	0	2,900	2,900	0
Cereal Malt Bev.	2,600	2,600	0	2,500	2,500	0
Liquor Gallonage	12,600	12,600	0	12,600	12,600	0
Liquor Enforce.	25,400	25,000	(400)	26,200	25,500	(700)
Liquor Dr. Places	4,600	4,600	0	4,700	4,700	0
Corp. Franchise	12,000	12,000	0	12,400	12,400	0
Severance	79,600	72,600	(7,000)	74,300	69,700	(4,600)
Gas	62,000	55,900	(6,100)	55,400	52,200	(3,200)
Oil	17,600	16,700	(900)	18,900	17,500	(1,400)
Total	\$1,498,500	\$1,497,100	(\$1,400)	\$1,546,600	\$1,521,300	(\$25,300)
Other Taxes:						
Insurance Prem.	\$91,900	\$93,900	\$2,000	\$97,600	\$99,300	\$1,700
Miscellaneous	1,700	1,700	0	1,800	1,800	0
Total	\$93,600	\$95,600	\$2,000	\$99,400	\$101,100	\$1,700
Total Taxes	\$3,195,615	\$3,188,340	(\$7,275)	\$3,342,315	\$3,303,915	(\$38,400)
Other Revenues:						
Interest	\$58,900	\$59,500	\$600	\$52,900	\$58,900	\$6,000
Net Transfers	(8,275)	(10,100)	(1,825)	(27,370)	(28,800)	(1,430)
Agency Earnings	41,900	43,100	1,200	41,500	42,300	800
Total Other Revenue	\$92,525	\$92,500	(\$25)	\$67,030	\$72,400	\$5,370
TOTAL RECEIPTS	\$3,288,140	\$3,280,840	(\$7,300)	\$3,409,345	\$3,376,315	(\$33,030)

* Includes reductions to sales tax receipts as a result of passage of SB 14 of \$2.1 million in FY 1995 and \$29.8 million in FY 1996.

Comparison of House, Senate, and Conference Positions

FY 1996 - State General Fund

Bill No.	Bill	Adjusted Governor's Rec.*	House Position	Senate Position	Conference Position	Difference From Governor	Difference From House	Difference From Senate
48	Judicial Branch	75,189,790	75,448,330	75,887,837	75,994,980	805,190	546,650	107,143
49	Dept. of Transportation	94,871,846	94,871,846	94,871,846	94,871,846	0	0	0
70	Department of Education	1,725,890,430	1,733,726,908	1,739,807,367	1,735,254,322	9,363,892	1,527,414	(4,553,045)
71	Dept. of Corrections/Facilities	168,317,187	168,826,972	168,857,919	168,826,972	509,785	0	(30,947)
80	Other Education	20,749,072	20,899,030	20,979,231	20,899,030	149,958	0	(80,201)
153	Agriculture/Natural Resources	17,743,027	17,510,236	17,754,419	17,503,236	(239,791)	(7,000)	(251,183)
343	SRS/Institutions	600,351,128	596,909,774	594,882,914	596,519,019	(3,832,109)	(390,755)	1,636,105
2085	Legis./Elected Officials	105,305,585	105,616,164	106,833,325	105,333,325	27,740	(282,839)	(1,500,000)
2090	Other Public Safety	59,321,653	59,009,084	59,510,686	59,390,686	69,033	381,602	(120,000)
2091	Fee Boards	0	0	0	0	0	0	0
2132	Revenue, Commerce, etc.	32,160,572	31,354,781	32,083,195	31,723,988	(436,584)	369,207	(359,207)
2236	Regents and Institutions	455,402,732	449,078,679	455,774,291	451,419,307	(3,983,425)	2,340,628	(4,354,984)
2264	Dept. of Administration, etc.	24,016,633	24,093,388	24,224,359	24,219,224	202,591	125,836	(5,135)
2265	Health and Environment, etc.	50,727,489	50,151,278	50,062,144	50,052,595	(674,894)	(98,683)	(9,549)
	TOTAL	<u>3,430,047,144</u>	<u>3,427,496,470</u>	<u>3,441,529,533</u>	<u>3,432,008,530</u>	<u>1,961,386</u>	<u>4,512,060</u>	<u>(9,521,003)</u>

*Excludes pay plan and Governor's Budget Amendment #3

FY 1995 - State General Fund

All Agencies	<u>3,342,324,732</u>	<u>3,340,939,793</u>	<u>3,342,911,409</u>	<u>3,342,901,860</u>	<u>577,128</u>	<u>1,962,067</u>	<u>(9,549)</u>
--------------	----------------------	----------------------	----------------------	----------------------	----------------	------------------	----------------

SWAM
April 20, 1995
Attachment 2

Comparison of House, Senate, and Conference Positions

5-8

FY 1996 - All Funds

Bill No.	Bill	Adjusted Governor's Rec.*	House Position	Senate Position	Conference Position	Difference From Governor	Difference From House	Difference From Senate
48	Judicial Branch	78,243,501	78,502,041	78,941,548	79,048,691	805,190	546,650	107,143
49	Dept. of Transportation	1,142,346,410	1,142,346,410	1,143,246,410	1,142,346,410	0	0	(900,000)
70	Department of Education	1,983,714,984	1,991,611,909	1,998,181,921	1,993,644,323	9,929,339	2,032,414	(4,537,598)
71	Dept. of Corrections/Facilities	183,616,777	185,626,555	184,407,502	184,576,555	959,778	(1,050,000)	169,053
80	Other Education	27,935,398	28,483,135	28,422,829	28,483,135	547,737	0	60,306
153	Agriculture/Natural Resources	47,610,140	46,935,357	47,308,958	47,178,357	(431,783)	243,000	(130,601)
343	SRS/Institutions	1,553,284,053	1,552,556,379	1,540,639,508	1,552,653,344	(630,709)	96,965	12,013,836
2085	Legis./Elected Officials	219,737,459	220,078,701	221,311,909	219,811,909	74,450	(266,792)	(1,500,000)
2090	Other Public Safety	94,690,169	94,305,720	94,835,169	94,715,169	25,000	409,449	(120,000)
2091	Fee Boards	11,688,062	11,608,223	11,732,041	11,710,006	21,944	101,783	(22,035)
2132	Revenue, Commerce, etc.	284,305,840	282,973,307	279,108,421	278,249,214	(6,056,626)	(4,724,093)	(859,207)
2236	Regents and Institutions	1,190,150,597	1,189,618,307	1,190,777,045	1,186,422,061	(3,728,536)	(3,196,246)	(4,354,984)
2264	Dept. of Administration, etc.	414,823,099	413,888,933	414,750,501	414,637,266	(185,833)	748,333	(113,235)
2265	Health and Environment, etc.	467,428,857	467,710,812	467,691,043	467,081,494	(347,363)	(629,318)	(609,549)
	TOTAL	<u>7,699,575,346</u>	<u>7,706,245,789</u>	<u>7,701,354,805</u>	<u>7,700,557,934</u>	<u>982,588</u>	<u>(5,687,855)</u>	<u>(796,871)</u>

*Excludes pay plan and Governor's Budget Amendment #3

FY 1995 - All Funds

All Agencies	<u>7,425,640,159</u>	<u>7,425,647,495</u>	<u>7,433,454,891</u>	<u>7,433,342,814</u>	<u>7,702,655</u>	<u>7,695,319</u>	<u>(112,077)</u>
--------------	----------------------	----------------------	----------------------	----------------------	------------------	------------------	------------------

FTE POSITIONS BY FUNCTION OF GOVERNMENT AND AGENCY

	FY 1994 APPROVED	FY 1995 AUTHORIZED	FY 1995 GOV. REC.	FY 1995 LEG. ADJ.	FY 1995 APPROVED	FY 1996 GOV. REC.	FY 1996 LEG. ADJ.	FY 1996 APPROVED
GENERAL GOVERNMENT								
ABSTRACTERS BOARD OF EXAMINERS	.0	.0	.0	.0	.0	.0	.0	.0
BOARD OF ACCOUNTANCY	3.0	3.0	3.0	.0	3.0	3.0	.0	3.0
KANSAS HUMAN RIGHTS COMMISSION	40.0	43.0	43.0	.0	43.0	43.0	(5.0)	38.0
ATTORNEY GENERAL	67.0	68.0	68.0	.0	68.0	70.0	2.0	72.0
STATE BANK COMMISSIONER	73.0	73.0	73.0	.0	73.0	73.0	.0	73.0
BOARD OF BARBERING	2.0	2.0	2.0	.0	2.0	2.0	.0	2.0
BEHAVIORAL SCIENCES REG BOARD	6.5	8.5	8.5	.0	8.5	8.5	(2.0)	6.5
BOARD OF HEALING ARTS	24.0	26.0	26.0	.0	26.0	26.0	1.0	27.0
CITIZENS' UTILITY RATEPAYER BOARD	3.0	3.0	3.0	.0	3.0	4.0	(2.0)	2.0
KANSAS CORPORATION COMMISSION	224.0	225.0	224.0	.0	224.0	224.0	(9.0)	215.0
BOARD OF COSMETOLOGY	9.0	9.0	9.0	.0	9.0	9.0	.0	9.0
DEPT. OF CREDIT UNIONS	12.0	12.0	12.0	.0	12.0	12.0	.0	12.0
KANSAS DENTAL BOARD	2.4	2.4	2.4	.0	2.4	2.4	.0	2.4
DEPARTMENT OF ADMINISTRATION	917.7	919.7	917.7	.0	917.7	909.0	.0	909.0
BOARD OF MORTUARY ARTS	3.0	3.0	3.0	.0	3.0	3.0	.0	3.0
GOVERNMENTAL STANDARDS & CONDUCT COMM.	6.0	6.0	6.0	.0	6.0	8.0	.0	8.0
OFFICE OF THE GOVERNOR	27.0	27.0	28.0	.0	28.0	28.0	.0	28.0
HEARING AID BOARD OF EXAMINERS	.0	.0	.0	.0	.0	.0	.0	.0
HEALTH CARE STABILIZATION FUND BOARD	13.7	14.7	14.7	.0	14.7	14.7	1.3	16.0
DEPARTMENT OF COMMERCE AND HOUSING	114.5	116.5	116.5	.0	116.5	116.5	.0	116.5
BD OF INDIGENTS DEFENSE & VCS	89.5	101.5	113.0	1.0	114.0	113.0	3.0	116.0
INSURANCE DEPARTMENT	157.5	162.5	162.5	.0	162.5	162.5	1.0	163.5
JUDICIAL COUNCIL	4.0	4.0	4.0	.0	4.0	4.0	.0	4.0
KANSAS, INC.	4.5	5.0	5.0	.0	5.0	5.0	.0	5.0
KPERS	76.0	76.0	76.0	.0	76.0	76.0	.0	76.0
KS TECHNOLOGY ENTERPRISE CORP.	11.0	11.0	11.0	.0	11.0	13.0	(2.0)	11.0
LEGISLATIVE COORDINATING COUNCIL	10.0	10.0	10.0	.0	10.0	10.0	.0	10.0
LEGISLATIVE RESEARCH DEPT	35.3	35.3	35.3	.0	35.3	35.3	.0	35.3
LEGISLATURE	28.0	28.0	30.0	.0	30.0	30.0	.0	30.0
OFFICE OF THE LIEUTENANT GOVERNOR	3.0	3.0	3.0	.0	3.0	3.0	.0	3.0

SWAM
 April 20, 1995
 Attachment 3

FTE POSITIONS BY FUNCTION OF GOVERNMENT AND AGENCY

	FY 1994 APPROVED	FY 1995 AUTHORIZED	FY 1995 GOV. REC.	FY 1995 LEG. ADJ.	FY 1995 APPROVED	FY 1996 GOV. REC.	FY 1996 LEG. ADJ.	FY 1996 APPROVED
GENERAL GOVERNMENT								
KANSAS LOTTERY	98.0	98.0	98.0	.0	98.0	.0	98.0	98.0
CONSUMER CREDIT COMMISSIONER	7.0	7.0	7.0	.0	7.0	6.0	.0	6.0
BOARD OF NURSING	17.0	17.0	17.0	.0	17.0	17.0	(1.0)	16.0
BOARD OF EXAMINERS IN OPTOMETRY	.3	.3	.3	.0	.3	.3	.0	.3
BOARD OF PHARMACY	6.0	6.0	6.0	.0	6.0	6.0	.0	6.0
LEGISLATIVE DIVISION OF POST AUDIT	19.0	20.0	20.0	.0	20.0	20.0	.0	20.0
REAL ESTATE APPRAISAL BOARD	2.0	2.0	2.0	.0	2.0	2.0	.0	2.0
KANSAS REAL ESTATE COMMISSION	15.0	15.0	15.0	.0	15.0	15.0	.0	15.0
KANSAS RACING COMMISSION	41.5	51.5	49.5	.0	49.5	49.5	(49.5)	.0
BOARD OF TAX APPEALS	36.0	36.0	36.0	.0	36.0	35.0	.0	35.0
DEPARTMENT OF REVENUE	1,265.5	1,262.0	1,260.0	.0	1,260.0	1,266.0	(11.0)	1,255.0
REVISOR OF STATUTES	27.8	27.8	27.8	.0	27.8	27.8	.0	27.8
SECRETARY OF STATE	61.0	61.0	60.0	.0	60.0	60.0	.0	60.0
OFFICE OF THE SECURITIES COMMISSIONER	26.0	26.0	26.0	.0	26.0	26.0	.0	26.0
BOARD OF TECHNICAL PROFESSIONS	4.0	4.0	4.0	.0	4.0	4.0	.0	4.0
STATE TREASURER	57.5	58.5	57.5	.0	57.5	57.5	.0	57.5
JUDICIAL BRANCH	1,712.5	1,728.5	1,732.0	.0	1,732.0	1,732.0	12.0	1,744.0
BOARD OF VETERINARY EXAMINERS	1.0	1.0	1.0	.0	1.0	1.0	.0	1.0
TOTAL FOR GENERAL GOVERNMENT	5,363.7	5,419.7	5,428.7	1.0	5,429.7	5,333.0	36.8	5,369.8
HUMAN RESOURCES								
DEPARTMENT ON AGING	31.0	40.0	40.0	.0	40.0	40.0	.0	40.0
CORPORATION FOR CHANGE	.0	.0	.0	.0	.0	.0	.0	.0
DEPT OF HEALTH AND ENVIRONMENT - HEALTH	419.5	445.6	444.6	(7.0)	437.6	443.6	(6.0)	437.6
KANSAS HEALTHY KIDS CORPORATION	.0	.0	.0	.0	.0	.0	.0	.0
DEPARTMENT OF HUMAN RESOURCES	915.0	928.5	928.5	.0	928.5	928.5	.0	928.5
KANSAS NEUROLOGICAL INSTITUTE	814.5	764.5	764.5	.0	764.5	743.5	23.0	766.5
LARNED STATE HOSPITAL	866.1	859.1	849.1	.0	849.1	808.1	.0	808.1

FTE POSITIONS BY FUNCTION OF GOVERNMENT AND AGENCY

3-4

	FY 1994 APPROVED	FY 1995 AUTHORIZED	FY 1995 GOV. REC.	FY 1995 LEG. ADJ.	FY 1995 APPROVED	FY 1996 GOV. REC.	FY 1996 LEG. ADJ.	FY 1996 APPROVED
EDUCATION								
UNIVERSITY OF KANSAS	4,458.2	4,495.2	4,497.2	.0	4,497.2	4,504.8	.0	4,504.8
UNIV OF KANSAS MEDICAL CENTER	4,799.1	4,811.4	4,814.9	.0	4,814.9	4,827.1	(10.2)	4,816.9
WICHITA STATE UNIVERSITY	1,714.6	1,723.7	1,722.0	.0	1,722.0	1,721.8	.0	1,721.8
TOTAL FOR EDUCATION	18,335.6	18,541.6	18,526.1	.0	18,526.1	18,565.0	(6.5)	18,558.5
PUBLIC SAFETY								
ADJUTANT GENERAL	191.0	231.0	230.0	.0	230.0	230.0	.0	230.0
ATTORNEY GENERAL - K.B.I.	191.0	191.0	190.0	.0	190.0	188.0	4.0	192.0
DEPARTMENT OF CIVIL AIR PATROL	.5	.5	.5	.0	.5	.5	.0	.5
OMBUDSMAN OF CORRECTIONS	4.0	4.0	4.0	.0	4.0	4.0	.0	4.0
ELLSWORTH CORRECTIONAL FACILITY	185.5	189.5	190.5	.0	190.5	190.5	.0	190.5
EL DORADO CORRECTIONAL FACILITY	390.0	390.0	390.0	.0	390.0	390.0	.0	390.0
EMERGENCY MEDICAL SERVICES BOARD	13.0	13.0	13.0	.0	13.0	13.0	.0	13.0
STATE FIRE MARSHAL	39.0	40.0	40.0	.0	40.0	40.0	.0	40.0
HIGHWAY PATROL	813.5	814.6	814.6	.0	814.6	814.6	.0	814.6
HUTCHINSON CORRECTIONAL FACILITY	521.0	521.0	521.0	.0	521.0	521.0	.0	521.0
YOUTH CENTER AT TOPEKA	219.0	219.0	218.0	.0	218.0	218.0	4.0	222.0
YOUTH CENTER AT BELOIT	103.0	103.0	103.0	.0	103.0	103.0	.0	103.0
YOUTH CENTER AT ATCHISON	127.5	127.5	127.5	.0	127.5	127.5	.0	127.5
LANSING CORRECTIONAL FACILITY	724.0	720.0	708.0	.0	708.0	708.0	.0	708.0
LARNED CORRECTIONAL MH FACILITY	175.0	175.0	174.0	.0	174.0	174.0	.0	174.0
YOUTH CENTER AT LARNED	58.0	122.0	122.0	.0	122.0	122.0	.0	122.0
DEPARTMENT OF CORRECTIONS	364.0	365.0	362.0	.0	362.0	362.0	.0	362.0
KANSAS PAROLE BOARD	13.0	13.0	13.0	.0	13.0	12.0	.0	12.0
NORTON CORRECTIONAL FACILITY	252.0	252.0	252.0	.0	252.0	252.0	.0	252.0
SENTENCING COMMISSION	5.0	5.0	5.0	.0	5.0	6.0	(1.0)	5.0
TOPEKA CORRECTIONAL FACILITY	322.0	288.0	299.0	.0	299.0	299.0	.0	299.0
WINFIELD CORRECTIONAL FACILITY	105.0	105.0	105.0	.0	105.0	105.0	.0	105.0

FTE POSITIONS BY FUNCTION OF GOVERNMENT AND AGENCY

	FY 1994 APPROVED	FY 1995 AUTHORIZED	FY 1995 GOV. REC.	FY 1995 LEG. ADJ.	FY 1995 APPROVED	FY 1996 GOV. REC.	FY 1996 LEG. ADJ.	FY 1996 APPROVED
TOTAL FOR PUBLIC SAFETY	4,816.0	4,889.1	4,882.1	.0	4,882.1	4,880.1	7.0	4,887.1
AGRICULTURE AND NATURAL RESOURCES								
BOARD OF AGRICULTURE	326.5	327.5	327.5	.0	327.5	321.5	(7.0)	314.5
ANIMAL HEALTH DEPARTMENT	29.5	29.5	29.5	.0	29.5	29.5	.0	29.5
GRAIN INSPECTION DEPARTMENT	136.0	136.0	135.0	.0	135.0	135.0	.0	135.0
DEPT OF HEALTH AND ENVIRONMENT - ENVIRON	345.5	397.5	397.5	(2.0)	395.5	401.5	(2.0)	399.5
KANSAS STATE FAIR BOARD	17.0	17.0	17.0	.0	17.0	17.0	.0	17.0
KANSAS WHEAT COMMISSION	8.0	8.0	8.0	.0	8.0	8.0	.0	8.0
STATE CONSERVATION COMMISSION	11.0	14.0	14.0	.0	14.0	14.0	.0	14.0
KANSAS WATER OFFICE	22.0	22.0	22.0	.0	22.0	22.0	.0	22.0
DEPARTMENT OF WILDLIFE AND PARKS	406.0	406.0	406.0	.0	406.0	406.0	.0	406.0
TOTAL FOR AGRICULTURE AND NATURAL RESOURCES	1,301.5	1,357.5	1,356.5	(2.0)	1,354.5	1,354.5	(9.0)	1,345.5
HIGHWAYS AND OTHER TRANSPORTATION								
KANSAS DEPARTMENT OF TRANSPORTATION	3,299.0	3,304.0	3,304.0	.0	3,304.0	3,304.0	.0	3,304.0
TOTAL FOR HIGHWAYS AND OTHER TRANSPORTATION	3,299.0	3,304.0	3,304.0	.0	3,304.0	3,304.0	.0	3,304.0
TOTAL	42,982.9	43,351.6	43,322.1	(48.0)	43,274.1	43,094.3	12.3	43,106.6

3-6

FTE POSITIONS BY FUNCTION OF GOVERNMENT AND AGENCY
FOR FEE AGENCY BILL 2091

	FY 1995 AUTHORIZED -----	FY 1995 APPROVED -----	FY 1996 APPROVED -----	FY 1997 GOV. REC. -----	FY 1997 LEG. ADJ. -----	FY 1997 APPROVED -----
GENERAL GOVERNMENT						
ABSTRACTERS BOARD OF EXAMINERS	.0	.0	.0	.0	.0	.0
BOARD OF ACCOUNTANCY	3.0	3.0	3.0	3.0	.0	3.0
STATE BANK COMMISSIONER	73.0	73.0	73.0	73.0	.0	73.0
BOARD OF BARBERING	2.0	2.0	2.0	2.0	.0	2.0
BEHAVIORAL SCIENCES REG BOARD	8.5	8.5	6.5	8.5	(2.0)	6.5
BOARD OF HEALING ARTS	26.0	26.0	27.0	26.0	1.0	27.0
BOARD OF COSMETOLOGY	9.0	9.0	9.0	9.0	.0	9.0
DEPT. OF CREDIT UNIONS	12.0	12.0	12.0	12.0	.0	12.0
KANSAS DENTAL BOARD	2.4	2.4	2.4	2.4	.0	2.4
BOARD OF MORTUARY ARTS	3.0	3.0	3.0	3.0	.0	3.0
HEARING AID BOARD OF EXAMINERS	.0	.0	.0	.0	.0	.0
CONSUMER CREDIT COMMISSIONER	7.0	7.0	6.0	6.0	.0	6.0
BOARD OF NURSING	17.0	17.0	16.0	17.0	(1.0)	16.0
BOARD OF EXAMINERS IN OPTOMETRY	.3	.3	.3	.3	.0	.3
BOARD OF PHARMACY	6.0	6.0	6.0	6.0	.0	6.0
REAL ESTATE APPRAISAL BOARD	2.0	2.0	2.0	2.0	.0	2.0
KANSAS REAL ESTATE COMMISSION	15.0	15.0	15.0	15.0	.0	15.0
OFFICE OF THE SECURITIES COMMISSIONER	26.0	26.0	26.0	26.0	.0	26.0
BOARD OF TECHNICAL PROFESSIONS	4.0	4.0	4.0	4.0	.0	4.0
BOARD OF VETERINARY EXAMINERS	1.0	1.0	1.0	1.0	.0	1.0
 TOTAL FOR GENERAL GOVERNMENT	 217.2	 217.2	 214.2	 216.2	 (2.0)	 214.2
 TOTAL	 217.2	 217.2	 214.2	 216.2	 (2.0)	 214.2

KANSAS LEGISLATIVE RESEARCH DEPARTMENT
04/19/95 12:01.46 FTE_FEE.FEX

STATE GENERAL FUND PROFILE
In Millions

	FY 1995	Increase	FY 1996	Increase	FY 1997	Increase	FY 1998	Increase	FY 1999	Increase	FY 2000	Increase
Beginning Balance	\$ 454.4		\$ 360.9		\$ 305.7		\$ 268.7		\$ 277.5		\$ 290.1	
Released Encumbrances	1.2 ^a											
Receipts												
Consensus Est. ^b	3,243.9	2.1%	3,395.2	4.7%	3,545.1	4.4%	3,708.6	4.6%	3,880.0	4.6%	4,061.1	4.7%
Expenditures												
Gen. and Supp. School Aids ^c	1,348.2	42.0	1,365.3	\$ 17.1	1,376.6	\$ 11.3	1,393.4	\$ 16.8	1,394.3	\$ 0.9	1,390.1	\$ (4.2)
Demand Transfer to:												
SDCIF	11.2	4.2	16.5	5.3	20.5	4.0	22.5	2.0	24.0	1.5	26.0	2.0
SHF	81.5	2.4	84.5	3.0	93.0	8.5	96.7	3.7	100.6	3.9	104.6	4.0
LAVTRF	44.6	4.4	46.3	1.7	48.7	2.4	50.6	1.9	52.7	12.1	54.8	2.1
CCRSF	33.4	2.7	34.6	1.2	37.3	2.7	38.6	1.3	40.1	1.5	41.8	1.7
CCHF	10.0	0.3	10.4	0.4	13.2	2.8	13.8	0.6	14.5	0.7	15.2	0.7
WPF	5.9	0.2	6.0	0.1	6.0	--	6.0	--	6.0	--	6.0	--
State Fair	0.1	--	0.1	--	0.1	--	0.1	--	0.1	--	0.1	--
All Other Expend.	1,803.7	171.4	1,886.7	83.0	1,986.7	100.0	2,078.1	91.4	2,235.1	157.1	2,409.0	173.9
Total	3,338.6	227.6	3,450.4	111.8	3,582.1	131.7	3,699.8	117.7	3,867.4	167.7	4,047.6	180.2
Percent Increase		7.3%		3.3%		3.8%		3.3%		4.5%		4.7%
Ending Balance	360.9		305.7		268.7		277.5		290.1		303.6	
% of Expenditures	10.8%		8.9%		7.5%		7.5%		7.5%		7.5%	
Receipts in Excess of Expend.	(94.7)		(55.2)		(37.0)		8.8		12.6		13.5	

SWAM
April 20, 1995
Attachment 4

Demand Transfers

<p>See footnotes on following page SDCIF -- School District Capital Improvements Funds SHF -- State Highway Fund* LAVTRF -- Local Ad Valorem Tax Reduction Fund CCRSF -- County-City Revenue Sharing Fund CCHF -- City-County Highway Fund* WPF -- Water Plan Fund* *For FY 1995, the SHF, CCHF, and WPF transfers are capped at 3 percent over FY 1994 actual.</p>	<p>Notes: Estimated demand transfers for FY 1996 are all capped at no greater than a 3.7 percent increase above the FY 1995 levels with the exception of the SDCIF. The SDCIF reflects the latest estimates. For FYs 1997 through 2000 the demand transfers reflect current law.</p>
---	--

FOOTNOTES:

- a) Inclusion of \$1.2 million in released encumbrances through March, 1995.
- b) Revenue estimates for FY 1995 and FY 1996 reflects the consensus estimate adjusted in the following manner: transfers to the Military Retirement Income Tax Refund Fund scheduled for FY 1996 and FY 1997 have been shifted to FY 1995; transfer of \$450,000 from the Securities Commissioner in FY 1996. The estimates for FYs 1997 through 2000 are not a consensus estimate.
- c) Expenditures for general and supplemental school aid payments in FY 1995 and FY 1996 reflect the latest estimate; for FYs 1997 through 2000 the funding is based on \$3,626 per pupil.

4-2

Kansas Legislative Research Department
April 20, 1995

STATE GENERAL FUND PROFILE
In Millions

4-3

	FY 1995	Increase	FY 1996	Increase	FY 1997	Increase	FY 1998	Increase	FY 1999	Increase	FY 2000	Increase
Beginning Balance	\$ 454.4		\$ 360.9		\$ 305.7		\$ 268.7		\$ 277.5		\$ 290.1	
Released Encumbrances	1.2 ^(a)											
Receipts												
Consensus Est. ^(b)	3,243.9	2.1%	3,395.2	4.7%	3,545.1	4.4%	3,708.6	4.6%	3,880.0	4.6%	4,061.1	4.7%
Expenditures												
Gen. and Supp. School Aids ^(c)	1,348.2	42.0	1,365.3	\$ 17.1	1,376.6	\$ 11.3	1,393.4	\$ 16.8	1,390.1	\$ (3.3)	1,369.2	\$ (20.9)
Demand Transfer to:												
SDCIF	11.2	4.2	16.5	5.3	20.5	4.0	22.5	2.0	24.0	1.5	26.0	2.0
SHF	81.5	2.4	84.5	3.0	93.0	8.5	96.7	3.7	100.6	3.9	104.6	4.0
LAVTRF	44.6	4.4	46.3	1.7	48.7	2.4	50.6	1.9	52.7	2.1	54.8	2.1
CCRSF	33.4	2.7	34.6	1.2	37.3	2.7	38.6	1.3	40.1	1.5	41.8	1.7
CCHF	10.0	0.3	10.4	0.4	13.2	2.8	13.8	0.6	14.5	0.7	15.2	0.7
WPF	5.9	0.2	6.0	0.1	6.0	--	6.0	--	6.0	--	6.0	--
State Fair	0.1	--	0.1	--	0.1	--	0.1	--	0.1	--	0.1	--
All Other Expend.	1,803.7	171.4	1,886.7	83.0	1,986.7	100.0	2,078.1	91.4	2,239.3	161.2	2,429.9	190.6
Total	3,338.6	227.6	3,450.4	111.8	3,582.1	131.7	3,699.8	117.7	3,867.4	167.6	4,047.6	180.2
Percent Increase		7.3%		3.3%		3.8%		3.3%		4.5%		4.7%
Ending Balance	360.9		305.7		268.7		277.5		290.1		303.6	
% of Expenditures	10.8%		8.9%		7.5%		7.5%		7.5%		7.5%	
Receipts in Excess of Expend.	(94.7)		(55.2)		(37.0)		8.8		12.6		13.5	

Demand Transfers

<p>See footnotes on following page SDCIF -- School District Capital Improvements Funds SHF -- State Highway Fund* LAVTRF -- Local Ad Valorem Tax Reduction Fund CCRSF -- County-City Revenue Sharing Fund CCHF -- City-County Highway Fund* WPF -- Water Plan Fund* *For FY 1995, the SHF, CCHF, and WPF transfers are capped at 3 percent over FY 1994 actual.</p>	<p>Notes: Estimated demand transfers for FY 1996 are all capped at no greater than a 3.7 percent increase above the FY 1995 levels with the exception of the SDCIF. The SDCIF reflects the latest estimates. For FYs 1997 through 2000 the demand transfers reflect current law.</p>
--	--

FOOTNOTES:

- a) Inclusion of \$1.2 million in released encumbrances through March, 1995.
- b) Revenue estimates for FY 1995 and FY 1996 reflects the consensus estimate adjusted in the following manner: transfers to the Military Retirement Income Tax Refund Fund scheduled for FY 1996 and FY 1997 have been shifted to FY 1995; transfer of \$450,000 from the Securities Commissioner in FY 1996. The estimates for FYs 1997 through 2000 are not a consensus estimate.
- c) Expenditures for general and supplemental school aid payments in FY 1995 and FY 1996 reflect the latest estimate; for FYs 1997 through 2000 the funding is based on \$3,626 per pupil.

Kansas Legislative Research Department
April 20, 1995

4-4

STATUS OF THE ECONOMIC DEVELOPMENT INITIATIVES FUND

Bill No.	Agency/Program	***					
		Governor's Rec. FY 96	Pct of \$ Avail.	House Rec. FY 96	Pct of \$ Avail.	Senate Rec. FY 96	Pct of \$ Avail.
HB 2132	Department of Commerce and Housing						
	Agency Operations	\$ 6,150,914		\$ 6,104,558		\$ 6,104,558	
	Small Business Development Centers	325,000		325,000		325,000	
	Certified Development Companies	475,000		475,000		475,000	
	Kansas Industrial Training/Retraining	3,000,000		3,000,000		3,000,000	
	Trade Show Promotion Grants	270,000		270,000		270,000	
	Strategic Planning/Action Grants	600,000		600,000		600,000	
	Kansas Quality Improvement Network	65,000		--		--	
	Mid - America World Trade Center	--		65,000		65,000	
	Economic Initiative Opportunity Fund	4,000,000		4,000,000		4,000,000	
	High Performance Incentive Grants	75,000		75,000		75,000	
	Tourism Grants	379,600		379,600		379,600	
HB 2235	Travel Information Center Repairs	35,000		35,000		35,000	
	Micro Loan Program	2,400,000		1,500,000		1,500,000	
	Subtotal - KDCH	\$ 17,775,514	37.18%	\$ 16,829,158	34.45%	\$ 16,829,158	34.45%
HB 2132	Kansas Technology Enterprise Corporation						
	Agency Operations	\$ 1,651,579		\$ 1,594,239		\$ 1,594,239	
	Centers of Excellence	4,250,000		4,350,000		4,350,000	
	Research Matching Grants	1,260,000		1,260,000		1,260,000	
	Business Innovative Research Grants	86,000		86,000		86,000	
	Training Equipment Grants	250,000		250,000		250,000	
	Industrial Liaison Program	300,000		300,000		300,000	
	Seed Capital	3,300,000		3,300,000		3,300,000	
	Special Projects	163,000		163,000		163,000	
	Commercialization	1,286,539		1,286,539		1,286,539	
	Agricultural Value Added Center	528,250		528,250		528,250	
	Mid-America Manufact. Tech. Center	1,000,000		1,000,000		1,000,000	
	EPSCoR	4,000,000		3,900,000		3,900,000	
	Subtotal - KTEC	\$ 18,075,368	37.81%	\$ 18,018,028	36.88%	\$ 18,018,028	36.88%
HB 2132	Kansas, Inc.						
	Agency Operations	\$ 129,144	0.27%	\$ 126,685	0.26%	\$ 126,685	0.26%
HB 2265	Wildlife & Parks - Grant for Wildscape	\$ --	--	\$ 40,000	0.08%	\$ 40,000	0.08%
SB 153	Board of Agriculture						
	Market Promotion and Development	\$ 366,707	0.77%	\$ 366,707	0.75%	\$ 366,707	0.75%
SB 70	Department of Education						
	Innovative Program Assist.	\$ 1,485,000		\$ 1,485,000		\$ 1,485,000	
	Matching Grants - AVTS	145,000		500,000		500,000	
	Postsecondary Aid - AVTS	6,050,000		6,050,000		6,050,000	
	Capital Outlay Aid - AVTS	1,500,000		1,650,000		1,650,000	
	Foundation for Agriculture	--		25,000		25,000	
	Cultural Heritage & Arts Center	--		20,000		20,000	
	Less Funds Available From Prior Years	(133,766)		(133,766)		(133,766)	
	Subtotal - Education	\$ 9,046,234	18.92%	\$ 9,596,234	19.64%	\$ 9,596,234	19.64%
SB 80	State Library - Local Library Data Base Grants	\$ --	--	\$ 211,200	0.43%	\$ 211,200	0.43%
SB 80	Historical Society - Historic Sites Transitions	\$ --	--	\$ 42,586		\$ 42,586	
	Museum Operations	--	--	139,904		139,904	
SB 178	Hollenberg Station Land	--	--	5,000		5,000	
	Subtotal - Historical Society	\$ --	--	\$ 187,490	0.38%	\$ 187,490	0.38%
SB 153	State Fair - State Operations	\$ --	--	\$ 114,000	0.23%	\$ 114,000	0.23%
79-4804	State Water Plan Fund	\$ 2,000,000	4.18%	\$ 2,000,000	4.09%	\$ 2,000,000	4.09%
TOTAL TRANSFERS AND EXPENDITURES		\$ 47,392,967	99.14%	\$ 47,489,502	97.20%	\$ 47,489,502	97.20%
FY 1995 ADJUSTMENTS							
SB 236	State Library - Local Library Data Base Grants	\$ --		\$ 100,000	0.20%	\$ 100,000	0.20%
REVENUE ADJUSTMENTS							
HB 2090	Transfer From KDFA Basic Enter. Loan Program	\$ --		\$ 1,050,000		\$ 1,050,000	
EDIF Resource Estimate		Governor's Rec. FY 96		House Rec. FY 96		Senate Rec. FY 96	
	Beginning Balance	\$ 5,005,580		\$ 4,905,580		\$ 4,905,580	
	Lottery Transfers **	38,142,000		38,142,000		38,142,000	
	Racing Transfers	4,358,000		4,358,000		4,358,000	
	Other Income	300,000		1,350,000		1,350,000	
	Total Available	\$ 47,805,580	100.00%	\$ 48,755,580	100.00%	\$ 48,755,580	100.00%
	Less: Expenditures and Transfers	47,392,967		47,489,502		47,489,502	
	ENDING BALANCE	\$ 412,613	0.86%	\$ 1,266,078	2.60%	\$ 1,266,078	2.60%

** - Assumes continuation of the Lottery

*** Governor's Recommendation is for comparative purposes only. In GBA #3, the Governor recommended that all of these projects be financed from the State General Fund except for \$9,099,000 of the funding recommended for KTEC.

SWAM
April 20, 1995
Attachment 5

EXPENDITURES FROM THE RESOURCES OF THE STATE WATER PLAN FUND

Bill No.	Agency/Program	Request FY 96	Governor's Rec. FY 96	Senate Rec. FY 96	House Rec. FY 96	Conference Committee
S.B. 153	State Conservation Commission					
	Conservation District Aid	\$ 1,006,457	\$ 981,646	\$ 981,646	\$ 981,646	\$ 981,646
	Watershed Dam Construction	1,325,633	855,000	855,000	855,000	855,000
	Multipurpose Small Lakes	2,500,000	800,000	--	800,000	500,000
	Nonpoint Source Pollution Asst.	2,500,000	1,500,000	2,000,000	1,500,000	2,000,000
	Water Resources Cost Share	7,750,000	5,200,000	5,200,000	5,200,000	5,200,000
	Riparian and Wetland Program	150,000	100,000	100,000	50,000	100,000
	Watershed Planning Assistance	145,000	45,000	45,000	45,000	45,000
	Total - Conservation Commission	\$ 15,377,090	\$ 9,481,646	\$ 9,181,646	\$ 9,431,646	\$ 9,681,646
S.B. 153	Kansas Water Office					
	Neosho Sub-basin	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
	Republican Sub-basin	125,000	125,000	125,000	125,000	125,000
	Mineral Intrusion-Big Bend Prairie	65,000	65,000	65,000	65,000	65,000
	Tech. Assist. to Water Users	150,000	150,000	150,000	150,000	150,000
	Educ. Assist. to Water Users	75,000	35,000	35,000	35,000	35,000
	Geography Resource Center	50,000	50,000	50,000	50,000	50,000
	Stream Gaging Program	--	307,762	307,762	307,762	307,762
	GIS Data Access & Support Ctr.	--	120,000	120,000	120,000	120,000
	Eval. Policies Irrig. Withdrawals	30,000	--	--	--	--
	GIS Data Base/GIS Manager	300,000	351,574	351,574	351,574	351,574
	Questionnaire/Public Information	35,000	25,000	25,000	25,000	25,000
	Salt Water Intrusion-Equus Beds	50,000	25,000	25,000	25,000	25,000
	Storage Acquisition/O&M	1,490,110	405,981	405,981	405,981	405,981
	Weather Modification/Shift to EDIF	200,000	190,000	--	190,000	190,000
	Quality /Declines UARK River	60,000	35,000	35,000	35,000	35,000
	Verdigris Reservoir Sediment.	10,000	7,500	7,500	7,500	7,500
	Upper Ark. Hydrological Impact	40,000	17,500	17,500	17,500	17,500
	Alfalfa/Wheat Irrig. Requirements	30,000	--	--	--	--
	Ark. River Pilot Channel Research	30,000	--	--	--	--
	Mineral Intrusion-Upper KS. River	5,000	5,000	5,000	5,000	5,000
	Total - Kansas Water Office	\$ 2,845,110	\$ 1,965,317	\$ 1,775,317	\$ 1,965,317	\$ 1,965,317
H.B. 2265	Wildlife and Parks					
	Cheyenne Bottoms Renovation	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
	Hillsdale State Park	1,000,000	--	--	--	--
	Dam Maintenance & Repair	500,000	--	--	--	--
	Neosho Madtom/Stream Monitor.	50,000	50,000	50,000	50,000	50,000
	Total - Wildlife and Parks	\$ 2,550,000	\$ 1,050,000	\$ 1,050,000	\$ 1,050,000	\$ 1,050,000
H.B. 2236	University of Kansas Dakota Aquifer Study	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
S.B. 153	Board of Agriculture					
	Interstate Water Issues	221,891	200,000	200,000	200,000	200,000
	Subbasin Management Plan	732,172	674,689	674,689	674,689	674,689
	Water Rights Backlog	167,133	167,133	167,133	167,133	167,133
	Total - Board of Agriculture	\$ 1,121,196	\$ 1,041,822	\$ 1,041,822	\$ 1,041,822	\$ 1,041,822
H.B. 2265	Health and Environment					
	Contamination Remediation	\$ 3,589,932	\$ 1,471,793	\$ 1,471,793	\$ 1,471,793	\$ 1,471,793
	Local Environmental Aid	2,625,625	2,150,000	2,150,000	2,150,000	2,150,000
	Nonpoint Source Program	670,114	609,487	609,487	609,487	609,487
	Total - Health and Environment	\$ 6,885,671	\$ 4,231,280	\$ 4,231,280	\$ 4,231,280	\$ 4,231,280
TOTAL EXPENDITURES		\$ 28,979,067	\$ 17,970,065	\$ 17,480,065	\$ 17,920,065	\$ 18,170,065
	Estimated Receipts/Transfers	15,856,399	15,856,399	15,856,399	15,856,399	15,856,399
	Beginning Balance	596,685	596,685	596,685	596,685	596,685
	Estimated Carryforward/Available	1,708,977	1,708,977	1,708,977	1,708,977	1,708,977
	Balance	\$ (10,817,006)	\$ 191,996	\$ 681,996	\$ 241,996	\$ (8,004)

SWAM
April 20, 1995
Attachment 6

MEMORANDUM

Kansas Legislative Research Department

300 S.W. 10th Avenue
Room 545-N – Statehouse
Topeka, Kansas 66612-1586
Telephone (913) 296-3181 FAX (913) 296-3824

April 19, 1995

ITEMS FOR OMNIBUS CONSIDERATION

Department of Revenue

A. Technical Correction. In posting the changes for FY 1995, adding \$117,000 of expenditure authority to the Division of Vehicles Operating Fund when it was shifted from FY 1996 to FY 1995 was inadvertently left out of H.B. 2234 to correctly reflect legislative action of the second house and with which the Conference Committee concurred.

Department of Transportation

A. Omnibus Review Item and Joint Committee on State Building Construction Recommendation. The Conference Committee on S.B. 49 agreed that this item which had been recommended by the Joint Building Construction Committee should be reviewed during the Omnibus period in order for both houses to consider adding \$900,000 to the Department of Transportation's FY 1996 expenditures for constructing a subarea facility in "East" Wichita to serve existing and new, urban roads which will add over 200 lane miles for Area Six (Wichita). Currently, to other facilities for "hillside" and "West" Wichita provided services for the entire urban area. The Senate approved this item in the capital improvements bill, but the House did not review this project.

Kansas Lottery

A. Governor's Budget Amendment No. 3. In G.B.A. No. 3 dated March 24, 1995, the Governor amends the FY 1996 budget of the Kansas Lottery by reducing \$108,989,490 in expenditures and eliminating 98.0 FTE positions. Based on elimination of the Lottery, all transfers from the Lottery Operating Fund are eliminated in FY 1996. For FY 1996, the *Governor's Budget Report* originally estimated transfers of \$46.2 million to the State Gaming Revenues Fund (SGRF), of \$4.74 million to the State General Fund, and of \$124,008 to the Gaming Unit of the Kansas Bureau of Investigation (KBI).

B. Omnibus Review Item. Several Senate Subcommittees reviewing transfers to the Kansas Bureau of Investigation's Gaming Unit requested further review during Omnibus of the Lottery's security staff and the possibility of reducing the number of employees since the Governor has directed that future background checks be undertaken by the KBI and not by Lottery security staff. The Lottery has 4.0 FTE security staff, including an unclassified Director of Security established by statute and three classified investigators. During FY 1994, the Lottery security staff conducted 11 background checks, in addition to

SWAM
April 20, 1995
Attachment 7

their other assigned duties and responsibilities. The bulk of their work is other than conducting background checks, according to the Lottery.

C. Technical Correction. The Lottery indicates that in shifting \$1,920,536 from the agency's limited line item appropriation to a no-limit account in order for printing of tickets to be outside the agency's expenditure limitation on administrative costs, approximately \$150,000 of printing costs not for printing of instant tickets was shifted. The Lottery requests that the FY 1996 expenditure limitation be increased by \$150,000 to reflect printing costs other than for tickets is budgeted as administrative expenses since the proviso will not allow anything but printing of tickets to be in addition to the expenditure limitation. (Staff Note: The Division of Printing indicates that the Lottery was billed \$88,683 in FY 1994 and \$33,284 in FY 1995 (to date) for printing purchased from that state agency. Other types of printing are done by private contractors since certain jobs cannot be completed by the Division of Printing.)

D. Pending Legislation. Several provisions in pending bills could have impact on the Kansas Lottery, depending upon whether or not certain provisions pass the 1995 Legislature.

1. **S.B. 27. Continues the Lottery after July 1, 1996 (House Committee of the Whole).** Passage of S.B. 27 would continue the Lottery in existence. Failure to pass this bill during the 1995 Legislature could lead to a phase out of lottery sales, beginning July 1, 1995, when on-line sales could end since there is a one year prize liability for those types of games. Beginning January 1, 1996, instant sales could end due to a six months prize liability period for those types of games. Only pull-tab sales might continue after January 1, 1996, since the licensees who sell them are responsible for paying all prizes. An alternative which could allow online and instant ticket sales to continue during all of FY 1996 if reauthorizing legislation does not pass the 1995 Legislature would be to provide for some agency, such as the Treasurer's Office or Department of Revenue, to assume responsibility for paying claims during FY 1997 made by holders of winning tickets. An amendment by the House Federal and State Affairs Committee to S.B. 27 would authorize the Kansas Lottery to conduct electronic games of chance under certain circumstances at parimutuel licensee locations, if county voters approved.

Kansas Racing Commission

A. Omnibus Review Item. The 1995 Legislature in H.B. 2132 deleted all funding and staffing for this agency, pending Omnibus review. Specifically, the Senate Ways and Means Committee recommendation states the following:

Reduce all expenditure authority for the Racing Commission to \$0 and reduce FTE positions to 0.0 in FY 1996, pending a post audit study of certain parimutuel reports and further legislative review of various parimutuel matters, including information requested but never received by the Senate Subcommittee. In particular, information regarding revised estimates for handle (betting) at the race tracks and cashflow to the State Racing Fund in FY 1995 and FY 1996 was requested, but never submitted to the Legislature by the Racing Commission staff. The Senate Committee plans to review these projections during the Omnibus period, if available, and would consider restoring expenditure authority for the Racing Commission

when that information is provided for the Legislature to review in late April, along with the post audit report on the financial trends at the race tracks and other parimutuel matters.

Budget Overview. The following information was presented during the 1995 Legislature as an overview of the agency's FY 1996 budget request.

Expenditure	Actual FY 94	Agency Est. FY 95	Governor's Rec. FY 95	Agency Req. FY 96	Governor's Rec. FY 96
State Operations	\$ 2,862,512	\$ 3,330,063	\$ 3,139,148	\$ 3,667,711	\$ 3,543,542
Other Assistance	1,372,951	1,336,730	1,336,730	1,536,294	1,536,294
TOTAL	<u>\$ 4,235,463</u>	<u>\$ 4,666,793</u>	<u>\$ 4,475,878</u>	<u>\$ 5,204,005</u>	<u>\$ 5,079,836</u>
FTE Positions	41.5	49.5	49.5	49.5	49.5
Special Project Appointments	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>41.5</u>	<u>49.5</u>	<u>49.5</u>	<u>49.5</u>	<u>49.5</u>

Agency Overview. The Kansas Racing Commission administers provisions of the Parimutuel Racing Act and serves as the regulatory entity for horse and greyhound racing. The primary charge of the Commission is to regulate the racing industry and the parimutuel wagering associated with the racing industry. The Commission's primary objectives are to (1) regulate the racing industry; (2) issue licenses and conduct hearings involving licensees; (3) supervise race meetings; (4) enforce Commission policies and regulations; (5) protect the safety and welfare of racing animals and the wagering public; (6) maintain public confidence in the parimutuel wagering system; and (7) encourage the growth of the racing industry.

The Kansas Racing Commission is a five-member entity appointed by the Governor and confirmed by the Senate. The Commission appoints an Executive Director who administers the agency. Staff are located in Topeka at the headquarters, in Kansas City at the Woodlands, and in Wichita at the Wichita Greyhound Park. The Commission plans to open an office in Frontenac at the new greyhound race facility in Southeast Kansas. Staff also are sent to the tracks where intermittent racing takes place, such as Eureka Downs and Anthony, when the race meets are in session.

Although the Commission does not have an organizational structure which reflects different distinct units or bureaus, statutes do suggest a functional structure based on unclassified positions authorized for the agency which the Commission uses in its organizational chart included with the budget. In addition to the Commission which has powers and duties established by K.S.A. 74-8804, a subsequent statute (K.S.A. 74-8805) provides for the appointment of an Executive Director and other unclassified employees, including an Inspector of Parimutuels, a Director of Security, a Director of Racing Operations, and other employees in the classified service. K.S.A. 74-8806 provides for unclassified Animal Health Officers and Assistants. K.S.A. 88-8809 provides for two unclassified Assistant Attorneys General. K.S.A. 74-8818 provides for unclassified Stewards and Racing Judges.

Budget Overview. The following information summarizes the FY 1995 and FY 1996 budget changes for the Kansas Racing Commission as recommended by the Governor.

**Summary of Operating Budget Changes By Funding Source
Governor's Recommendations -- FY 1995 and FY 1996**

<u>Expenditures by Fund</u>	<u>Actual FY 1994</u>	<u>Revised FY 1995</u>	<u>Change FY 1994-95</u>	<u>Estimated FY 1996</u>	<u>Change FY 1995-96</u>
State Operations:					
Racing Fund	\$ 1,878,031	\$ 1,992,236	\$ 114,205	\$ 2,089,762	\$ 97,526
Reimbursmnt. Fund	817,058	820,692	3,634	1,101,590	280,898
Greyhound Fund	135,000	283,500	148,500	308,000	24,500
Horse Fund	2,100	22,720	20,620	24,190	1,470
County Fair Fund	30,323	0	(30,323)	0	0
Investigative Fund	0	20,000	20,000	20,000	0
Subtotal -- St. Ops.	\$ 2,862,512	\$ 3,139,148	\$ 276,636	\$ 3,543,542	\$ 404,394
Other Assistance:					
Greyhound Fund	\$ 428,876	\$ 405,000	\$ (23,876)	\$ 440,000	\$ 35,000
Horse Fund	552,720	431,680	(121,040)	459,610	27,930
County Fair Fund	391,355	500,050	108,695	636,684	136,634
Subtotal -- Assist.	\$ 1,372,951	\$ 1,336,730	\$ (36,221)	\$ 1,536,294	\$ 199,564
Total -- Operating	<u>\$ 4,235,463</u>	<u>\$ 4,475,878</u>	<u>\$ 240,415</u>	<u>\$ 5,079,836</u>	<u>\$ 603,958</u>

FY 1996 Budget Year. For state operations, the Racing Commission proposes to shift the financing of 20.0 FTE positions from the Racing Reimbursable Expense Fund to the State Racing Fund. The Commission estimates a reduction in SGRF transfers to less than \$4.7 million in FY 1996, a decrease of almost \$1.0 million compared with the estimate for this fiscal year. This shift in financing accounts for \$977,466 of this reduction in transfers next fiscal year. The manner in which racing officials who are stationed at each race track are paid has been a budget issue in recent years.

In FY 1996, the Governor recommends an increase in expenditures totaling \$404,394 for state operations. The Governor's recommendations maintain staffing at its current level and continue financing of salaries and benefits in the present manner, with the Reimbursement Fund to finance race officials who are employed by the Commission and stationed at the different tracks. An increase in expenditures of \$280,898 from the Reimbursable Fund is attributed to the annualizing costs for the new facility in Southeast Kansas. Transfers to the SGRF are estimated at \$5,127,100 in FY 1996 and include anticipated revenues from the new Southeast Kansas facility on an annual basis.

Legislative Adjustments. The FY 1996 budget recommended by the Governor was adjusted by the first house actions. The House Subcommittee recommendations reduced \$58,536 from salaries and benefits enhancements which were recommended by the Governor for classified and unclassified personnel. In addition, the Director of Racing which has never been filled and \$45,000 of salary financing were removed from the FY 1996 budget. Net reductions of \$103,536 and 1.0 FTE position were made by the House. The Senate Subcommittee concurred with the House reductions. In addition, the Senate Subcommittee recommended adding 2.0 FTE positions and funds for two classified auditors in order to monitor activities at each race track. Currently, only one auditor is assigned to the Wichita race track and

the Senate Subcommittee recommendation was intended to provide staff at both the Kansas City and Southeast Kansas facilities. The Racing Commission estimates that two new auditors will cost \$74,339 in FY 1996. It was noted by the Senate Subcommittee that the Inspector of Parimutuels who supervises the audit staff is vacant and that position should be filled by someone with professional qualifications, including a CPA designation. Legislation was recommended to make the CPA a statutory requirement. The Senate Committee amended its Subcommittee's Report to delete all funds and staff for the Racing Commission in FY 1996, pending Omnibus review.

Staffing at Race Tracks. A potential problem in hiring three race judges for the new race track in Frontenac has developed. The 1994 Legislature approved 3.0 FTE positions and related funding for new judges at that facility. The Governor's revised FY 1995 recommended budget includes both staff and funds for these positions. However, the Division of Personnel Services has raised a statutory concern about K.S.A. 74-8818 and a 1993 revision in that law which appears to limit the Racing Commission's appointing authority: "The Commission shall appoint three individuals to serve as full-time stewards or racing judges." Since there are three judges at Kansas City and three additional judges at Wichita, all of whom are considered full-time, the three additional new judges at Frontenac would bring the total to nine, or six more than the statutory interpretation. Pending legislation (S.B. 124; S.B. 379; both in House Federal and State Affairs) address this issue with clarifying language: "The Commission shall appoint at least three individuals to serve as stewards or racing judges at each horse or greyhound race meeting, but no more than three judges or stewards shall be on duty at any one time at any racing performance." Racing at the new track is scheduled to begin May 17, 1995. (Staff Note: The Legislature may wish to consider adding a provision in the Omnibus bill to assure that three racing judges are permitted at each Kansas race track if the approved budget reflects staffing and funding for those positions.)

Handle at Tracks. The following information presents the actual and projected figures for betting (handle) at the Kansas race tracks as originally available to the 1995 Legislature, based on the Kansas Racing Commission budget that was submitted in September, 1994. A decline in handle at the Woodlands has been reported in calendar year 1994 due to the introduction of river boat gambling in the Kansas City area. It would appear that based on these projections from the Racing Commission that parimutuel handle peaked in FY 1994 and is less in both FY 1995 and FY 1996, even with the opening of the new track in Southeast Kansas.

TABLE 1: Original Track Information

Track Location	Actual FY 1993	Actual FY 1994	Estimated FY 1995	Agency Revised FY 1995	Agency Estimated FY 1996
Kansas City Woodlands	\$ 155,862,512	\$ 171,777,302	\$ 163,982,529	\$ 151,394,700	\$ 146,176,500
Wichita Greyhound Park	66,680,059	65,521,140	54,609,941	74,905,300	72,323,500
Frontenac Track Southeast	0	0	11,588,176	8,700,000	17,500,000
Eureka, Anthony	0	841,794	0	0	0
Total Handle	<u>\$ 222,542,571</u>	<u>\$ 238,140,236</u>	<u>\$ 230,180,646</u>	<u>\$ 235,000,000</u>	<u>\$ 236,000,000</u>

Revised information has been provided to the Legislature by the Kansas Racing Commission for review during the 1995 Omnibus period. Detailed projections as submitted by the Commission are available and summary information is included in Table 2.

TABLE 2: Revised Track Information

Track Location	Actual FY 1993	Actual FY 1994	Agency Revised FY 1995	Agency Revised FY 1996	Difference FY 1995-96
Kansas City Woodlands	\$ 155,862,512	\$ 171,777,302	\$ 117,019,569	\$ 81,682,655	\$(35,336,914)
Wichita Greyhound Park	66,680,059	65,521,140	63,581,279	53,883,400	(9,697,879)
Frontenac Track Southeast	0	0	5,270,000	31,640,000	26,370,000
Eureka, Anthony	0	841,794	1,021,338	950,845	(70,493)
Total Handle	<u>\$ 222,542,571</u>	<u>\$ 238,140,236</u>	<u>\$ 186,892,186</u>	<u>\$ 168,156,900</u>	<u>\$(18,735,286)</u>

Revised Cashflow Estimates. The following table summarizes the status of the State Racing Fund as recommended by the Governor and with revised and updated cashflow information provided by the Racing Commission.

Resource Estimate	Actual FY 94	Gov. Rec. FY 95	Agency Revised FY 95	Gov. Rec. FY 96	Agency Revised FY 96
Beginning Balance	\$ 706,621	\$ 595,810	\$ 595,810	\$ 353,499	\$ 200,000
Net Receipts	8,052,972	6,865,638	6,232,228	7,498,573	5,309,017
Total Funds Available	<u>\$ 8,759,593</u>	<u>\$ 7,461,448</u>	<u>\$ 6,828,038</u>	<u>\$ 7,852,172</u>	<u>\$ 5,509,017</u>
Less:					
Expenditures	\$ 1,878,031	\$ 1,992,236	\$ 1,992,236	\$ 2,089,762	\$ 2,066,406
Transfers to SGRF	5,963,172	4,749,245	4,269,434	5,127,100	2,870,538
Transfers to KBI	322,580	366,368	366,368	372,023	372,073
Nonreportable	0	0	0	0	0
Ending Balance	<u>\$ 595,810</u>	<u>\$ 353,599</u>	<u>\$ 200,000</u>	<u>\$ 263,287</u>	<u>\$ 200,000</u>

It should be noted that the revised estimated transfers to the SGRF in both FY 1995 and FY 1996 are lower than the estimates included in the *Governor's Budget Report*. The revised estimated cashflow to the State Racing Fund is lower than anticipated in the earlier estimates, and hence net receipts are less than previously assumed.

SGRF Transfers. The Lottery contributes a disproportionately larger share of the transfers to the State Gaming Revenues Fund (SGRF) than does parimutuel betting. A statutory provision requires that any funding in excess of \$50.0 million be deposited in the State General Fund in the subsequent fiscal year. G.B.A. No. 3 for the Lottery also is shown below (although no adjustments in the Governor's original recommendation for parimutuel are reflected in G.B.A. No. 3). Revised FY 1995 and FY 1996 estimates for both Lottery and parimutuel are provided below. The FY 1995 and FY 1996 estimates for Lottery was adopted by the 1995 Legislature. The revised parimutuel estimates have not been considered previously.

Financial Activity	Gov. Rec.	Gov. Rec.	G.B.A. No. 3	Agency	Agency
	FY 95	FY 96	FY 96	Revised Est. FY 95	Revised Est. FY 96
Transfers by Source:					
Lottery	\$ 46,175,163	\$ 49,613,357	\$ 0	\$ 53,236,357	\$ 50,390,357
Parimutuel	4,749,245	5,127,100	4,749,245	4,269,434	2,870,538
Total Estimated	<u>\$ 50,924,408</u>	<u>\$ 54,740,457</u>	<u>\$ 4,749,245</u>	<u>\$ 57,505,791</u>	<u>\$ 53,260,895</u>
SGF Estimate ^a	\$ 924,408	\$ 4,740,457	\$ 0	\$ 7,505,791	\$ 3,260,895

a) Any amount in excess of \$50.0 million transferred to the State General Fund the following fiscal year on July 15.

B. Pending Legislation. Provisions amended into **S.B. 190** (Conference Committee) by the House Committee of the Whole would reduce the current \$2,000 per month salary for Racing Commissioners to the per diem compensation (currently set for \$65 in FY 1996 by S.B. 190) paid to legislators. The Governor presently is authorized by statute to set the compensation of Racing Commissioners. The amendment in S.B. 190 would eliminate the Governor's authority to set their compensation and fix future compensation to that paid legislators. The FY 1996 budget as recommended by the Governor includes \$120,480 (excluding benefits) for compensation of Racing Commissioners.

Kansas Public Employees Retirement System (KPERS)

A. H.B. 2555 (Conference). The Omnibus KPERS bill has several provisions that may have fiscal impact. The House version did not contain the same provisions in the Senate version as noted below.

1. **New Staff.** A new, unclassified position is established in the Senate version of this bill. Funding of \$53,174 and 1.0 FTE position in FY 1996 would be required if the Legislature wishes to authorize filling the new statutory position of Assistant Investment Officer. The House version of the bill did not include authority for this new staff position.
2. **Employer Contribution Rate Increase.** The Senate version of H.B. 2555 assumed implementation in FY 1997 for increasing the employer contribution rate for KPERS state/school. The House version of H.B. 2569 assumed starting in FY 1996 with a first-year additional cost of \$2,647,492 for the state, of which \$2.2 million would be from the State General Fund for the KPERS state/school employer contributions. Provision to add this funding to agency budgets in FY 1996 would need to be addressed either in the Omnibus bill or in another appropriate mechanism, such as S.B. 190, if the House version of implementing this change in FY 1996 is approved by the Legislature. The FY 1997 estimated cost for the Senate version is \$2,753,392 for the state, of which \$2.3 million would be from the State General Fund.
3. **Retired Judges Program.** Provisions of H.B. 2005 are included in the Senate version of H.B. 2555 and would authorize the Supreme Court to initiate a new

post-retirement judicial service program for retired judges and justices. The House version of H.B. 2005 would have provided for an annual transfer from the Supreme Court, beginning in FY 1997 to reimburse KPERS costs of paying judges and justices enhanced retirement benefits for participating in this program. The Senate version included in H.B. 2555 would require the Supreme Court to pay stipends during FY 1996 for judges and justices participating in this program. Both versions of the program anticipated paying 25 percent of current compensation for no more than 104 days of judicial duties after retirement. Only the mechanism for payment differed, with the House version relying on an increase in post-retirement benefits and the Senate version using stipends paid by the Court. The fiscal impact of the Senate version is provided in the portion of this Memo dealing with the Judicial Branch.

4. **Periodic Actuarial Audit.** A provision would require an actuarial audit of the KPERS actuary at least once every six years, with the first review mandated to be completed in CY 1995. KPERS staff estimated costs for an actuarial audit would be between \$10,000 and \$50,000, depending upon the complexity of the audit work. The House Appropriations Subcommittee recommended that funding of \$50,000 be added to the Legislative Coordinating Council's FY 1996 budget to pay for this new audit which should be comprehensive (auditing the annual valuation and three-year review work). Since the proposed legislation had not passed both houses when the Legislature's FY 1996 budget was considered, it was recommended that this matter be reviewed during Omnibus. This item is addressed in this Memo under the Legislature.

B. Omnibus Review Item. The Senate Ways and Means Committee agreed to review the current estimate for KPERS payments to its financial consultants in FY 1995 since the appropriation limitation on this account may need to be adjusted to reflect recent revisions in contractual costs. The FY 1995 limitation was reduced from \$17,627,496 approved by the 1994 Legislature to \$16,456,374 in 1995 H.B. 2234, based on information provided by KPERS staff and the Governor's FY 1995 recommendations. Current law provides that any contracts entered into by the Board are to be paid pursuant to rates fixed by the KPERS Board, subject to provisions of appropriations acts, and are to be based on specific contractual fee arrangements.

**Summary of Investment Related Fees Changes
Approved FY 1995 H.B. 2234**

Expenditures	Actual FY 1994	Gov. Rec. FY 1995	Leg. Adj. FY 1995	Approved FY 1995	KPERS Rev. Adj. FY 95 a)
Direct Placement Mgmt.	\$ 2,480,000	\$ 2,480,000	\$ (103,338)	\$ 2,376,662	\$ 0
Real Estate Mgmt.	1,036,400	1,100,000	56,175	1,156,175	0
Public Traded Securities	9,882,595	10,353,923	(29,386)	10,324,537	112,699
Custodial Bank	910,977	800,000	0	800,000	125,000
Investment Consultants	215,250	149,000	0	149,000	0
Direct Placement Legal	627,065	600,000	0	600,000	(247,000)
Litigation Related	777,262	1,050,000	0	1,050,000	247,000
Total--Reportable Fees	\$ 15,929,549	\$ 16,532,923	\$ (76,549)	\$ 16,456,374	\$ 237,699

a) NOTE: KPERS staff may provide additional information regarding FY 1995 revised estimates for the litigation category of expenditure. Information reflects updated estimates as of April 19, 1995.

C. SHARP Revised Cost Estimates. KPERS staff has revised the estimate for FY 1996 costs associated with implementing the new personnel/payroll system. Funding of \$48,000 was originally requested and recommended by the Governor in FY 1996. During review of this initial estimate, funding was removed from the KPERS budget and placed in the Department of Administration's FY 1996 budget. A copy of the revised estimate for SHARP computer related equipment has been submitted by KPERS to the SHARP project director. The new FY 1996 estimate is \$101,600 for hardware and software to provide 25 KPERS staff with access to the SHARP database. Further details are provided in the portion of this Memo dealing with the Department of Administration.

D. Technical Adjustments. KPERS staff has notified the Director of Accounts and Reports to cancel without spending \$250,224.90 of FY 1994 State General Fund moneys previously encumbered for the employer share of school retirement contributions (the total was \$54,746,525.25 in FY 1994). These unexpended funds will lapse and be returned to the State General Fund as revenue. In addition, KPERS has notified the Division of Accounts and Reports concerning FY 1995 transfers from the Department of Education for payment of the employer share of school retirement contributions. In April 7, 1995, KPERS correspondence, total FY 1995 school employer contributions paid by the state are estimated at \$58,605,508. The Governor's supplemental appropriation, added to the previously approved amount from the State General Fund, makes available \$59,894,000 in FY 1995. The funds are appropriated to the Department of Education in FY 1995 and exceed the KPERS estimate by \$1,288,492. Further details are provided in the portion of this Memo dealing with the Department of Education.

Legislature

A. H. Sub. for S.B. 19 (Conference). H. Sub. for S.B. 19 would revise the statute which creates the Kansas Information Resources Council and provides for its membership. The substitute bill would change the appointing authority for the two legislative members on the Council and would authorize both legislators who serve on the Council to be paid legislative per diem compensation and subsistence expenses for attendance at meetings. One legislative member of the House of Representatives would be appointed by the Speaker and the other legislative member of the Senate would be appointed by the President. Under the bill, the legislative members would be from different political parties. The substitute bill also would delete the Chairperson of the Joint Committee on Computers and Telecommunications as a

member on the Council and the Director of the Kansas Bureau of Investigation would be added as a member. Currently, the legislative members do not receive any compensation or subsistence expenses for serving on the Council. Assuming that the Council will meet one day a month throughout the year, the legislators would be eligible for compensation for the eight months outside of the legislative session. The estimated fiscal impact (based on the preceding assumptions) in FY 1996 from the State General Fund for the additional payments is \$3,888. The Senate version of the bill deleted the legislative members of the Council.

Legislative Coordinating Council

A. H.B. 2555 (Conference). H.B. 2555 (the Kansas Public Employees Retirement System - KPERS omnibus bill), as amended by the Senate, among other things, would require an actuarial audit of the KPERS actuary at least once every six years, with the first review mandated to be completed in CY 1995. KPERS staff estimated costs for actuarial audit which would review and audit the actuary's work would cost between \$10,000 and \$50,000, depending upon the complexity and depth of the audit work. The House Appropriations Subcommittee recommended that funding of \$50,000 be added to the Legislative Coordinating Council's FY 1996 budget to pay for this new audit which would be comprehensive (auditing the annual valuation and three-year review work). Since the proposed legislation had not passed both houses when the Legislative Coordinating Council's FY 1996 budget was considered, it was recommended that this matter be reviewed during Omnibus. The House included the requirement for an actuarial audit in H.B. 2077 which is currently in the Senate Ways and Means Committee.

Lieutenant Governor

A. H.B. 2555 (Conference). H.B. 2555, as amended by the Senate, among other things, authorizes the Lieutenant Governor's staff to participate in the state 8.0 percent deferred compensation program instead of the regular KPERS retirement program. The state contributes 8.0 percent of the employee's salary to the Kansas Public Employees Deferred Compensation Plan, while the employee is not required to make a contribution. Current employees that are eligible to participate in the 8.0 percent deferred compensation program include all cabinet secretaries, Superintendent of the Kansas Highway Patrol, State Grain Inspector, Executive Director of the Kansas Lottery, Executive Director of the Kansas Racing Commission, President of the Kansas Development Finance Authority, State Fire Marshal, State Librarian, State Securities Commissioner, Adjutant General, members of the Governor's staff, Board of Tax Appeal members, Kansas Corporation Commission members, Kansas Parole Board members, and staff members of the House and Senate leadership offices. In the approved FY 1996 budget for the Office of Lieutenant Governor, funding is included for the regular KPERS employer contribution of 3.3 percent for the two employees of the agency. If H.B. 2555 is approved and the employees elect to participate in the deferred compensation plan, the agency would contribute an additional \$2,644 (State General Fund) in FY 1996 above the current approved budget. The House has not considered this item.

Department of Health and Environment

A. H.B. 2256 (Governor). H.B. 2256 provides for the regulation of laundry facilities using drycleaning solvents. Specifically, the bill establishes the Drycleaning Facility Release Trust Fund which is to be administered by the Secretary of the Department of Health and Environment. Revenues for the new Trust Fund are to be generated mostly from taxes and fees imposed by passage of H.B. 2256. The bill imposes, as of July 1, 1995, a 2.0 percent gross receipt tax on certain laundering and drycleaning businesses. In addition, the bill imposes a \$3.50 per gallon fee for the purchase or acquisition of drycleaning solvent.

The fee is to start July 1, 1995, and is to be increased by \$0.25 each successive calendar year until the fee rates reaches \$5.50 per gallon. Estimated revenues are projected at \$1.11 million in FY 1996 and \$1.161 million in FY 1997.

The moneys in the new Trust Fund are to be used for administration and enforcement costs as well as for corrective actions costs related to environmental clean-ups required because of drycleaning solvent releases. The bill also allows moneys in the Trust Fund to be used to pay reimbursement of up to \$100,000 per site to individuals who have incurred costs for corrective action prior to the effective date of H.B. 2256.

The Department of Health and Environment's fiscal note for the bill reflects the following anticipated expenditures:

Salaries and Wages for 3.0 New FTE Positions (Geologist I, Geologist II, and Office Assistant IV)	\$	102,852
Communication Costs		6,558
Rent		7,700
Travel		3,940
Blood Level Screening of Staff		1,000
Laboratory Sample Analysis		9,000
Corrective Action Contracts		975,432
Protective Clothing, Office, and Field Supplies		3,350
Office Equipment		2,625
Computers, printers, and software		5,043
GRAND TOTAL	\$	<u>1,117,500</u>

B. House Substitute for S.B. 127 (Law). House Substitute for S.B. 127, among other things, increase driver's license reinstatement fees from \$25 to \$50. A portion of the fee revenues (10 percent) is to be credited to the Driving Under the Influence Equipment Fund, which is established by the bill and designated for use by the Department of Health and Environment to purchase breath alcohol test equipment or provide drivers' safety programs.

The new fund needs to be appropriated in the Omnibus bill. The Department of Revenue indicates that the fee revenues were \$50,000 last calendar year and that it is in the process of completing an estimate due to provisions of House Substitute for S.B. 127.

Kansas State Board of Agriculture/Kansas Department of Agriculture

A. Senate Sub. for H.B. 2384 (Law). Senate Sub. for H.B. 2384 provides for the reorganization of the Kansas State Board of Agriculture. The legislation establishes the Kansas Department of Agriculture and provides for a Secretary of Agriculture appointed by the Governor from a list of three nominees submitted by the new Kansas State Board of Agriculture, which also is created by the legislation. The nominees for Secretary of Agriculture must have demonstrated executive and administrative ability to discharge the duties of the office. The Governor rejects any or all of the nominations for Secretary and, if necessary, ask the Board to submit a new list.

The Secretary is subject to Senate confirmation, serves at the pleasure of the Governor and is a member of the Governor's Cabinet. The Secretary also is required to organize annual public informational meetings, to take place in each Congressional district on a rotating basis. Under the transition provisions to the new system, the acting Secretary of Agriculture becomes the Secretary. This person is subject to Senate confirmation and serves at the pleasure of the Governor.

The legislation creates a new nine-member Kansas State Board of Agriculture, appointed by the Governor. One member is to come from each Congressional district and the remaining members are appointed at-large. After initially serving for staggered terms, the Board members will serve four year terms. In addition to the duty of submitting a list of nominees from whom the Governor chooses the Secretary, the Board advises the Governor and Secretary on other matters.

The Secretary of Agriculture is authorized to appoint an assistant secretary (or secretaries). These persons serve at the pleasure of the Secretary and are in the unclassified service. The chief administrative officer of each division in the Department of Agriculture remains in the unclassified service. Other employees of the previous agency transfer to the newly created agency.

The powers, duties, and property of the previous agency and secretary transfer to the new Secretary of Agriculture. In addition, the rules and regulations of the previous Secretary and Board transfer to the new Secretary of Agriculture. However, the rules and regulations of the Chief Engineer of the Division of Water Resources remain the rules and regulations of the Chief Engineer.

The legislation adds the Secretary of Agriculture to the Cabinet positions listed in K.S.A. 1994 Supp. 75-2935 which are entitled to one personal secretary, one special assistant, one public information officer, and one chief attorney. All of these positions are in the unclassified service.

As a result of this reorganization, the Board estimates expenditures of \$110,917. The costs include \$68,400 for salary and fringe benefits for an Assistant Secretary (this would also require the addition of an FTE position); \$25,117 for a Personal Secretary (this would also require the addition of an FTE position); and \$5,100 for travel and subsistence reimbursement for the new advisory board.

Additionally, the Acting Secretary of Agriculture claims that the implementation of Senate Sub. for H.B. 2384 necessitates three reclassifications of employees to "assist in building the agency management team while maintaining efficiencies and savings." The requested reclassifications are outlined below:

Research Analyst IV→Public Service Executive II	\$6,900
Program and Policy Consultant→Public Service Executive II	\$3,600
Secretary II→Secretary III	\$2,700

B. SHARP Implementation. The agency estimates expenditures of \$9,300 for implementation of SHARP.

C. Governor's Budget Amendment No. 3. To make up for the loss of lottery revenue to the Economic Development Initiatives Fund, the Governor switches financing in the amount of \$366,607 for the Board of Agriculture's Marketing Division from the Economic Development Initiatives Fund to the State General Fund.

Department of Social and Rehabilitation Services/Mental Health and Retardation Services

A. S.B. 343 (Technical Adjustment). To correct a posting error in Senate Bill 3, \$152 needs to be lapsed from the State General Fund appropriation to the Mental Health and Retardation Services Aid and Assistance account of the Department of Social and Rehabilitation Services.

Kansas Guardianship Program

A. S.B. 342 (Governor). S.B. 342 creates the Kansas Guardianship Program. The Kansas Guardianship Program is a non-profit organization whose mission is to recruit volunteers to serve as court appointed guardians or conservators, or both, of adults who are found by courts to need to protection of guardianship or conservatorship. The program was created in 1979, and has been, since that time, administered by Kansas Advocacy and Protective Services, Inc. (KAPS), which provides protection and advocacy services for people pursuant to federal law (KAPS is a federally-funded entity). In 1994, federal reviewers found that there was a conflict of interest in KAPS' operation of the Guardianship Program. In response to that finding, KAPS' board acted to separate the Guardianship Program from KAPS.

The passage of S.B. 342 will, according to the agency, require the following:

- Lapse of the \$1,074,200 from the Kansas Guardianship Program account of the State General Fund in the FY 1996 appropriation to the Department of Social and Rehabilitation Services, and appropriation of this funding directly to the Kansas Guardianship Program.

In addition, the agency requests \$238,670 to meet the costs of separation (\$160,750, as a result of costs that can no longer be shared with KAPS, and for one-time expenses such as moving expenses), for annualization of clients added during FY 1995 (\$44,800), and to phase in services to 276 new clients during FY 1996 (\$33,120). The Guardianship Program proposes to fund part of this expense by lapsing the state operating grant in the amount of \$32,171 from KAPS (which may no longer receive state funds, as a result of the federal audit mentioned above).

Additional Funding Requested	\$ 238,670
Transfer from KAPS	<u>(32,171)</u>
Net Additional Funding Requested	<u><u>\$ 206,499</u></u>

Youth Center at Atchison

A. Capital Outlay. The Youth Center at Atchison requested \$58,985 (excluding new initiatives) for capital outlay in FY 1996. The Governor recommended no funding for capital outlay items in FY 1996 and concurred with the agency's estimate of \$19,925 for capital outlay in FY 1995. The House Subcommittee recognized the need for capital outlay in the youth centers, but recommended that funding for

capital outlay items be revisited during the Omnibus Session once a determination was made if the youth centers would be moved under the authority of a different agency or remain in the Department of SRS.

In response to a request of the Senate Subcommittee, the Youth Centers presented prioritized lists of needed capital outlay and planned equipment and furniture replacement for FY 1996. The Youth Center at Atchison's list totaled \$42,723. The Senate Subcommittee noted the recommendation of the House to revisit funding of capital outlay in the Omnibus Session, but concurred with the Governor by recommending no funding for capital outlay items in FY 1996.

B. Education Contract/Teacher Salary Increases. The agency requested \$30,199 (State General Fund) for a 3.3 percent increase for teacher's salaries in FY 1996 and \$3,837 for a 0.4 percent increase in administration fees for FY 1996. The Governor's budget recommendation does not include a salary increase for teachers. The House Subcommittee recommended that education contract increases be revisited during the Omnibus Session. The 1994 Legislature approved a \$25,514 (State General Fund) increase in the education contract for a 3.0 percent increase in teacher's salaries for FY 1995.

Youth Center at Beloit

A. Capital Outlay. The Youth Center at Beloit requested \$114,602 (excluding new initiatives) for capital outlay in FY 1996. The Governor recommended no funding for capital outlay items in FY 1996 and concurred with the agency's estimate of \$19,275 for capital outlay in FY 1995. The House Subcommittee recognized the need for capital outlay in the youth centers, but recommended that funding for capital outlay items be revisited during the Omnibus Session once a determination was made if the youth centers would be moved under the authority of a different agency or remain in the Department of SRS.

In response to a request of the Senate Subcommittee, the Youth Centers presented prioritized lists of needed capital outlay and planned equipment and furniture replacement for FY 1996. The Youth Center at Beloit's list totaled \$40,000. The Senate Subcommittee noted the recommendation of the House to revisit funding of capital outlay in the Omnibus Session, but concurred with the Governor by recommending no funding for capital outlay items in FY 1996.

B. Teacher Salary Increases. The agency requested \$36,755 (State General Fund) for a 4.0 percent increase for teacher's salaries in FY 1996. The Governor's budget recommendation does not include a salary increase for teachers. The House Subcommittee recommended that education contract increases be revisited during the Omnibus Session. The 1994 Legislature approved a \$26,764 (State General Fund) increase in the education contract for a 3.0 percent increase in teacher's salaries for FY 1995.

Youth Center at Topeka

A. Capital Outlay. The Youth Center at Topeka requested \$239,238 (excluding new initiatives) for capital outlay in FY 1996. The Governor recommended no funding for capital outlay items in FY 1996 and concurred with the agency's estimate of \$38,724 for capital outlay in FY 1995. The House Subcommittee recognized the need for capital outlay in the youth centers, but recommended that funding for capital outlay items be revisited during the Omnibus Session once a determination was made if the youth centers would be moved under the authority of a different agency or remain in the Department of SRS.

In response to a request of the Senate Subcommittee, the Youth Centers presented prioritized lists of needed capital outlay and planned equipment and furniture replacement for FY 1996. The Youth

Center at Topeka's list totaled \$88,526. The Senate Subcommittee noted the recommendation of the House to revisit funding of capital outlay in the Omnibus Session, but concurred with the Governor by recommending no funding for capital outlay items in FY 1996.

B. Teacher Salary Increases. The agency requested \$77,845 (State General Fund) for a 4.3 percent increase for teacher's salaries in FY 1996. The Governor's budget recommendation does not include a salary increase for teachers. The House Subcommittee recommended that education contract increases be revisited during the Omnibus Session. The 1994 Legislature approved a \$49,443 (State General Fund) increase in the education contract for a 3.0 percent increase in teacher's salaries for FY 1995.

Department of Social and Rehabilitation Services (SRS)

A. Substitute for H.B. 2458 (Governor). Sub. H.B. 2458 includes the provisions of S.B. 361, which eliminates the requirement that SRS contract with the Department of Human Resources for job placement services for KanWork clients. The Conference Committee on the FY 1996 budget for SRS agreed to delete all funding for KanWork job placement services with the direction that the issue be reviewed at Omnibus. The Governor and the House had recommended \$740,392 SGF (\$1,850,980 all funds) for FY 1996 job placement services, while the Senate had recommended \$1,389,412 SGF (\$2,500,000 all funds) for these services.

B. Caseload Estimates. Staff of the Kansas Legislative Research Department, the Division of the Budget, and SRS met on April 17 to develop consensus caseload estimates on agency programs. Consensus was reached on expenditure estimates for the AFDC program, General Assistance, regular medical assistance, nursing facilities (including adult care homes, nursing facilities for mental health, and intermediate care facilities for the mentally retarded), and the Home and Community Based Services (HCBS) program. Expenditures estimates were revised downward for the AFDC program and General Assistance, while increased expenditures are estimated for regular medical assistance, nursing facilities, and HCBS. During its deliberations on the FY 1996 budget, the 1995 Legislature reduced the Governor's recommendation for General Assistance by \$3.5 million. Thus, the following table summarizes adjustments from the budget as approved by the 1995 Legislature.

SRS CONSENSUS CASELOADS
Revised Expenditure Estimates and Adjustments from Approved Budget

	FY 1995		Change from Approved	
	<u>Revised Estimate</u>		<u>State Funds</u> <u>All Funds</u>	
	<u>State Funds</u>	<u>All Funds</u>	<u>State Funds</u>	<u>All Funds</u>
AFDC	\$ 48,560,770	\$ 118,600,000	\$ (1,985,126)	\$ (3,914,994)
General Assistance	9,079,758	9,079,758	(1,331,171)	(1,331,171)
Regular Medical	182,252,361	432,800,000	994,471	1,095,238
Nursing Facilities	110,459,493	261,645,350	3,061,463	1,647,581
HCBS	26,896,000	65,600,000	2,037,591	5,953,752
TOTAL	\$ 377,248,382	\$ 887,725,108	\$ 2,777,228	\$ 3,450,406

	FY 1996		Change from Approved	
	<u>Revised Estimate</u>		<u>State Funds</u> <u>All Funds</u>	
	<u>State Funds</u>	<u>All Funds</u>	<u>State Funds</u>	<u>All Funds</u>
AFDC	\$ 49,890,915	\$ 121,700,000	\$ (2,141,139)	\$ (3,300,000)
General Assistance	5,850,000	5,850,000	(130,699)	(130,699)
Regular Medical	189,805,840	455,000,000	1,285,394	4,292,289
Nursing Facilities	116,327,000	272,500,000	5,998,883	6,322,327
HCBS	30,996,000	75,600,000	2,200,659	6,199,637
TOTAL	\$ 392,869,755	\$ 930,650,000	\$ 7,213,098	\$ 13,383,554

C. Technical Adjustment. Reappropriation language was inadvertently omitted from S.B. 343 for the Kansas Social Services Information System Project account of the State General Fund. The 1994 Legislature approved \$5.4 million for the state's share of the total project cost (estimated to be \$20.1 million) with the understanding that the actual expenditures of project funding would occur over three fiscal years (FY 1995 to FY 1997).

Mental Health Hospitals -- Systemwide

A. Teacher Salary Increases. The amounts recommended by the Governor and approved by the 1995 Legislature for the school contracts do not include funding for teacher salary increases in FY 1996. The following table shows the amounts from the State General Fund that would be needed to fund salary increases of various percentages.

<u>% Increase</u>	<u>Osawatomie</u>	<u>Topeka</u>	<u>Larned</u>	<u>Rainbow</u>
.5%	\$ 3,571	\$ 2,852	\$ 9,742	\$ 4,647
1.0	7,786	5,703	16,318	8,451
1.5	10,778	8,555	22,891	12,254
2.0	14,951	11,406	29,467	16,060
2.5	17,921	14,259	36,042	19,864
3.0	22,100	17,109	42,619	23,667
3.5	25,064	19,963	49,194	27,471
4.0	29,249	22,812	55,768	31,274
4.5	32,207	25,667	62,343	35,079
5.0	36,357	28,515	68,919	38,883

B. Categorical Aid. In FY 1996, the budgeted school contracts for each of the institutions include categorical aid based on a rate of \$19,400 (the amount set for FY 1995 by the 1994 Legislature). Currently, the FY 1996 categorical aid rate per eligible teaching unit is estimated to be \$19,500. If this rate is maintained, the school contracts at the hospitals would be over funded. The following State General Fund amounts would be deleted from each of the hospitals' budgets in FY 1996 to adjust for this difference in rates:

<u>Hospital</u>	<u>Amount</u>
Larned State Hospital	\$ (1,014)
Osawatomie State Hospital	(1,420)
Rainbow Mental Health Facility	(1,792)
Topeka State Hospital	(1,990)

The 1995 Legislature has made a current year adjustment to the FY 1995 categorical aid rate, increasing the rate per eligible teaching unit from the \$19,400 set by the 1994 Legislature to \$19,500. If this rate is maintained, the school contracts at the hospitals would be over funded. The following State General Fund amounts would be deleted from each of the hospitals' budgets in FY 1995 to adjust for this difference in rates:

<u>Hospital</u>	<u>Amount</u>
Larned State Hospital	\$ (1,014)
Osawatomie State Hospital	(1,420)
Rainbow Mental Health Facility	(1,792)
Topeka State Hospital	(1,990)

Topeka State Hospital

A. Technical Adjustment. To correct an oversight, the sum of \$148,535 should be reduced from the operating expenditures line of State General Fund appropriations to properly reflect the Legislature's intent.

B. House Subcommittee Recommendation -- Increase Expenditure Limitation on the Topeka State Hospital Fee Fund. SRS requested a Governor's Budget Amendment to increase the expenditure limitation on the hospital fee fund by \$100,000 in FY 1995 in order to help reduce the shrinkage rate at the hospital from 8.8 percent to 8.3 percent. This money is in addition to the \$115,000 added by the Senate. The total amount needed by the hospital is \$215,000. The House Subcommittee recommended that if the requested Governor's Budget Amendment was not granted the increase should be looked at in Omnibus.

Office of the State Bank Commissioner

A. S.B. 95 (Conference Committee). S.B. 95 authorizes expenditures from the State General Fund and various special revenue funds for the payment of specific claims against the State of Kansas. The bill includes a payment of \$18,308 from the Bank Commissioner Fee Fund in FY 1995 to reimburse a claimant for attorney fees incurred in a Civil Service Board appeal. According to the agency, there are sufficient balances in the fee fund to cover the payments. However, the agency reports that payment of these claims could cause difficulties for the agency in staying within the expenditure limitation set by the Legislature.

Consumer Credit Commissioner

A. S.B. 95 (Conference Committee). S.B. 95 authorizes expenditures from the State General Fund and various special revenue funds for the payment of specific claims against the State of Kansas. The bill includes a payment of \$59,095 from the Consumer Credit Fee Fund in FY 1995 to reimburse monetary losses incurred by several claimants as the result of the failure of certain financial institutions. According to the agency, there are sufficient balances in the fee fund to cover the payments. However, the agency reports that payment of these claims could cause difficulties for the agency in staying within the expenditure limitation set by the Legislature.

Human Rights Commission

A. Technical Item for FY 1996. Federal funds should be decreased by \$102,591 in FY 1996 to offset a reappropriation of State General Fund from FY 1995 to FY 1996 to cover a shortfall in federal funds for FY 1996.

Mental Retardation Institutions -- Systemwide

A. Teacher Salary Increases. The amounts recommended by the Governor and approved by the 1995 Legislature for the school contracts do not include funding for teacher salary increases in FY 1996. The following table shows the amounts from the State General Fund that would be needed to fund salary increases of various percentages.

<u>% Increase</u>	<u>KNI</u>	<u>PSHTC</u>	<u>WSHTC</u>
.5%	\$ 5,379	\$ 2,771	\$ 4,804
1.0	10,758	5,542	9,609
1.5	16,138	8,313	14,414
2.0	21,517	11,084	19,219
2.5	26,896	13,855	24,024
3.0	32,275	16,626	28,829
3.5	37,655	19,397	34,854
4.0	43,034	22,168	38,439
4.5	48,413	24,939	43,244
5.0	53,792	27,710	48,049

B. Categorical Aid. In FY 1996, the budgeted school contracts for each of the institutions include categorical aid based on a rate of \$19,400 (the amount set for FY 1995 by the 1994 Legislature). Currently, the FY 1996 categorical aid rate per eligible teaching unit is estimated to be \$19,500. If this rate is maintained, the school contracts at the hospitals would be over funded. The following State General Fund amounts would be deleted from each of the hospitals' budgets in FY 1996 to adjust for this difference in rates:

<u>Hospital</u>	<u>Amount</u>
Kansas Neurological Institute	\$ (2,255)
Parsons State Hospital and Training Center	(1,069)
Winfield State Hospital and Training Center	(2,633)

The 1995 Legislature has made a current year adjustment to the FY 1995 categorical aid rate, increasing the rate per eligible teaching unit from the \$19,400 set by the 1994 Legislature to \$19,500. If this rate is maintained, the school contracts at the hospitals would be over funded. The following State General Fund amounts would be deleted from each of the hospitals' budgets in FY 1995 to adjust for this difference in rates:

<u>Hospital</u>	<u>Amount</u>
Kansas Neurological Institute	\$ (2,255)
Parsons State Hospital and Training Center	(1,069)
Winfield State Hospital and Training Center	(2,583)

C. Technical Adjustment. Make a technical adjustment to each hospital's operating expenditures account to correct a posting error.

Kansas Neurological Institute

A. Technical Adjustment -- FY 1995 Foster Grandparents Program. The Governor's revised FY 1995 budget for KNI increases expenditures from the Foster Grandparents Program -- federal fund from the approved level of \$193,387 to \$212,411, an increase of \$19,024. However, the FY 1995

expenditure limitation increase required to allow expenditure of these funds was omitted from the supplemental bill.

Board of Healing Arts

A. S.B. 57 (Governor). S.B. 57 enacts the athletic trainers registration act. The bill provides for the registration of athletic trainers by the State Board of Healing Arts; defines educational requirements for athletic trainers; and establishes maximum limits for their registration fees. S.B. 57 also creates an athletic training council of five members.

The Board of Healing Arts estimates a total of 200 athletic trainers and 50 temporary permits would be registered pursuant to the bill. Based on an application fee of \$50, the bill would generate \$12,500 in revenues to the Healing Arts Fee Fund every other year, as athletic trainers will be required to renew their registrations biennially. The Board estimates \$12,388 in FY 1996 expenditures. Approximately \$3,000 of the FY 1996 costs are one-time expenses for establishment of a new council within the Board. Annual expenses of \$6,620 for communications, travel, and the Impaired Provider Program and \$2,768 for temporary personnel for one year make up the remainder of expenses.

Secretary of State

A. Conference Committee Recommendation. During the 1995 Legislative Session, the House Subcommittee noted that the agency had failed to request funding for the Presidential Preference Primary. The House recommended either repealing the statute requiring the Presidential Preference primary or addressing the matter in the Omnibus session. The Senate recommended funding the \$1,500,000 for the Presidential Preference Primary to reflect the current statutory requirements. The Conference Committee recommended deleting the \$1,500,000 and discussing the item in the Omnibus session.

Kansas Bureau of Investigation (KBI)

A. Governor's Budget Amendment No. 3, Item 8 -- KBI Gaming Unit. Should the lottery not be re-authorized, the Governor recommends a reduction of \$124,008 and 2.0 FTE positions from the KBI Gaming Unit. The KBI Gaming Unit performs investigations for the Kansas Lottery. The Gaming Unit is funded from transfers from the Kansas Lottery and the Kansas Racing Commission. Elimination of the lottery would reduce the 2.0 positions funded from lottery funds.

B. Automated Fingerprint Identification System (AFIS) Replacement (Senate Committee and Joint Committee on Computers and Telecommunications [JCCT]). In its budget submission, the agency requested \$488,000 in FY 1996 for the first year of a planned two-year upgrade of the AFIS system. The AFIS system has been operational since September, 1990. It was designed to provide a database for fingerprint submissions and a search/match capability for the comparison of unknown latent fingerprints to the tenprint file. The agency states that, during the past four years, the system has produced over 620 latent "hits," or matches, many of which have led to the identification and subsequent prosecution of felony offenders. The requested upgrade would have replaced the system's outdated Optimen library handler with a faster disk drive system. Phase II of the upgrade, which was scheduled for FY 1997, would have upgraded the search/match processor, at a cost of \$631,000.

The agency notes that, in addition to the repairs and maintenance costs associated with the present system, the agency has been notified that Printrak, Inc., the current AFIS vendor, cannot maintain or support certain older equipment, including the library handler and search/match processor, beyond December 1995. The maintenance cost for the remainder of the system will be higher for the next five years due to the age of the system. Workstations used for data entry, processing, and verification of tenprint cards cannot be supported by 1997. The addition of remote latent workstations at the Wichita Police Department, the Johnson County crime laboratory, the Topeka Police Department, and the KBI's Great Bend laboratory also have contributed to slowing the AFIS system's response time. The AFIS system can optically scan a fingerprint card in 60 seconds, but it takes nearly 15 minutes for the processor to search the database and complete the card submission. This contributes to the backlog of fingerprint cards awaiting entry to the system.

The agency presented its upgrade plan to JCCT, which requested a needs analysis of the project. The agency presented its needs analysis to JCCT on Wednesday, April 5. The agency noted that its two options were upgrading the AFIS system by contracting with the present vendor, or replacing the current AFIS system by contracting with a new vendor. Information presented to JCCT included the estimated costs of upgrading the system, the estimated five year maintenance costs associated with the present system, and the costs of replacing the current system with a new system and the related six year maintenance costs. **After reviewing the agency's needs analysis, JCCT recommended that the agency pursue replacement of the AFIS system rather than an upgrade of the current system.** Additional information on the costs and benefits of upgrading or replacing the AFIS system is available for Committee use.

The agency has requested a direct grant from the National Criminal History Improvement Program (NCHIP) of the U.S. Department of Justice in the amount of \$2,000,000. Any NCHIP funding awarded to the state would be a direct grant that does not need to be matched with state funds. The agency will not know if the federal funds are approved until July 1995. The agency has also requested a Governor's Budget Amendment for \$2,000,000 from the State General Fund for system replacement. In addition to these potential funding sources, the agency is exploring other financing options.

C. S.B. 127 (Governor). S.B. 127 would, among other provisions, increase the driver's license reinstatement fee following refusal to take a test or upon a conviction of driving under the influence of alcohol or drugs. The reinstatement fee would be increased from \$25 to \$50, of which 20 percent, or \$10 per reinstatement, would be credited to the Forensic Laboratory and Materials Fee Fund of the KBI. The bill specifies that "moneys credited to the forensic laboratory and materials fee fund shall be used to supplement existing appropriations and shall not be used to supplant state general fund appropriations for the Kansas bureau of investigation." The Forensic Laboratory and Materials Fee Fund has an FY 1996 expenditure limitation of \$20,000, which is based on receipts into the fund from other sources. Without an expenditure limitation increase in FY 1996, the KBI cannot expend any additional revenues generated by S.B. 127.

Judicial Branch

A. H.B. 2555 (Conference). The Senate version of H.B. 2555 includes the provisions of H.B. 2005, which would establish a post-retirement judicial service program for retired judges and justices. The bill would allow retirants to enter into written agreements with the Supreme Court that, after retirement, the judge or justice would perform judicial duties for no more than 104 days, or 40 percent of each year. In exchange, the judge or justice would receive a stipend equal to 25 percent of the current monthly salary of judges or justices serving in the same position as held by the retirant at the time of retirement. For FY 1996, the Judicial Branch estimates that, based on current caseloads and estimated available judges, it could

utilize 25 contracts with retired judges at a cost of \$496,819 annually. The House version of H.B. 2005 would provide for an annual transfer from the Supreme Court to KPERS beginning in FY 1997 to reimburse KPERS for the costs of paying the enhanced benefits to judges and justices. Under the House version of the bill, there would be no FY 1996 cost to the Judicial Branch.

State Board of Indigents' Defense Services (BIDS)

A. Funding for Assigned Counsel and Regional Defense Delivery System Expansion (House Subcommittee Recommendation). The House Subcommittee reviewing the Board's budget noted that the agency was requesting FY 1995 supplemental funding and increased FY 1996 funding to pay assigned counsel claims. The House Subcommittee received testimony that, effective March 3, 1995, the Board stopped paying current year vouchers for assigned counsel claims. Although the Board may find it possible to pay some claims filed after that date, the majority of vouchers filed after March 3 will not be paid until FY 1996 unless the Board receives additional supplemental funding. The House Subcommittee recommended that assigned counsel funding be addressed as an Omnibus item, stating that the agency would have additional year-to-date claims and would be able to make a more accurate estimate of assigned counsel claims at Omnibus time. The Subcommittee also recommended that the agency's plans for its regional defense delivery system expansion, including start-up costs (and the related projected savings) be considered in Omnibus in conjunction with the request for assigned counsel funding.

The agency's requests for these items in FY 1995 and FY 1996 total \$5,611,567. Of the total, \$490,874 is for assigned counsel payments in FY 1995, \$1,346,838 is for assigned counsel payments in FY 1996, \$411,696 is for capital defender funding in FY 1995, \$2,583,686 is for capital defender funding in FY 1996, \$689,867 is for additional funding for existing public defender offices to prevent additional shifting from the public defender system to the assigned counsel system, and \$88,606 is for start-up costs for expansion of the Regional Defense Delivery System. The \$88,606 estimate for start-up costs for expansion of the public defender system is based on the premise that the agency's request for assigned counsel would be fully funded and that all costs of the expansion (excluding the \$88,606) would be shifted from assigned counsel to public defender office expansion. Additional details on each of these items follow.

Assigned Counsel for Non-Capital Defense Claims. The table below notes the amounts requested for assigned counsel in non-capital cases. The agency included these amounts in its request for a Governor's Budget Amendment and states that the amounts requested are based on a review of the most recent data on actual expenditures and on revised projections for the remainder of the fiscal year.

	<u>BIDS SGF Request</u>	<u>Governor's SGF Recommendation</u>	<u>Approved by Legislature</u>	<u>Amended BIDS Request</u>	<u>Amount Above Approved Funding</u>
FY 1995:					
Assigned Counsel (Non-Capital Cases)	\$ 5,713,386	\$ 5,402,640	\$ 5,713,386	\$ 6,204,260	\$ 490,874
FY 1996:					
Assigned Counsel (Non-Capital Cases)	\$ 6,978,687	\$ 5,399,640	\$ 5,399,640	\$ 6,746,478	\$ 1,346,838
TOTAL					<u>\$ 1,837,712</u>

FY 1995 and FY 1996 Capital Defender Cases--Agency Estimate. To date in FY 1995, four capital cases have been assigned to the Board. One capital case filed in Salina ended in a plea agreement two months after the case was filed. Four capital cases were assigned in March: one in Kansas City, one in Leavenworth, and two in Junction City. In addition, three escapees of a Sublette jail who are charged with the murder of their jailer are being held in Pueblo, Colorado. When they are returned to Kansas, it is expected that they will be charged with a capital crime.

The Board's request for capital defender funding is based on expenditures for the four capital cases currently assigned to the Board and an additional four cases (the three Sublette cases and one additional case) being assigned during FY 1995. The Board anticipates that a total of eight cases will be carried forward from FY 1995 to FY 1996. The agency's funding estimate also includes seven new cases being filed in FY 1996, four of which the agency estimates will proceed to trial.

	<u>Approved Funding</u>	<u>Revised Request</u>	<u>Increase</u>
FY 1995	\$ 179,147	\$ 590,843	\$ 411,696
FY 1996	281,211	2,864,897	2,583,686
TOTAL			<u><u>\$ 2,995,382</u></u>

Apart from its proposed expansion of the Regional Defender System, the agency requests the following positions to address its increasing caseload. The agency states that this would prevent shifting of expenditures for defense services from the public defender system into the assigned counsel system.

<u>Office</u>	<u>Position</u>	<u>Salaries and Wages</u>	<u>OOE</u>	<u>Total</u>
Topeka PDO	1.0 Attorney	\$ 35,015	\$ 2,745	\$ 37,760
North Central PDO	2.0 Attorneys	70,030	5,490	75,520
Wichita PDO	5.0 Attorneys	175,075	13,725	188,800
	1.0 Investigator	29,703	2,109	31,812
	1.0 Secretary	20,240	1,912	22,152
Olathe PDO	1.0 Legal Assistant	26,083	2,580	28,663
	1.0 Office Assistant	16,529	1,912	18,441
Garden City PDO	1.0 Attorney	35,015	2,745	37,760
	1.0 Legal Assistant	26,083	2,580	28,663
Appellate Defender	4.0 Attorneys	140,060	10,980	151,040
	1.0 Legal Assistant	26,083	2,580	28,663
	1.0 Secretary	20,240	1,192	22,152
	1.0 Office Assistant	16,529	1,912	18,441
TOTAL	21.0 FTE	<u><u>\$ 636,685</u></u>	<u><u>\$ 53,182</u></u>	<u><u>\$ 689,867</u></u>

Expansion of the Regional Defense Services Delivery System. The House Subcommittee recommended that the agency's plan for expansion of the regional defense services delivery system be reviewed as an Omnibus item. The agency proposes the following public defender office (PDO) expansions for FY 1996. If the agency's FY 1996 request for assigned counsel were fully funded, the agency would shift funds from assigned counsel to public defender office funding for finance this expansion. The agency would, however, request the \$88,606 requested for one-time start-up costs of the proposed expansion.

<u>Office</u>	<u>Position</u>	<u>Salaries and Wages</u>	<u>OOE</u>	<u>Start-Up Costs</u>	<u>Total</u>
Douglas County	2.0 Attorneys	\$ 71,600	\$ 13,500	\$ 17,020	\$ 128,473
	1.0 Legal Assistant	26,353			
Lyon/Chase Counties	2.0 Attorneys	71,600	23,458	21,539	140,058
	1.0 Secretary	23,461			
North Central Office	2.0 Attorneys	71,600	31,250	13,792	166,585
	1.0 Investigator	29,703			
	1.0 Secretary	20,240			
South Central	3.0 Attorneys	107,400	5,084	23,533	211,196
	1.0 Regional Coordinator	25,236			
	1.0 Investigator	29,703			
	1.0 Secretary	20,240			
Miami County	1.0 Attorney	35,800	3,000	2,745	41,545
Seward County	1.0 Attorney C	46,830	13,825	9,977	158,611
	1.0 Attorney A	35,800			
	1.0 Investigator	29,703			
	1.0 Secretary II	22,476			
TOTAL	21.0 FTE	\$ 667,745	\$ 90,117	\$ 88,606	\$ 846,468

FY 1994 assigned counsel costs totaled \$213,465 in Douglas County, or \$84,992 more than the agency's proposed expansion; costs in Lyon and Chase Counties totaled \$186,013, or \$45,955 more than the agency's proposed expansion; and costs in Miami County totaled \$41,008, or \$537 less than the proposed expansion. The attorney assigned to the Miami County office would also carry a caseload in the Johnson County office. The proposed Seward County expansion is in response to the recent addition of 1.5 prosecuting attorneys in Liberal.

B. S.B. 184 (Governor). S.B. 184 would amend the crime of sexual exploitation of a child to include possessing any photocopy, video tape, laser disk, computer hardware, software, floppy disk, or other computer related or generated image in which a child is shown or heard engaging in sexually explicit conduct. The State Board of Indigents' Defense Services estimates additional FY 1996 expenditures of \$40,953 for defending indigent persons charged with this new crime.

C. S.B. 16 (Governor). S.B. 16 would create two new crimes: injury to a pregnant woman and injury to a pregnant woman by a vehicle. Injury to a pregnant woman is defined as injury to a pregnant woman in the commission of a felony causing a miscarriage. Injury to a pregnant woman by a vehicle is defined as injury to a pregnant woman by a person in the unlawful operation of a motor vehicle causing the pregnant woman to suffer a miscarriage. Depending upon the circumstances, the crime ranges

from a class A person misdemeanor to a severity level 4 person felony. The Board of Indigents' Defense Services estimates a fiscal impact of \$88,974 in FY 1996 based on a total of 36 cases. Of the 36 cases, it is estimated 18 would be assigned to public defenders and 18 would be contracted out to assigned counsel. Public defender costs are estimated at \$335 per case and assigned counsel costs are estimated at \$608 per case, for a total cost of \$16,974. Expert witness fees are calculated at \$4,000 per case that proceeds to trial and \$2,000 per case that does not proceed to trial. The agency estimates expenditures of \$72,000 for expert witness fees.

D. H.B. 2331 (Conference). H.B. 2331 would abolish the defense of "not guilty by reason of insanity" and would allow a finding of "mental disease or defect excluding criminal responsibility." This finding could be made if a jury returns a verdict of "not guilty" in a case in which the defendant has offered substantial evidence that, "as a result of mental disease or defect," the defendant lacked the mental state required as an element of the offense charged. The jury must then determine whether the defendant is not guilty solely because the defendant was suffering from a mental disease or defect which means the defendant was incapable of possessing the necessary criminal intent. The Office of Judicial Administration states that the bill would permit evidence of mental disease or defect to affect the criminal intent element of any crime, and could result in longer hearings and more hearings in which the element of criminal intent would be a defense issue. The Board of Indigents' Defense Services estimates a fiscal impact of \$40,750 in FY 1996, of which \$32,000 would be for trial level defense and \$8,750 would be for appellate defense.

Department of Administration

A. Statewide Human Resource and Payroll System (SHARP) Project Personal Computers and Related Equipment for State Agencies (Senate and House Committees). Following is a list of personal computers and related equipment requested by state agencies to enable the agencies to access the SHARP (Statewide Human Resource and Payroll System) Project. In most cases, both the Senate and House Committees recommended that funds recommended by the Governor for SHARP equipment be deleted from the individual agency budgets and appropriated to the Department of Administration in the 1995 Omnibus Bill. As noted below, however, some amounts were added by the Legislature or were recommended for Omnibus review.

The column entitled "comments" notes the number of personal computers (PCs) included for each agency. In most cases, however, the total amount noted also may include funding for peripheral equipment, wiring, printers, software, and other items.

FY 1995. The following amounts were requested by the agencies noted and were included in the Governor's recommendation. The funding noted was deleted from the agency budget to be appropriated to the Department of Administration (D of A) in the Omnibus Bill.

Agency	State General Fund	Other Funds	Total	Comments
FY 1995:				
State Treasurer	\$ 3,000	\$ 0		Includes 1 PC and related equipment.
Department of Administration	0	316,677		Includes 47 PCs, printers, servers, and software. This funding has already been transferred to the Computer Services Recovery Fund (the SHARP Fund).
Subtotal FY 1995	\$ 3,000	\$ 316,677		48 PCs
Subtotal All Funds FY 1995			\$ 319,677	
FY 1996:				
Kansas Corporation Commission	\$ 0	17,332		Includes 7 PCs Macintosh environment; agency has offices in several locations
Insurance Department	0	5,000		Includes 2 PCs
Judicial Branch	0	44,904		Includes 10 PCs Macintosh environment; both Committees recommend that Judicial Technology Fund money not be transferred to D of A, but that Judicial Branch work with SHARP project personnel.
KPERS	0	48,000		Includes 12 PCs Macintosh environment; frequent use of personnel/payroll system. On April 17, KPERS submitted a revised request for a total of \$101,600 for hardware and software to provide 25 staff with access to the SHARP database. SHARP personnel are reviewing the KPERS request.
Legislative Agencies	4,800	0		Includes 2 PCs
Department of Revenue	36,530	0		Includes 13 PCs and related equipment; Macintosh environment
Board of Tax Appeals	5,144	0		Includes 2 PCs
Department of Human Resources	0	27,000		Includes 5 PCs
Department of Corrections	9,000	0		Includes 3 PCs
El Dorado Correctional Facility	19,142	0		Includes 3 PCs
Ellsworth Correctional Facility	12,798	0		Includes 1 PC
Hutchinson Correctional Facility	25,190	0		Includes 5 PCs
Lansing Correctional Facility	15,516	0		Includes 2 PCs
Larned Corr. Mental Health Facility	15,431	0		Includes 2 PCs
Norton Correctional Facility	12,708	0		Includes 1 PC
Topeka Correctional Facility	16,196	0		Includes 2 PCs
Winfield Correctional Facility	12,798	0		Includes 1 PC
State Fire Marshall	0	6,198		Includes 3 PCs
Highway Patrol	30,338	0		Includes 7 PCs
Subtotal FY 1996	\$ 215,591	\$ 148,434		83 Pcs
Subtotal All Funds FY 1996			\$ 364,025	

In addition to the amounts noted above, the Governor's recommendation included \$20,000 each for Osawatomie and Topeka State Hospitals for SHARP equipment. The House and Senate both deleted this funding because funding for the Department of Social and Rehabilitation Services (SRS) institutions will

be considered together with the SRS request. The amounts noted do not include any funding for SRS computers. SRS will submit a Governor's Budget Amendment request for SHARP project funding.

The following items were not included in the Governor's budget recommendation. The "comments" column notes the specific Legislative recommendation for each item.

FY 1995			
State Library	\$ 2,894	\$ 0	The Governor did not recommend additional funding for this item. The agency found current year savings for SHARP equipment, and this amount was deleted by both the House and Senate to be appropriated to D of A in Omnibus.
FY 1996			
Emergency Medical Services	\$ 0	\$ 4,350	The House did not recommend funding for this item. The Senate recommended that the agency consult with SHARP and that this be reviewed in Omnibus.
Board of Indigents Defense Services	15,600	0	The Senate recommended that \$15,600 be appropriated to D of A in Omnibus. The House concurred. SHARP personnel state that \$6,000 would fund SHARP equipment for the central office and that the additional amounts would fund the existing regional public defender offices.
Judicial Council	1,170	0	The Senate recommended that agency determine its needs and present its request to the House. The House recommended that \$1,170 be appropriated to D of A in Omnibus.
Kansas Bureau of Investigation	15,710	0	The House did not address this item. The Senate recommended that the agency request a Governor's Budget Amendment and that this be addressed as an Omnibus item.
Legislative Research Department	1,298	0	The House did not address this item. The Senate recommended that this item be appropriated to D of A in Omnibus to permit the agency to acquire network software for fiscal staff to access SHARP.
State Conservation Commission	4,431	0	The Senate Committee did not address this item. The House recommended \$4,431 for one printer, a computer upgrade, and related software.
Animal Health Department	2,500	0	The Senate did not address this item. The House recommended \$2,500 for one PC.
Kansas Water Office	4,184	0	The Senate did not address this item. The House recommended \$4,184 for 2 PCs.
Subtotal FY 1996	\$ 44,893	\$ 4,350	
Subtotal All Funds FY 1996			\$ 49,243

TOTAL FY 1995	\$ 5,894	\$ 316,677	
ALL FUNDS			\$ 322,571
TOTAL FY 1996	\$ 260,484	\$ 152,784	
ALL FUNDS			\$ 413,268
GRAND TOTAL	\$ 266,378	\$ 469,461	\$ 735,839

B. S.B. 281 (Conference). As amended by the House Committee on Appropriations, S.B. 281 includes a provision (New Section 7), which provides that those persons serving as state officers or employees in a 207(k) position on December 16, 1995, who separate from state service on or after December 17, 1995, shall have their separation pay calculated on the basis of an hourly rate of compensation based on the equivalent of a 40-hour work week. A "207(k) position" is defined as a position in which the employee is performing law enforcement activities for which a work period has been established which complies with the provisions of Section 207(k) of the Fair Labor Standards Act. This provision would allow Troopers employed by the Kansas Highway Patrol to have their separation pay calculated in the manner in which it is currently calculated, which differs from the manner in which separation pay is calculated for other state employees. The Department of Administration estimates additional State General Fund expenditures of \$37,600 to modify the SHARP system if this provision remains in S.B. 281. The agency estimates that one additional consultant would be needed for at least one month to modify the system. In addition, any future software upgrades would have to be modified, resulting in additional future costs to the agency.

Attorney General

A. S.B. 3 (Governor). S.B. 3 concerns sexually violent predators and makes the Attorney General responsible for filing all actions to commit persons as sexually violent predators. These duties currently are performed by county and district attorneys and the Attorney General, if requested by the local prosecutor. Under S.B. 3, prior to the time when a person who appears to be a sexually violent predator is eligible to be released from custody, the Secretary of Corrections establishes a multidisciplinary team to assess whether the person meets the definition of a sexually violent predator. The team is required to notify the Attorney General of its assessment. The Attorney General is required to appoint a prosecutor's review committee to review the records of each person referred to the Attorney General by the team. The review committee has the responsibility to assist the Attorney General in the determination of whether the person meets the definition of a sexually violent predator. If it appears that the person presently confined may be a sexually violent predator and the prosecutor's review committee finds that the person meets the statutory definition, a petition is then filed by the Attorney General, after which a probable cause hearing and a subsequent trial may be held to determine whether the person shall be retained in custody. The Attorney General also is responsible for representing the state at the annual commitment hearings or trials for persons who are confined as sexually violent predators and handles hearings or trials when the Secretary of the Department of Social and Rehabilitation Services authorizes a person confined as a sexually violent predator to petition for release.

The Attorney General estimates that 24 actions a year will be referred to the agency. Most of the work will involve travel to the county from which the person was originally sentenced to prison in order to prepare and prosecute the actions. According to the agency, it will be necessary to add three new positions, at a total cost of \$120,502 for salaries and fringe benefits: two assistant attorneys general (at a base salary of \$40,512 each) and a legal assistant (at a base salary of \$21,480). One-time expenses for furniture,

computers, and other items and equipment would be \$25,775. On-going costs for other operating expenses are estimated to be \$103,825, of which \$24,000 would be for travel and \$72,000 would be to pay fees for expert witnesses and other professional services. In all, expenditures in FY 1996 from the State General Fund due to S.B. 3 are estimated to be \$254,829.

B. H.B. 2448 (Conference). H.B. 2448 incorporates provisions of S.B. 212, which would amend the Kansas Consumer Protection Act. The bill would allow the Attorney General and county or district attorneys to be awarded attorney fees by a court if they are the prevailing party in a case regarding the Consumer Protection Act. (Under current law, the Attorney General and county and district attorneys are specifically excluded from receiving attorney fees. The Attorney General may recoup investigative fees, which are credited to the Attorney General's Court Cost Fund and are estimated to be approximately \$50,000 in FY 1996.)

The bill would create a consumer protection special revenue fund to which would be credited all attorney fees and recouped expenses received by the Attorney General in consumer protection cases, including investigative fees and recouped expenses that now are credited to the Court Cost Fund. Expenditures from the new fund could only be used to pay for operating expenses associated with the Consumer Protection Act. The Attorney General estimates that total receipts to the fund could amount to \$100,000 annually and requests that the fund be appropriated with a no-limit expenditure limitation. Any money received would be used to fund the operations of the Attorney General's consumer protection division, which has an operating budget for FY 1996 of approximately \$550,000, most of which is from the State General Fund.

State Department of Education

A. Revisions to Estimated Expenditures for State Aid Programs. On April 12, staff from the State Department of Education, the Division of the Budget, and the Legislative Research Department met to review estimates of expenditures for certain state aid programs. As a result of that meeting, estimated expenditures for the following programs were revised:

1. General and Supplemental General State Aid. The appropriation for general and supplemental general state aid contained in S.B. 70 was based on the amount of funding believed necessary to fully implement H.B. 2152 in FY 1996 and took into account reappropriated balances from FY 1995 that could be used to finance FY 1996. (S.B. 70 is awaiting action by the Governor and H.B. 2152 has been signed.) Primarily because growth in annual assessed valuation is estimated to be greater than previously assumed and enrollment growth is estimated to be smaller, the amounts needed to fund general and supplemental general state aid have been revised downward for both FY 1995 and FY 1996.

For FY 1995, the revised estimate for general state aid is a reduction of \$3,490,000 from the estimate used during the Session and a reduction of \$271,000 for supplemental general state aid. As a result, a total of \$3,761,000 in savings in the current year would be reappropriated to help finance the state aid programs in FY 1996 under the reappropriation provisions of S.B. 70. (Recall that the estimates used during the Session also had been revised downward from the amounts appropriated by the 1994 Legislature, resulting in savings of \$12.5 million in general state aid and \$9.7 million in supplemental general state aid that already have been reappropriated to FY 1996.)

For FY 1996, the revised estimate for general state aid is a reduction of \$13,881,644 from the estimate used during the Session and a reduction of \$448,000 for supplemental general state aid. Reductions for both programs total \$14,329,644. The savings due to the downward revision in FY 1996

expenditures, plus the reappropriated savings of \$3,761,000 from FY 1995, mean that the appropriation for general state aid contained in S.B. 70 can be reduced by \$17,371,644 and the appropriation for supplemental general state aid can be reduced by \$719,000. The revisions to estimated expenditures are summarized below:

	Estimated Expend. FY 1995*	Revised Expend. FY 1995	Difference	Estimated Expend. FY 1996	Revised Expend. FY 1996	Difference
General State Aid	\$ 1,311,673,000	\$ 1,308,183,000	\$ (3,490,000)	\$ 1,326,650,644	\$ 1,312,769,000	\$ (13,881,644)
Supp. Gen. State Aid	40,271,000	40,000,000	(271,000)	53,001,000	52,553,000	(448,000)
TOTAL	\$ 1,351,944,000	\$ 1,348,183,000	\$ (3,761,000)	\$ 1,379,651,644	\$ 1,365,322,000	\$ (14,329,644)

* The expenditures estimated during the 1995 Session were revisions of earlier estimates. Savings totaling almost \$22.3 million in the general and supplemental general state aid programs already have been reappropriated in S.B. 70 to help finance the programs in FY 1996.

2. School District Capital Improvements. The state aid portion of school district bond and interest payments for capital improvements originally was estimated to be \$11.5 million in FY 1995. That estimate now has been reduced to \$11.2 million. Because there is a balance in the Fund of \$70,775 from FY 1994, the amount of the estimated transfer from the State General Fund for FY 1995 is \$11,129,225. (Using the \$70,775 balance to help finance payments in FY 1995 would implement Governor's Budget Amendment No. 2, Item 4.)

B. Potential Impact on Local Units of New Federal Rules and Regulations. The Legislature should be aware that, effective May 24, 1995, rules and regulations promulgated by the Department of Housing and Urban Development (HUD) under the Real Estate Settlement Procedures Act have the potential to cause a shift in the timing of distributions to school districts of real estate taxes paid by mortgage loan servicers. Presently, most mortgage companies pay the full-year tax obligation by December 20, with distributions of the proceeds made to local units of government in January. Under the new rules and regulations, it is possible that mortgage loan servicers would be required to pay the first half of their tax obligation by December 20 and the second half by June 20. This change could mean that, in the transition year when the rules and regulations are implemented, local units that customarily received most of the distribution from taxes in January could experience a reduction in those revenues. This reduction would be offset the following July when distributions would be made from the second half of taxes paid by June 20. Such a change could affect school finance estimates (such as in FY 1996) if the amount of property taxes expected to be received in the fiscal year is reduced.

There presently is no clear understanding about how to interpret the rules and regulations or what their impact may be. Contacts have been made with the Kansas Congressional delegation, federal officials, and representatives of financial institutions in order to obtain more information.

C. Revisions to Estimate for KPERS-School. Revisions made by the staff of the Kansas Public Employees Retirement System for the employer's contribution for school members of the Kansas Public Employees Retirement System have reduced the estimated amount of the entitlement for FY 1995 by \$1,288,492 (from \$59,894,000 to \$58,605,508.) (In view of the revision to the FY 1995 entitlement,

the State Department has reviewed the estimate for FY 1996 and has revised the number to \$63,177,381, which is \$3,283,381 more than what has been appropriated.)

D. Governor's Budget Amendment No. 3, Item 5 – Replacing Expenditures from the Economic Development Initiatives Fund (EDIF) with Expenditures from the State General Fund. The Governor originally recommended that \$9,046,234 be transferred from the EDIF in FY 1996 to fund four state aid programs. The Governor now recommends that the programs be funded from the State General Fund. The programs and the Governor's recommended expenditure for each are shown below. Also shown is the amount approved by the Legislature. (All amounts approved by the Legislature are from the EDIF.)

<u>Program</u>	<u>SGF</u>	<u>EDIF</u>
Postsecondary Area Vocational School Aid	\$ 6,050,000	\$ 6,050,000
Vocational Education Capital Outlay Aid	1,500,000	1,650,000
Educational Excellence Grants	1,485,000	1,485,000
Technology Innovation and Internship Grants	145,000	500,000
Total Expenditures	<u>\$ 9,180,000</u>	* <u>\$ 9,685,000</u> *

* Expenditures exceed the appropriation by \$133,766 because of a carry-forward balance in the EDIF from FY 1995 which can be used to finance expenditures in FY 1996 (see item E below).

E. Technical Adjustment Relating to Carry-Forward Balance in the EDIF. There is a carry-forward balance of \$133,766 in the EDIF that can be used to reduce the EDIF transfer in FY 1996 to finance expenditures approved by the Legislature. The adjustment would reduce the appropriation from the EDIF by \$133,766 but would not affect approved expenditure levels.

F. S.B. 159 (Law). S.B. 159 deletes the current statutorily required quarterly transfer of \$40,000 from the State Highway Fund of the Kansas Department of Transportation to the School Bus Safety Fund of the State Board of Education. The change would subject the transfer to amounts specified in appropriations acts. Funding is used to support the school bus safety program, which was transferred to the State Department of Education from the Department of Transportation beginning in FY 1995. The 1995 Legislature has approved expenditures of \$175,447 from the State Highway Fund for the program, which includes the current statutory transfer of \$160,000 plus an additional transfer of \$15,447 provided for in 1995 S.B. 70. In order to implement the Legislature's recommended level of spending, it is necessary to appropriate the \$160,000.

G. H.B. 2359 (Law). H.B. 2359 enacts the Kansas School Safety and Security Act, which requires school districts and accredited nonpublic schools that participate in the Quality Performance Accreditation system to develop procedures for reporting acts that threaten the safety or security of persons and property to appropriate state or local law enforcement agencies. In addition, schools are required to report information to the State Board of Education each year about criminal acts that occur at school, on school property, or at school events. The State Board of Education must compile the reports and transmit the compilation to the Governor, the Legislature, and other state officials.

The State Department estimates that it will expend \$9,000 from the State General Fund for activities relating to its duties under the Act. The amount consists of \$6,000 to print and mail reporting forms to schools and \$3,000 for data processing expenses.

H. H.B. 2173 (Conference). H.B. 2173 would amend the School District Finance and Quality Performance Act and generally deals with quality performance accreditation. An amendment added by the Senate would require the State Board of Education to prepare a "public education performance report card" that consists of statewide aggregated data pertaining to performance on state assessments and other performance indicators. The report card must show comparative data over several years. In addition, the State Board is required to prepare a school building report card for each building in a district that shows the school building data and the statewide data. There are 1,495 school buildings in the state.

The deadline for the State Department of Education to complete and distribute the cards is on or before January 1, 1997. The State Department estimates it will cost \$11,250 in FY 1996 to prepare, print, and mail the cards. It is the plan of the State Department to complete and distribute the cards as soon as possible.

I. S.B. 150 (Conference). S.B. 150 would reduce motor vehicle taxes beginning in FY 1996, resulting in a potential increase in state aid to school districts to offset the loss of local revenues. Under the Senate-passed version of S.B. 150, the reduction in school district local effort would require an offset in general state aid that is estimated to be \$5.8 million in FY 1996, \$29.6 million in FY 1997, and \$48.8 million in FY 1998. The version of the bill passed by the House would require an offset that is estimated to be \$12.4 million in FY 1996, \$60.0 million in FY 1997, and \$93.9 million in FY 1998. (Note: These numbers were revised in mid-April and reflect the use of actual, not estimated, 1994 motor vehicle valuations.)

Department of Commerce and Housing

A. Governor's Budget Amendment No. 3, Item 2 -- Replace Financing from the EDIF with Financing from the State General Fund. The Governor recommends a shift in funding totaling \$17,775,514 from the EDIF to the State General Fund in the event the Kansas Lottery is not re-authorized by the 1995 Legislature.

Kansas Technology Enterprise Corporation

A. Governor's Budget Amendment No. 3, Item 4 -- Replace financing for certain KTEC programs from the Economic Development Initiatives Fund with financing from the State General Fund.

The Governor recommends a shift in funding totaling \$8,976,368 from the EDIF to the State General Fund. Financing that would remain from the EDIF totals \$9,099,000 and would be for the following programs in the amount recommended in the Governor's initial recommendations: Business Innovation Research Grants, Training Equipment Industrial Liaison, Venture Capital, EPSCoR. Special Projects, and MAMTEC.

B. Pending Bills

1. **S.B. 12 (Governor).** S.B. 12 would direct the Kansas Technology Enterprise Corporation (KTEC) to establish a Small Business Innovation Research Bridge Financing Fund. This fund would provide grants, loans, royalty, or equity investments to firms that have previously received federal Phase I Small Business Innovation Research (SBIR) moneys and that have applied for a Phase II SBIR

grant. The effectiveness of the program would be subject to legislative review five years after enactment of the bill.

KTEC has requested a Governor's Budget Amendment of \$250,000 to fund this program (see No. 2 under Governor's Budget Amendment).

2. **S.B. 13 (Governor).** S.B. 13 would require the Kansas Technology Enterprise Corporation (KTEC) to establish a technology-based venture capital fund. This fund could receive transfers from the Economic Development Initiatives Fund, in addition to gifts, donations, grants received from nonstate government sources, and proceeds from the fund. Investments in the fund would qualify for income tax credits pursuant to the Kansas Venture Capital Company Act.

The bill specifies the types of assistance and financial arrangements with recipient companies. KTEC could invest only in a fund whose investment guidelines permit the funds purchase of qualified securities issued by a company as part of a technology project.

The Governor's recommended budget for FY 1996 includes \$3.3 million from the Economic Development Initiatives Fund for partial capitalization of the proposed fund.

Kansas Inc.

A. Governor's Budget Amendment No. 3, Item 3. The GBA replaces all financing from the Economic Development Initiatives Fund with financing from the State General Fund for the agency in FY 1996. The Governor recommends a shift in funding totaling \$129,144 from the EDIF to the State General Fund in the event that the Kansas Lottery is not re-authorized by the 1995 Legislature.

B. Senate Subcommittee Recommendation. In its review of the agency's budget, the Senate Subcommittee on Kansas Inc. recommended that all FY 1996 State General Fund financing for the agency (\$129,144) be shifted to financing from the EDIF. That recommendation was conditioned on the EDIF showing a positive balance during the Omnibus session. The Subcommittee noted that because Kansas Inc.'s efforts center solely on the state's economic development, it is consistent that the agency be funded not from the State General Fund but from the EDIF.

Department of Human Resources

A. H.B. 2305 (Law). H.B. 2305 amends the Employment Security Law by placing a two-year moratorium on collection of unemployment taxes from employers who are positive balance employers. Currently, there are over 44,000 employers that would be affected by the moratorium. Negative balance employers (over 3,000) would not be affected.

The provisions of H.B. 2305 would reduce receipts to the Employment Security Trust Fund below what they would be under current law. The Department of Human Resources indicates that the two-year moratorium would serve to reduce contributions to the Employment Security Trust Fund by an

estimated \$116.7 million in calendar year 1995 and by an estimated \$156.4 million in calendar year 1996. The lower collection will reduce interest payments also.

Kansas State School for the Blind

A. Technical Adjustment. To correct an oversight in S.B. 236, a technical adjustment is needed to carry out legislative intent.

Regents Institutions -- Systemwide Issues

A. General Fees Fund Adjustments. Based on Spring 1995 enrollments, the Regents institutions have revised their general fees estimates for FY 1995 and FY 1996 as compared with the Governor's recommendations. For FY 1995, based on spring estimates, the institutions project an additional systemwide net shortfall of \$1.8 million. In H.B. 2234, the supplemental appropriations bill, the Legislature recommended that this shortfall in fees be made up by a State General Fund supplemental appropriation. For FY 1996, the institutions estimate a shortfall of \$2.2 million in fee collections, and request a State General Fund appropriation to offset this shortfall. Total expenditures would not change, but the financing of approved expenditures would be shifted from the general fees funds to the State General Fund. The House Appropriations and Senate Ways and Means Committees recommended that the availability of general fees to fund the FY 1996 operating budgets be revisited during the Omnibus Session.

The following table summarizes the amount of the general fees shortfall for FY 1996 at each Regents institution:

Regents Institutions FY 1996 General Fees Fund Estimates	
Institution	Net Decrease in Available Revenue
University of Kansas	\$ (621,529)
University of Kansas Medical Center	(317,573)
Kansas State University	(466,218)
KSU Veterinary Medical Center	(98,459)
Wichita State University	(70,154)
Emporia State University	(400,837)
Pittsburg State University	(228,082)
Fort Hays State University	(2,856)
TOTAL	\$ (2,205,708)

B. Utility Adjustments. The current legislative practice is to provide a separate line item appropriation to each university for utilities and to review utility expenditures during the current year to make any necessary adjustments to the approved budget as well as the utility budget for the budget year. During the 1994 Omnibus Session, the institutions presented revised utility estimates for the FY 1994 and FY 1995 budgets. Funding was added for FY 1994, but no additional funding was added to the FY 1995 budget. If the FY 1995 budget had been adjusted by the estimated amount provided to the 1994 Legislature there would currently be a surplus of approximately \$400,000 in the FY 1995 budget. The following table summarizes approved utilities funding for FY 1995 compared to the institutions' revised estimates of expenditures. The estimates reflect at least eight months of actual utility expenditures in FY 1995. Based on these estimates, actual utility expenditures will exceed the current budgeted amounts by \$1,992,956 in FY 1995.

Institutions' FY 1995 Revised Utilities Estimates					
Institution	FY 1993 Actual Expenditures	FY 1994 Actual Expenditures	FY 1995 Gov./Legisl. Rec.	Institutions' FY 1995 Revised Estimate	Rec. Under Revised Estimate
KU	\$ 5,571,055	\$ 5,881,040	\$ 5,634,086	\$ 6,004,720	\$ (370,634)
KUMC	5,003,054	5,701,578	5,140,739	5,464,493	(323,754)
KSU-Main	6,052,547	6,924,831	6,765,887	7,264,068	(498,181)
KSUSCT	180,097	203,381	178,834	220,368	(41,534)
WSU	3,344,569	3,549,531	3,255,576	3,530,553	(274,977)
ESU	838,507	786,612	715,631	1,034,631	(319,000)
PSU	1,021,274	1,081,372	1,021,274	1,050,396	(29,122)
FHSU	911,862	931,636	939,967	1,075,721	(135,754)
TOTAL	<u>\$ 22,922,965</u>	<u>\$ 25,059,981</u>	<u>\$ 23,651,994</u>	<u>\$ 25,644,950</u>	<u>\$ (1,992,956)</u>

For FY 1996, the budget recommended by the Legislature for the Regents system includes the same level of utility expenditures as in FY 1995 (excluding utilities associated with servicing new buildings).

C. GTA Salaries. The 1994 Legislature included proviso language on the State General Fund operating expenditures account at each Regents institution limiting the amount of expenditures from that account for Graduate Teaching Assistant (GTA) salaries. The Governor's FY 1996 recommendation for GTA salaries includes a recommendation that these limitations be increased by 3.5 percent, reflecting the Governor's recommended unclassified salary increase. The House Appropriations and Senate Ways and Means Committees reduced the expenditure limitation on GTA salaries for FY 1996 to the FY 1995 levels pending resolution of state employee salary adjustments pay and recommended that the limits be readdressed during the Omnibus Session. The following table shows the Governor's recommendation, which includes a 3.5 percent increase, the current limitations included in H.B. 2236, and the expenditure limitation increase assuming a 3.5 percent salary adjustment.

Graduate Teaching Assistants – Salaries				
	Revised FY 95	Gov. Rec. FY 1996	Legislative Approved FY 1996	Difference 3.5 Percent
KU	\$ 8,200,000	\$ 8,487,000	\$ 8,200,000	\$ (287,000)
KSU	3,800,000	3,933,000	3,800,000	(133,000)
WSU	1,157,128	1,197,627	1,157,128	(40,499)
ESU	491,485	508,687	491,485	(17,202)
FHSU	285,697	295,696	285,697	(9,999)
PSU	338,951	350,814	338,951	(11,863)
TOTAL	\$ 14,273,261	\$ 14,772,824	\$ 14,273,261	\$ (499,563)

University of Kansas

A. Technical Adjustment. To correct a posting error, the sum of \$3,000 from the State General Fund should be added to the Geological Survey account in FY 1996.

University of Kansas Medical Center

A. Medical Loan Repayment Fund Shortfall. The University of Kansas Medical Center requests \$1,000,000 in FY 1995 and \$652,189 in FY 1996 from the State General Fund to offset anticipated declines in revenues from the Medical Student Loan Repayment Fund. The House Appropriations and Senate Ways and Means Committees recommended that this issue be reviewed during the Omnibus Session and requested a Governor's Budget Amendment.

Repayments from loans granted under the medical student loan program are credited to the Medical Student Loan Repayment Fund, along with revenue from those in non-compliance with the Medical Scholarship Program (which preceded the present student loan program). Revenues in the fund are used to support student loans, and excess revenues have been used to replace State General Fund financing for Medical Center operating expenditures. From FY 1989-FY 1994, amounts ranging each year from \$400,000 to \$5.4 million from the repayment fund were used to offset State General Fund expenditures in the University's operating budget. A decline in the number of persons in repayment status, due in large part to a decline in the number of new loans, is resulting in a decline in revenues to the repayment fund.

For FY 1995, the Legislature authorized expenditures of \$4.1 million from the Fund, including \$3.1 million for loans to 138 medical students and \$1.0 million for University operating expenditures. The recommendation assumed repayment revenues of \$3,750,000. The University now estimates that repayments will total only \$2.7 million. For FY 1996, the Governor's recommendation assumes expenditures of \$3.0 million from the fund, all of which is for loans to 134 medical students, including 109 renewal loans and 25 new loans. The recommendation was based on projected revenues of

\$3.0 million to the fund. The University now anticipates revenue of only \$2.4 million. For FY 1995, the requested supplemental funding would support general university operations. For FY 1996, the requested funding would replace funding budgeted by the Governor from the repayment fund for 25 new loans. The following table summarizes current projections for the repayment fund.

MEDICAL STUDENT LOAN REPAYMENT FUND					
	Actual FY 1994	Gov. Rec. FY 1995	KUMC Revised FY 1995	Gov. Rec. FY 1996	KUMC Revised FY 1996
Beginning Balance	\$ 8,327	\$ 388,457	\$ 388,457	\$ 70,179	\$ 20,179
Repayment Receipts	3,732,741	3,750,000	2,700,000	3,000,000	2,400,000
Total Available	\$ 3,741,068	\$ 4,138,457	\$ 3,088,457	\$ 3,070,179	\$ 2,420,179
Expenditures:					
Loans to Medical Students	\$ 2,832,131	\$ 3,068,278	\$ 3,068,278	\$ 3,022,368	\$ 2,370,179
Transfer for Oper. Exp.	520,480	1,000,000	0	0	0
Total Expenditures	\$ 3,352,611	\$ 4,068,278	\$ 3,068,278	\$ 3,022,368	\$ 2,370,179
Ending Balance	\$ 388,457	\$ 70,179	\$ 20,179	\$ 47,811	\$ 50,000
Total Loans	130	138	138	134	109
New	36	36	36	25	0
Renewal	94	102	102	109	109

B. Wichita and Topeka Residents. During consideration of the KUMC budget, the 3.5 percent increase for the Wichita resident contract recommended by the Governor was deleted pending decisions on state employee salary increases. Funding was also not included to increase the level for residents under the Topeka contract. The House Appropriations and Senate Ways and Means Committees recommended that this funding be included in the Omnibus Bill in an amount equal to the increase recommended for unclassified salaries. The FY 1996 State General Fund cost to increase the Wichita residents contract by 3.5 percent totals \$81,053. The cost for the Topeka program totals \$7,317, for a total combined cost of \$88,370.

KSU - Salina, College of Technology

A. Technical Adjustment -- FY 1995 General Fees Fund Limitation. The Governor's revised FY 1995 budget for KSU - Salina increases expenditures from the General Fees Fund from the approved level of \$692,601 to \$764,004, an increase of \$71,403. Funding from the State General Fund was reduced accordingly. However, the FY 1995 expenditure limitation increase required to allow expenditure of these fees was omitted from the supplemental bill.

KSU - Veterinary Medical Center

A. Joint Committee on State Building Construction -- Greyhound Research Facility. Kansas State University seeks legislative authority in FY 1996 to expend restricted fees to renovate and expand an existing dog facility to a greyhound research facility. The request would provide space and housing for 45 additional greyhounds beyond the 27 currently housed at the facility. The project cost is estimated to total \$140,000 to be financed from private funds and restricted fees currently available to the Veterinary Medical Center. The project has been approved by the Board of Regents and by the Joint Committee on State Building Construction.

KSU - Extension Systems and Agricultural Research Programs

A. FACTS Program Transfer. In S.B. 153, funding and staffing for the Farmers' Assistance, Counseling and Training Service (FACTS) program was deleted from the budget of the State Board of Agriculture with a recommendation that the program be scaled down and transferred to KSU's Cooperative Extension Service. Under the recommendation, 3.0 FTE positions and \$375,193 in federal funds need to be added to the Extension budget in FY 1996. The University will provide the match for these federal funds from state in-kind services within its existing budget.

FACTS Program Budget - KSU			
<u>Federal Funds</u>	<u>State In-Kind Services</u>	<u>Total</u>	<u>FTE</u>
\$ 375,193	\$ 160,797	\$ 535,990	3.0

In order for the University to receive and expend these federal funds, a Farmers' Assistance, Counseling and Training Services account of the University's restricted fees fund should be established.

Wichita State University

A. Technical Adjustment. To correct a calculation error, the sum of \$41,172 from the State General Fund should be added to the operating expenditures line item for FY 1996.

Emporia State University/Fort Hays State University

A. Technical Adjustment. The Revisor of Statute's Office recommends a technical correction to proviso language in H.B. 2236 to properly reflect the Conference Committee agreement regarding the private matching funds requirement for academic program enhancements.

Kansas Water Office

A. Governor's Budget Amendment No. 2, Item 14. Expenditures from the State Water Plan Fund for FY 1996 in the *Governor's Budget Report* are overstated by \$31,837. A technical correction is needed to reduce expenditures in FY 1996 by \$31,837 to properly reflect the Governor's recommendation.

B. Governor's Budget Amendment No. 3, Item 7. This item increases expenditures from the State General Fund by \$2.0 million to finance the State Water Plan, and reduces expenditures from the Economic Development Initiatives Fund (EDIF) by the same amount. Current law (K.S.A. 79-4804) requires the transfer of \$2.0 million each fiscal year from the EDIF to the State Water Plan Fund.

C. H.B. 2038 (Conference Committee). H.B. 2038, as amended, would require moneys recovered by the Kansas Water Office from amounts previously appropriated to provide water supply storage in Multipurpose Small Lakes projects, to be deposited in the State Treasury and credited to the State General Fund. The bill would become effective upon publication in the *Kansas Register*.

As originally introduced, the bill would have returned these funds to the State Water Plan Fund. There is expected to be recovered funds of \$663,756 in FY 1995 from the City of Sabetha under the Multipurpose Small Lakes program. The *Governor's Budget Report* assumed the return of this \$663,756 to the State Water Plan Fund in FY 1995.

State Conservation Commission

A. State Water Plan Fund Savings. Expenditures from the State Water Plan Fund (SWPF) approved thus far by the 1995 Legislature will result in a negative ending balance of \$8,004 at the end of FY 1996. However, the State Conservation Commission on April 12, 1995 has identified savings from prior years SWPF projects which total \$223,132. These uncommitted funds could be transferred back into the State Water Plan Fund balances which would result in an ending balance of about \$215,000 for FY 1996. Also, the State Conservation Commission requests that \$24,811 of the savings be appropriated to the Commission for use in the Aid to Conservation Districts program. Such action would result in an SWPF ending balance of about \$190,300.

Department of Wildlife and Parks

A. Wolf Creek Fishing Facility. A House floor amendment to H.B. 2235 included \$600,000 in FY 1995 (Wildlife Conservation Fund) for a capital improvement project to develop a public fishing facility at the Wolf Creek generating facility. The state funding would be reimbursed by federal funds, and Coffey County would be required to contribute a match of money or in-kind services equal to \$200,000. The Conference Committee deleted the funding for this proposed facility, with the understanding that the project would be reviewed during Omnibus Session, following receipt of a presentation and program statement from the Secretary of Wildlife and Parks.

B. Creation of New Wildlife and Parks Fund. During budget review, the Senate Subcommittee received a request from the Department of Wildlife and Parks (KDWP) to divide or "split" the Wildlife Fee Fund (established by K.S.A. 32-990) into two separate funds. This request was made by the KDWP in order to concur with a recommendation of the Legislative Post Auditor to separate the receipts which are restricted use (wildlife expenditures only) from those receipts which are nonrestricted. The proposed legislation would allow the KDWP to deposit receipts not restricted by state law or federal

regulations into a newly created fund entitled "Wildlife and Parks Non-Restricted Fund." For FY 1996, the new fund could be created by the appropriation act. This item was deferred to Omnibus in order to give the agency and the Revisor time to develop the needed language. An example of nonrestricted revenue would be receipts from the sale of the Department's magazine, *Kansas Wildlife*. In addition, a transfer of \$225,000 from the existing Wildlife Fee Fund to the newly created Wildlife and Parks Non-Restricted Fund would need to occur upon the effective date of the act creating the new fund. The proposed transfer amount represents an estimate of the nonrestricted fees currently available in the Wildlife Fee Fund that could be used for expenditures related to wildlife but not restricted by state law or federal regulation.

Department of Corrections

A. Governor's Budget Amendment No. 3, Item 9 -- Replace Lottery Receipts in the Correctional Institutions Building Fund with Financing from the State General Fund. The Governor recommends a shift in funding totaling \$4,125,542 from the Correctional Institutions Building Fund (CIBF) to the State General Fund in FY 1996 to replace lottery receipts to the CIBF in the event that the Kansas Lottery is not re-authorized by the 1995 Legislature. The funding would be utilized for rehabilitation and repair projects already approved in 1995 S.B. 178.

B. House Subcommittee Recommendation -- Increased Staffing for Capacity Expansion. As part of its review of the budget of the Department of Corrections (DOC), the House Subcommittee expressed its concern with the rapidly increasing inmate population. The Department indicated that it plans to pursue short term options for additional bed space. The plan, which has been reviewed and approved by the Joint Committee on State Building Construction, would provide an additional 447 beds by February 1996. The total project cost, estimated at \$1,741,000 can be funded from the Department's rehabilitation and repair funds. The Department indicated, however, that additional funding would be necessary to provide staffing for the expanded capacity. The House Subcommittee noted that this issue should be revisited during Omnibus. The Department submitted a request for a Governor's Budget Amendment in the amount of \$2,389,406 from the State General Fund for 43.0 new FTE positions in FY 1996.

Topeka Correctional Facility

A. Governor's Budget Amendment No. 3, Item 9 -- Replace Funding from the Correctional Institutions Building Fund (CIBF) with State General Fund Financing. The Governor recommends a shift in funding totaling \$262,376 at Topeka Correctional Facility (TCF) from the CIBF to the State General Fund in FY 1996. The funding would allow TCF to expand the General Services Building to provide additional storage space for the new maximum security women's unit. The project was approved in 1995 S.B. 178. The shift is recommended to replace lottery receipts to the CIBF in the event that the Kansas Lottery is not re-authorized by the 1995 Legislature.

Kansas Parole Board

A. H.B. 2331 (Conference). H.B. 2331 eliminates the verdict or adjudication of not guilty by reason of insanity and, as amended by the Senate, reduces the size of the Kansas Parole Board from five to three members. The Senate amendment contains provisions identical to S.B. 329. It would grant authority to the Director of the Parole Board to appoint additional employees on the assumption that additional staff members would perform some of the work currently performed by Board members.

Approximately \$178,000 from the State General Fund is included in the FY 1996 budget of the Kansas Parole Board for salaries and fringe benefits for two Board members. The salary of the Chairperson of the Parole Board is tied to the salaries of district court judges, while the other four Board members receive a statutorily established salary which is \$2,465 less than the salary of the Chairperson.

Kansas Sentencing Commission

A. Senate Subcommittee Recommendation -- Improvements to the Criminal Justice Information System. The Governor's FY 1996 recommendation, as approved by the 1995 Legislature, included funding of \$626,073 (including \$156,267 from the State General Fund) for improvements to the Criminal Justice Information System (CJIS). The CJIS plan would involve the development of an integrated database containing a variety of records currently dispersed among several agencies. The State General Fund recommendation provides the 25 percent match necessary to access \$468,806 in federal funding. Since the Governor's recommendation was made, the agency has been notified that an additional \$437,934 in federal funding is available for use on the CJIS. This would require an additional State General Fund match of \$145,978 in FY 1996. The Senate Subcommittee reviewing the agency's budget was informed that a Governor's Budget Amendment for the additional funds was being requested, and recommended that this matter be reviewed again for possible inclusion in the omnibus appropriations bill.

STATE OF KANSAS

BILL GRAVES, Governor
State Capitol, 2nd Floor
Topeka, Kansas 66612-1590



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

OFFICE OF THE GOVERNOR

April 20, 1995

The Honorable Gus Bogina, Chairperson
Senate Committee on Ways and Means
Room 120-S, Statehouse

and

The Honorable Robin Jennison, Chairperson
House Committee on Appropriations
Room 514-S, Statehouse

Dear Senator Bogina:

With this memorandum, I submit the attached amendments to my budget recommendations. For FY 1995, I amend my budget to decrease State General Fund expenditures by \$1,505,287. The FY 1996 adjustment is an increase of \$1,920,983, for a net State General Fund increase of \$415,696. All funding sources expenditures are increased by \$10,566,250 in FY 1995 and \$11,896,257 in FY 1996.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Graves".

BILL GRAVES
Governor

SWAM
April 20, 1995
Attachment B

Kansas Sentencing Commission

1. Federal Criminal History Records Grant

I amend my budget for FY 1996 to include an additional \$145,978 from the State General Fund for the Kansas Sentencing Commission to match \$437,934 in federal monies that are available through the National Criminal History Improvement Program of the U.S. Bureau of Justice Assistance. The Sentencing Commission recently discovered that the State of Kansas was eligible to receive more federal monies for criminal history records improvement than was anticipated when the agency submitted its FY 1996 budget request. The expenditure of \$145,978 from the State General Fund, coupled with the \$156,267 currently contained in my FY 1996 budget, would allow Kansas to access a total of \$906,740 in federal grant monies to be used for the establishment of an integrated statewide criminal justice information system.

	<u>FY 1995</u>		<u>FY 1996</u>
State General Fund	\$ --		\$ 145,978
All Other Funds	<u> --</u>		<u>437,934</u>
All Funds	\$ --		\$ 583,912

2. Transfer of Federal Grant Program Monies to the Attorney General

I amend my budget to transfer \$274,246 in federal monies for the Drug Free Schools and Communities Program from the budget of the Kansas Sentencing Commission to the budget of the Attorney General. It has been determined that the Office of the Attorney General is the appropriate agency to administer this program.

Sentencing Commission:

	<u>FY 1995</u>		<u>FY 1996</u>
State General Fund	\$ --		\$ --
All Other Funds	<u> --</u>		<u>(274,246)</u>
All Funds	\$ --		\$ (274,246)

Attorney General:

	<u>FY 1995</u>		<u>FY 1996</u>
State General Fund	\$ --		\$ --
All Other Funds	<u> --</u>		<u>274,246</u>
All Funds	\$ --		\$ 274,246

Department of Commerce and Housing

3. Increase Economic Opportunity Fund

I amend my FY 1995 budget to eliminate the Kansas Basic Enterprise Loan Program and transfer the balance of the Kansas Basic Enterprise Loan Program Fund to the Kansas Economic Opportunity Initiatives Fund (KEOIF). Financing of KEOIF is one of my priorities for investment in economic development. The balance of the fund is estimated to be \$1,036,947.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>1,036,947</u>	<u>--</u>
All Funds	\$ 1,036,947	\$ --

4. Resource Reallocation

I amend my budget to shift \$200,000 from the EDIF in FY 1996 from strategic planning grants to a new program to allow a flexible tool for the Department of Commerce and Housing to aid in the revitalization of downtown areas. The program would be titled the Mainstreet Grant and Development Program.

Department of Corrections

5. Savings from Treatment and Programs

I amend my budget for FY 1995 to decrease State General Fund expenditures for treatment and programs by \$900,000. This reduction is made possible because several contracts with local providers will not be finalized in FY 1995 as originally anticipated, and the number of clients who will receive services from local providers will be less than originally anticipated.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ (900,000)	\$ --
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ (900,000)	\$ --

6. Bed Capacity Expansion

I amend my budget for FY 1996 to increase State General Fund expenditures by \$2,389,406 to allow an increase of 431 inmate beds at Winfield Correctional Facility, Lansing Correctional Facility, Topeka Correctional Facility, and El Dorado Correctional Facility. This increase will finance 43.0 new FTE positions and other operating costs necessary to expand the

inmate bed capacity. The agency will utilize previously appropriated rehabilitation and repair monies of \$1,244,618 from the Correctional Institutions Building Fund and \$473,382 from the Flood Relief Fund--Federal to finance the improvements. The Department of Corrections will make these funds available by reevaluating priorities for rehabilitation and repair projects. The bed expansion is necessary to meet projected increases in inmate population for FY 1996.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 2,389,406
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 2,389,406

7. Flood Relief Reimbursement

I amend my budget for FY 1996 to allow a \$518,182 increase in expenditures for the Department of Corrections (DOC). Of that amount, \$51,311 is from the Department of Corrections General Fees Fund and \$466,871 is from the Department of Corrections Flood Relief Fund--Federal. I also amend my budget to remove the proviso from the DOC General Fees Fund that requires State Finance Council approval before expenditures for the repair of flood damage can be made. Receipts from the Federal Emergency Management Agency and the Adjutant General's Department will be credited to these funding sources. The expenditures are necessary to give the agency the ability to finance partially a bed capacity expansion in the amount of \$473,382 and provide a partial reimbursement to Lansing Correctional Facility for out-of-pocket expenses related to the flood of 1993 for \$44,800.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>518,182</u>
All Funds	\$ --	\$ 518,182

8. Planning for Correctional Housing Units Expansion

I amend my budget for FY 1995 to shift \$600,000 from the Correctional Institutions Building Fund (CIBF) account entitled "Additional housing units at the Larned correctional mental health facility-planning" to a new CIBF account entitled "Planning for New General Population Housing Units." The increase in inmate population in state correctional institutions requires that the state begin the process of expanding institutional bed capacity to meet the projected population need. Therefore, this transfer is essential. The release of the planning monies is conditional on the project receiving approval from the Joint Committee on State Building Construction and then the State Finance Council.

Board of Indigents' Defense Services

9. Assigned Counsel Program

I amend my budget to include additional State General Fund expenditures of \$167,065 in FY 1995 and \$477,811 in FY 1996 to provide full funding of the Assigned Counsel Program as requested by the Board of Indigents' Defense Services. The agency is experiencing higher than anticipated claims for private counsel. In addition, the funding will eliminate the need for the agency to carry forward any claims from FY 1995 to FY 1996.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ 167,065	\$ 477,811
All Other Funds	<u> --</u>	<u> --</u>
All Funds	\$ 167,065	\$ 477,811

Secretary of State

10. Presidential Preference Primary

I amend my budget to allow the Secretary of State to provide aid to local units of government for the cost of the 1996 Presidential Preference Primary to be held April 2, 1996. The Secretary of State will reimburse counties for all necessary and direct expenses incurred in conducting the election. The Secretary of State will review the reimbursement requests and make any adjustment necessary before approving payment to a county.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 1,500,000
All Other Funds	<u> --</u>	<u> --</u>
All Funds	\$ --	\$ 1,500,000

11. Optical Disk Image System

I amend my budget to provide \$337,000 from fee funds for the purchase of an optical disk image system in FY 1996. The recommendation is funded with \$168,500 from the Information and Copy Service Fee Fund and \$168,500 from the Uniform Commercial Code Fee Fund. This equipment will be used to provide faster and more efficient service to customers of the agency when requesting information on financial statements and other Uniform Commercial Code documents on file.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>337,000</u>
All Funds	\$ --	\$ 337,000

Board of Agriculture

12. Restructuring the Agency (HB 2384)

I amend my budget to provide \$110,917 from the State General Fund and 2.0 FTE positions in FY 1996. This will allow the Secretary of Agriculture to hire 1.0 Assistant Secretary and 1.0 Personal Secretary in the unclassified service. Funds are also provided to allow the Secretary of Agriculture to reclassify two current positions--one as public information officer and the other as special assistant to the Secretary. In addition, funds are provided for advisory board member travel.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 110,917
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 110,917

Department of Education

13. Revised School Finance Estimates

I amend my FY 1995 and FY 1996 budget recommendations to reduce the following items based on revised school finance estimates agreed upon by the Legislative Research Department, the Department of Education, and the Division of the Budget:

	<u>FY 1995</u>	<u>FY 1996</u>
General State Aid	\$ 3,490,000	\$ 13,908,000
Supplemental State Aid	271,000	259,000
Capital Improvement Aid	<u>300,000</u>	<u>--</u>
Total	\$ 4,061,000	\$ 14,167,000

The total reduction recommended is as follows:

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ (4,061,000)	\$ (14,167,000)
All Other Funds	<u> --</u>	<u> --</u>
All Funds	\$ (4,061,000)	\$ (14,167,000)

14. Increase KPERS-School Employer Contribution

I amend my budget for FY 1995 to reduce the State General Fund appropriation by \$1,288,492 for the KPERS employer contribution for public schools, community colleges, and area vocational-technical schools based on recently revised estimates. An increase in the FY 1996 appropriation is recommended totaling \$3,283,381. The increase is required because of the increase in the KPERS employer contribution rate and anticipated increases in school payrolls associated with salary increases and enrollment growth.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ (1,288,492)	\$ 3,283,381
All Other Funds	<u> --</u>	<u> --</u>
All Funds	\$ (1,288,492)	\$ 3,283,381

Department of Human Resources

15. Special Employment Security Fund Shortfall (HB 2305)

I amend my budget to add \$215,000 in FY 1996 from the State General Fund to offset a loss in the Special Employment Security Fund (also known as the Penalty and Interest Fund). 1995 HB 2305 places a two-year moratorium on contributions to the State Employment Security Trust Fund by employers who have paid more to the fund than they have been charged in unemployment benefits (positive balance employers). The reduction will occur because employers payments to the fund are calculated on the amount of delinquent taxes owed, and most employers, under the provisions of the bill, would owe no taxes in 1995 and 1996.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 215,000
All Other Funds	<u> --</u>	<u> (215,000)</u>
All Funds	\$ --	\$ --

16. Increase the Expenditure Limitation on the OSHA Federal Fund

SB 95, the "claims" bill, requires the agency to pay a bill of \$26,072 in FY 1995 for an invoice that was not filed in a timely manner. In order to pay the bill and not disrupt ongoing

operations in FY 1995, I amend my budget to increase the expenditure limitation on the OSHA Federal Fund in FY 1995 by \$26,072. I also amend my budget to increase the expenditure limitation on the OSHA Federal Fund in FY 1996 by \$6,901 so the Department can expend additional federal funds that have recently been made available.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>26,072</u>	<u>6,901</u>
All Funds	\$ 26,072	\$ 6,901

Kansas Department of Transportation

17. Construct New Sub-Area Shop--East Wichita

I amend my budget to include \$900,000 for FY 1996 for the Kansas Department of Transportation from the State Highway Fund to construct a new sub-area shop on the north side of US-54 highway at the east city limits of Wichita. The shop would serve Area 6. The new shop would include 1,180 square feet of enclosed space as well as eight equipment bays. The space would be the headquarters for a sub-area work crew. The new sub-area shop is necessary to assist in maintaining an increased number of lane miles of highway in the Wichita area. The number of lane miles is expected to increase from 558 to approximately 795.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>900,000</u>
All Funds	\$ --	\$ 900,000

Kansas Lottery

18. Revised Lottery Ticket Sales Estimate

I amend my budget for the Lottery to reflect Lottery ticket sales of \$161.5 million, an increase of \$14.5 million above the amounts I originally recommended. My amendment increases transfers from the Lottery to the Gaming Revenues Fund by \$4,317,836. However, transfers from the Racing Fund are now estimated to be \$709,245 less than those originally recommended. Therefore, this amendment, together with the revision in the estimated transfer from the Racing Fund, result in an increase in Gaming Revenues Fund receipts of \$3,608,591.

19. Expenditures Related to Revised Lottery Ticket Sale Estimate

I amend my budget to include \$9,089,200 for expenses associated with Lottery ticket sales of \$161.4 million. This amount includes \$7,488,000 for prizes, \$764,200 for retailer commissions, \$577,000 for vendor payments, and \$260,000 for instant ticket printing.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>9,089,200</u>	<u>--</u>
All Funds	\$ 9,089,200	\$ --

Department of Health and Environment

20. Upgrade FileNet Imaging System for Vital Statistics

I amend my FY 1996 budget to include a net increase in expenditures of \$259,107, including a savings of \$27,200 in maintenance costs from the State General Fund and an addition of \$286,307 from the Sponsored Projects Overhead Fund as the first of three payments on an upgrade of the document imaging system in the Office of Vital Statistics. The office depends on the automated system to provide birth, death, marriage, and divorce certificates and to issue certified copies. The existing document imaging hardware and software are no longer manufactured, and the Department has been notified that manufacturer support will be discontinued in September 1996. The Department proposes to finance the project with a Certificate of Participation over three years, with annual payments of \$286,307. The total cost would be \$858,921.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ (27,200)
All Other Funds	<u>--</u>	<u>286,307</u>
All Funds	\$ --	\$ 259,107

21. Savings on Vaccine Purchases

I reduce my FY 1995 budget by \$200,000 from the State General Fund for vaccine purchases. My original recommendation contained a total of \$1,481,515 for the purchase of vaccines to be distributed to local health departments. Of the total, \$1,052,259 was from the State General Fund, \$350,000 was from the Sponsored Projects Overhead Fund, and \$79,256 was from federal monies. Currently, the Department has expended a total of \$819,914 for vaccine purchases, of which \$819,262 is from the State General Fund. Under my amendment, the total resources remaining for vaccine purchase for FY 1995 would be \$461,601.

Expenditures for vaccines have fallen short of the approved State General Fund budget the last two fiscal years.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ (200,000)	\$ --
All Other Funds	<u> --</u>	<u> --</u>
All Funds	\$ (200,000)	\$ --

22. Department of Energy National Industrial Competitiveness Grant

I recommend the expenditure of \$425,000 from a U.S. Department of Energy National Industrial Competitiveness through Energy, Environment, and Economics (NICE 3) grant award for FY 1996. The monies would be used to sponsor an innovative, cost-sharing program with Kansas industry partners to save energy, prevent pollution and enhance industrial competitiveness. The Department would serve as the federally required state agency through which the monies would be passed to private industry. The monies would be budgeted as other assistance, with no state operating costs included. There is no state matching requirement.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u> --</u>	<u> 425,000</u>
All Funds	\$ --	\$ 425,000

23. Medicare and Medicaid Funding Shifts

I amend my FY 1995 budget to shift expenditure authority of \$224,690 from the state Medicaid fund (Title XIX) to the Medicare fund to reflect actual federal earnings of the Bureau of Adult and Child Care. The Department is under federal contract to survey the Adult Care Homes in Kansas that are serving both Medicaid and Medicare funded clients.

24. State Motor Pool Charges

I amend the FY 1996 budget to provide additional expenditures of \$72,000 from the Sponsored Projects Overhead Fund to cover the difference between what the federal government allows for mileage reimbursement and what the state motor pool charges. The federal government has agreed to pay \$.14 per mile, while the motor pool is charging state agencies \$.19. My amendment would allow the Department, which relies heavily on federal funding, the expenditure authority to pay the \$.05 per mile difference.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>72,000</u>
All Funds	\$ --	\$ 72,000

25. Grant for Breast and Cervical Cancer Early Detection

I amend my budget for FY 1996 to allow the expenditure of \$650,047 from a new federal grant to fund early detection of breast and cervical cancer activities. The new monies are an extension of a prior planning grant which was first awarded in state FY 1994 to the Bureau of Chronic Disease and Health Promotion. The monies would be used to provide free mammograms, pap smears, and pelvic exams to women who meet income eligibility guidelines in the target populations and to promote breast and cervical cancer screening. The state matching requirements would be met from private sources, not state monies.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>650,047</u>
All Funds	\$ --	\$ 650,047

Department of Administration

26. Purchase of Personal Computers and Equipment for Access to SHARP System

Funding I originally recommended for personal computers associated with the SHARP project has been deleted from agency budgets for both FY 1995 and FY 1996. Instead, the Legislature recommended that this funding be appropriated or transferred to the Department of Administration in the 1995 Omnibus Bill. This transfer of budget authority is intended to provide additional oversight of equipment purchases and will allow central accounting of all expenditures of the SHARP project. I concur with this recommendation and further recommend that the following proviso be added to the Department of Administration's appropriation for the special revenue fund transfers shown in the attached Table A.

In order to provide funding for the acquisition of computers needed in conjunction with the statewide human resource and payroll project, on or after July 1, 1995, the director of accounts and reports shall transfer to the computer services recovery fund of the department of administration the following amounts from the special revenue funds designated below:

Credit union fee fund	\$ 2,500
Insurance department service regulation fund	\$ 5,000
Real estate fee fund	\$ 4,680
Workmen's compensation fee fund	\$ 27,000
Public service regulation fund	\$ 10,746
Motor carrier license fees fund	\$ 3,640
Conservation fee fund	\$ 2,946
Fire marshal fee fund	\$ 6,198

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ 16,720	\$ 292,728
All Other Funds	<u> --</u>	<u>62,710</u>
All Funds	\$ 16,720	\$ 355,438

27. Proviso for Changes to Rules and Regulations for Implementation of SHARP

I recommend the following proviso be attached to the Department of Administration's appropriation to the general administration account of the State General Fund:

Provided, That in addition to other purposes for which expenditures may be made from this account for the purpose of adopting personnel regulations; *And provided further*, That notwithstanding the provisions of K.S.A. 75-4321 et seq. and amendments thereto, the secretary of administration may adopt, amend and implement personnel regulations that relate to matters covered by memoranda of agreement entered into by state agencies and public employee organizations under K.S.A. 75-4321 et seq. and amendments thereto as deemed necessary by the secretary for purposes of implementing the statewide human resource and payroll (SHARP) system, implementing biweekly pay and implementing hourly pay for non-exempt personnel; *And provided further*, That before adopting any such regulations the secretary of administration shall give a copy of the proposed regulations and a notice of meeting to each employee organization certified by the public employee relations board to represent one or more units of state employees; *And provided further*, that notwithstanding the provisions of K.S.A. 75-4321 et seq. and amendments thereto, after such meeting the secretary shall consider the comments from employee organizations and may thereafter adopt and implement the regulations as proposed or revised, subject to the approval of the governor.

The proviso, which relates to a recent Kansas Supreme Court ruling regarding rules and regulations, will ensure that the SHARP project remains on time and within budget. A large number of personnel regulations will be amended because of changes in terminology, hiring processes, training, and conversion to the bi-weekly pay cycle and to an hourly pay basis for non-exempt employees. I am concerned that the change in procedure that would be required under the court's ruling would substantially delay the SHARP project for an indeterminable

amount of time, costing the state millions of dollars. The above proviso would prevent this delay by allowing timely changes to rules and regulations for implementation of SHARP.

28. Conversion of Special Project and Intermittent Positions to FTE Positions

In my message to the 1995 Legislature in January, I discussed my commitment to truth in budgeting--putting a stop to hiding the real size of our state workforce by labeling employees as "special project officers" when in fact they are full time employees. I also indicated that my administration would perform an agency-by-agency review to justify the need for each position. To this end, I propose that 1,384.4 FTE positions be added to certain agencies in order to account properly for the number of state employees performing work of an ongoing basis. Implementation of the SHARP system affords us the opportunity to make this transition.

Under the new SHARP system, all positions currently referred to as "special project" or "intermittent," and certain positions in the Department of Social and Rehabilitation Services that are excluded from the agency's position limitation, must be converted to match the types of positions that the new system will recognize. This change is modifying **only** the identification of positions. No salary changes are involved, and there will be no fiscal effect on agencies. Each position in SHARP will be designated as some combination of the following: classified or unclassified, regular or temporary, and full-time or part-time. The attached Table B identifies the additional FTE positions that are recommended to be added to the affected agencies for the two categories of special project and intermittent positions. **Again, no dollar amount is associated with this recommendation--only the terminology used to refer to these currently approved positions will change.**

My intent in making this budget amendment is two-fold: to require full disclosure by state agencies of the number of employees in the state workforce and to remove the ability of agencies to manipulate the system through the addition of positions under the guise of "special projects." Effective June 18, 1995, I will no longer allow agencies under my authority to establish unclassified positions without my specific prior approval. Such approval will be granted only in extreme or unusual cases. To implement my recommendation, the following language should be placed in the Omnibus Bill:

The agencies named below are authorized the following full-time equivalent positions (F.T.E.), which shall be in addition to the position limitation prescribed for such agencies in other appropriation bills. Such positions are authorized in order to: (a) convert special project positions appointed pursuant to subsection (1)(i) of K.S.A. 75-2935 and amendments thereto to regular positions; (b) convert existing intermittent positions to regular positions; and (c) include authorized community based long-term care positions and paraprofessional workers in family support and family preservation program positions under the position limitation applicable to the agency. The secretary of administration may prescribe procedures and requirements relating to the conversion of such positions and the incumbents holding such positions:

<u>Agency</u>	
Department of Administration	16.2
Department of Commerce and Housing	12.5
Kansas Human Rights Commission	2.0
Kansas Technology Enterprise Corporation	20.8
Kansas Racing Commission	0.5
Department of Revenue	1.0
Department on Aging	3.6
Corporation for Change	7.5
Department of Human Resources	147.7
Department of Health and Environment	137.6
Department of Social and Rehabilitation Services	715.6
Kansas Neurological Institute	0.5
Larned State Hospital	0.5
Osawatomie State Hospital	2.1
Rainbow Mental Health Facility	2.4
Topeka State Hospital	6.6
Winfield State Hospital and Training Center	1.0
Commission on Veterans Affairs	1.0
Kansas State School for the Deaf	28.0
Adjutant General	1.0
Department of Corrections	4.0
Kansas Highway Patrol	1.0
Youth Center at Atchison	0.5
Youth Center at Topeka	10.0
State Board of Agriculture	8.3
Department of Transportation	3.5

29. Mailing of Payroll Warrants

I amend my budget to include the costs associated with mailing payroll warrants beginning January 1996. Commencing with implementation of the SHARP system, payroll warrants will be mailed to employees, rather than distributed directly to them at work. It is estimated that approximately 644,000 warrants will be mailed in the second half of FY 1996, requiring a State General Fund appropriation of \$210,600 for the postage costs.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 210,600
All Other Funds	--	--
All Funds	\$ --	\$ 210,600

30. Federal Cash Management Fund

I recommend a transfer of \$1.8 million from the Federal Cash Management Fund to the State General Fund prior to the end of FY 1995. For FY 1994 and the first nine months of FY 1995, the Division of Accounts and Reports transferred the maximum amount required by the federal government under the law, as the Division did not know how the federal auditors would interpret its rules and regulations. A recent audit by the federal government, however, revealed that the Division's actions resulted in \$1.8 million being transferred unnecessarily to the Federal Cash Management Fund.

31. Five-Year Inspection for the Executive Aircraft

I amend by budget to include a supplemental appropriation of \$50,000 from the State General Fund in FY 1995 for the inspection by the Federal Aviation Administration of the Executive Aircraft and for needed repairs to the interior. The agency was appropriated \$40,000 for the inspection; however, additional monies may be needed in the event the inspector determines that major repairs are necessary. The inspection is scheduled for April or May of 1995. Balances in the Executive Aircraft Fee Fund are not currently sufficient to fund such major repairs.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ 50,000	\$ --
All Other Funds	<u> --</u>	<u> --</u>
All Funds	\$ 50,000	\$ --

32. Utilities for the Memorial Building

I recommend that the expenditure limitation on the State Buildings Operating Fund be increased by \$18,879 in FY 1996. This amount will be used to fund utilities for the Memorial Building from October 1, 1995, through June 30, 1996. The State Historical Society is scheduled to vacate the Memorial Building in September 1995. At that point, the building will be transferred to the Department of Administration, which will maintain the building during its remodeling into more efficient office space. Once agencies move into the building, the rent they pay will fund the utilities and other maintenance costs. This is an off-budget item, so expenditures are not reported in the totals.

33. Division of Printing Paper Costs

I recommend that the budgetary authority for the Division of Printing be increased by \$282,586 to account for a recent increase of 20 percent in the cost of paper. Agencies that use the Division's services will reimburse it for this additional cost. This is an off-budget item, so expenditures are not reported in the totals.

Division of the Budget

34. Policy Analysis Initiatives

I amend my budget to include \$150,000 from the State General Fund for FY 1996 to support a number of policy research initiatives. Included in these initiatives would be studies of the Kansas tax structure, state hospital closure, and agricultural land use-value. Expenditures are anticipated for contractual research and staffing, per diem compensation, travel and subsistence, and other operating expenditures.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 150,000
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 150,000

Department of Social and Rehabilitation Services

35. SRS Caseload Adjustments

I amend my budget to reflect changes in caseloads and costs of aid and assistance programs. This amendment includes total reductions of \$5.2 million, of which \$3.3 million is from the State General Fund, in FY 1995 and \$6.9 million, of which \$5.7 million is from the State General Fund, in FY 1996 from cash assistance programs, including AFDC and General Assistance. These reductions in anticipated caseloads reflect the effect of continuing economic strength and policies included in welfare reform. I recommend increases of medical assistance expenditures of \$8.7 million, \$6.1 million of which is from the State General Fund, in FY 1995 and \$16.8 million, \$9.5 million of which is from the State General Fund, in FY 1996. A large portion of these increases reflects expansion of services for Home and Community Based Services (HCBS) clients. Without these services, these clients would require services by nursing homes or state hospitals.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ 2,777,228	\$ 3,761,425
All Other Funds	<u>627,828</u>	<u>6,170,456</u>
All Funds	\$ 3,405,056	\$ 9,931,881

36. Inpatient Hospital Copayments for Medicaid Patients

I amend my budget recommendations for FY 1996 to include \$1,939,000, including \$794,990 from the State General Fund, to offset reductions to copayments by Medicaid recipients for inpatient hospital services. The 1994 Legislature increased these copayments to

\$325 per admission. The federal government has stated that its rules will no longer allow copayments in this amount. Because of the federal policy change, the agency has reduced the payment to \$48. The amount is the agency's estimate of the cost of this change.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 794,990
All Other Funds	<u>--</u>	<u>1,144,010</u>
All Funds	\$ --	\$ 1,939,000

37. Nursing Facility Lawsuit Attorney Fees

I amend my FY 1996 budget by the addition of \$3.0 million, including \$2.1 million from the State General Fund, to pay plaintiffs' attorney fees associated with a lawsuit that involved reimbursement rates paid by the state to nursing facilities in 1987. The Kansas Supreme Court has ruled that the state is liable for these fees plus interest. I recommend that this amount be appropriated, but that it be expended only with approval of the State Finance Council.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 2,100,000
All Other Funds	<u>--</u>	<u>900,000</u>
All Funds	\$ --	\$ 3,000,000

38. SHARP Project Funding

I recommend FY 1995 expenditure of \$480,471, including \$240,236 from the State General Fund, to purchase items necessary for access to and operation of the SHARP system for SRS. The amount will purchase 174 personal computers, along with necessary peripheral equipment and software. It should be noted that the agency's request for SHARP implementation is a total of \$903,609. That request includes travel for training, electrical and wiring, and other system upgrade costs. Although this recommendation provides for a State General Fund appropriation, the agency has identified unused encumbered funds from previous years' budgets, which will be lapsed and which will offset the costs of this item.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ 240,236	\$ --
All Other Funds	<u>240,235</u>	<u>--</u>
All Funds	\$ 480,471	\$ --

39. Longevity Payments to Long Term Care Workers

I will assure that no long term care employees lose current longevity bonuses when they are converted to the unclassified service. I therefore recommend that the following provisions be included as an amendment to FY 1996 SRS appropriations. With this change employees who are currently eligible for longevity payments will continue to receive them.

Sec. ___ (a) On and after December 17, 1995, expenditures may be made from appropriations to the department of social and rehabilitation services for fiscal year 1996 to pay longevity bonuses to long term care workers who are currently in positions in the classified service but whose positions are placed in the unclassified services pursuant to 1995 Senate Bill No. 176. Such longevity bonuses shall be payable only to such employees who are eligible to receive longevity bonuses granted pursuant to K.S.A. 75-5541 and amendments thereto prior to December 17, 1995.

(b) Any incumbent in a position described in subsection (a) who is changed from the classified service to the unclassified service shall be afforded the same rights to appeal to the civil service board as are applicable to classified employees. Any other person appointed to any unclassified position as described in subsection (a) on and after December 17, 1995, shall serve at the pleasure of the appointing authority.

40. KESSEP Computers

I amend my budget to allow expenditure of \$2.7 million from federal funds for the purchase of personal computers to be used in the new Child Support Enforcement computer tracking system. This will allow the agency to access 90 percent federal match rates for these purchases. The availability of this funding was not known when I prepared my original budget recommendation.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>2,700,000</u>	<u>--</u>
All Funds	\$ 2,700,000	\$ --

41. Fund Transfer

I amend my budget to transfer \$326,721 from the Other Medical Assistance Fund to the Mental Health and Retardation Services Aid and Assistance Fund in FY 1996. This amount is for a grant to the Family Service and Guidance Center to operate a pilot project for children's mental health services. Although the grant is managed by the Division of Mental Health and Retardation Services, the funds have been budgeted in Medical Services. I am recommending

that funds be shifted between these programs to reflect the management of the grant more accurately.

42. Transfer of Funds to Youth Centers

I amend my budget for FY 1996 to allow the Department of Social and Rehabilitation Services, Youth and Adult Services Commission to transfer \$90,000 to the Youth Centers at Atchison, Beloit, Larned, and Topeka. This transfer will allow for employee training funds, which are currently budgeted for in Youth and Adult Services, to be transferred to the youth centers where the funds are expended. The transfers by youth center are as follows:

Youth Center at Atchison	\$18,000
Youth Center at Beloit	18,000
Youth Center at Larned	18,000
Youth Center at Topeka	36,000
Total	\$90,000

SRS--Youth and Adult Services:

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ (90,000)
All Other Funds	--	--
All Funds	\$ --	\$ (90,000)

Youth Centers:

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 90,000
All Other Funds	--	--
All Funds	\$ --	\$ 90,000

State Hospitals

43. Hospital Fee Fund Shifts

A review of FY 1995 year-to-date revenues in the hospital fee funds indicates that there would be an additional \$2.2 million in collections than was originally included in my recommendations. I therefore amend my budget to increase fee fund expenditures in Topeka, Larned, Osawatomie, Parsons and Winfield State Hospitals by \$2.2 million in FY 1996. There would also be a corresponding State General Fund reduction in each of the hospital budgets.

Parsons State Hospital

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ (65,000)
All Other Funds	<u> --</u>	<u>65,000</u>
All Funds	\$ --	\$ --

Winfield State Hospital

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ (170,000)
All Other Funds	<u> --</u>	<u>170,000</u>
All Funds	\$ --	\$ --

Larned State Hospital

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ (475,000)
All Other Funds	<u> --</u>	<u>475,000</u>
All Funds	\$ --	\$ --

Osawatomie State Hospital

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ (330,000)
All Other Funds	<u> --</u>	<u>330,000</u>
All Funds	\$ --	\$ --

Topeka State Hospital

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ (1,160,000)
All Other Funds	<u> --</u>	<u>1,160,000</u>
All Funds	\$ --	\$ --

Larned State Hospital

44. Reduce Shrinkage Rate

I amend my budget to provide \$50,000 from the Larned State Hospital Fee Fund for FY 1995 to reduce the Hospital's shrinkage rate from 6.1 percent to 5.9 percent. The funds will allow the Hospital to operate adequately for the balance of the fiscal year. The Hospital also had difficulty meeting the targeted savings from closure of two units and has experienced increased costs in assisting Mental Health and Retardation Services staff in the Sexual Predator Treatment Unit while staff for that unit is being hired.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>50,000</u>	<u>--</u>
All Funds	\$ 50,000	\$ --

45. Resurfacing Parking Lots

I amend my budget to transfer \$35,627 from the Construction Defects Recovery Fund of the Department of Administration to the Institutional Rehabilitation and Repair Projects Fund of Larned State Hospital in FY 1996. I also recommend that expenditures of the Hospital be increased by \$35,627 to allow the agency to complete the resurfacing of parking lots. A contractor failed to complete the resurfacing of the parking lots, and the funds totaling \$35,627 from the settlement were deposited in the Construction Defects Recovery Fund. This amendment will allow the project to be completed by another contractor.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>35,627</u>
All Funds	\$ --	\$ 35,627

Topeka State Hospital

46. Reduce Shrinkage Rate

I amend my budget to provide \$100,000 from the Topeka State Hospital Fee Fund for FY 1995 to reduce the Hospital's shrinkage rate from 8.8 percent to 8.3 percent. The Hospital has had difficulty meeting the targeted savings. The funds will allow the Hospital to cover salary costs for the balance of the fiscal year.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>100,000</u>	<u>--</u>
All Funds	\$ 100,000	\$ --

Regents Institutions

47. Utility Adjustments

I amend my budget to adjust funding for utility costs at the Regents institutions for both FY 1995 and FY 1996. The Board of Regents annually submits revised estimates of utility costs based on the most recent data on actual expenditures and revised projections for the remainder of the fiscal year. Recommended funding adjustments for each institution are as follows:

<u>FY 1995</u>	<u>Original Recommendation</u>	<u>Revised Recommendation</u>	<u>Additions (Savings)</u>
University of Kansas	\$5,634,086	\$6,004,720	\$ 370,634
KU Medical Center	5,140,739	5,464,493	323,754
Kansas State	6,765,887	7,264,068	498,181
KSU--Salina	178,834	220,368	41,534
Wichita State	3,255,576	3,530,553	274,977
Emporia State	715,631	1,034,631	319,000
Pittsburg State	1,021,274	1,050,396	29,122
Fort Hays State	<u>939,967</u>	<u>1,075,721</u>	<u>135,754</u>
Total	\$23,651,994	\$25,644,950	\$1,992,956

<u>FY 1996</u>	<u>Original Recommendation</u>	<u>Revised Recommendation</u>	<u>Additions (Savings)</u>
University of Kansas	\$ 5,937,465	\$ 6,308,099	\$ 370,634
KU Medical Center	5,224,003	5,547,757	323,754
Kansas State	6,906,212	7,404,393	498,181
KSU--Salina	178,834	220,368	41,534
Wichita State	3,292,941	3,567,918	274,977
Emporia State	744,851	1,063,851	319,000
Pittsburg State	1,021,274	1,050,396	29,122
Fort Hays State	<u>1,003,717</u>	<u>1,139,471</u>	<u>135,754</u>
Total	\$24,309,297	\$26,302,253	\$1,992,956

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ 1,992,956	\$ 1,992,956
All Other Funds	<u> --</u>	<u> --</u>
All Funds	\$ 1,992,956	\$ 1,992,956

48. General Fees Fund Adjustments

I amend my budget to adjust the recommended level of expenditures from each Regents institution's General Fees Fund for FY 1996. The Legislature has already addressed FY 1995. My original recommendations have been revised on the basis of the spring semester data on headcount and average receipts. The adjustments are detailed by year and by institution in the tables below. Where there is a negative number in the final column for FY 1996, I amend my budget to replace that shortfall with a State General Fund appropriation. The revisions require State General Fund additions of \$2,205,708 in FY 1996.

<u>FY 1996</u>	<u>Original Recommendation</u>	<u>Revised Recommendation</u>	<u>Surplus (Shortfall)</u>
University of Kansas	\$ 67,975,357	\$ 67,353,828	\$ (621,529)
KU Medical Center	9,737,760	9,420,187	(317,573)
Kansas State	38,375,144	37,908,926	(466,218)
KSU - Vet. Med.	4,162,616	4,064,157	(98,459)
KSU - Salina	813,191	813,191	--
Wichita State	24,542,020	24,471,866	(70,154)
Emporia State	8,587,335	8,186,498	(400,837)
Pittsburg State	10,409,729	10,181,647	(228,082)
Fort Hays State	<u>7,235,856</u>	<u>7,233,000</u>	<u>(2,856)</u>
Total	\$171,839,008	\$169,633,300	\$(2,205,708)

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 2,205,708
All Other Funds	<u> --</u>	<u>(2,205,708)</u>
All Funds	\$ --	\$ --

49. Regents Supplemental Grant Program

I amend my budget to recommend an additional \$194,390 from the State General Fund, which represents a 7.0 percent increase in funding for the program in FY 1996. The 7.0 percent increase matches the increase in resident tuition rates at the state's two largest universities.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 194,390
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 194,390

50. Funding Offsets

I amend my budget to increase funding from special revenue funds for two programs and reduce State General Fund appropriations for these programs by a like amount in FY 1996. These revisions are based on the actual special revenue fund receipts to these funds to-date. These adjustments are as follows:

Vocational Ed. Scholar. Discontinued Attendance Fund	\$ 7,448
Optometry Education Repayment Fund	<u>10,000</u>
Total	\$17,448

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ (17,448)
All Other Funds	<u>--</u>	<u>17,448</u>
All Funds	\$ --	\$ --

Kansas State University Veterinary Medical Center

51. Greyhound Research Facility

I amend my budget to recommend a capital improvement project for the Veterinary Medical Center. The project would add 3,432 square feet at a cost of \$140,000 from restricted use funds. The project will permit the Center to increase its greyhound research activities.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>140,000</u>
All Funds	\$ --	\$ 140,000

52. Hospital and Diagnostic Laboratory Fund

I amend my budget to increase expenditures from the Hospital and Diagnostic Laboratory Fund by \$396,583 in FY 1995 and \$422,412 in FY 1996. This reflects the latest estimate of revenues and expenditures for this fund. I further recommend that the expenditure limitation on the fund for all items other than consumable expenditures be established at \$1,655,996 in FY

1996. This reflects a policy agreement reached between Kansas State University and the Division of the Budget.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>396,583</u>	<u>422,412</u>
All Funds	\$ 396,583	\$ 422,412

University of Kansas Medical Center

53. Medical Scholarship Repayment Fund

The Medical Student Scholarship Repayment Fund receives payments from individuals who do not complete their service agreements and therefore must repay amounts they have received from the Medical Student Scholarship Loan Program. In recent years, the requirements for participating in the program have been altered to encourage more students to complete their service requirements instead of repaying their loans. These efforts have been successful and receipts to the fund are declining. Therefore, I amend my budget to add State General Fund amounts of \$1.0 million in FY 1995 and \$652,189 in FY 1996 to offset the reduction in loan repayments.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ 1,000,000	\$ 652,189
All Other Funds	<u>(1,000,000)</u>	<u>(652,189)</u>
All Funds	\$ --	\$ --

54. Topeka Residency Program

My original budget recommendations included funding for the start-up of a medical residency program conducted through the cooperation of the University of Kansas Medical Center and the Kansas Medical Education Foundation in Topeka. This program shows promise for educating primary care physicians to practice in Kansas. The Legislature added \$81,300 for three new residency slots. I amend my budget for FY 1996 to add \$54,200 from the State General Fund to provide two more slots to continue to implement the residency program. With this recommendation, five additional residency slots will be provided beyond the six I originally recommended for FY 1996, for a total of 11.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 54,200
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 54,200

Attorney General

55. State Medicaid Fraud Control Unit

I amend my budget for FY 1996 to include 7.0 FTE positions and \$351,189. Of this total, \$341,189 would be from federal funds and \$10,000 would be from the State General Fund. These costs would be incurred in establishing the State Medicaid Fraud Control Unit mandated by the federal government. The federal government will provide funding for operating expenditures for the first three years the Fraud Unit is in operation.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 10,000
All Other Funds	<u>--</u>	<u>341,189</u>
All Funds	\$ --	\$ 351,189

56. Federal Violence against Women Grant Program

I amend my budget to provide expenditure authority for federal grant monies to the Office of the Attorney General. This amendment would require the insertion of the line item "Violence against Women Federal Grant Fund" in both FY 1995 and FY 1996. I further recommend that this fund have "no limit" expenditure authority in both years. These federal funds will be distributed to subgrantees for a variety of programs to enhance the law enforcement and prosecution response to violent crimes against women, including sexual assault and domestic violence.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>625,000</u>	<u>625,000</u>
All Funds	\$ 625,000	\$ 625,000

57. Other Federal Grant Funds

The Office of the Attorney General is involved in federal grant programs which allow the agency to work with other state agencies in the areas of training and other grant-related activities. The agency needs a funding vehicle where it can recoup and spend monies related

to these services. I therefore amend my budget to establish the line item of "Other Federal Grants and Reimbursements Fund" for the Office of the Attorney General for both FY 1995 and FY 1996. Further, this fund should have "no limit" expenditure authority in both fiscal years.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>10,000</u>	<u>10,000</u>
All Funds	\$ 10,000	\$ 10,000

Department of Wildlife and Parks

58. Federal Audit Requirements

My budget recommendations for FY 1996 contain expenditures that enable the Department of Wildlife and Parks to comply with the U.S. Fish and Wildlife Services (USFWS) ruling following a federal audit of fiscal years 1989 through 1992. One issue of the audit was the allegation that the Department diverted federal funds from the Wildlife Fee Fund. The USFWS has allowed the State of Kansas to reimburse the Wildlife Fee Fund in three annual payments. At the time that my budget was submitted, the Legislative Division of Post Audit indicated that the amount in diversion was \$1,668,205. Since that time, the USFWS indicates that the amount in diversion is \$1,900,109.

I amend my budget to reflect the revised amount in diversion by spending \$115,952 from the State General Fund to meet the USFWS audit requirements. The increase in State General Fund expenditures for FY 1996 would be authorized by creating a line "Wildlife Fee Fund Diversion Repayment" and appropriating \$115,952 from the State General Fund. Expenditures from the Wildlife Fee Fund would be reduced by the same amount. In effect, Wildlife Fee Fund balances would increase by the \$115,952. This expenditure would satisfy the requirement of a second repayment of three.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 115,952
All Other Funds	<u>--</u>	<u>(115,952)</u>
All Funds	\$ --	\$ --

59. Rails-to-Trails Development

I amend my budget to include FY 1996 expenditures totaling \$985,000 for the second of a three-year development project for the Prairie Spirit Trail. Of this total, \$27,000 would come from private gifts and donations, \$75,000 would come from the State General Fund, \$75,000 would come from the Economic Development Initiatives Fund, and \$808,000 would

come from the Federal Highway Fund. These expenditures will go toward creating 50.2 miles of trail from Ottawa to Iola for hikers and bikers. I recommend that these funds be placed in separate line items restricted by a proviso requiring certification from the Secretary of the Department of Wildlife and Parks that all affected counties have approved the trail's development prior to expenditure of the funds.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 75,000
All Other Funds	<u>--</u>	<u>910,000</u>
All Funds	\$ --	\$ 985,000

Kansas Highway Patrol

60. Reduction of Expenditures from the Motor Carrier Inspection Fund

I amend my budget to reduce expenditures of \$40,000 from the Motor Carrier Inspection Fund in FY 1995 to account for unanticipated salary savings in the Motor Carrier Inspection Program of the Highway Patrol.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>(40,000)</u>	<u>--</u>
All Funds	\$ (40,000)	--

Kansas Board of Barbering

61. Fee Fund Expenditure Limitation Increase

I amend my budget to increase the expenditure limitation on the Board of Barbering Fee Fund by \$2,172 in FY 1995 to cover the costs of unanticipated increases in the agency's operating expenses. The increases result from costs associated with new sanitary barber regulations; additional board hearings; unbudgeted communication costs for cellular phone use; and an increase in the cost of National Assessment Institute written barber examinations.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>2,172</u>	<u>--</u>
All Funds	\$ 2,172	\$ --

Kansas Corporation Commission

62. Federal Monies for Conservation Division Data Management System

I amend my budget for both FY 1995 and FY 1996 to allow the Kansas Corporation Commission (KCC) to expend \$107,500 for FY 1995 and \$213,318 for FY 1996 from a new federal Department of Energy grant. In conjunction with this action, I am reducing the FY 1996 expenditures from the Conservation Fee Fund by \$70,818. For the last two fiscal years the KCC has requested monies from the Conservation Fee Fund to develop a networked relational database system to track oil and gas wells in Kansas. The oil and gas records were not automated, and access to them has been limited. Partial funding was authorized by the Legislature for FY 1995 and the KCC was directed to seek federal funding to achieve this objective. The agency has been successful in that effort and needs the authority to expend the federal grant and complete the project.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>107,500</u>	<u>142,500</u>
All Funds	\$ 107,500	\$ 142,500

Board of Nursing

63. Board of Nursing Fee Fund Expenditure Limitation

I amend my budget for FY 1996 to increase the expenditure limitation of the Board of Nursing Fee Fund by \$9,400. The agency has experienced higher than anticipated operating expenses for additional administrative hearings. The additional fee fund expenditures will give the agency the ability to continue its regulatory activities.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>9,400</u>
All Funds	\$ --	\$ 9,400

Selected Agencies

64. Retirement Reduction Savings

I amend my budget to capture savings in FY 1995 and FY 1996 from state employees retiring under the provisions of KSA 75-6801. Under this law, the FTE position and funding

for each eligible state employee in the Executive Branch retiring under KPERS is "frozen" and only 75.0 percent of the statewide total can be restored each year by a committee appointed by the Governor. Based on the year-to-date retirements, my recommendation would eliminate approximately 150.0 FTE positions and reduce expenditures in state agency budgets by \$3.2 million in FY 1995, of which \$1.3 million is from the State General Fund. The estimated annualized savings for these positions in FY 1996 would total \$6.0 million, of which \$2.4 million would be from the State General Fund.

My recommendation is an estimate based on the current information available. The actual savings will be determined at the close of FY 1995. For the current year, the Division of Accounts and Reports would reduce each agency budget by the savings attributed to retirements, and the State General Fund amounts would be transferred to the Retirement Salary Recapture Fund. In FY 1996, I would encourage the Legislature to reduce the appropriated amount in the state employee pay bill. Each agency would reduce its pay plan submissions by the appropriate amounts during the process to determine the distribution of the funds by the State Finance Council.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ (1,300,000)	\$ (2,400,000)
All Other Funds	<u>(1,900,000)</u>	<u>(3,600,000)</u>
All Funds	\$ (3,200,000)	\$ (6,000,000)

Kansas Public Employees Retirement System

65. Employer Contribution Rates and Unfunded Liability

In order to address the issue of the unfunded actuarial liability of the Kansas Public Employees Retirement System, I am encouraging the Legislature to increase the existing 0.1 percent cap on the state's employer contribution rate by another 0.1 percent beginning in FY 1997. The total cost of a 0.2 percent cap for FY 1997 would be \$9.7 million from the State General Fund, which is an increase of \$2.3 million from current law.

Table A

Statewide Human Resource and Payroll System - SHARP
Funding to be Appropriated to the Department of Administration

Agency	FY 1995 SGF	FY 1995 AF	FY 1996 SGF	FY 1996 AF
Attorney General	--	--	\$9,326	\$9,326
Kansas Corporation Commission	--	--	--	17,332
Department of Credit Unions	--	--	--	2,500
Board of Indigents' Defense Services	--	--	3,000	3,000
Insurance Department	--	--	--	5,000
Judicial Council	--	--	1,170	1,170
KPERS	--	--	48,000	48,000
Legislative Agencies	--	--	4,800	4,800
Kansas Real Estate Commission	--	--	--	4,680
Department of Revenue	--	--	36,530	36,530
Board of Tax Appeals	--	--	5,144	5,144
State Treasurer	3,000	3,000	--	--
Department of Human Resources	--	--	--	27,000
State Library	--	--	2,894	2,894
Department of Corrections	--	--	9,000	9,000
El Dorado Correctional Facility	--	--	19,142	19,142
Ellsworth Correctional Facility	--	--	12,798	12,798
Hutchinson Correctional Facility	--	--	25,190	25,190
Lansing Correctional Facility	--	--	12,798	12,798
Larned Correctional MH Facility	--	--	15,431	15,431
Norton Correctional Facility	--	--	12,708	12,708
Topeka Correctional Facility	--	--	16,196	16,196
Winfield Correctional Facility	--	--	12,798	12,798
Emergency Medical Services Board	--	--	4,350	4,350
State Fire Marshal	--	--	--	6,198
Highway Patrol	--	--	30,338	30,338
Kansas Bureau of Investigation	13,720	13,720	--	--
Animal Health Department	--	--	2,500	2,500
State Conservation Commission	--	--	4,431	4,431
Kansas Water Office	--	--	4,184	4,184
Statewide Total	\$16,720	\$16,720	\$292,728	\$355,438

SGF = State General Fund; AF = All Funding Sources

Table B

**Statewide Human Resource and Payroll System - SHARP
Conversion of Current Special Project and Intermittent Positions to FTE Positions**

Agency	FTE Positions Added from Special Project Positions	FTE Positions Added from Intermittent Positions	Total
Department of Administration	1.0	15.2	16.2
Department of Commerce and Housing	5.0	7.5	12.5
Kansas Human Rights Commission	2.0	—	2.0
Kansas Technology Enterprise Corp.	20.8	—	20.8
Kansas Racing Commission	—	0.5	0.5
Department of Revenue	1.0	—	1.0
Department on Aging	2.8	0.8	3.6
Corporation for Change	7.5	—	7.5
Department of Health and Environment	136.1	1.5	137.6
Department of Human Resources	3.0	144.7	147.7
Social and Rehabilitation Services	536.5 *	428.1	964.6
Kansas Neurological Institute	—	0.5	0.5
Larned State Hospital	—	0.5	0.5
Osawatomie State Hospital	—	2.1	2.1
Rainbow Mental Health Facility	—	2.4	2.4
Topeka State Hospital	4.0	2.6	6.6
Winfield St. Hospital & Training Center	—	1.0	1.0
Commission on Veterans Affairs	1.0	—	1.0
School for the Deaf	—	28.0	28.0
Adjutant General	1.0	—	1.0
Department of Corrections	4.0	—	4.0
Highway Patrol	—	1.0	1.0
Youth Center at Atchison	—	0.5	0.5
Youth Center at Topeka	9.0	1.0	10.0
Board of Agriculture	—	8.3	8.3
Kansas Department of Transportation	3.0	0.5	3.5
Statewide Total	737.7	646.7	1,384.4

* Includes classified special project positions not presently included in the agency's position limitation.

SWAM
April 20, 1995
Attachment 9

Conversion of Special Project Positions

304.3	Unclassified Temporary	No additional benefits above current status
30.3	Unclassified Regular	No additional benefits above current status
102.1	Classified Regular/LT Appointment	All benefits under classified service, except layoff bumping rights.
356.0	Classified Regular	All benefits under classified service*
249.0	Classified Special Project Positions within SRS	No additional benefits above current status but will be under limitation
21.0	Eliminate Position	
<hr/>		
1,062.7	Total	

*Some current special project positions receive benefits, such as longevity bonuses, depending upon the policy of the agency.

9-2
9-6

Special Project Positions

Agency	Number	Position	Funding Source	Proposed Status	Does position require:			
					FTE Position?	Statute Change?	FTE to be Added?	How many FTE?
General Government Function								
Department of Administration	1.0	SHARP Project Manager	Special Revenue Funds	Unclassified Temporary	No	No	0	0.0
	1.0	Engy Cons. Imp. Prog. Mgr.	Special Revenue Funds	Classified Regular	Yes	No	1	1.0
	1.0	Debt Collec. Assistant	Special Revenue Funds	Unclassified Temporary	No	No	0	0.0
	1.0	ADA Coordinator	State General Fund	Unclassified Temporary	No	No	0	0.0
Dept. of Administration Subtotal	4.0			GBR = 5				1.0
Citizens Utility Ratepayer Board	1.0	Consumer Counsel	Special Revenue Funds	Unclassified Temporary	No	No	0	0.0
				GBR = 1				
Kansas Corporation Commission	1.0	Administrative Officer	Special Revenue Funds	Unclassified Temporary	No	No	0	0.0
				GBR = 2 in '95 & 1 in '96				
Ks. Comm. on Gov'tal Standards and Conduct	1.0	Investigator	Special Revenue Funds	Unclassified Regular	Yes; In GBR	No	0	0.0
	2.0	Office Specialist	Special Revenue Funds	Unclassified Temporary	No	No	0	0.0
Gov'tal Stds and Conduct Subtotal	3.0			GBR = 3 in '95 & 2 in '96				0.0
Department of Commerce & Housing	1.0	Senior Financial Analyst	EDIF	Classified Regular	Yes	No	1	1.0
	1.0	Fulfillment Coordinator	EDIF	Classified Regular	Yes	No	1	1.0
	1.0	Office Assistant IV	EDIF	Classified Regular	Yes	No	1	1.0
	1.0	Business Finance Spec.	Federal Funds	Classified Regular	Yes	No	1	1.0
	1.0	Support Services Coordinator	Federal Funds	Classified Regular	Yes	No	1	1.0
	1.0	Technical Writer	EDIF	Unclassified Temporary	No	No	0	0.0
	2.0	Econ. Dev't Rep. III	Federal Funds and EDIF	Unclassified Temporary	No	No	0	0.0
	2.0	Econ. Dev't Rep. II	Federal Funds	Unclassified Temporary	No	No	0	0.0
	1.0	Office Assistant IV	Federal Funds	Unclassified Temporary	No	No	0	0.0
	3.0	Olathe VIC Staff (New in FY 1996)	EDIF	Unclassified Temporary	No	No	0	0.0
	1.0	Flood Coordinator	Federal Funds	Eliminate	No	No	0	0.0
Dept. Commerce & Housing Subtotal	15.0			GBR = 12 in '95 & 10 in '96				5.0
Human Rights Commission	2.0	Special Investigator I	State General Fund	Classified Regular	Yes	No	1	2.0
				GBR = 2				
Indigents' Defense Services	1.0	Operations Manager	State General Fund	Unclassified Temporary	No	No	0	0.0
	1.0	Ass't Regional Coordinator	State General Fund	Unclassified Temporary	No	No	0	0.0
Indigents' Defense Services Subtotal	2.0			GBR = 1				0.0
K-TEC	1.0	Administrative Asst.	EDIF	Unclassified Regular	Yes	Included in SB 176	1	1.0
	1.0	Accounting Asst.	EDIF	Unclassified Regular	Yes	Included in SB 176	1	1.0
	1.0	Info. Systems Specialist	EDIF	Unclassified Regular	Yes	Included in SB 176	1	1.0
	1.0	Contract Administrator	EDIF	Unclassified Regular	Yes	Included in SB 176	1	1.0
	1.0	VP-Innovation Research	EDIF	Unclassified Regular	Yes	Included in SB 176	1	1.0
	1.0	Commercialization CEO	EDIF	Unclassified Regular	Yes	Included in SB 176	1	1.0
	1.0	Industrial Ag. Manager	EDIF	Unclassified Regular	Yes	Included in SB 176	1	1.0
	1.0	Research Associate	EDIF	Unclassified Regular	Yes	Included in SB 176	1	1.0
	1.8	Clerical Support	EDIF	Unclassified Regular	Yes	Included in SB 176	1	1.8

9-4
20-Apr-95

Special Project Positions

Agency	Number	Position	Funding Source	Proposed Status	Does position require:			
					FTE Position?	Statute Change?	FTE to be Added?	How many FTE?
Classified Special Project Positions	4.0	Administrative Services		Classified Regular	Yes	No	1	4.0
	179.5	Child Support Enforcement		Classified Regular	Yes	No	1	179.5
	8.0	Income Support		Classified Regular	Yes	No	1	8.0
Subtotal - Class. Spec Projects	191.5							191.5
Permanent Positions Outside Position Limitation	70.0	Long-Term Care Program		Classified Regular	Yes	No	1	70.0
	171.0	Family Support/Preservation		Classified Regular	Yes	No	1	171.0
	8.0	Canteen Food Service Workers		Classified Regular	Yes	No	1	8.0
	249.0							249.0
SRS TOTAL	639.5			GBR = 1,024 in '95 & 1,017 in '96				536.5
Ks. Neurological Institute	2.0	Carpenters	State General Fund/Federal Funds	Unclassified Temporary GBR = 0	No	No	0	0.0
Larned State Hospital	1.0	Vocational Instructor (Agy. 628)	State General Fund/Federal Funds	Unclassified Temporary GBR = 0	No	No	0	0.0
Topeka State Hospital	3.0	Safety/Security Officer I	State General Fund/Federal Funds	Classified Regular	Yes	No	1	3.0
	1.0	Secretary I	State General Fund/Federal Funds	Classified Regular	Yes	No	1	1.0
Topeka State Hospital Subtotal	4.0			GBR = 4				4.0
Department on Aging	1.0	Applications Programmer	State General Fund	Classified Regular	Yes	No	1	1.0
	1.3	Ombudsman	State General Fund/Federal	Classified Regular	Yes	No	1	1.3
	0.5	Project Administrator	Federal	Unclassified Temporary	No	No	0	0.0
	0.5	Volunteer Coordinator	State General Fund/Federal	Classified Regular	Yes	No	1	0.5
	1.0	Schlick Director	Federal	Unclassified Temporary	No	No	0	0.0
	1.0	Education Info. Officer	Federal	Unclassified Temporary	No	No	0	0.0
	1.0	Secretary II	Federal	Unclassified Temporary	No	No	0	0.0
Department on Aging Subtotal	6.3			GBR = 6.8				2.8
Corporation for Change	1.0	Executive Director	Gifts and Special Revenue Funds	Unclassified Regular	Yes	Included in SB 176	1	1.0
	1.0	Executive Assistant	Gifts and Special Revenue Funds	Unclassified Regular	Yes	Included in SB 176	1	1.0
	1.0	Director of Local Initiatives	Gifts and Special Revenue Funds	Unclassified Regular	Yes	Included in SB 176	1	1.0
	0.5	Local Initiatives Assistant	Gifts and Special Revenue Funds	Unclassified Regular	Yes	Included in SB 176	1	0.5
	0.5	Receptionist	Gifts and Special Revenue Funds	Unclassified Regular	Yes	Included in SB 176	1	0.5
	1.0	Business Admin	SGF	Unclassified Regular	Yes	Included in SB 176	1	1.0
	1.0	Director of Model Projects	Gifts and Special Revenue Funds	Unclassified Regular	Yes	Included in SB 176	1	1.0
	0.5	Permanent Families Assistant	Gifts and Special Revenue Funds	Unclassified Regular	Yes	Included in SB 176	1	0.5
	1.0	Director of Research	Gifts and Special Revenue Funds	Unclassified Regular	Yes	Included in SB 176	1	1.0
	1.0	Juv Justice Policy Analyst	Gifts and Special Revenue Funds	Eliminate - FY 1996	No	No	0	0.0
	0.5	Juv Justice Research Super	Gifts and Special Revenue Funds	Eliminate - FY 1996	No	No	0	0.0
Corporation for Change Subtotal	9.0			GBR = 9 in '95 & 7.5 in '96				7.5

Special Project Positions

Agency	Number	Position	Funding Source	Proposed Status	Does position require:			
					FTE Position?	Statute Change?	FTE to be Added?	How many FTE?
Department of Human Resources	2.0	Job Specialist II	Special Revenue Funds	Eliminate	No	No	0	0.0
	1.0	Ass't Attorney General	Special Revenue Funds	Unclassified Regular	Yes	No;KSA 75-2935	1	1.0
	1.0	Program Specialist I	Special Revenue Funds	Unclassified Temporary	No	No	0	0.0
	3.0	Program Specialist I	Special Revenue Funds	Unclassified Temporary	No	No	0	0.0
	1.0	Program Specialist I	Federal	Unclassified Temporary	No	No	0	0.0
	1.0	Program Specialist II	Federal	Unclassified Temporary	No	No	0	0.0
	1.0	Office Assistant I	Federal	Unclassified Temporary	No	No	0	0.0
	1.0	Office Assistant III	Special Revenue Funds	Classified Regular	Yes	No	1	1.0
	2.0	Office Assistant III	Special Revenue Funds	Unclassified Temporary	No	No	0	0.0
	1.0	Office Assistant III	Special Revenue Funds	Classified Regular	Yes	No	1	1.0
	1.0	School to Work Coord.	Special Revenue Funds	Eliminate	No	No	0	0.0
	2.0	Research Analyst III	Special Revenue Funds	Unclassified Temporary	No	No	0	0.0
Dept. of Human Resources Subtotal	17.0			GBR = 16				3.0
Department of Health and Environment	1.0	Attorney II	Unknown; not in budget	Eliminate	No	No	0	0.0
	1.0	H/E Planning Consultant	Unknown; not in budget	Eliminate	No	No	0	0.0
	1.0	Research Analyst II	Unknown; not in budget	Eliminate	No	No	0	0.0
	1.0	H/E Program Consultant	Unknown; not in budget	Eliminate	No	No	0	0.0
	1.0	Envir Tech II	Unknown; not in budget	Eliminate	No	No	0	0.0
	1.0	PH Lab Tech II	Unknown; not in budget	Eliminate	No	No	0	0.0
	0.5	Public Infor Officer	Federal Funds	Unclassified Temporary	No	No	0	0.0
	1.0	App Prog Analyst III	Federal Funds	Unclassified Temporary	No	No	0	0.0
	3.0	App Prog Analyst III	Fee, Federal, Other Funds	Unclassified Temporary	No	No	0	0.0
	1.0	Hlth Program Analyst	Federal Funds	Unclassified Temporary	No	No	0	0.0
	1.0	Off Assist IV	Gifts Fund	Unclassified Temporary	No	No	0	0.0
	1.0	H/E Planning Consultant	Gifts Fund	Unclassified Temporary	No	No	0	0.0
	1.0	H/E Planning Consultant	Federal Flood Relief	Unclassified Temporary	No	No	0	0.0
	1.0	Env Tech III	Federal Flood Relief	Unclassified Temporary	No	No	0	0.0
	1.0	Off Specialist	Federal Flood Relief	Unclassified Temporary	No	No	0	0.0
	1.0	Off Assist III	Federal; Gifts Fund	Unclassified Temporary	No	No	0	0.0
	1.0	Nutrition Prog Spec	Federal Funds	Unclassified Temporary	No	No	0	0.0
	1.0	Off Assist III	Federal Funds	Unclassified Temporary	No	No	0	0.0
	1.0	Public Info Officer	Federal Funds	Unclassified Temporary	No	No	0	0.0
	3.0	H/E Program Consultant	Federal and State Water Plan	Unclassified Temporary	No	No	0	0.0
	2.0	Off Assist III	SGF, Federal and State Water Plan	Unclassified Temporary	No	No	0	0.0
	1.0	Off Assist III	SGF, Federal	Classified Regular/LT Appt.	Yes	No	1	1.0
	1.0	Research Analyst I	State Water Plan	Unclassified Temporary	No	No	0	0.0
	2.0	H/E Prog Consultant	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	2.0
	1.0	H/E Planning Analyst	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	1.0	Pub Hlth Nurse I	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	2.0	Off Assist III	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	2.0
	1.0	Off Assist IV	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0

Special Project Positions

Agency	Number	Position	Funding Source	Proposed Status	Does position require:			
					FTE Position?	Statute Change?	FTE to be Added?	How many FTE?
Health and Environment, cont.	1.0	Social Worker	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	1.0	Enviro Sci I	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	1.0	Enviro Sci III	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	1.0	Env Tech III	Special Revenue Fund	Classified Regular/LT Appt.	Yes	No	1	1.0
	2.0	Env Tech III	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	2.0
	2.0	Nonpoint Source (NPS) Demo	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	2.0
	14.0	Enviro Geologist I	Federal & Trust Fund	Classified Regular/LT Appt.	Yes	No	1	14.0
	2.0	Enviro Geologist I	Federal, fee, and St. Water Plan	Unclassified Temporary	No	No	0	0.0
	1.0	Enviro Geologist I	Federal and Fee Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	1.0	Enviro Geologist II	Special Revenue Fund	Classified Regular/LT Appt.	Yes	No	1	1.0
	9.0	Off Assist III	Federal, fee, and St. Water Plan	Classified Regular/LT Appt.	Yes	No	1	9.0
	1.0	Off Assist III	Water Plan	Unclassified Temporary	No	No	0	0.0
	1.0	Keyboard Operator II	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	1.0	App Prog Analyst IV	Special Revenue Fund	Classified Regular/LT Appt.	Yes	No	1	1.0
	2.0	Public Service Exec II	Federal and Other Funds	Classified Regular/LT Appt.	Yes	No	1	2.0
	1.0	H/E Planning Consultant	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	2.6	H/E Program Admin	Federal and Other Funds	Classified Regular/LT Appt.	Yes	No	1	2.6
	7.0	Health Educators	Federal and Other Funds	Classified Regular/LT Appt.	Yes	No	1	7.0
	6.0	Secretary II	Federal and Other Funds	Classified Regular/LT Appt.	Yes	No	1	6.0
	1.0	Pub Hlth Nurse III	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	1.0	Office Supervisor	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	5.0	H/E Planning Consultant	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	5.0
	1.0	Off Assist IV	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	2.0	Off Assist III	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	2.0
	2.0	Epidemiologist	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	2.0
	1.0	Epidemiologist	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	1.0	Outreach Worker	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	1.0	Pub Hlth Educator	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	2.0	H/E Planning Consultant	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	2.0
	1.0	Off Assist IV	State General Fund	Unclassified Temporary	No	No	0	0.0
	1.0	Hum Resource Prof III	Federal Funds	Classified Regular	Yes	No	1	1.0
	2.0	Off Assist III	SGF and Federal	Classified Regular	Yes	No	1	2.0
	1.0	Office Specialist	Special Revenue	Classified Regular	Yes	No	1	1.0
	1.0	Keyboard Operator I	SGF and Federal	Classified Regular	Yes	No	1	1.0
	0.5	Research Analyst I	Federal and Special Revenue	Classified Regular/LT Appt.	Yes	No	1	0.5
	0.5	Research Analyst III	Federal and Special Revenue	Classified Regular/LT Appt.	Yes	No	1	0.5
	1.0	App Prog Analyst II	Federal Funds	Classified Regular	Yes	No	1	1.0
	1.0	Info Tech Consultant III	Federal Funds	Classified Regular	Yes	No	1	1.0
	1.0	Enviro Scientist I	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0
	1.0	App. Programmer/Anyst II	Special Revenue	Classified Regular/LT Appt.	Yes	No	1	1.0
1.0	Pub Serv Admin III	Federal Funds	Classified Regular	Yes	No	1	1.0	
1.0	Sys Software Prog/Anal III	Special Revenue	Classified Regular	Yes	No	1	1.0	
1.0	Computer Sys Anal III	Federal and Special Revenue	Classified Regular	Yes	No	1	1.0	

Special Project Positions

Agency	Number	Position	Funding Source	Proposed Status	Does position require:				
					FTE Position?	Statute Change?	FTE to be Added?	How many FTE?	
Health and Environment, cont.	1.0	Micro System Manager	SGF and Federal	Classified Regular	Yes	No	1	1.0	
	1.0	Admin Off II - Field Rep	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	1.0	
	2.0	Epidemiologists	Federal Funds	Classified Regular/LT Appt.	Yes	No	1	2.0	
	6.0	Disease Intervention Spec	Federal Funds	Classified Regular	Yes	No	1	6.0	
	1.0	Off Assist III	SGF and Federal	Classified Regular	Yes	No	1	1.0	
	1.0	H/E Planning Consultant	SGF and Federal	Classified Regular	Yes	No	1	1.0	
	1.0	H/E Program Analyst	Special Revenue	Classified Regular	Yes	No	1	1.0	
	1.0	Off Assist III	SGF, Special Revenue, Federal	Classified Regular/LT Appt.	Yes	No	1	1.0	
	2.0	Enviro Scientist I	Special Revenue	Classified Regular/LT Appt.	Yes	No	1	2.0	
	1.0	Enviro Scientist II	Special Revenue	Classified Regular/LT Appt.	Yes	No	1	1.0	
	3.0	Off Assist III	SGF; Federal; and Fee Funds	Classified Regular/LT Appt.	Yes	No	1	3.0	
	1.0	Secretary II	SGF; Federal; and Fee Funds	Classified Regular/LT Appt.	Yes	No	1	1.0	
	1.0	Enviro Tech III	Federal Funds	Classified Regular	Yes	No	1	1.0	
	1.0	Enviro Tech III	Federal Funds	Classified Regular	Yes	No	1	1.0	
	2.0	Enviro Geologist II	Federal, State Water Plan and Fees	Classified Regular/LT Appt.	Yes	No	1	2.0	
	1.0	Enviro Geologist II	Water Plan	Unclassified Temporary	No	No	0	0.0	
	1.0	Admin Officer II	Federal and Fee Funds	Classified Regular	Yes	No	1	1.0	
	1.5	Enviro Geologist III	Special Revenue Funds	Classified Regular/LT Appt.	Yes	No	1	1.5	
	1.0	Enviro Scientist I	Special Revenue Funds	Classified Regular	Yes	No	1	1.0	
	2.0	Enviro Tech II	Federal and Fees	Classified Regular/LT Appt.	Yes	No	1	2.0	
	2.0	Enviro Tech IV	Federal and Fees	Classified Regular/LT Appt.	Yes	No	1	2.0	
	1.0	Geologist I	Special Revenue Funds	Classified Regular/LT Appt.	Yes	No	1	1.0	
	1.0	Research Analyst II	Special Revenue Funds	Classified Regular/LT Appt.	Yes	No	1	1.0	
	2.0	Enviro Geo I	Federal & Special Revenue Funds	Classified Regular	Yes	No	1	2.0	
	1.0	Enviro Scientist I	Federal Funds	Classified Regular	Yes	No	1	1.0	
	2.0	Enviro Tech II	SGF, Federal Funds	Classified Regular	Yes	No	1	2.0	
	4.0	Enviro Tech III	SGF & Federal Funds	Classified Regular	Yes	No	1	4.0	
	1.0	Enviro Tech IV	SGF & Federal Funds	Classified Regular	Yes	No	1	1.0	
	Dept. Health and Environment Subtotal	167.6			GBR = 162.6 In '95 & 159.6 In '96				136.1
	Veterans Commission	1.0	Nursing Home Administrator	SGF & Federal Funds	Classified Regular	Yes	No	1	1.0
				GBR = 0					
Human Resources Function - Total	847.4							690.9	
Education Function									
Department of Education	1.0	Team Leader	Federal	Unclassified Temporary	No	No	0	0.0	
	16.0	Educ. Program Consultant	Federal	Unclassified Temporary	No	No	0	0.0	
	1.0	Coordinator	Federal	Unclassified Temporary	No	No	0	0.0	
	16.0	Secretary I	Federal	Unclassified Temporary	No	No	0	0.0	
	1.0	Office Assistant III	Federal	Unclassified Temporary	No	No	0	0.0	
	1.0	Office Specialist	Federal	Unclassified Temporary	No	No	0	0.0	
	2.0	Data Control Tech II	Federal	Unclassified Temporary	No	No	0	0.0	
	3.0	Asst Educ Program Consultant	Federal	Unclassified Temporary	No	No	0	0.0	
	2.0	Office Assistant IV	Federal	Unclassified Temporary	No	No	0	0.0	

9-8
20-Apr-95

Special Project Positions

Agency	Number	Position	Funding Source	Proposed Status	Does position require:			
					FTE Position?	Statute Change?	FTE to be Added?	How many FTE?
	1.0	Program Consultant I	Federal	Unclassified Temporary	No	No	0	0.0
Department of Education Subtotal	44.0			GBR = 46 in '95 & 45 in '96				0.0
School for the Blind	1.0	Orientation & Mobil. Instructor	State General Fund	Unclassified Temporary	No	No	0	0.0
	1.0	Paraprofessional (#134934)	Federal	Unclassified Temporary	No	No	0	0.0
School for the Blind Subtotal	2.0			GBR = 1				0.0
Historical Society	7.0	Archeologists	Special Revenue Funds (Fees)	Unclassified Temporary	No	No	0	0.0
	2.0	Engineering Technician	Special Revenue Funds (Fees)	Unclassified Temporary	No	No	0	0.0
	1.0	Office Assistant III	Special Revenue Funds (Fees)	Unclassified Temporary	No	No	0	0.0
Historical Society Subtotal	10.0			GBR = 10				0.0
Education Function - Total	56.0							0.0
Public Safety Function								
Adjutant General	1.0	Administrative Officer I	Special Revenue Funds	Classified Regular	Yes	No	1	1.0
	1.0	Director NG Youth Program	Federal Funds	Unclassified Temporary	No	No	0	0.0
	1.0	Audio/Visual Producer	Federal Funds	Unclassified Temporary	No	No	0	0.0
	1.0	Area Coordinator	Federal Funds	Unclassified Temporary	No	No	0	0.0
	3.0	Intermed. Area Coordinator	Federal Funds	Unclassified Temporary	No	No	0	0.0
Adjutant General Subtotal	7.0			GBR = 5 in '95 & 7 in '96				1.0
Department of Corrections	1.0	Attorney A	State General Fund	Eliminate	No	No	0	0.0
	1.0	Volunteer Coordinator	State General Fund	Eliminate	No	No	0	0.0
	1.0	Activity Coordinator	State General Fund	Classified Regular	Yes	No	1	1.0
	2.0	Office Specialist	Special Revenue Funds	Classified Regular	Yes	No	1	2.0
	1.0	Director of Ops, KCI	Special Revenue Funds	Classified Regular	Yes	No	1	1.0
Department of Corrections Subtotal	6.0			GBR = 3				4.0
Topeka Correctional Facility	2.0	Facility Maint. Supervisor	Federal Funds	Unclassified Temporary	No	No	0	0.0
				GBR = 3				
Hutchinson Correctional Facility	5.0	Facility Maint. Supervisor	Special Revenue Funds	Unclassified Temporary	No	No	0	0.0
				GBR = 0				
Kansas Bureau of Investigation	9.0	Office Assistant II	State General Fund	Unclassified Temporary	No	No	0	0.0
	1.0	Utility Worker	State General Fund	Unclassified Temporary	No	No	0	0.0
	2.0	Office Specialist	State General Fund	Unclassified Temporary	No	No	0	0.0
	2.0	Special Investigators	State General Fund	Unclassified Temporary	No	No	0	0.0
Kansas Bureau of Investigation Subtotal	14.0			GBR = 9 in '95 & 7 in '96				0.0
Hir' Patrol	12.0	Motorist Ass't Technicians	Special Revenue Funds	Unclassified Temporary	No	No	0	0.0
				GBR = 12				
Se... ing Commission	1.0	Management Sys. Analyst	33% SGF and 67% Federal	Unclassified Temporary	No	No	0	0.0
	1.0	Research Analyst	33% SGF and 67% Federal	Unclassified Temporary	No	No	0	0.0

9-10

20-Apr-95

Special Project Positions

Agency	Number	Position	Funding Source	Proposed Status	Does position require:			
					FTE Position?	Statute Change?	FTE to be Added?	How many FTE?
Department of Transportation	1.0	Office Assistant	Special Revenue Funds	Unclassified Temporary	No	No	0	0.0
	2.0	Right of Way Agent	Special Revenue Funds	Unclassified Temporary	No	No	0	0.0
	1.0	Policy Dev't Planner	Special Revenue Funds	Classified Regular	Yes	No	1	1.0
	1.0	Planning Analyst	Special Revenue Funds	Classified Regular	Yes	No	1	1.0
	1.0	Project Manager	Special Revenue Funds	Classified Regular	Yes	No	1	1.0
	1.0	Public Info./ Project Mgr.	Special Revenue Funds	Eliminate	No	No	0	0.0
Department of Transportation Subtotal	7.0			GBR = 10 In '95 & 9 In '96				3.0
Statewide Total	1,062.7			FTE Added:			737.7	

STATE POSITION AND APPOINTMENTS INFORMATION AND BENEFITS COMPARISON
Definitions

- Classified Services -- All positions in the state service except those which are specifically placed in the unclassified service by K.S.A. 75-2935 and other statutes.
- Position -- Group of duties and responsibilities, assigned by an appointing authority, requiring the service of an employee on a full-time basis, or, in some cases, on a less than full-time basis.
- Type of Appointment -- All vacancies in the classified service are filled by original appointment, promotional appointment, conditional appointment, temporary appointment, emergency appointment, reemployment, reinstatement, transfer, or demotion.

	Insurance	Benefits Retirement	Leave	Status	Rights	Salary
<p>Full-Time Equivalent (FTE) Positions -- A position established or proposed to be established with the intent that it be filled on a full-time basis. Positions which are less than full time should be expressed to the nearest one-tenth. Temporary, intermittent, special project, and emergency appointments are not included in the FTE limitations.</p>	<p>Full health policy; 60-day waiting period.</p> <p>First day coverage of group life, disability.</p> <p>May purchase added optional life insurance.</p>	<p>Will participate in KPERS after one year.</p>	<p>Amount of vacation earned is based on length of service (K.A.R. 1-9-4).</p> <p>Employees earn eight hours of sick leave per pay period.</p> <p>Employees receive holidays per K.A.R. 1-9-2.</p>	<p>Serves probationary period -- minimum of six months, maximum of one year.</p>	<p>If employee achieves permanent status, has "bumping rights" per K.A.R 1-§4-10.</p> <p>Employee with permanent status has right to hearing before Civil Service Board if dismissed, suspended, or demoted.</p>	<p>Normal hiring rule is Step A. If performance is satisfactory, the employee receives an increase to Step B after six months; an increase to Step C in another six months; and may receive additional step increases at yearly intervals.</p> <p>Eligible for longevity pay after ten years of service.</p>
<p>Limited-Term Appointment -- An appointment to a position in the classified service within the authorized FTE limitation that is scheduled to terminate within a predetermined period of time, as stipulated in grant specifications or other contractual agreements.</p>	<p>Same as above.</p>	<p>Same as above.</p>	<p>Same as above.</p>	<p>Position is limited in duration based on funding.</p> <p>Position is abolished and employee terminated when funding ends.</p>	<p>Employee does not have "bumping rights" when funding ends.</p> <p>Employee with permanent status has right to hearing before Civil Service Board if dismissed, suspended, or demoted.</p>	<p>Same as above.</p>
<p>Special Project -- K.S.A. 75-2935(1)(f) -- Persons temporarily employed or designated by the Legislature or by a legislative committee or commission or other competent authority to make or conduct a special inquiry, investigation, examination, or installation. Reviewed and approved annually by the Legislature and Governor through appropriations process. Not included in agency FTE limitation.</p>	<p>Same as above.</p>	<p>Same as above.</p>	<p>Same as above.</p>	<p>Serves at the pleasure of the appointing authority.</p>	<p>Employee does not have "bumping rights" when funding ends.</p>	<p>Salary is approved by Governor and subject to availability of funds. Not eligible for longevity pay.</p>

94-0008966.01/KP

SWAM
 APR 11 20, 1995
 Attachment 10

Project Title: Construct new subArea Shop - East Wichita
Project Priority: FY 1996

Program Statement

KANSAS DEPARTMENT OF TRANSPORTATION
PROGRAM STATEMENT

The subarea is the basic unit of highway maintenance. It is responsible for the physical maintenance of all state highway roadways, roadsides, structures, and associated facilities located within its boundaries.

Sub-areas 561 and 562 presently maintain approximately:

- 558 urban lane miles of travelway
- 499 miles of hard surfaced shoulders
- 12 miles of aggregate shoulders
- 79 miles of turf shoulders
- 307 bridges
- 744 crossroad culverts
- 1434 acres of Right-of-Way
- 101,200 linear feet of guardrail
- 76 miles of fence

As the amount of travelway maintained increases, the amount of shoulders, bridges, right-of-way, fence, etc. will increase proportionately.

At the present time Area Six's subarea forces work from two facilities; a six-stall shop "Hillside" located in North Wichita at 45th Street and Hillside, and an eight-stall shop "West" located at I-235 & K-42 in West Wichita.

PROPOSED FACILITY

A new subarea shop is proposed to be constructed on approximately 10 acres of land adjacent to and bounded by US Route 54, Route K-96, and the KTA in East Wichita. The land was purchased in conjunction with the construction of K-96. The building will have approximately 7100 square feet of space. The space will be subdivided into an 1180 square feet of insulated, weatherproof and air conditioned office/storage area and eight (8) of 45' x 16' -4" equipment bays. At least two of the bays will be heated and one will be designed as an equipment washbay. The building will be used as the headquarters of a third subarea crew.

Uses for the building also include material and parts storage, and as a garage for sub-area trucks. The bays are sized to house dump trucks equipped with snow plows and materials spreaders. The type of building and configuration will generally be left to the project architect to decide, based on the site, neighboring structures and budget limitations.

MISSION

The mission of the Kansas Department of Transportation is to provide a statewide transportation system to meet the needs of Kansas.

Specific objectives and strategies directly related to the agency's mission and this project are:

- OBJECTIVES - Preserve the condition of the state highway system.
- Improve state highway system safety, comfort and convenience.
- STRATEGIES - Increase organizational productivity.
- Utilize equipment and technology more effectively.
- Reduce waste.
- Meet maintenance project schedules.
- Improve service and product quality.

CAPACITY

Currently Area Six's subarea forces work from two facilities, one in North Wichita and one in West Wichita.

With the increased travelway mileage and features to be maintained comes definite need for a third subarea shop. By locating this third shop in East Wichita, our forces can respond to emergence situations in a quicker and more efficient manner. Our work forces can perform routine maintenance functions more efficiently because of the reduced road time to reach the outer limits of the subarea. Each of the three subareas will be more compact and efficient than the present two subareas.

SWAM
April 20, 1995
Attachment 11

1. Project Title Construct New SubArea Shop - East Wichita
 2. Project Priority 3A

3. Project Description and Justification

This project would provide for the construction of a new eight-stall subarea shop. The new facility would be located on land owned by KDOT.

Area Six (Wichita) presently maintains some 558 Lane Miles of urban travelway. In the very near future this will increase to about 795 LaneMiles. Along with this pavement comes asphalt or pcc shoulders, mowing wide rights-of-way, guard fence, highway signing, etc. Our forces presently work from a six-stall shop at "Hillside" and an eight-stall shop at "West." Due to the increased features to be maintained there is a need for an additional eight-stall shop.

The site for this subarea shop is about ten acres on north side of US-54 at the East City Limit.

An associate architect will be required for this project.

*Includes \$34903 for contractual site grading, and the construction of hot mix entrances, drives and parking areas.

Fees for Division if Architectural Services are treated as a revenue transfer not a budget expenditure.

(See Attached Sheets)

4. Estimated Project Cost

1) Construction, including fixed equipment and sitework.....	*805,547
2) Architect's fee.....varies 7%	50,859
3) Movable equipment.....	0
4) Project contingency..... 5%	36,328
5) Miscellaneous costs..... 1%	7,266
Total	900,000

5. Project Phasing:

1) Preliminary planning (incl. misc. costs)	0
2) Final planning (incl. misc. costs)	0
3) Construction (incl. misc. & other costs)	900,000
Total	900,000

6. Recommended Financing:

AMOUNT BY SOURCE OF FINANCING

Fiscal Years	1. SGF	2. KEBF	3. SIBF	4. SHF	5.	TOTAL
Prior Yrs.				0		
FY 95				0		0
FY 96				900,000		900,000
FY 97				0		0
FY 98				0		0
FY 99				0		0
FY 2000				0		0
TOTAL				900,000		900,000



Bill Graves
Governor

Gregory P. Ziemak
Executive Director

KANSAS LOTTERY
Security Division Summary

The purpose of the Kansas Lottery security division is the enactment and enforcement of proper security procedures to insure the integrity of Lottery products, personnel, retailers, and operations.

The Kansas Lottery security division is comprised of a Director of Security (as defined in K.S.A. 74-8703c), three enforcement agents assigned to the Topeka, Wichita, and Great Bend regions respectively, and a quality assurance analyst. The Director of Security and all three enforcement agents are certified law enforcement agents who are veteran law enforcement personnel with a combined total of 110 years of law enforcement experience in the State of Kansas.

The enforcement agents perform many vital duties to insure the integrity of Lottery games in Kansas. These duties include: prospective employee and family background investigations; prospective retailer and vendor background investigations; physical security of all Lottery premises including warehousing of instant lottery tickets; logical security of Lottery computer systems; inspection and security of all Lottery tickets; internal investigations; and drafting and enforcement of security procedures at all Lottery drawings.

Each employee applicant background investigation requires an average of 40 man hours and is generally completed within two weeks, allowing the Lottery to properly staff its positions in a timely manner to ensure its continued success. All background investigations are completed by certified law enforcement personnel employed by the agency, just as the KBI and KHP employee backgrounds are completed by their internal staff. Lottery security estimates that approximately 15% of its time is dedicated to employee background investigations.

ORRIN FOWLES LOTTERY TICKET FACT SHEET

Orrin Fowles bought a Lottery ticket on July 17, 1988. Since he was leaving town, he handed the ticket to the clerk (also his daughter) at the convenience store where he purchased the ticket, who placed the signed ticket under the counter to send to the Lottery if he won.

The ticket was lost by the retailer. Fowles filed a claim with the Joint Committee on Special Claims, and his claim was approved by the committee, and ultimately passed by the Legislature (twice) overwhelmingly, but was vetoed (twice) by Governor Finney.

The Director of Security of the Lottery in 1988 was quoted as saying that there is no question that Mr. Fowles bought the ticket.

Between May, 1988, and March, 1990, the Lottery had a policy that it would pay claims even though tickets were lost. The written but informal Lottery policy allowed payment of lost or mutilated tickets if the Lottery "could determine the status of the ticket (a winner or not) and if no other claim was made on the same ticket, and if no other information concerning the ticket was brought to the attention of the Lottery...[and after] expiration of the game." [Documentation proving the existence of this policy was presented to the House Appropriations Committee.]

The Lottery paid 205 separate ticket claims on lost or mutilated tickets for over \$15,337.00 in winnings during that time.

This policy was in effect when Orrin Fowles purchased a Kansas Cash Lotto ticket with the winning combination numbers for a jackpot prize of \$117,037. The retailer he purchased it from, the Short Stop convenience store in Clay Center, Kansas, was an authorized Lottery retailer.

Mr. Fowles also waited the allotted amount of time provided for by the informal policy of the Department, one year after the drawing date. The money that Mr. Fowles won and to which he is entitled was never paid out by the Lottery.

To the best of anyone's knowledge, Mr. Fowles claim was the first and only time during that time period (1988-90) that the Lottery did not pay a lost or mutilated ticket, and the Lottery continued to approve all similar and identical claims through the Spring of 1990. The only distinction on the Orrin J. Fowles claim was the amount of money he won.

The Lottery paid a lost ticket claim by a woman who purchased a ticket worth \$250 at the same Short Stop convenience store from which Mr. Fowles purchased his ticket, a year after Mr. Fowles purchase. In their letter to the woman, which included the check for payment of the claim, the Lottery stated "We were unable to pay your claim until after the expiration of the "Holiday Cash" game which occurred on June 11, 1990, since we never received the original ticket and claim form at the Lottery. This delay was required because anyone presenting the winning ticket, which they had signed with an accompanying claim form would have been entitled to payment. No such claim was made, and in accordance with office policy in effect at that time, we are honoring your claim..."

Orrin Fowles has no claim as a matter of law, but he certainly has a claim as a matter of equity, since every other lost or mutilated ticket during this period was paid by the Lottery.

The Legislature has twice passed this legislation, and the Governor has indicated he will sign the legislation if approved by the Legislature. The claim can be paid directly out of the Lottery's budget. There can be no other claims such as this, because the lottery changed their policy in 1990.

SWAM
April 20, 1995
Attachment 13

GOA#4

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

SWAM
 April 20, 1995
 Attachment 14

Fiscal Year	Projected Salaries (1)	Base Rate	COLA Rate (2)	.10% Current Cap		.20% Cap		
				Contributions	Rate	Contributions	Additional	Rate
1995	\$ 2,628,514,502	3.20%		\$ 84,112,464	3.20%	\$ 84,112,464	\$ 0	3.20%
1996	2,647,491,897	3.30%		87,367,233	3.30%	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%
1998	2,863,527,236	3.50%	.09%	102,800,628	3.59%	108,527,682	5,727,054	3.79%
1999	2,978,068,325	3.60%	.09%	109,890,721	3.69%	118,824,926	8,934,205	3.99%
2000	3,097,191,058	3.70%	.09%	117,383,541	3.79%	129,772,305	12,388,764	4.19%
2001	3,221,078,701	3.80%	.09%	125,299,961	3.89%	141,405,355	16,105,394	4.39%
2002	3,349,921,849	3.90%	.09%	133,661,882	3.99%	153,761,413	20,099,531	4.59%
2003	3,483,918,723	4.00%	.09%	142,492,276	4.09%	166,879,707	24,387,431	4.79%
2004	3,623,275,471	4.10%	.09%	151,815,242	4.19%	180,801,446	28,986,204	4.99%
2005	3,768,206,490	4.20%	.09%	161,656,058	4.29%	195,569,917	33,913,858	5.19%
2006	3,918,934,750	4.30%	.09%	172,041,236	4.39%	211,230,583	39,189,347	5.39%
2007	4,075,692,140	4.40%	.09%	182,998,577	4.49%	227,831,191	44,832,614	5.59%
2008	4,238,719,825	4.50%	.09%	194,557,240	4.59%	245,421,878	50,864,638	5.79%
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%
2011	4,767,983,338	4.80%	.09%	233,154,385	4.89%	297,045,362	63,890,977	6.23%
						<u>\$ 473,565,292</u>		

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



Description of NICE3 Project

Automation Technology, Inc. proposed the development of a Control Maintenance LWorkstation (CMW) under the DOE/EPA NICE3 program. The CMW will be a software product designed to provide assistance to power plant technicians in control system performance assessment, tuning, troubleshooting, and enhancement testing through the use of process data analysis tools and rule-based knowledge. The use of CMW in fossil electric generating units will lead to improved efficiency, reduced emission, and improved load maneuvering.

Letters of commitment and support for this project include: Western Resources, Kansas Electric Utilities Research Program (KEURP) and Electric Power Research Institute (EPRI).

Funding for NICE3 Project

FY96

Grantee--360,000.

State--- 9,000.

369,000

FY97

Grantee-- 40,000

State--- 16,000

56,000

o PAT MAH
545 NORTH
STATE HOUSE

SWAM
April 20, 1995
Attachment 15

NICE³ Active State Participants

Alabama

Russell Moore
Department of Economic and
Community Affairs
401 Adams Ave., Ste. 550
P.O. Box 6690
Montgomery, AL 36103-5690
(205) 242-5294
(205) 242-0552 (FAX)

Arizona

Kusuma Thallam
Dept. of Environmental Quality
3033 North Central Ave.
Phoenix, AZ 85012
(602) 207-4217
(602) 207-4346 (FAX)

Arkansas

Al Drinkwater
Industrial Development Comm.
One State Capitol Mall,
Ste. 4b-215
Little Rock, AR 72201
(501) 682-7325
(501) 682-7341 (FAX)

California

Richard Corey
Air Resources Board
2020 L St.
Sacramento, CA 95814
(916) 323-1079
(916) 445-5023 (FAX)

Carmen Ochoa
Dept. of Economic Opportunity
700 North 10th St., Room 258
Sacramento, CA 95814
(916) 322-2940
(916) 327-3153 (FAX)

Charlie Pike
Department of Water Resources
Box 942836
Sacramento, CA 94236-0001
(916) 327-1649
(916) 327-1815 (FAX)

David Jones
Energy Commission
1516 9th St.
Sacramento, CA 95814-5512
(916) 654-4008
(916) 654-4304 (FAX)

Nguyen Van Hanh
Env. Protection Agency
8800 Cal Center Dr.
Sacramento, CA 95826
(916) 255-2437
(916) 255-2222 (FAX)

Timm Dunn
Integrated Waste Mgmt. Board
8800 Cal Center Dr.
Sacramento, CA 95826
(916) 255-2408
(916) 255-2221 (FAX)

Colorado

Tom Brotherton
Office of Energy Conservation
1675 Broadway, Ste. 1300
Denver, CO 80202-4613
(303) 620-4292
(303) 620-4288 (FAX)

Connecticut

Mary Sherwin
Department of Env. Protection
79 Elm St.
Hartford, CT 06106
(203) 566-5217
(203) 566-4924 (FAX)

Dominic Forcella
Hazardous Waste Mgmt. Serv.
50 Columbus Blvd., 4th Floor
Hartford, CT 06106
(203) 244-2007
(203) 244-2017 (FAX)

Delaware

John Posdon
Department of Admin. Serv.,
Facilities Management
O'Neil Bldg., P.O. Box 1401
Dover, DE 19903
(302) 739-5644
(302) 739-6148 (FAX)

Andrea Farrell
Dept. of Natural Resources and
Environmental Control
89 Kings Hwy., P.O. Box 1401
Dover, DE 19903
(302) 739-3822
(302) 739-5060 (FAX)

Florida

Janeth Campbell
Dept. of Env. Regulation
Twin Towers Bldg.
2600 Blair Stone Rd.
Tallahassee, FL 32399-2400
(904) 921-9229
(904) 921-8061 (FAX)

Georgia

Philip Whitlow
Office of the Governor,
Office of Energy Resources
100 Peachtree St., Ste. 2090
Atlanta, GA 30303-1911
(404) 656-5176
(404) 656-7970 (FAX)

Greg Andrews
Poll. Prevention Asst. Division
7 Martin Luther King Dr.,
Ste. 450
Atlanta, GA 30334
(404) 651-5120
(404) 651-5130 (FAX)

Idaho

Gerry Galinato
Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098
(208) 327-7963
(208) 327-7866 (FAX)

Illinois

Andrea Schmidt
Energy and Natural Resources
325 West Adams St., Rm. 300
Springfield, IL 62704-1892
(217) 785-0164
(217) 785-2618 (FAX)

Indiana

April Edwards
Department of Commerce,
Office of Energy Policy
One North Capitol Ave.,
Ste. 700
Indianapolis, IN 46204-2288
(317) 232-8961
(317) 232-8995 (FAX)

Iowa

Don Dietzenbach
Department of Natural
Resources
Wallace State Office Bldg.
Des Moines, IA 50319
(515) 281-8094
(515) 281-6794 (FAX)

Kansas

John Mitchell
Department of Health and
Environment
Forbes Field Bldg. 740
Topeka, KS 66620-0001
(913) 296-1608
(913) 296-1592 (FAX)

Kentucky

Monica Hale Kehrt
Natural Resources and
Environmental Protection
Cabinet
691 Teton Trail, 2nd Floor
Frankfort, KY 40601
(502) 564-7192
(502) 564-7484 (FAX)

Louisiana

Gary Johnson
Department of Environmental
Quality
P.O. Box 82263
Baton Rouge, LA 70884-2263
(504) 765-0720
(504) 765-0742 (FAX)

Maine

Peter Thibeault
Department of Economic and
Commercial Development,
Energy Conservation Dept.
193 State St.,
State House Station 59
Augusta, ME 04333
(207) 624-6820
(207) 624-6810 (FAX)

Maryland

Mike McCalmom
Department of the Environment
2500 Broenig Highway
Baltimore, MD 21224
(410) 631-3114
(410) 631-3936 (FAX)

Donald Milsten
Energy Administration
45 Calvert St.
Annapolis, MD 21401-1907
(410) 974-3755
(410) 974-2250 (FAX)

Massachusetts

Dan Dardo
Division of Energy Resources
100 Cambridge St., 15th Floor
Boston, MA 02202
(617) 727-4732
(617) 727-0030 (FAX)

Michigan

John Trieloff
Public Service Commission
Box 30221
Lansing, MI 48909-7721
(517) 334-7233
(517) 882-4640 (FAX)

Minnesota

Ronald Visness
Dept. of Natural Resources
500 Lafayette Rd.
St. Paul, MN 55155-4037
(612) 296-9555
(612) 296-5939 (FAX)

Michael Roelofs
Department of Public Service
121 7th Pl., Ste. 200
St. Paul, MN 55101-2145
(612) 296-7107
(612) 297-1959 (FAX)

NICE³

**NATIONAL
INDUSTRIAL
COMPETITIVENESS**
through
**ENERGY
ENVIRONMENT
ECONOMICS**



A joint cost-sharing grant program of:



U.S. Department of Energy
Office of Industrial Technologies &
Office of Technical and Financial Assistance



U.S. Environmental Protection Agency
Office of Pollution Prevention

Wouldn't it be
NICE...

**if industries could
receive financial
assistance to
demonstrate
energy-efficient,
waste-reducing
technologies?**



Federal Grants Are Available

Two federal agencies have joined forces to sponsor an innovative, cost-sharing grant program with state and industry partners to save energy, prevent pollution, and enhance industrial competitiveness.

The U.S. Department of Energy (DOE) and the U.S. Environmental Protection Agency (EPA) are jointly administering the grant program, known as NICE³—National Industrial Competitiveness through Energy, Environment, and Economics.

NICE³ encourages industry to reduce industrial waste at its source or use waste productively; industry becomes more energy-efficient and cost-competitive through waste minimization efforts.

By participating in NICE³, industry has an opportunity to save energy, help the environment, and improve its bottom line.

NICE³ Features

- Industry/state partnerships demonstrate efficient technologies.
- Grants fund up to 50% of total project cost.
- Grants support new technologies that can significantly
 - conserve energy and energy-intensive feedstocks,
 - reduce industrial wastes, and
 - improve industrial cost-competitiveness.

NICE Goal

The overall goal of NICE³ is to improve industrial energy efficiency, reduce industry's costs, and lower emissions to the environment. DOE and EPA can achieve this goal by soliciting projects that

- Demonstrate successful industrial applications of less polluting, energy-efficient technologies in conjunction with innovative waste minimization techniques.
- Encourage accelerated industrial replication of energy-conserving and pollution-prevention technologies.

- Coordinate the activities of institutions responsible for energy, the environment, and competitiveness at federal, regional, state, and local levels.
- Identify and implement efficiency improvements in material inputs, processes, and waste streams.
- Develop strategies to overcome barriers that inhibit energy efficiency and waste minimization techniques in business and industry.
- Enhance industrial competitiveness through the introduction and dissemination of cost-effective waste minimization and energy-efficient processes, equipment, and practices.

The NICE³ program was initiated in 1991. In the first 3 years, DOE and EPA awarded 16 NICE³ grants to the following industry and state partnerships:

Industry	State	Project	SIC
Ultrasonic Products, Inc.	Calif.	Use ultrasonic cleaning for dishwashing	3999
Damage Protection Products	Calif.	Use 40% post-consumer wastepaper	2679
Coors Brewing Company	Colo.	Expand energy-efficient aluminum can coating process	3411
Shaw Industries	Ga.	Develop automated dye bath reuse system for carpets	2269
Thomson Consumer Electronics	Ind.	Reduce energy and waste in TV picture tube manufacturing	3671
Michigan Biotechnology Institute	Mich.	Use low-value molasses as fertilizer	8733
Mechanical Technology	N.Y.	Reduce volatile organic compound (VOC) emissions	Various
PPG Industries	Ohio	Reuse wastewater from water-based paint processing	2851
AAP St. Marys	Ohio	Reuse aluminum chips for automotive wheels	3714
Avery-Dennison	Ohio	Use ultraviolet curing system for label manufacturing	2672
AMPCO Metal Manufacturing Co.	Ohio	Use electric induction to heat tundish	3366
Beta Control Systems, Inc.	Ore.	Develop hydrochloric acid recovery system	3823
Alpine Technology	Ore.	Use waste glass (cullet) as feedstock	3231
FMC Corporation	Texas	Reduce methanol emissions	2819
Lubrizol Petroleum Chemicals Co.	Texas	Extract solvents from petroleum products	2869
Columbia Aluminum	Wash.	Recycle spent potliner	3334

Individual fact sheets, which describe these projects in detail, are available from DOE.

Project Proposal Criteria

Industry will submit project proposals with assistance from a state energy or pollution prevention office. These industry/state partnerships will cost-share at least 50% of the total project cost. Proposals will be evaluated on the following criteria:

- Concept description
- Innovation
- Cost-efficiency
- Applicant capabilities
- Energy savings
- Waste savings
- Competitiveness
- Commercialization/marketing plan
- Job savings/growth.

Brief project summaries can be submitted to state offices for state/regional/federal review prior to the official NICE³ solicitation; however, these summaries are not a prerequisite for submitting proposals.

Project Awards

DOE and EPA award projects with seed money through a one-time grant to help offset start-up risk. Grant awards average about \$250,000. With this funding, awardees design, test, demonstrate, and assess the feasibility of new processes and/or equipment with the potential to increase energy efficiency, reduce pollution, and improve process economics. After the initial grant funding period, the awardee is expected to continue financing the project.

Eligibility

The program is open to participants throughout the United States and the territories. Priority is given to proposals that fall within one or more of the following standard industrial classifications (SIC):

- SIC Code 26—Pulp and paper
- SIC Code 28—Chemicals
- SIC Code 29—Petroleum and coal products
- SIC Code 33—Primary metals
- Other SIC codes (1-39) will not be excluded.

Timeline for 1994 Projects

1-2 page optional project summaries to state offices	October–December 1993
Summaries selected for proposal development	By January 30, 1994
Proposal solicitation begins	February 1, 1994
Proposal solicitation ends	March 31, 1994
National selection completed	May 1994
Grants awarded to states	By September 30, 1994

For More Information

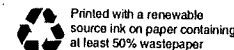
Please contact your state energy office or call DOE's Golden Field Office:

(303) 275-4755

(303) 275-4728

Produced for the
U.S. Department of Energy (DOE)
by the National Renewable Energy Laboratory,
a DOE national laboratory.

DOE/CH100093-243
DE93018211
October 1993



Bill Graves



Governor

Department of Health and Environment

James J. O'Connell, Secretary

April 17, 1995

The Honorable August (Gus) Bogina, Chairman
Senate Committee on Ways and Means
State House - Room 120 S
Topeka KS 66612

The Honorable Robin Jennison, Chairman
House Committee on Appropriations
State House - Room 514 S
Topeka KS 66612

Dear Chairmen:

Enclosed are the budget issues for Fiscal Year 1996, that reflect fiscal impacts or required actions of this agency based on legislation that has passed in the 1995 Legislative Session.

Performance based budgeting, as begun in FY 1995, provides a budget process that offers the potential of translating public policy discussion into outcome oriented achievement of policy goals and objectives. The 1995 Legislature, in this year's budget review process, has clearly expressed a number of policy concerns and has set out a number of specific tasks and objectives to be achieved before the 1996 Legislature convenes. The Department of Health and Environment takes very seriously the concerns and desires of the Legislature and intends to meet the policy and operational goals identified in the appropriations report.

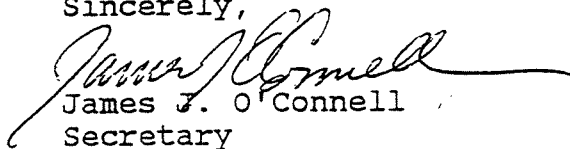
Among the recommendations made were the removal of "No Limit" authority from most funds in the KDHE appropriations bill. The reasons for these recommendations seemed to relate to safeguards against spending beyond the amounts actually available in each fund and to avoid the establishment of programs or services beyond the scope of those authorized by the Legislature or by the Finance Council. However, removal of "No Limit" authority for certain funds that support established local services through aid-to-local governments pass through of Federal funds may limit provision of these services where additional Federal funding might become available.

*SWAM
April 20, 1995
Attachment 16*

The recommendations reflected in the attachments to this letter are intended to allow the Department appropriate and necessary flexibility while it adheres to directions set by the Governor's Budget Recommendations as modified by action of the Legislature. They are submitted for your consideration when you return for the "Wrap-up" session next week.

Thank you for your attention to these requests. I look forward to working closely with you during the coming week and on many other occasions in the future.

Sincerely,


James J. O'Connell
Secretary

Enclosure

MNIBUS BILL CONSIDERATION ITEMS

Agency: Kansas Department of Health & Environment

Date: 4 / 17 / 95

Item No. 1 : "NO LIMIT" Authority restoration in Aid to Local funds

DESCRIPTION OF REQUEST :

The agency is requesting restoration of NO LIMIT FY 96 expenditure authority on:

Fund # 3070 entitled Veneral Disease Control Project - Federal

Fund # 3077 entitled Women, Infants and Children Health Program - Federal

Fund # 3614 entitled Preventive Health Services Block Grant - Federal

Fund # 3616 entitled Maternal & Child Health Services Block Grant - Federal

Fund # 3622 entitled Federal Title X Family Planning

Fund # 3740 entitled AIDS Project - Education and Risk Reduction

All of the above contained proviso language in the original appropriation bill that was introduced by the Governor with state operations limitations. This restoration will allow the agency to continue to "pass through" those federal funds that are directed to be granted out as Aid to Local Units of Government. Further, two other funds need to be NO LIMIT: Fund # 2183 entitled KDHE Training Fee Fund and Fund # 2265 entitled Local Air Quality Reg Serv Fund. The former is used as pass-through of fees collected to off-set the costs of training seminars given by the department to Local Health Departments. The latter is mandated by K S A 3008 (e) regarding construction permit fees that are "passed-through" to locals for reimbursement.

NEW INFORMATION SINCE INITIAL BUDGET SUBMISSION:

While the Department understands the desire of the Legislature to limit the agency's flexibility to expend additional federal funding for administrative types of costs, it should not subject the the local units of government to the potential reduction of fees or federal funds.

OMNIBUS BILL CONSIDERATION ITEMS

REVISED

Agency: Kansas Department of Health & Environment

Date: 4 / 18 / 95

Item No. 2 : 1995 Legislation and the estimated impact on K D H E

DESCRIPTION OF REQUEST :

The agency wishes to bring attention to the following 1995 approved Legislation and its estimated impact:

H sub for S B 127 Zero Tolerance Act: Establishes a new fee fund for Lab Equipment re: Breath Alcohol Testing
The agency asks for NO LIMIT authority as amounts coming into the fund are unpredictable.

S B 278 Fees for Copies: Authorizes agency Secretary to collect copying charges. A new fee fund is needed.
The agency asks for NO LIMIT authority as amounts coming into the fund are unpredictable.

H B 2015 Private Property Protection Act: \$50,000 S G F fiscal impact for contractual legal services
is NOT included in G B R. Further, any amount of S G F funds required to pay as compensation is
totally speculative.

H B 2036 Act concerning Waste Management: net revenue reduction to Solid Waste Fee Fund (#2271)

Sub for H B 2256 Drycleaning Bill: Establishes a new fee fund for dry cleaning facility release trust
fund. The agency asks for NO LIMIT authority as amounts coming into the fund are unpredictable.
fiscal impact includes 3.0 FTE (\$102,852); \$1,003,630 Contracts, \$3,350 Commodities, \$7,668 Cap Outlay
for a total expenditure estimate of \$1,117,500.

OMNIBUS BILL CONSIDERATION ITEMS

Agency: Kansas Department of Health & Environment

Date: 4 / 17 / 95

Item No. 3 : Disease Prevention & Health Promotion Fund

DESCRIPTION OF REQUEST :

The agency is requesting FY 96 state operations limitation increase to Fund #3071 entitled Disease Prevention and Health Promotion. The Governor's Budget Recommendation did not limit this account but only reflected expenditures of \$1,392,671 including dollars for the State Pay Plan. The agency is requesting that the limit established by the Legislature be increased by \$239,120. The additional dollars will allow the agency to continue a federally funded CDC initiative involving Diabetes Control in Kansas. SFY 96 will be the second year of a five year cooperative agreement that was awarded to the Bureau of Chronic Disease and Health Promotion in SFY 95. The award was set up in Fund # 3071 with an index number of 4710 - in that this fund was created by the 1994 Legislature in order to accept and expend new federal grants that related to health promotion activities. The grant allows for the continuation of a full time Program Administrator, a full time Epidemiologist, a half-time Secretary position and a part-time technical consultant to assist in designing a survey instrument.

NEW INFORMATION SINCE INITIAL BUDGET SUBMISSION:

The current project has KDHE staff work with diabetic patients (at the local community level), health care professionals, academic institutions, provider organizations/insurers, and Kansas businesses.

MNIBUS BILL CONSIDERATION ITEMS

Agency: Kansas Department of Health & Environment

Date: 4 / 17 / 95

Item No. 4 : Gifts, Grants & Donations Fund

DESCRIPTION OF REQUEST :

The agency is requesting FY 96 state operations limitation increase to Fund #7311 entitled Gifts, Grants and Donations. The Governor's Budget Recommendation did not limit this account but only reflected expenditures of \$460,993 including dollars for the State Pay Plan.

The agency is requesting that the limit established by the Legislature be increased by \$151,600.

The additional dollars will allow the agency to continue a Kansas Health Foundation funded partnership initiative which also includes the Kansas Board of Emergency Medical Services and the Kansas Medical Society. The initiative is for the purpose of developing a statewide E M S / trauma system plan. The project, which was begun in late FY 1995, will continue a three year cooperative agreement among the three partners, the funding of which was awarded to the Bureau of Local and Rural Health Systems. The award was set up in Fund # 7311 with an index number of 7020 - in that this fund was created by the 1994 Legislature in order to accept and expend all gifts, grants and donations that help finance health activities. This project allows for a fulltime Program Administrator (Health Planning Consultant) and a clerical support position (O A IV).

NEW INFORMATION SINCE INITIAL BUDGET SUBMISSION:

The Department became aware of this new private grant award in late S F Y 95; therefore, this information was not available at the time of the original budget submission.

16-7

Kansas Department of Health & Environment

Memorandum

TO: Ms. Pat Mah

DATE: 4 / 20 / 95

THROUGH: James J. O'Connell, Secretary *[Signature]*

FROM: Chris Stanfield *[Signature]*

RE: A - T - L Increases

As of this date, the one true expenditure limitation increase that is necessary due to an actual federal grant award increase involves the AIDS Project - H I V Prevention Fund (#3740).

The Bureau of Disease Control has been notified of a supplemental award (attached) that will be deposited in Fund # 3740 totaling \$659,433. This amount includes:

	<u>F Y 96</u>	
Salaries	78,740	Hlt Educator & Epidemiologist
Contractuals	12,200	
Commodities	2,454	
Aid to Locals	<u>566,039</u>	
TOTAL	659,433	

The increase of federal funds - awarded by competition with other states - will allow program staff to work with persons from local Kansas communities in providing unmet HIV prevention needs and building the capacity of local community health service providers.

Another item of extreme concern to the agency is the \$41,040 limitation on the KDHE training fee fund (#2183). The use of this fund dates back to FY 1983, when it was first created as a vehicle for the agency to provide training to persons involved in health care issues across the state of Kansas. While the estimate of receipts to be collected is very difficult to predict, using past historical data suggests that the current \$41,040 limit is far short of the potential need of the agency as illustrated in the following table:

FY 93	FY 94	FY 95	FY 96
<u>Actuals</u>	<u>Actuals</u>	<u>Yr to date</u>	<u>HB 2265</u>
\$116,168	\$104,377	\$77,445	\$41,040

By returning this fund to the original NO LIMIT account status, as recommended by the Governor, or by increasing the limit to approximately \$120,000, the agency will continue to be able to provide critically needed training to Kansas health care providers.

Finally, as evidenced by the attached table, Fund #3071, entitled Disease Prevention and Health Promotion has accumulated a significant amount of carry-over balances in several federal grant funded areas that are used in the Bureau of Chronic Disease and Health Promotion. The agency plans to request approval from the federal granting authority to expend these dollars in SFY 96 in the Aid-to-Local programs, thus we are requesting that the limitation as established by the 1995 Legislature on this fund be increased by \$505,272. This increase will allow the agency to "pass-through" to local units of government where needed Kansans are provided health services.

On a related matter, the large increase in Title I granted to the department in FY95 , and approved by the State Finance Council in the fall of 1994, has unfortunately NOT been received. It seems that the Dept of Education's appropriations by Congress have not been approved as yet, therefore, the agency is not able to "draw" \$2.2 M in federal funds for SFY 95 expenditures. The agency is requesting that this entire amount be shifted from SFY 95 to SFY 96 and that the expenditure limitation on Fund # 3516 be increased to \$4,431,371.

*SWAM
April 20, 1995
Attachment 17*

17-2

FY 1996

FUND # 3071 DISEASE PREVENTION & HEALTH PROMOTION

OLD FUND # FUND NAME NEW INDEX #	3075 TOBACCO (IMPACT) 4670	3091 T B 4610	3625 BREAST CANCER 4620	3644 REFUGEE 4650	3910 RURAL HLT 4640	3920 PRIM & SEC'D 4660	3630 PRIMARY CARE 4630	NEW B R F S 4680	NEW NUTRITION 4690	NEW BURNS PREV 4700	NEW DIABETES 4710	TOTAL
SALARIES	140,840	120,097	34,782	0	85,327	144,185	82,291	50,000	49,804	77,000	109,703	894,029
CONTRACTUAL	47,399	29,500	1,919	1,500	36,283	67,896	125,832	9,842	15,725	14,115	122,247	472,258
COMMODITIES	11,117	62,260	750	0	2,500	4,560	1,000	0	24,400	1,200	6,600	114,387
CAPT OUTLAY	0	0	250	0	1,504	1,000	2,200	1,600	9,000	3,000	0	18,554
AID TO LOCALS	100,563			32,000					0			132,563
TOTAL	299,919	211,857	37,701	33,500	125,614	217,641	211,323	61,442	98,929	95,315	238,550	1,631,791

CARRYOVERS FROM SFY 95

130,000

147,000

19,000

113,000

96,272

505,272



KANSAS

OFFICE OF CONSUMER CREDIT COMMISSIONER

Bill Graves
Governor

Wm. F. Caton
Commissioner

April 17, 1995

Senator Gus Bogina, Chairman
Ways & Means Committee
Statehouse, Room 120-S
Topeka, Kansas 66612

Dear Senator Bogina:

As you are aware, Senate Bill 95 authorizes claims payments of \$59,095 from the Consumer Credit Fee Fund. Our FY 1995 budget expenditure authorization is \$353,121 of which approximately 84% is staff salaries.

We have prudently reduced staff size in this office from seven to six full time employees and our FY 1996 budget reflects only six FTEs. Therefore, our FY 1995 budget expenditure authorization is insufficient to cover a portion but not all of the additional unbudgeted expense created by Senate Bill 95.

I am respectfully requesting an increase of FY 1995 budget expenditure authorization by \$10,000 to \$363,121 which would allow this office to promptly pay all claims from FY 1995 budget expenditures. This office is unable to make expenditure cuts in the remainder of FY 1995 to accommodate this expenditure without jeopardizing our statutory duty to administer the Kansas Uniform Consumer Credit Code and Kansas Fair Credit Reporting Act.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Wm. F. Caton".

Wm. F. Caton
Commissioner

cc: Susan Weigers
Kathy Sexton

SWAM
April 21, 1995
Attachment 18

FROM 12-17-94 EXTRACT:

Classified

Temporary	1,663
Emergency	100
Intermittent	2,474
Permanent	29,191
Total	33,428

Unclassified

Temporary	3,111
Emergency	21
Intermittent	3,089
Permanent	13,431
Total	19,652

Totals

Temporary	4,774
Emergency	121
Intermittent	5,563
Permanent	42,622
Total	53,080

SWAM
April 21, 1995
Attachment 19

SHARP PROJECT PERSONAL COMPUTERS AND EQUIPMENT

The following amounts were requested by the agencies noted and were included in the Governor's recommendation. The funding noted was deleted from the agency budget to be appropriated to the Department of Administration (D of A) in the Omnibus Bill.

Agency	State General Fund	Other Funds	Total	Comments	GBA No. 4 Recommendation	House Subcommittee Recommendation	Senate Recommendation
FY 1995:							
State Treasurer	\$ 3,000	\$ 0		Includes 1 PC and related equipment.	Concur.	Concur.	
Department of Administration	0	316,677		Includes 47 PCs, printers, servers, and software. This funding has already been transferred to the Computer Services Recovery Fund (the SHARP Fund).	GBA No. 4 does not include this item, presumably because no action needs to be taken to transfer this funding.	Concur with \$316,677 Computer Services Recovery Fund.	
Subtotal FY 1995	\$ 3,000	\$ 316,677		48 PCs			
Subtotal All Funds FY 1995			\$ 319,677				
FY 1996:							
Kansas Corporation Commission	\$ 0	\$ 17,332		Includes 7 PCs Macintosh environment; agency has offices in several locations.	Concur.	Concur.	
Insurance Department	0	5,000		Includes 2 PCs	Concur.	Concur.	
Judicial Branch	0	44,904		Includes 10 PCs Macintosh environment; both Committees recommend that Judicial Technology Fund money not be transferred to D of A, but that Judicial Branch work with SHARP project personnel.	GBA No. 4 does not include this item, presumably because no action needs to be taken to transfer this funding.	Concur with \$44,904 for Judicial Technology Fund.	
KPERS	0	48,000		Includes 12 PCs Macintosh environment; frequent use of personnel/payroll system. On April 17, KPERS submitted a revised request for a total of \$101,600 for hardware and software to provide 25 staff with access to the SHARP database. SHARP personnel are reviewing the KPERS request.	GBA No. 4 recommends \$48,00 from the State General Fund in FY 1996.	Based on SHARP project review of the agency's revised request, the Subcommittee recommends \$78,600 from other funds in FY 1996.	
Legislative Agencies	4,800	0		Includes 2 PCs	Concur.	Concur.	
Department of Revenue	36,530	0		Includes 13 PCs and related equipment; Macintosh environment.	Concur.	Concur.	
Board of Tax Appeals	5,144	0		Includes 2 PCs	Concur.	Concur.	
Department of Human Resources	0	27,000		Includes 5 PCs	Concur.	Concur.	

SWAM
 April 21, 1995
 Attachment 20

90-2

Agency	State General Fund	Other Funds	Total	Comments	GBA No. 4 Recommendation	House Subcommittee Recommendation	Senate Recommendation
Department of Corrections	9,000	0		Includes 3 PCs	Concur.	Concur.	
El Dorado Correctional Facility	19,142	0		Includes 3 PCs	Concur.	Concur.	
Ellsworth Correctional Facility	12,798	0		Includes 1 PC	Concur.	Concur.	
Hutchinson Correctional Facility	25,190	0		Includes 5 PCs	Concur.	Concur.	
Lansing Correctional Facility	15,516	0		Includes 2 PCs	GBA No. 4 recommends \$12,798 from the State General Fund.	Recommends \$15,516 from the State General Fund. This is the amount originally recommended by the Governor.	
Larned Corr. Mental Health Facility	15,431	0		Includes 2 PCs	Concur.	Concur.	
Norton Correctional Facility	12,708	0		Includes 1 PC	Concur.	Concur.	
Topeka Correctional Facility	16,196	0		Includes 2 PCs	Concur.	Concur.	
Winfield Correctional Facility	12,798	0		Includes 1 PC	Concur.	Concur.	
State Fire Marshall	0	6,198		Includes 3 PCs	Concur.	Concur.	
Highway Patrol	30,338	0		Includes 7 PCs	Concur.	Concur.	
Subtotal FY 1996	\$ 215,591	\$ 148,434		83 Pcs	Subtotal FY 1996:	\$215,591 SGF	
Subtotal All Funds FY 1996			\$ 364,025			\$179,034 Other Funds	
						\$394,625 All Funds	

In addition to the amounts noted above, the Governor's recommendation included \$20,000 each for Osawatomie and Topeka State Hospitals for SHARP equipment. The House and Senate both deleted this funding because funding for the Department of Social and Rehabilitation Services (SRS) institutions will be considered together with the SRS request. The amounts noted do not include any funding for SRS computers. SRS submitted a Governor's Budget Amendment request for SHARP project funding. GBA No. 4, Item 38 (page 17) recommends \$240,236 from the State General Fund and \$240,235 from other funds for a total of \$480,471.

The following items were not included in the Governor's original budget recommendation. The "comments" column notes the specific Legislative recommendation for each item.

	State General Fund	Other Funds	Total	Comments	GBA No. 4 Recommendation	House Subcommittee Recommendation	Senate Recommendation
FY 1995							
State Library	\$ 2,894	\$ 0		The Governor did not recommend additional funding for this item. The agency found current year savings for SHARP equipment, and this amount was deleted by both the House and Senate to be appropriated to D of A in Omnibus.	\$2,894 SGF in FY 1996.	Concur with legislative position of \$2,894 in FY 1995.	
FY 1996							
Emergency Medical Services	\$ 4,350	\$ 0		The House did not recommend funding for this item. The Senate recommended that the agency consult with SHARP and that this be reviewed in Omnibus.	\$4,350 SGF in FY 1996.	Concur with GBA No. 4	
Board of Indigents Defense Services	15,600	0		The Senate recommended that \$15,600 be appropriated to D of A in Omnibus. The House concurred. SHARP personnel state that \$6,000 would fund SHARP equipment for the central office and that the additional amounts would fund the existing regional public defender offices.	\$3,000 SGF in FY 1996.	Concur with GBA No. 4	
Judicial Council	1,170	0		The Senate recommended that agency determine its needs and present its request to the House. The House recommended that \$1,170 be appropriated to D of A in Omnibus.	\$1,170 SGF in FY 1996.	Concur with GBA No. 4	
Kansas Bureau of Investigation	15,710	0		The House did not address this item. The Senate recommended that the agency request a Governor's Budget Amendment and that this be addressed as an Omnibus item.	\$13,720 SGF in FY 1995. This was the amount requested in the agency's GBA request.	Concur with GBA No. 4	
Legislative Research Department	1,298	0		The House did not address this item. The Senate recommended that this item be appropriated to D of A in Omnibus to permit the agency to acquire network software for fiscal staff to access SHARP.	\$1,298 SGF in FY 1996.	Concur with GBA No. 4	
State Conservation Commission	4,431	0		The Senate Committee did not address this item. The House recommended \$4,431 for one printer, a computer upgrade, and related software.	\$4,431 SGF in FY 1996.	Concur with GBA No. 4	

20-4

	State	Other	Total	Comments	GBA No. 4	House Subcommittee	Senate
	General Fund	Funds			Recommendation	Recommendation	Recommendation
Animal Health Department	2,500	0		The Senate did not address this item. The House recommended \$2,500 for one PC.	\$2,500 SGF in FY 1996.	Concur with GBA No. 4	
Kansas Water Office	4,184	0		The Senate did not address this item. The House recommended \$4,184 for 2 PCs.	\$4,184 SGF in FY 1996.	Concur with GBA No. 4	
Attorney General	0	0		--	\$9,326 SGF in FY 1996.	Concur with GBA No. 4	
Department of Credit Unions	0	0		--	\$2,500 from fee fund in FY 1996.	Concur with GBA No. 4	
Kansas Real Estate Commission	0	0		--	\$4,680 from fee fund in FY 1996.	Concur with GBA No. 4	
Board of Tax Appeals	0	0		--	\$5,144 SGF in FY 1996.	Concur with GBA No. 4	
SRS	0	0		--	\$240,236 SGF and \$240,235 other funds in FY 1995 (total of \$480,471)	Concur with GBA No. 4	
Subtotal FY 1996	\$ 49,243	\$ 0			Subtotal FY 1996:	\$279,989 SGF	
						\$243,065 Other Funds	
Subtotal All Funds FY 1996			\$ 49,243			\$523,054 All Funds	

GRAND TOTALS			
	SGF	Other Funds	Total All Funds
FY 1995	\$ 19,614	\$ 319,677	\$ 339,291
FY 1996	495,580	422,099	917,679
TOTAL	\$ 515,194	\$ 741,776	\$ 1,256,970



KANSAS

DEPARTMENT OF COMMERCE & HOUSING

Bill Graves
Governor

Gary Sherrer
Secretary

04-21-95

Senator Bogina,

I know that you have worked with Secretary Sherrer on the proposal to shift EDIF funds from the abolished KBEL program to the Kansas Economic Opportunity Initiatives Fund (KEOIF) and thought you should be brought up to date on it's reception in House Appropriations.

Our House Appropriations Subcommittee, composed of Representatives Mollenkamp, Haulmark and Nichols, elected to ignore the Governor's Budget Amendment effecting the transfer of EDIF from KBEL to KEOIF and instead placed those EDIF monies into other programs. Their new distribution includes:

\$250,000	to Small Business Development Centers
\$250,000	to KTEC Commercialization Centers
\$500,000	to Vocational Technical Schools
\$ 80,000	to Washburn University Library

The House Appropriations Committee, earlier today, accepted these recommendations made by the subcommittee.

Secretary Sherrer is due back sometime late this afternoon and I am sure he will be in contact with you, but I felt it appropriate to update you on where things currently stand in the House.

I have attached a copy of a memo from Secretary Sherrer with support information regarding the need for these funds, which was provided to House Appropriations prior to their action this morning.

Thank you,



KANSAS

DEPARTMENT OF COMMERCE & HOUSING

Bill Graves
Governor

Gary Sherrer
Secretary

MEMORANDUM

TO: Members of the House Appropriations Committee

FROM: Gary Sherrer
Secretary

DATE: April 21, 1995

The Department of Commerce and Housing is working with communities throughout the state to retain and increase jobs for Kansans. There are a number of projects that most likely will depend on the state's participation through the use of the Kansas Economic Opportunity Initiatives Fund (KEOIF). The attachment shows the counties and dollar amounts involved in the current round of applications. It will be impossible to fund all of these without additional funding for fiscal year 1995. That is the basis for the request to transfer the funds in KBEL to KEOIF.

Please consider the fact that KBEL was originally funded with EDIF dollars and it would be appropriate for those dollars to be directed to economic development. Also please understand that these projects are real, they will create jobs and many will depend on whether the funds of KBEL will be transferred to KEOIF or not. I do not believe that dividing the KBEL funds up and giving them to programs, that although worthwhile, do not demonstrate they would have the impact of these KEOIF grants, is good economic development policy.

I urge you to overturn the action of the subcommittee and support the Governor's recommendation.

I regret I have to be in Washington, D.C. and can not deliver this request in person. I will be available all next week to answer any questions you might have. Please support the transfer of the KBEL dollars to KEOIF. It will make the difference to jobs being brought to these communities or not. Again, I apologize for my inability to be at your meeting and look forward to visiting with you in the future regarding this issue.

THE KANSAS DEPARTMENT OF COMMERCE & HOUSING

The following are Kansas Economic Opportunity Initiatives Fund (KEOIF) project requests/inquiries which are anticipated for review prior to the end of FY95. Company names have been kept confidential, but information as to county site has been supplied. This list represents the known demand for KEOIF funds in FY95.

<u>Amount of Request</u>	<u>Project Location</u>	<u>Number of Projects</u>
\$400,000	Reno County	1
750,000	Shawnee County	2
700,000	Labette County	2
150,000	Douglas County	1
500,000	McPherson County	1
70,000	Johnson County	1
100,000	Barton County	1
200,000	Hamilton County	1
<hr/>		
\$2,870,000	= Total FY95 requests pending	
472,000	= Uncommitted FY95 KEOIF funds available	
<hr/>		
\$2,398,000	= FY95 KEOIF Shortfall	



KANSAS BOARD OF REGENTS

700 SW HARRISON • SUITE 1410 • TOPEKA, KS 66603-3760

GENERAL ADMINISTRATION - 913 296-3421 • STUDENT ASSISTANCE - 913 296-3517 • FAX 913 296-0983

MEMORANDUM

Date: April 14, 1995

To: Senator Gus Bogina, Chair of Senate Ways & Means Subcommittee
Senator Barbara Lawrence, Chair of Senate Ways & Means

From: Stephen M. Jordan, Executive Director *SMS*

Re: Student Financial Aid - Federal Funding Update

Thank you for your leadership in recommending additional funds to the Kansas State Scholarship program in light of Congressional action to eliminate all State Student Incentive Grant (SSIG) funding. As you know, SSIG was budgeted to provide over \$700,000 of the state scholarship program in FY 1996.

The U.S. House had earlier rescinded all funding for SSIG during the upcoming fiscal year. U.S. Senate action last Thursday denied the rescissions, thus restoring funding to the earlier level which would provide Kansas students with \$701,828 in 1995-96. This unexpected move is heartening, but a phone call to Senator Kassebaum's office causes us to conclude that a compromise is likely and negotiations may lead to funding which will give Kansas students about \$350,000. A decision is expected in mid-May.

If a compromise results in SSIG funding of approximately \$350,000, then the State Scholarship Program will only need about \$500,000 from State appropriations in order to fund this fall's sophomores, juniors and seniors. We will inform you of any activity as soon as we learn of it.

Thank you also for providing a transition for Paul Douglas Teacher Scholars. The Federal Paul Douglas Teacher Scholarship Program is unofficially ended. A letter from the U.S. Department of Education this week informed us that Congressional action has been supported by the Senate.

The Student Financial Aid staff is in the process of notifying these students of the option to transfer to the Kansas Teacher Scholarship Program under the conditions outlined in your subcommittee recommendation which include the demonstration of financial need and commitment to provide one year of teaching service in Kansas for each year of scholarship support from Kansas taxpayers.

Again, thank you for the support you have shown to financially needy students who are caught in middle of a volatile federal funding environment.

SWAM
April 24, 1995
Attachment 22



Kansas Action for Children, Inc.

Where Kansas Kids Count!

715 SW 10th Suite 215
PO Box 463
Topeka, Kansas 66601-0463
Phone: (913) 232-0550
Fax: (913) 232-0699

Johannah Bryant
Executive Director

BOARD OF DIRECTORS

Mark Ault
Topeka
Merle Bolz
Emporia
Mark Bonavia
Kansas City
Margot Breckbill
Wichita
Connie Brouillette
Shawnee Mission
Charles Crane, M.D.
Manhattan
Julian Woods Cripe
Dennis
Jack Focht
Wichita
Judy Frick
Wichita
Kathleen Holt
Cimarron
Greta McFarland Huebert, M.D.
Chanute
Aletha Huston
Lawrence
Diana Loevenguth
Overland Park
Eleanor Lowe
Shawnee Mission
Katie Mallon
Kansas City
Larry McCants
Goodland
Ted Mintun
Salina
John Murray
Manhattan
Joyce Romero
Topeka
Juanita Sanchez
Dodge City
Linda Schmidt
Hutchinson
Nancy McCarthy Snyder
Wichita
Marion Springer
Lawrence
Judith Steele
Hutchinson
Mary Tikwart
Shawnee Mission
Bill D. Vietti
Chanute
Clardy Vinson
Topeka
Deanne Wright
Manhattan

ADVISORY COMMITTEE

Senator Nancy Kassebaum
(Honorary)
Senator Richard Bond
Fred Bryan
Judge Kathryn Carter
James Lynn Casey, M.D.
Mark Chamberlin
Ben Craig
Richard A. Guthrie, M.D.
Nancy Hiebert
Walt Hiersteiner
Hon. Betty Keim
Ellen B. Laner
Sue Lockett
Nancy Parrish
Senator Alicia Salisbury
Patricia Schloesser, M.D.
Marian Washington

CITIES IN SCHOOLS (Also called "COMMUNITIES IN SCHOOLS")

GOAL OF CITIES/COMMUNITIES IN SCHOOLS (CIS)

To redirect the services of community agencies through the schools in a comprehensive, family-focused, neighborhood-based system of delivery. Programs are locally developed and administered, with all funding raised from local sources.

GOAL OF A STATEWIDE CIS OFFICE

To provide assistance to communities developing or wishing to develop Communities in Schools programs, family resource centers, neighborhood resource centers, or other comprehensive family support programs.

BENEFITS OF A STATEWIDE CIS OFFICE

- o Ability to respond to the numerous local communities which have expressed an interest in a local CIS program or other family support program.
- o Expansion to additional sites in Kansas of a primary prevention program which can help to address such problems as school failure, violence in schools, truancy, and low graduation rates.
- o Efficiency through a coordinated approach to technical assistance, staff training, and recordkeeping--thereby saving money and eliminating duplication.

FUNDING FOR A STATEWIDE OFFICE

Kansas has an opportunity to leverage federal dollars with a small contribution by the state. A two-year federal HUD grant has been offered to Kansas, to match funds raised in the state dollar-for-dollar. The following funding formula is proposed:

	State	Private	Federal	TOTAL
1996	\$50,000	\$25,000	\$75,000	\$150,000
1997	50,000	25,000	75,000	150,000
1998	50,000	100,000		150,000

FOR MORE INFORMATION:

Sydney Hardman
Kansas Action for Children
(913) 232-0550

OR Judy Frick
Wichita/Sedgwick Co. Cities in Schools
(316) 833-5110

SWAM
April 24, 1995
Attachment 23

State of Kansas

Request for Governor's Budget Amendment

Agency: Kansas Department of Health & Environment

Date: 4 / 7 / 95

Item No. 1 : New CDC grant for Breast & Cervical Cancer Early Detection Program

Description of Request:

The Department of Health & Environment has recently been awarded a Health and Human Services grant entitled Comprehensive Breast and Cervical Cancer Early Detection and Control Program in the amount of \$750,000 (including \$75,000 of indirects). The new federal dollars are an extension of a prior planning grant (#3071 - 4620) and will be used in the Bureau of Chronic Disease and Health Promotion. This grant will enable KDHE to provide Kansas women with the ability to receive lifesaving early detection services. These include free mammograms, pap smears, and pelvic exams to women who meet income eligibility guidelines in the target populations statewide. It promotes age-appropriate breast and cervical cancer screens. The funding will support three new FTE positions (\$100,536) including a Public Services Administrator I, a Nurse Consultant and a clerical support position to track the data records to be submitted from the contracted field staff (3) in Garden City, Wyandotte CO and Wichita. Additionally, the funding will supplant funding for 2.5 existing FTEs (\$83,500) that were created by the original planning grant.

New Information Since Initial Budget Submission :

The federal government is investing considerable funding over the next five years toward the goal of reducing the incidence of breast and cervical cancer in all states. Kansas should take this opportunity to provide low-cost and free screening services to combat the second leading cause of death and disability in our state.

SWAM
April 25, 1995
Attachment 24

**KPERS Retirement Reductions
(KSA 75-6801)
Year to Date Totals**

FY 1995

	SGF	All Funds	FTE
Retirements Reduced	(2,858,513)	(7,147,975)	(367.0)
Retirements Restored	1,540,895	3,883,100	207.5
Net Reduction	(\$1,317,618)	(\$3,264,875)	(159.5)
Percentage Restored	53.9%	54.3%	56.5%
Retirements Appealed	1,889,594	4,586,790	276.7
Percentage if Restored	66.1%	64.2%	75.4%

Transfers to the Retirement Salary Recapture Fund would affect only the State General Fund portion of the Executive Branch agencies.

Reduction Summary by Agency

Agency

Agency	Budgeted Salary			Reduction Amount (FY 1995 Budgeted Minus Actual Salaries Paid)			Appealed For Restoration FY 1995			FTE Restored By Governor FY 1995			Total Net Reduction (Reduction Amount Minus Positions Restored)		
	SGF	All Funds	FTE	SGF	All Funds	FTE	SGF	All Funds	FTE	SGF	All Funds	FTE	SGF	All Funds	FTE
Function One															
16 Abstracters Board of Examiners	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28 Board of Accountancy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
173 Department of Administration	184,090	325,938	-	(140,481)	(234,612)	(6.0)	118,773	134,294	4.0	56,177	71,698	2.0	(84,304)	(162,914)	(4.0)
82 Attorney General	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
94 Banking Department	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100 Board of Barbering	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
102 Behavioral Sciences Regulatory Board	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
122 Citizens' Utility Ratepayer Board	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
300 Commerce and Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
454 Consumer Credit Commissioner	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
143 Kansas Corporation Commission	-	109,786	-	-	(59,630)	(3.0)	-	34,059	2.0	-	27,673	2.0	-	(31,957)	(1.0)
149 Board of Cosmetology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
159 Department of Credit Unions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
167 Kansas Dental Board	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
247 Gov Standards & Conduct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
252 Office of the Governor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
105 Board of Healing Arts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
266 Hearing Aid Board of Examiners	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58 Kansas Human Rights Commission	27,636	43,181	-	(10,223)	(15,973)	(1.0)	10,223	15,973	1.0	-	-	-	(10,223)	(15,973)	(1.0)
328 Board of Indigents' Defense Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
331 Insurance Department	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
333 Interstate Cooperation Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
349 Judicial Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
677 Judiciary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
365 KPERS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
371 Kansas Technology Enterprise Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
360 Kansas, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
422 Legislative Coordinating Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
540 Legislative Division of Post Audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
431 Legislative Education Planning Comm.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
425 Legislative Research Department	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
428 Legislature	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
446 Office of the Lieutenant Governor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
450 Kansas Lottery	-	64,374	-	-	(31,523)	(2.0)	-	32,952	2.0	-	30,839	1.0	-	(684)	(1.0)
204 Board of Mortuary Arts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
482 Board of Nursing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
488 Board of Examiners in Optometry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
531 Board of Pharmacy	-	30,123	-	-	(25,101)	(1.0)	-	30,123	1.0	-	25,101	1.0	-	-	-
553 Kansas Racing Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Kansas Real Estate Appraisal Board	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
549 Kansas Real Estate Commission	-	31,785	-	-	(26,411)	(1.0)	-	22,047	1.0	-	22,047	1.0	-	(4,364)	-
565 Department of Revenue	517,615	1,045,021	-	(254,628)	(523,226)	(31.8)	168,661	288,325	18.0	132,836	255,554	12.8	(121,792)	(267,672)	(19.0)
579 Revisor of Statutes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
597 Savings and Loan Department	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
622 Secretary of State	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
625 Office of the Securities Commissioner	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
562 Board of Tax Appeals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
663 Board of Technical Professions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
670 State Treasurer	64,284	64,284	-	(64,284)	(64,284)	(1.0)	64,284	64,284	1.0	64,284	64,284	1.0	-	-	-
700 Board of Veterinary Examiners	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Function One Total	793,625	1,714,492	-	(489,616)	(980,760)	(46.8)	368,941	622,057	30.0	253,297	497,196	20.8	(216,319)	(483,564)	(26.0)

25-2

Retirement Reduction
Summary by Agency

Agency

	Budgeted Salary			Reduction Amount (FY 1995 Budgeted Minus Actual Salaries Paid)			Appealed For Restoration FY 1995			FTE Restored By Governor FY 1995			Total Net Reduction (Reduction Amount Minus Positions Restored)		
	FY 1995		FTE	SGF		All Funds	FTE	SGF		All Funds	FTE	SGF		All Funds	FTE
	SGF	All Funds		SGF	All Funds			SGF	All Funds			SGF	All Funds		
Function Two															
39 Department on Aging	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
140 Corporation for Change	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
264 Health and Environment - Health	174,966	407,459	--	(113,206)	(217,523)	(12.0)	47,407	108,098	8.5	34,161	43,900	3.0	(79,045)	(173,623)	(9.0)
268 Healthy Kids Corporation	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
565 Homestead Property Tax Refunds	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
296 Department of Human Resources	989	878,285	--	(294)	(482,394)	(23.0)	294	386,483	16.0	--	301,925	10.0	(294)	(180,469)	(13.0)
363 Kansas Neurological Institute	25,875	63,575	--	(25,875)	(63,575)	(2.0)	9,712	23,862	1.0	9,712	23,862	1.0	(16,163)	(39,713)	(1.0)
410 Larned State Hospital	269,566	442,149	--	(201,988)	(322,213)	(14.0)	19,083	30,883	2.0	--	--	--	(201,988)	(322,213)	(14.0)
494 Osawatimile State Hospital	15,283	30,566	--	(8,345)	(16,690)	(1.0)	--	--	--	--	--	--	(8,345)	(16,690)	(1.0)
507 Parsons St. Hospital & Training Center	80,226	185,126	--	(56,461)	(140,055)	(5.0)	31,323	61,982	4.0	28,645	57,862	3.0	(27,816)	(82,193)	(2.0)
555 Rainbow Mental Health Facility	37,822	77,582	--	(23,773)	(50,622)	(1.5)	15,643	34,406	1.5	14,641	32,600	1.0	(9,132)	(18,022)	(0.5)
628 Social and Rehabilitation Services	680,100	1,260,624	--	(363,391)	(693,596)	(38.5)	271,566	479,677	38.5	238,555	413,337	26.5	(124,836)	(280,259)	(12.0)
664 Topeka State Hospital	21,778	21,778	--	(5,487)	(5,487)	(0.5)	2,133	6,043	0.5	--	--	--	(5,487)	(5,487)	(0.5)
694 Commission on Veterans Affairs	132,194	141,258	--	(99,058)	(103,408)	(5.0)	77,205	80,550	5.0	49,572	51,314	3.0	(49,486)	(52,094)	(2.0)
713 Winfield St. Hospital & Training Center	70,488	148,140	--	(43,879)	(93,360)	(7.0)	--	--	--	--	--	--	(43,879)	(93,360)	(7.0)
Function Two Total	1,509,288	3,656,542	--	(941,758)	(2,188,923)	(109.5)	474,366	1,211,984	77.0	375,286	924,800	47.5	(566,471)	(1,264,123)	(62.0)

Function Three

359 Kansas Arts Commission	19,984	30,279	--	(16,625)	(24,813)	(1.0)	13,909	20,760	1.0	13,409	20,104	1.0	(3,216)	(4,709)	--
604 School for the Blind	50,499	50,499	--	(42,645)	(42,645)	(1.7)	42,005	42,005	1.7	42,005	42,005	1.7	(640)	(640)	--
610 School for the Deaf	35,492	35,492	--	(35,492)	(35,492)	(2.0)	17,834	17,834	2.0	12,172	12,172	1.0	(23,320)	(23,320)	(1.0)
652 Department of Education	63,627	124,538	--	(45,700)	(71,313)	(3.0)	37,737	60,881	3.0	37,737	60,881	3.0	(7,963)	(10,432)	--
652 State Board of Education	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
379 Emporia State University	121,462	211,114	--	(39,275)	(72,869)	(8.0)	36,866	70,460	6.0	27,575	59,241	4.0	(11,700)	(13,628)	(4.0)
246 Fort Hays State University	58,749	56,749	--	(36,193)	(36,193)	(2.0)	36,193	36,193	2.0	36,193	36,193	2.0	--	--	--
288 Historical Society	104,204	104,204	--	(48,327)	(48,327)	(4.0)	27,811	27,811	4.0	20,561	20,561	2.0	(27,766)	(27,766)	(2.0)
365 KPERS - School	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
367 Kansas State University	198,205	344,893	--	(120,945)	(212,198)	(13.0)	101,535	172,308	11.0	101,535	167,795	9.0	(19,410)	(44,403)	(4.0)
368 KSU - Salina	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
367 KSU Veterinary Medical Center	--	33,389	--	--	(25,296)	(1.0)	--	25,296	1.0	--	25,296	1.0	--	--	--
367 Kansas State University - ESARP	22,687	22,687	--	(12,717)	(12,717)	(1.0)	12,717	12,717	1.0	12,717	12,717	1.0	--	--	--
434 State Library	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
385 Pittsburg State University	68,422	68,422	--	(27,135)	(27,135)	(2.0)	27,135	27,135	2.0	19,424	19,424	1.0	(7,711)	(7,711)	(1.0)
548 Public Broadcasting Commission	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
561 Board of Regents	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
670 State Treasurer - Bond Retirement	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
682 University of Kansas	213,527	572,057	--	(151,465)	(401,310)	(19.0)	128,238	322,038	14.0	112,824	292,693	13.0	(38,641)	(108,617)	(6.0)
683 KU Medical Center - Education	194,452	217,119	--	(98,208)	(114,070)	(8.0)	97,831	97,831	6.0	53,857	91,076	6.0	(44,351)	(22,994)	(2.0)
683 KU Medical Center - Hospital	207,427	456,563	--	(120,025)	(223,128)	(17.0)	38,237	133,254	10.0	45,193	117,680	7.0	(74,832)	(105,448)	(10.0)
36 Council on Vocational Education	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
715 Wichita State University	391,853	500,884	--	(185,279)	(227,283)	(15.0)	144,638	144,638	13.0	129,291	129,291	9.0	(55,988)	(97,992)	(6.0)
Function Three Total	1,748,590	2,828,889	--	(980,031)	(1,574,789)	(97.7)	782,666	1,211,159	77.7	664,493	1,107,129	61.7	(315,538)	(467,660)	(36.0)

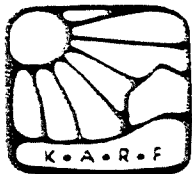
25-3

Retirement Reduction Summary / Agency

Agency

	Budgeted Salary			Reduction Amount (FY 1995 Budgeted Minus Actual Salaries Paid)			Appealed For Restoration FY 1995			FTE Restored By Governor FY 1995			Total Net Reduction (Reduction Amount Minus Positions Restored)		
	SGF	All Funds	FTE	SGF	All Funds	FTE	SGF	All Funds	FTE	SGF	All Funds	FTE	SGF	All Funds	FTE
Function Four															
34 Adjutant General	26,933	58,583	--	(12,538)	(27,813)	(2.0)	10,765	24,229	2.0	10,765	24,229	2.0	(1,773)	(3,584)	--
118 Department of Civil Air Patrol	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
521 Department of Corrections	88,150	88,150	--	(78,690)	(78,690)	(2.5)	46,854	46,854	2.5	40,958	40,958	2.0	(37,732)	(37,732)	(0.5)
147 Ombudsman of Corrections	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
195 El Dorado Correctional Facility	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
177 Ellsworth Correctional Facility	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
206 Emergency Medical Services Board	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
234 State Fire Marshal	--	34,480	--	--	(17,136)	(1.0)	--	10,796	1.0	--	--	--	--	(17,136)	(1.0)
280 Highway Patrol	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
313 Hutchinson Correctional Facility	58,216	58,216	--	(25,287)	(25,287)	(1.5)	19,887	19,887	1.5	14,122	14,122	0.5	(11,165)	(11,165)	(1.0)
82 Kansas Bureau of Investigation	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
400 Lansing Correctional Facility	96,083	96,083	--	(75,293)	(75,293)	(3.0)	33,917	33,917	2.0	33,917	33,917	2.0	(41,376)	(41,376)	(1.0)
408 Larned Correctional MH Facility	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
581 Norton Correctional Facility	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
523 Kansas Parole Board	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
626 Kansas Sentencing Commission	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
660 Topeka Correctional Facility	34,788	34,788	--	(16,111)	(16,111)	(1.0)	18,054	18,054	1.0	15,797	15,797	1.0	(314)	(314)	--
712 Winfield Correctional Facility	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
355 Youth Center at Atchison	27,147	27,147	--	(11,558)	(11,558)	(1.0)	7,942	7,942	1.0	7,942	7,942	1.0	(3,616)	(3,616)	--
325 Youth Center at Beloit	31,053	31,053	--	(31,053)	(31,053)	(1.0)	13,895	13,895	1.0	13,895	13,895	1.0	(17,158)	(17,158)	--
319 Youth Center at Topeka	135,553	135,553	--	(90,531)	(90,531)	(4.0)	50,402	50,402	4.0	38,677	38,677	2.0	(51,854)	(51,854)	(2.0)
Function Four Total	497,923	564,063	--	(341,081)	(373,472)	(17.0)	201,728	225,986	16.0	176,073	189,537	11.5	(164,988)	(183,935)	(5.5)
Function Five															
46 Board of Agriculture	89,506	170,649	--	(74,857)	(114,578)	(4.0)	60,826	93,045	4.0	60,826	93,045	4.0	(14,031)	(21,533)	--
55 Animal Health Department	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
634 State Conservation Commission	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
258 Grain Inspection Department	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
264 Health and Environment - Environ.	59,743	219,691	--	(42,151)	(156,424)	(5.0)	17,659	85,683	5.0	9,042	53,066	3.0	(33,109)	(103,358)	(2.0)
373 Kansas State Fair	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
709 Kansas Water Office	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
391 Kansas Wheat Commission	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
710 Department of Wildlife and Parks	34,372	251,407	--	(9,040)	(140,349)	(7.0)	13,390	136,997	7.0	1,878	104,125	5.0	(7,162)	(36,224)	(2.0)
Function Five Total	183,621	641,747	--	(126,048)	(411,351)	(16.0)	91,875	315,735	16.0	71,746	250,236	12.0	(54,302)	(161,115)	(4.0)
Function Six															
276 Kansas Department of Transportation	--	2,983,194	--	--	(1,618,680)	(60.0)	--	999,870	60.0	--	914,202	54.0	--	(704,478)	(26.0)
Statewide Total	4,733,046	12,368,927	--	(2,858,513)	(7,147,975)	(367.0)	1,889,594	4,586,790	277	1,540,895	3,883,100	207.5	(1,317,618)	(3,264,875)	(159.5)

7-58



Kansas Association of Rehabilitation Facilities

Jayhawk Tower • 700 Jackson • Suite 212 • Topeka, Kansas 66603-3757
(913) 235-5103 • Fax (913) 235-0020

April 20, 1995

Senator Gus Bogina, Chairman
Senate Ways and Means Committee
Room 120-South
State Capitol
Topeka, Kansas 66612

Dear Senator Bogina:

In your deliberations on the Omnibus Appropriations bill, our Association respectfully requests that you consider the funding issues surrounding the Vocational Rehabilitation program for persons with Mental Retardation and other developmental disabilities (VR/MR program).

In the SRS budget (SB 343), two major changes were adopted for the VR/MR program which in our opinion should be reconsidered...

1. Funding was moved from the Mental Health and Retardation (MHR) budget to the Rehabilitation Services budget. These funds should be returned to the MHR budget, consistent with the Governor's Budget Recommendations. (Funding for community based MR/DD services belongs in the MHR budget. Moving these funds to the Rehab. Services budget serves no purpose.)

2. \$600 thousand was appropriated to partially cover the costs of continuation funding, \$400 thousand less than in prior years. Continuation grants need to be funded at the full \$1 million, as originally recommended by SRS. The \$1 million would still provide only partial funding for continuation services, but community providers would not be forced further into the hole, as would be the case if the current 40% reduction is allowed to stand.

Employment related services generate positive cost-benefits to the state. This is a program that should not be cut.

We appreciate the difficulties of the budget process. However, please note the many consecutive years in which community based service providers have received no increases in their rate structures nor their basic state aid grants.

Inflation, while modest, has had a significant effect on providers.

All we ask in these final days is that the Legislature not move backward in employment related services for people with disabilities who want to work but who, due to their disability, will continue to need some long term assistance from community service providers.

Thank you for your consideration.

Sincerely,

Tom Laing, Executive Director

C: Members, Senate Committee on Ways and Means

SWAM
April 25, 1995
Attachment 26

*SWAM
April 25, 1995
Attachment 27*

STATE GAMING REVENUES FUND

BEGINNING BALANCE	\$	--
RACING TRANSFERS		2,870,538
LOTTERY TRANSFERS		<u>13,034,925</u>
TOTAL	\$	<u>15,905,463</u>

<u>FY 1996</u> <u>IMPACT ON RECIPIENT FUNDS</u>	<u>GAMING</u> <u>REVENUE</u> <u>TRANSFERS</u>	<u>PLUS</u> <u>BEGINNING</u> <u>BALANCE</u>	<u>PLUS</u> <u>OTHER</u> <u>INCOME</u>	<u>TOTAL</u> <u>RESOURCES</u> <u>AVAILABLE</u>	<u>LESS</u> <u>APPROVED</u> <u>EXPENDITURES</u>	<u>VARIANCE</u>
TRANSFER TO THE EDIF	\$ 13,519,644	\$ 4,905,580	\$ 1,150,000	\$ 19,575,224	\$ 47,489,502	\$ (27,914,278)
TRANSFER TO THE CIBF	1,590,546	1,041,068	--	2,631,614	4,987,918	(2,356,304)
TRANSFER TO THE JDFF	795,273	391,620	856,000	2,042,893	3,130,042	(1,087,149)
TOTAL	\$ <u>15,905,463</u>			\$ <u>24,249,731</u>	\$ <u>55,607,462</u>	\$ <u>(31,357,731)</u>

ASSUMPTIONS: Racing Commission operations would continue and transfers would proceed at the level estimated by the Senate.
 The Lottery would cease the sale of online games after June 30, 1995, and the sale of instant tickets after December 31, 1995, due the time limits on prize redemption.
 Based on expenditures approved by the Legislature as of April 7, 1995, and the transfer of the KBEL \$1.0 million to the EDIF.

EDIF Economic Development Initiatives Fund
 CIBF Correctional Institutions Building Fund
 JDFF Juvenile Detention Facilities Fund

SENATE COMMITTEE RECOMMENDATION

SEC	AGENCY	STATE GENERAL FUND	TOTAL ALL FUNDS
---	-----	-----	-----
OPERATING EXPENDITURES			
9	ATTORNEY GENERAL	0	778,651
11	STATE BANK COMMISSIONER	0	18,308
12	BOARD OF BARBERING	0	2,172
20	KANSAS CORPORATION COMMISSION	0	107,500
25	DEPARTMENT OF ADMINISTRATION	69,614	69,614
31	FORT HAYS STATE UNIVERSITY	135,754	135,754
35	DEPT OF HEALTH AND ENVIRONMENT - HEALTH	(200,000)	(2,150,000)
36	DEPT OF HEALTH AND ENVIRONMENT - ENVIRON	0	(50,000)
41	HIGHWAY PATROL	0	(40,000)
43	DEPARTMENT OF HUMAN RESOURCES	0	26,072
44	DEPARTMENT OF COMMERCE AND HOUSING	0	1,036,947
48	BD OF INDIGENTS DEFENSE SVCS	367,065	367,065
55	KANSAS NEUROLOGICAL INSTITUTE	(2,255)	(2,255)
56	KPERS	0	237,699
58	KANSAS STATE UNIVERSITY	498,181	498,181
59	KSU - VETERINARY MEDICAL CENTER	0	396,583
61	KSU - SALINA, COLLEGE OF TECHNOLOGY	41,534	41,534
64	EMPORIA STATE UNIVERSITY	319,000	319,000
65	PITTSBURG STATE UNIVERSITY	29,122	29,122
69	LARNED STATE HOSPITAL	(1,014)	48,986
77	KANSAS LOTTERY	0	884,700
78	CONSUMER CREDIT COMMISSIONER	0	10,000

SWAM
 April 25, 1995
 Attachment 28

SENATE COMMITTEE RECOMMENDATION

SEC	AGENCY	STATE GENERAL FUND	TOTAL ALL FUNDS
81	OSAWATOMIE STATE HOSPITAL	(1,420)	(1,420)
82	PARSONS ST. HOSPITAL & TRAINING CENTER	(1,069)	(1,069)
83	DEPARTMENT OF CORRECTIONS	(900,000)	(900,000)
91	RAINBOW MENTAL HEALTH FACILITY	(1,792)	(1,792)
94	DEPARTMENT OF REVENUE	0	117,000
104	SOCIAL AND REHABILITATION SERVICES	3,817,464	7,430,877
107	DEPARTMENT OF EDUCATION	(4,278,717)	(4,278,717)
110	TOPEKA STATE HOSPITAL	(1,990)	98,010
115	UNIVERSITY OF KANSAS	370,634	370,634
116	UNIV OF KANSAS MEDICAL CENTER	1,323,754	323,754
122	WINFIELD ST. HOSPITAL & TRAINING CENTER	(2,583)	(2,583)
123	WICHITA STATE UNIVERSITY	274,977	274,977
	TOTAL OPERATING EXPENDITURES	1,856,259	6,195,304

28-2

SENATE COMMITTEE RECOMMENDATION

SEC	AGENCY	STATE GENERAL FUND	TOTAL ALL FUNDS
---	-----	-----	-----
			CAPITAL IMPROVEMENTS
120	DEPARTMENT OF WILDLIFE AND PARKS	0	800,000
	TOTAL CAPITAL IMPROVEMENTS	0	800,000
	TOTAL EXPENDITURES FOR FY95	1,856,259	6,995,304

SENATE COMMITTEE RECOMMENDATION

SEC	AGENCY	STATE GENERAL FUND	TOTAL ALL FUNDS
---	-----	-----	-----
OPERATING EXPENDITURES			
6	BOARD OF AGRICULTURE	9,620	9,620
8	KANSAS HUMAN RIGHTS COMMISSION	0	(102,591)
9	ATTORNEY GENERAL	234,190	1,661,337
10	ATTORNEY GENERAL - K.B.I.	2,000,000	2,100,000
14	BOARD OF HEALING ARTS	0	9,388
20	KANSAS CORPORATION COMMISSION	0	142,500
25	DEPARTMENT OF ADMINISTRATION	615,750	654,243
31	FORT HAYS STATE UNIVERSITY	2,856	0
35	DEPT OF HEALTH AND ENVIRONMENT - HEALTH	(27,200)	4,003,696
36	DEPT OF HEALTH AND ENVIRONMENT - ENVIRON	0	1,592,500
43	DEPARTMENT OF HUMAN RESOURCES	215,000	6,901
46	YOUTH CENTER AT TOPEKA	129,072	129,072
47	YOUTH CENTER AT BELOIT	64,842	64,842
48	BD OF INDIGENTS DEFENSE SVCS	1,657,811	1,657,811
52	YOUTH CENTER AT ATCHISON	65,363	65,363
55	KANSAS NEUROLOGICAL INSTITUTE	(58,591)	(58,591)
56	KPERS	0	53,174
58	KANSAS STATE UNIVERSITY	466,218	0
59	KSU - VETERINARY MEDICAL CENTER	98,459	422,412
60	KSU - AGRICULTURAL EXTENSION & RESEARCH	0	425,193
62	KS TECHNOLOGY ENTERPRISE CORP.	0	200,000
64	EMPORIA STATE UNIVERSITY	400,837	0

28-4

SENATE COMMITTEE RECOMMENDATION

SEC	AGENCY	STATE GENERAL FUND	TOTAL ALL FUNDS
65	PITTSBURG STATE UNIVERSITY	228,082	137,400
69	LARNED STATE HOSPITAL	(433,395)	77,232
70	YOUTH CENTER AT LARNED	18,000	18,000
71	LEGISLATIVE COORDINATING COUNCIL	50,000	50,000
77	KANSAS LOTTERY	0	117,037
79	BOARD OF NURSING	0	9,400
81	OSAWATOMIE STATE HOSPITAL	(309,320)	20,680
82	PARSONS ST. HOSPITAL & TRAINING CENTER	(48,979)	(48,979)
83	DEPARTMENT OF CORRECTIONS	2,389,406	2,907,588
90	KANSAS RACING COMMISSION	0	5,047,465
91	RAINBOW MENTAL HEALTH FACILITY	21,875	21,875
92	BOARD OF REGENTS	176,942	194,390
101	SECRETARY OF STATE	1,500,000	1,500,000
103	SENTENCING COMMISSION	152,797	611,186
104	SOCIAL AND REHABILITATION SERVICES	11,080,779	20,405,833
105	MENTAL HEALTH AND RETARDATION SERVICES	747,479	747,479
106	STATE CONSERVATION COMMISSION	0	(125,189)
107	DEPARTMENT OF EDUCATION	(5,152,760)	(4,992,760)
110	TOPEKA STATE HOSPITAL	(1,144,881)	15,119
111	KANSAS GUARDIANSHIP PROGRAM	1,239,562	1,239,562
115	UNIVERSITY OF KANSAS	621,529	0
116	UNIV OF KANSAS MEDICAL CENTER	1,389,332	419,570
119	KANSAS WATER OFFICE	0	(31,837)

SENATE COMMITTEE RECOMMENDATION

SEC	AGENCY	STATE GENERAL FUND	TOTAL ALL FUNDS
120	DEPARTMENT OF WILDLIFE AND PARKS	115,952	0
122	WINFIELD ST. HOSPITAL & TRAINING CENTER	(83,929)	(83,929)
123	WICHITA STATE UNIVERSITY	111,326	41,172
TOTAL OPERATING EXPENDITURES		18,544,024	41,335,164

28-6

SENATE COMMITTEE RECOMMENDATION

SEC	AGENCY	STATE GENERAL FUND	TOTAL ALL FUNDS
CAPITAL IMPROVEMENTS			
40	KANSAS DEPARTMENT OF TRANSPORTATION	0	900,000
59	KSU - VETERINARY MEDICAL CENTER	0	140,000
120	DEPARTMENT OF WILDLIFE AND PARKS	75,000	985,000
TOTAL CAPITAL IMPROVEMENTS		75,000	2,025,000
TOTAL EXPENDITURES FOR FY96		18,619,024	43,360,164

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
STATE GENERAL FUND							
DEPARTMENT ON AGING							
STATE OPERATIONS	1,059,482	1,349,008	289,526	27.3	1,638,303	289,295	21.4
AID TO LOCAL UNITS	1,118,866	1,318,867	200,001	17.9	1,259,424	(59,443)	(4.5)
OTHER ASSISTANCE	3,035,418	3,488,055	452,637	14.9	3,525,162	37,107	1.1
TOTAL OPERATING	5,213,766	6,155,930	942,164	18.1	6,422,889	266,959	4.3
BOARD OF AGRICULTURE							
STATE OPERATIONS	9,390,498	9,351,486	(39,012)	(.4)	9,039,502	(311,984)	(3.3)
AID TO LOCAL UNITS	0	40,000	40,000	.0	0	(40,000)	(100.0)
OTHER ASSISTANCE	408	0	(408)	(100.0)	0	0	.0
TOTAL OPERATING	9,390,906	9,391,486	580	.0	9,039,502	(351,984)	(3.7)
KANSAS HUMAN RIGHTS COMMISSION							
STATE OPERATIONS	1,357,703	1,292,381	(65,322)	(4.8)	1,458,452	166,071	12.9
TOTAL OPERATING	1,357,703	1,292,381	(65,322)	(4.8)	1,458,452	166,071	12.9
ATTORNEY GENERAL							
STATE OPERATIONS	2,928,796	4,094,361	1,165,565	39.8	3,111,313	(983,048)	(24.0)
TOTAL OPERATING	2,928,796	4,094,361	1,165,565	39.8	3,111,313	(983,048)	(24.0)
ATTORNEY GENERAL - K.B.I.							
STATE OPERATIONS	8,854,792	9,389,475	534,683	6.0	11,594,661	2,205,186	23.5
TOTAL OPERATING	8,854,792	9,389,475	534,683	6.0	11,594,661	2,205,186	23.5
DEPARTMENT OF ADMINISTRATION							
STATE OPERATIONS	20,699,691	19,688,071	(1,011,620)	(4.9)	19,862,187	174,116	.9
AID TO LOCAL UNITS	129,875	144,358	14,483	11.2	477,832	333,474	231.0
OTHER ASSISTANCE	502,746	847,642	344,896	68.6	1,202,144	354,502	41.8
TOTAL OPERATING	21,332,312	20,680,071	(652,241)	(3.1)	21,542,163	862,092	4.2
FORT HAYS STATE UNIVERSITY							
STATE OPERATIONS	22,083,469	23,892,154	1,808,685	8.2	24,198,236	306,082	1.3
OTHER ASSISTANCE	0	82,534	82,534	.0	79,126	(3,408)	(4.1)
TOTAL OPERATING	22,083,469	23,974,688	1,891,219	8.6	24,277,362	302,674	1.3
DEPT OF HEALTH AND ENVIRONMENT - HEALTH							
STATE OPERATIONS	11,356,362	11,238,784	(117,578)	(1.0)	11,176,986	(61,798)	(.5)
AID TO LOCAL UNITS	6,122,421	7,251,373	1,128,952	18.4	7,251,373	0	.0

8-8-8

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
DEPT OF HEALTH AND ENVIRONMENT - HEALTH OTHER ASSISTANCE	42,093	0	(42,093)	(100.0)	0	0	.0
TOTAL OPERATING	17,520,876	18,490,157	969,281	5.5	18,428,359	(61,798)	(.3)
DEPT OF HEALTH AND ENVIRONMENT - ENVIRON STATE OPERATIONS	8,210,899	7,673,141	(537,758)	(6.5)	7,698,597	25,456	.3
OTHER ASSISTANCE	6,737	0	(6,737)	(100.0)	0	0	.0
TOTAL OPERATING	8,217,636	7,673,141	(544,495)	(6.6)	7,698,597	25,456	.3
KANSAS DEPARTMENT OF TRANSPORTATION AID TO LOCAL UNITS	9,743,241	10,035,538	292,297	3.0	10,406,852	371,314	3.7
TOTAL OPERATING	9,743,241	10,035,538	292,297	3.0	10,406,852	371,314	3.7
HIGHWAY PATROL STATE OPERATIONS	21,810,902	22,794,175	983,273	4.5	22,694,473	(99,702)	(.4)
OTHER ASSISTANCE	2,045	674,883	672,838	32,901.6	0	(674,883)	(100.0)
TOTAL OPERATING	21,812,947	23,469,058	1,656,111	7.6	22,694,473	(774,585)	(3.3)
DEPARTMENT OF HUMAN RESOURCES STATE OPERATIONS	1,029,951	1,006,594	(23,357)	(2.3)	1,153,831	147,237	14.6
OTHER ASSISTANCE	4,237	5,000	763	18.0	95,545	90,545	1,810.9
TOTAL OPERATING	1,034,188	1,011,594	(22,594)	(2.2)	1,249,376	237,782	23.5
DEPARTMENT OF COMMERCE AND HOUSING STATE OPERATIONS	2,117,248	2,071,673	(45,575)	(2.2)	1,451,471	(620,202)	(29.9)
AID TO LOCAL UNITS	678,186	794,216	116,030	17.1	280,732	(513,484)	(64.7)
TOTAL OPERATING	2,795,434	2,865,889	70,455	2.5	1,732,203	(1,133,686)	(39.6)
YOUTH CENTER AT TOPEKA STATE OPERATIONS	8,495,683	9,131,205	635,522	7.5	9,246,729	115,524	1.3
OTHER ASSISTANCE	93	0	(93)	(100.0)	0	0	.0
TOTAL OPERATING	8,495,776	9,131,205	635,429	7.5	9,246,729	115,524	1.3
YOUTH CENTER AT BELOIT STATE OPERATIONS	4,083,549	4,300,220	216,671	5.3	4,313,880	13,660	.3
TOTAL OPERATING	4,083,549	4,300,220	216,671	5.3	4,313,880	13,660	.3
BD OF INDIGENTS DEFENSE SVCS STATE OPERATIONS	8,622,871	10,544,960	1,922,089	22.3	11,665,624	1,120,664	10.6
OTHER ASSISTANCE	404,075	428,564	24,489	6.1	438,011	9,447	2.2

28-9

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
BD OF INDIGENTS DEFENSE SVCS TOTAL OPERATING	9,026,946	10,973,524	1,946,578	21.6	12,103,635	1,130,111	10.3
YOUTH CENTER AT ATCHISON STATE OPERATIONS	4,815,007	5,017,736	202,729	4.2	5,045,561	27,825	.6
OTHER ASSISTANCE	204	0	(204)	(100.0)	0	0	.0
TOTAL OPERATING	4,815,211	5,017,736	202,525	4.2	5,045,561	27,825	.6
KANSAS NEUROLOGICAL INSTITUTE STATE OPERATIONS	10,111,757	11,670,097	1,558,340	15.4	12,571,786	901,689	7.7
OTHER ASSISTANCE	2,818	0	(2,818)	(100.0)	0	0	.0
TOTAL OPERATING	10,114,575	11,670,097	1,555,522	15.4	12,571,786	901,689	7.7
KANSAS STATE UNIVERSITY STATE OPERATIONS	75,789,608	79,091,205	3,301,597	4.4	77,566,952	(1,524,253)	(1.9)
OTHER ASSISTANCE	19,082	0	(19,082)	(100.0)	0	0	.0
TOTAL OPERATING	75,808,690	79,091,205	3,282,515	4.3	77,566,952	(1,524,253)	(1.9)
KSU - VETERINARY MEDICAL CENTER STATE OPERATIONS	7,843,898	8,098,965	255,067	3.3	7,935,103	(163,862)	(2.0)
OTHER ASSISTANCE	30	0	(30)	(100.0)	0	0	.0
TOTAL OPERATING	7,843,928	8,098,965	255,037	3.3	7,935,103	(163,862)	(2.0)
KSU - AGRICULTURAL EXTENSION & RESEARCH STATE OPERATIONS	35,274,644	36,878,132	1,603,488	4.5	38,314,899	1,436,767	3.9
OTHER ASSISTANCE	963	0	(963)	(100.0)	0	0	.0
TOTAL OPERATING	35,275,607	36,878,132	1,602,525	4.5	38,314,899	1,436,767	3.9
KSU - SALINA, COLLEGE OF TECHNOLOGY STATE OPERATIONS	4,286,566	4,455,134	168,568	3.9	4,379,656	(75,478)	(1.7)
OTHER ASSISTANCE	44	0	(44)	(100.0)	0	0	.0
TOTAL OPERATING	4,286,610	4,455,134	168,524	3.9	4,379,656	(75,478)	(1.7)
EMPORIA STATE UNIVERSITY STATE OPERATIONS	22,198,910	23,246,218	1,047,308	4.7	23,460,837	214,619	.9
OTHER ASSISTANCE	1,100	0	(1,100)	(100.0)	0	0	.0
TOTAL OPERATING	22,200,010	23,246,218	1,046,208	4.7	23,460,837	214,619	.9
PITTSBURG STATE UNIVERSITY STATE OPERATIONS	22,207,811	23,800,961	1,593,150	7.2	23,932,832	131,871	.6

28-10

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
PITTSBURG STATE UNIVERSITY							
OTHER ASSISTANCE	342,114	575,107	232,993	68.1	575,462	355	.1
TOTAL OPERATING	22,549,925	24,376,068	1,826,143	8.1	24,508,294	132,226	.5
LARNED STATE HOSPITAL							
STATE OPERATIONS	15,605,842	17,123,718	1,517,876	9.7	15,413,387	(1,710,331)	(10.0)
OTHER ASSISTANCE	130	0	(130)	(100.0)	0	0	.0
TOTAL OPERATING	15,605,972	17,123,718	1,517,746	9.7	15,413,387	(1,710,331)	(10.0)
YOUTH CENTER AT LARNED							
STATE OPERATIONS	1,665,552	3,113,670	1,448,118	86.9	3,339,665	225,995	7.3
TOTAL OPERATING	1,665,552	3,113,670	1,448,118	86.9	3,339,665	225,995	7.3
LEGISLATIVE COORDINATING COUNCIL							
STATE OPERATIONS	499,335	450,660	(48,675)	(9.7)	501,083	50,423	11.2
TOTAL OPERATING	499,335	450,660	(48,675)	(9.7)	501,083	50,423	11.2
OSAWATOMIE STATE HOSPITAL							
STATE OPERATIONS	9,357,004	7,796,945	(1,560,059)	(16.7)	7,418,087	(378,858)	(4.9)
OTHER ASSISTANCE	636	1,000	364	57.2	1,000	0	.0
TOTAL OPERATING	9,357,640	7,797,945	(1,559,695)	(16.7)	7,419,087	(378,858)	(4.9)
PARSONS ST. HOSPITAL & TRAINING CENTER							
STATE OPERATIONS	6,336,256	8,006,949	1,670,693	26.4	7,670,459	(336,490)	(4.2)
OTHER ASSISTANCE	1,264	2,500	1,236	97.8	2,500	0	.0
TOTAL OPERATING	6,337,520	8,009,449	1,671,929	26.4	7,672,959	(336,490)	(4.2)
DEPARTMENT OF CORRECTIONS							
STATE OPERATIONS	40,835,424	39,871,049	(964,375)	(2.4)	42,836,235	2,965,186	7.4
AID TO LOCAL UNITS	13,180,750	17,450,563	4,269,813	32.4	18,585,093	1,134,530	6.5
OTHER ASSISTANCE	71,079	0	(71,079)	(100.0)	0	0	.0
TOTAL OPERATING	54,087,253	57,321,612	3,234,359	6.0	61,421,328	4,099,716	7.2
RAINBOW MENTAL HEALTH FACILITY							
STATE OPERATIONS	1,667,158	2,221,423	554,265	33.2	2,513,137	291,714	13.1
OTHER ASSISTANCE	928	0	(928)	(100.0)	0	0	.0
TOTAL OPERATING	1,668,086	2,221,423	553,337	33.2	2,513,137	291,714	13.1
BOARD OF REGENTS							
STATE OPERATIONS	1,478,358	1,619,985	141,627	9.6	1,750,939	130,954	8.1

28-11

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
BOARD OF REGENTS							
AID TO LOCAL UNITS	6,349,568	6,806,633	457,065	7.2	7,044,865	238,232	3.5
OTHER ASSISTANCE	9,885,552	10,195,987	310,435	3.1	11,014,487	818,500	8.0
TOTAL OPERATING	17,713,478	18,622,605	909,127	5.1	19,810,291	1,187,686	6.4
DEPARTMENT OF REVENUE							
STATE OPERATIONS	27,974,873	28,863,228	888,355	3.2	28,246,455	(616,773)	(2.1)
TOTAL OPERATING	27,974,873	28,863,228	888,355	3.2	28,246,455	(616,773)	(2.1)
SCHOOL FOR THE DEAF							
STATE OPERATIONS	5,958,115	6,138,367	180,252	3.0	6,320,310	181,943	3.0
OTHER ASSISTANCE	400	0	(400)	(100.0)	0	0	.0
TOTAL OPERATING	5,958,515	6,138,367	179,852	3.0	6,320,310	181,943	3.0
SECRETARY OF STATE							
STATE OPERATIONS	1,503,761	1,505,220	1,459	.1	2,961,199	1,455,979	96.7
AID TO LOCAL UNITS	0	0	0	.0	0	0	.0
TOTAL OPERATING	1,503,761	1,505,220	1,459	.1	2,961,199	1,455,979	96.7
SENTENCING COMMISSION							
STATE OPERATIONS	246,263	286,813	40,550	16.5	441,135	154,322	53.8
AID TO LOCAL UNITS	0	0	0	.0	145,978	145,978	.0
TOTAL OPERATING	246,263	286,813	40,550	16.5	587,113	300,300	104.7
SOCIAL AND REHABILITATION SERVICES							
STATE OPERATIONS	91,038,528	102,191,719	11,153,191	12.3	102,917,444	725,725	.7
AID TO LOCAL UNITS	55,228,290	54,329,072	(899,218)	(1.6)	56,052,564	1,723,492	3.2
OTHER ASSISTANCE	262,159,311	323,864,301	61,704,990	23.5	380,792,892	56,928,591	17.6
TOTAL OPERATING	408,426,129	480,385,092	71,958,963	17.6	539,762,900	59,377,808	12.4
MENTAL HEALTH AND RETARDATION SERVICES							
STATE OPERATIONS	0	0	0	.0	(79,810)	(79,810)	.0
AID TO LOCAL UNITS	0	0	0	.0	1,080,348	1,080,348	.0
OTHER ASSISTANCE	0	0	0	.0	1,007,479	1,007,479	.0
TOTAL OPERATING	0	0	0	.0	2,008,017	2,008,017	.0
STATE CONSERVATION COMMISSION							
STATE OPERATIONS	464,707	535,007	70,300	15.1	574,470	39,463	7.4
AID TO LOCAL UNITS	358,911	276,393	(82,518)	(23.0)	750,000	473,607	171.4
OTHER ASSISTANCE	5,401,089	5,656,407	255,318	4.7	5,200,000	(456,407)	(8.1)

28-12

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
STATE CONSERVATION COMMISSION							
TOTAL OPERATING	6,224,707	6,467,807	243,100	3.9	6,524,470	56,663	.9
DEPARTMENT OF EDUCATION							
STATE OPERATIONS	7,335,455	7,516,938	181,483	2.5	7,915,801	398,863	5.3
AID TO LOCAL UNITS	1,592,432,505	1,678,906,350	86,473,845	5.4	1,721,950,761	43,044,411	2.6
OTHER ASSISTANCE	175,082	185,000	9,918	5.7	235,000	50,000	27.0
TOTAL OPERATING	1,599,943,042	1,686,608,288	86,665,246	5.4	1,730,101,562	43,493,274	2.6
TOPEKA STATE HOSPITAL							
STATE OPERATIONS	7,989,702	8,075,562	85,860	1.1	6,476,949	(1,598,613)	(19.8)
TOTAL OPERATING	7,989,702	8,075,562	85,860	1.1	6,476,949	(1,598,613)	(19.8)
KANSAS GUARDIANSHIP PROGRAM							
STATE OPERATIONS	0	0	0	.0	1,239,562	1,239,562	.0
TOTAL OPERATING	0	0	0	.0	1,239,562	1,239,562	.0
UNIVERSITY OF KANSAS							
STATE OPERATIONS	102,151,859	107,286,011	5,134,152	5.0	104,367,368	(2,918,643)	(2.7)
OTHER ASSISTANCE	8,922	99,942	91,020	1,020.2	0	(99,942)	(100.0)
TOTAL OPERATING	102,160,781	107,385,953	5,225,172	5.1	104,367,368	(3,018,585)	(2.8)
UNIV OF KANSAS MEDICAL CENTER							
STATE OPERATIONS	71,700,648	76,039,154	4,338,506	6.1	76,372,711	333,557	.4
OTHER ASSISTANCE	2,231,641	2,470,036	238,395	10.7	3,356,888	886,852	35.9
TOTAL OPERATING	73,932,289	78,509,190	4,576,901	6.2	79,729,599	1,220,409	1.6
KANSAS WATER OFFICE							
STATE OPERATIONS	1,517,943	1,272,928	(245,015)	(16.1)	1,242,282	(30,646)	(2.4)
TOTAL OPERATING	1,517,943	1,272,928	(245,015)	(16.1)	1,242,282	(30,646)	(2.4)
DEPARTMENT OF WILDLIFE AND PARKS							
STATE OPERATIONS	3,709,695	3,670,816	(38,879)	(1.0)	4,189,703	518,887	14.1
OTHER ASSISTANCE	0	201,100	201,100	.0	0	(201,100)	(100.0)
TOTAL OPERATING	3,709,695	3,871,916	162,221	4.4	4,189,703	317,787	8.2
WINFIELD ST. HOSPITAL & TRAINING CENTER							
STATE OPERATIONS	11,262,609	13,301,189	2,038,580	18.1	12,451,835	(849,354)	(6.4)
OTHER ASSISTANCE	2,053	0	(2,053)	(100.0)	0	0	.0
TOTAL OPERATING	11,264,662	13,301,189	2,036,527	18.1	12,451,835	(849,354)	(6.4)

28-13

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
WICHITA STATE UNIVERSITY							
STATE OPERATIONS	49,530,906	50,056,965	526,059	1.1	50,064,498	7,533	.0
OTHER ASSISTANCE	194,917	298,185	103,268	53.0	310,563	12,378	4.2
TOTAL OPERATING	49,725,823	50,355,150	629,327	1.3	50,375,061	19,911	.0

28-14

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
ALL FUNDS							
DEPARTMENT ON AGING							
STATE OPERATIONS	2,021,167	3,021,471	1,000,304	49.5	3,849,796	828,325	27.4
AID TO LOCAL UNITS	4,205,732	4,465,147	259,415	6.2	4,483,261	18,114	.4
OTHER ASSISTANCE	11,388,778	12,587,486	1,198,708	10.5	12,435,616	(151,870)	(1.2)
TOTAL OPERATING	17,615,677	20,074,104	2,458,427	14.0	20,768,673	694,569	3.5
BOARD OF AGRICULTURE							
STATE OPERATIONS	18,878,276	20,702,877	1,824,601	9.7	18,926,470	(1,776,407)	(8.6)
AID TO LOCAL UNITS	0	120,000	120,000	.0	80,000	(40,000)	(33.3)
OTHER ASSISTANCE	1,233	850	(383)	(31.1)	850	0	.0
TOTAL OPERATING	18,879,509	20,823,727	1,944,218	10.3	19,007,320	(1,816,407)	(8.7)
KANSAS HUMAN RIGHTS COMMISSION							
STATE OPERATIONS	1,730,499	1,873,006	142,507	8.2	1,927,429	54,423	2.9
TOTAL OPERATING	1,730,499	1,873,006	142,507	8.2	1,927,429	54,423	2.9
ATTORNEY GENERAL							
STATE OPERATIONS	4,399,389	5,252,318	852,929	19.4	4,182,676	(1,069,642)	(20.4)
AID TO LOCAL UNITS	1,150,747	2,335,488	1,184,741	103.0	2,947,579	612,091	26.2
OTHER ASSISTANCE	3,104,159	3,600,000	495,841	16.0	3,392,900	(207,100)	(5.8)
TOTAL OPERATING	8,654,295	11,187,806	2,533,511	29.3	10,523,155	(664,651)	(5.9)
ATTORNEY GENERAL - K.B.I.							
STATE OPERATIONS	11,461,850	10,636,135	(825,715)	(7.2)	12,776,165	2,140,030	20.1
TOTAL OPERATING	11,461,850	10,636,135	(825,715)	(7.2)	12,776,165	2,140,030	20.1
STATE BANK COMMISSIONER							
STATE OPERATIONS	3,249,691	3,422,221	172,530	5.3	3,444,363	22,142	.6
TOTAL OPERATING	3,249,691	3,422,221	172,530	5.3	3,444,363	22,142	.6
BOARD OF BARBERING							
STATE OPERATIONS	94,998	94,320	(678)	(.7)	93,870	(450)	(.5)
TOTAL OPERATING	94,998	94,320	(678)	(.7)	93,870	(450)	(.5)
BOARD OF HEALING ARTS							
STATE OPERATIONS	1,327,604	1,465,909	138,305	10.4	1,580,698	114,789	7.8
TOTAL OPERATING	1,327,604	1,465,909	138,305	10.4	1,580,698	114,789	7.8

28-15

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
KANSAS CORPORATION COMMISSION							
STATE OPERATIONS	11,468,706	12,857,324	1,388,618	12.1	12,469,115	(388,209)	(3.0)
AID TO LOCAL UNITS	567,852	742,475	174,623	30.8	775,000	32,525	4.4
OTHER ASSISTANCE	43,500	0	(43,500)	(100.0)	0	0	.0
TOTAL OPERATING	12,080,058	13,599,799	1,519,741	12.6	13,244,115	(355,684)	(2.6)
DEPARTMENT OF ADMINISTRATION							
STATE OPERATIONS	21,490,306	20,502,412	(987,894)	(4.6)	22,701,169	2,198,757	10.7
AID TO LOCAL UNITS	4,301,071	565,358	(3,735,713)	(86.9)	743,832	178,474	31.6
OTHER ASSISTANCE	2,221,485	3,185,906	964,421	43.4	2,992,232	(193,674)	(6.1)
TOTAL OPERATING	28,012,862	24,253,676	(3,759,186)	(13.4)	26,437,233	2,183,557	9.0
FORT HAYS STATE UNIVERSITY							
STATE OPERATIONS	37,193,361	39,447,183	2,253,822	6.1	40,002,963	555,780	1.4
OTHER ASSISTANCE	3,862,889	4,035,479	172,590	4.5	4,170,470	134,991	3.3
TOTAL OPERATING	41,056,250	43,482,662	2,426,412	5.9	44,173,433	690,771	1.6
DEPT OF HEALTH AND ENVIRONMENT - HEALTH							
STATE OPERATIONS	27,313,014	32,157,359	4,844,345	17.7	34,300,646	2,143,287	6.7
AID TO LOCAL UNITS	19,784,629	21,526,335	1,741,706	8.8	24,840,076	3,313,741	15.4
OTHER ASSISTANCE	26,481,113	27,270,000	788,887	3.0	30,270,000	3,000,000	11.0
TOTAL OPERATING	73,578,756	80,953,694	7,374,938	10.0	89,410,722	8,457,028	10.4
DEPT OF HEALTH AND ENVIRONMENT - ENVIRON							
STATE OPERATIONS	38,254,090	51,320,956	13,066,866	34.2	53,525,273	2,204,317	4.3
AID TO LOCAL UNITS	5,203,669	5,004,210	(199,459)	(3.8)	6,221,000	1,216,790	24.3
OTHER ASSISTANCE	206,737	200,000	(6,737)	(3.3)	625,000	425,000	212.5
TOTAL OPERATING	43,664,496	56,525,166	12,860,670	29.5	60,371,273	3,846,107	6.8
KANSAS DEPARTMENT OF TRANSPORTATION							
STATE OPERATIONS	192,063,222	205,586,620	13,523,398	7.0	264,178,078	58,591,458	28.5
AID TO LOCAL UNITS	133,777,444	133,583,842	(193,602)	(.1)	131,927,400	(1,656,442)	(1.2)
OTHER ASSISTANCE	446,094	200,000	(246,094)	(55.2)	200,000	0	.0
TOTAL OPERATING	326,286,760	339,370,462	13,083,702	4.0	396,305,478	56,935,016	16.8
HIGHWAY PATROL							
STATE OPERATIONS	37,621,834	39,290,310	1,668,476	4.4	38,511,128	(779,182)	(2.0)
OTHER ASSISTANCE	2,591	674,883	672,292	25,947.2	0	(674,883)	(100.0)
TOTAL OPERATING	37,624,425	39,965,193	2,340,768	6.2	38,511,128	(1,454,065)	(3.6)

91-88

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
DEPARTMENT OF HUMAN RESOURCES							
STATE OPERATIONS	42,097,723	45,079,851	2,982,128	7.1	44,325,556	(754,295)	(1.7)
OTHER ASSISTANCE	249,496,160	207,195,000	(42,301,160)	(17.0)	212,295,545	5,100,545	2.5
TOTAL OPERATING	291,593,883	252,274,851	(39,319,032)	(13.5)	256,621,101	4,346,250	1.7
DEPARTMENT OF COMMERCE AND HOUSING							
STATE OPERATIONS	11,442,196	12,924,468	1,482,272	13.0	12,970,244	45,776	.4
AID TO LOCAL UNITS	40,756,576	56,248,207	15,491,631	38.0	46,802,826	(9,445,381)	(16.8)
OTHER ASSISTANCE	11,234,907	12,972,528	1,737,621	15.5	19,217,620	6,245,092	48.1
TOTAL OPERATING	63,433,679	82,145,203	18,711,524	29.5	78,990,690	(3,154,513)	(3.8)
YOUTH CENTER AT TOPEKA							
STATE OPERATIONS	8,965,555	9,549,410	583,855	6.5	9,659,934	110,524	1.2
OTHER ASSISTANCE	93	0	(93)	(100.0)	0	0	.0
TOTAL OPERATING	8,965,648	9,549,410	583,762	6.5	9,659,934	110,524	1.2
YOUTH CENTER AT BELOIT							
STATE OPERATIONS	4,309,548	4,516,350	206,802	4.8	4,533,759	17,409	.4
TOTAL OPERATING	4,309,548	4,516,350	206,802	4.8	4,533,759	17,409	.4
BD OF INDIGENTS DEFENSE SVCS							
STATE OPERATIONS	8,802,479	10,779,960	1,977,481	22.5	11,838,624	1,058,664	9.8
OTHER ASSISTANCE	404,075	428,564	24,489	6.1	438,011	9,447	2.2
TOTAL OPERATING	9,206,554	11,208,524	2,001,970	21.7	12,276,635	1,068,111	9.5
YOUTH CENTER AT ATCHISON							
STATE OPERATIONS	5,043,432	5,193,978	150,546	3.0	5,237,108	43,130	.8
OTHER ASSISTANCE	204	0	(204)	(100.0)	0	0	.0
TOTAL OPERATING	5,043,636	5,193,978	150,342	3.0	5,237,108	43,130	.8
KANSAS NEUROLOGICAL INSTITUTE							
STATE OPERATIONS	25,030,487	24,720,779	(309,708)	(1.2)	24,291,013	(429,766)	(1.7)
OTHER ASSISTANCE	2,930	0	(2,930)	(100.0)	0	0	.0
TOTAL OPERATING	25,033,417	24,720,779	(312,638)	(1.2)	24,291,013	(429,766)	(1.7)
KPERS							
STATE OPERATIONS	20,195,568	20,860,671	665,103	3.3	21,566,606	705,935	3.4
OTHER ASSISTANCE	153,361,857	169,914,755	16,552,898	10.8	183,866,505	13,951,750	8.2
TOTAL OPERATING	173,557,425	190,775,426	17,218,001	9.9	205,433,111	14,657,685	7.7

28-17

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
KANSAS STATE UNIVERSITY							
STATE OPERATIONS	180,465,198	177,065,173	(3,400,025)	(1.9)	179,190,544	2,125,371	1.2
AID TO LOCAL UNITS	89,145	0	(89,145)	(100.0)	0	0	.0
OTHER ASSISTANCE	10,644,363	13,090,186	2,445,823	23.0	13,646,724	556,538	4.3
TOTAL OPERATING	191,198,706	190,155,359	(1,043,347)	(.5)	192,837,268	2,681,909	1.4
KSU - VETERINARY MEDICAL CENTER							
STATE OPERATIONS	16,025,505	16,948,717	923,212	5.8	17,043,572	94,855	.6
OTHER ASSISTANCE	4,196	604	(3,592)	(85.6)	635	31	5.1
TOTAL OPERATING	16,029,701	16,949,321	919,620	5.7	17,044,207	94,886	.6
KSU - AGRICULTURAL EXTENSION & RESEARCH							
STATE OPERATIONS	72,390,697	73,202,216	811,519	1.1	74,582,305	1,380,089	1.9
AID TO LOCAL UNITS	454,005	405,775	(48,230)	(10.6)	419,976	14,201	3.5
OTHER ASSISTANCE	92,551	85,030	(7,521)	(8.1)	87,907	2,877	3.4
TOTAL OPERATING	72,937,253	73,693,021	755,768	1.0	75,090,188	1,397,167	1.9
KSU - SALINA, COLLEGE OF TECHNOLOGY							
STATE OPERATIONS	6,370,753	7,221,637	850,884	13.4	7,258,489	36,852	.5
OTHER ASSISTANCE	3,717	0	(3,717)	(100.0)	0	0	.0
TOTAL OPERATING	6,374,470	7,221,637	847,167	13.3	7,258,489	36,852	.5
KS TECHNOLOGY ENTERPRISE CORP.							
STATE OPERATIONS	2,828,732	3,046,844	218,112	7.7	3,262,766	215,922	7.1
OTHER ASSISTANCE	12,324,210	14,427,507	2,103,297	17.1	18,192,960	3,765,453	26.1
TOTAL OPERATING	15,152,942	17,474,351	2,321,409	15.3	21,455,726	3,981,375	22.8
EMPORIA STATE UNIVERSITY							
STATE OPERATIONS	38,117,340	41,164,915	3,047,575	8.0	41,305,772	140,857	.3
AID TO LOCAL UNITS	98,000	98,000	0	.0	98,000	0	.0
OTHER ASSISTANCE	2,893,275	3,187,616	294,341	10.2	3,191,121	3,505	.1
TOTAL OPERATING	41,108,615	44,450,531	3,341,916	8.1	44,594,893	144,362	.3
PITTSBURG STATE UNIVERSITY							
STATE OPERATIONS	39,794,024	42,236,157	2,442,133	6.1	42,819,279	583,122	1.4
OTHER ASSISTANCE	3,817,833	4,272,719	454,886	11.9	4,385,000	112,281	2.6
TOTAL OPERATING	43,611,857	46,508,876	2,897,019	6.6	47,204,279	695,403	1.5
LARNED STATE HOSPITAL							
STATE OPERATIONS	30,688,603	30,908,673	220,070	.7	30,002,082	(906,591)	(2.9)
OTHER ASSISTANCE	130	0	(130)	(100.0)	0	0	.0

28-18

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
LARNED STATE HOSPITAL TOTAL OPERATING	30,688,733	30,908,673	219,940	.7	30,002,082	(906,591)	(2.9)
YOUTH CENTER AT LARNED STATE OPERATIONS	1,860,287	3,113,670	1,253,383	67.4	3,339,665	225,995	7.3
TOTAL OPERATING	1,860,287	3,113,670	1,253,383	67.4	3,339,665	225,995	7.3
LEGISLATIVE COORDINATING COUNCIL STATE OPERATIONS	499,335	450,660	(48,675)	(9.7)	501,083	50,423	11.2
TOTAL OPERATING	499,335	450,660	(48,675)	(9.7)	501,083	50,423	11.2
KANSAS LOTTERY STATE OPERATIONS	17,328,659	19,405,070	2,076,411	12.0	19,364,011	(41,059)	(.2)
OTHER ASSISTANCE	87,040,559	92,528,200	5,487,641	6.3	89,633,315	(2,894,885)	(3.1)
TOTAL OPERATING	104,369,218	111,933,270	7,564,052	7.2	108,997,326	(2,935,944)	(2.6)
CONSUMER CREDIT COMMISSIONER STATE OPERATIONS	314,321	313,914	(407)	(.1)	313,657	(257)	(.1)
AID TO LOCAL UNITS	0	5,000	5,000	.0	10,000	5,000	100.0
TOTAL OPERATING	314,321	318,914	4,593	1.5	323,657	4,743	1.5
BOARD OF NURSING STATE OPERATIONS	833,830	879,909	46,079	5.5	859,230	(20,679)	(2.4)
TOTAL OPERATING	833,830	879,909	46,079	5.5	859,230	(20,679)	(2.4)
OSAWATOMIE STATE HOSPITAL STATE OPERATIONS	21,279,659	21,026,109	(253,550)	(1.2)	21,156,124	130,015	.6
OTHER ASSISTANCE	636	1,000	364	57.2	1,000	0	.0
TOTAL OPERATING	21,280,295	21,027,109	(253,186)	(1.2)	21,157,124	130,015	.6
PARSONS ST. HOSPITAL & TRAINING CENTER STATE OPERATIONS	18,316,288	18,494,195	177,907	1.0	17,756,004	(738,191)	(4.0)
OTHER ASSISTANCE	1,264	2,500	1,236	97.8	2,500	0	.0
TOTAL OPERATING	18,317,552	18,496,695	179,143	1.0	17,758,504	(738,191)	(4.0)
DEPARTMENT OF CORRECTIONS STATE OPERATIONS	50,094,587	49,459,870	(634,717)	(1.3)	53,390,387	3,930,517	7.9
AID TO LOCAL UNITS	13,395,470	17,651,532	4,256,062	31.8	18,786,062	1,134,530	6.4
OTHER ASSISTANCE	71,079	0	(71,079)	(100.0)	0	0	.0

28-19

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
DEPARTMENT OF CORRECTIONS							
TOTAL OPERATING	63,561,136	67,111,402	3,550,266	5.6	72,176,449	5,065,047	7.5
KANSAS RACING COMMISSION							
STATE OPERATIONS	2,862,512	3,139,148	276,636	9.7	3,511,171	372,023	11.9
OTHER ASSISTANCE	1,372,951	1,336,730	(36,221)	(2.6)	1,536,294	199,564	14.9
TOTAL OPERATING	4,235,463	4,475,878	240,415	5.7	5,047,465	571,587	12.8
RAINBOW MENTAL HEALTH FACILITY							
STATE OPERATIONS	5,339,864	5,523,816	183,952	3.4	5,697,142	173,326	3.1
OTHER ASSISTANCE	928	0	(928)	(100.0)	0	0	.0
TOTAL OPERATING	5,340,792	5,523,816	183,024	3.4	5,697,142	173,326	3.1
BOARD OF REGENTS							
STATE OPERATIONS	1,724,989	1,789,892	64,903	3.8	1,779,339	(10,553)	(.6)
AID TO LOCAL UNITS	6,349,568	6,806,633	457,065	7.2	7,044,865	238,232	3.5
OTHER ASSISTANCE	11,912,514	11,998,187	85,673	.7	12,721,300	723,113	6.0
TOTAL OPERATING	19,987,071	20,594,712	607,641	3.0	21,545,504	950,792	4.6
DEPARTMENT OF REVENUE							
STATE OPERATIONS	54,958,472	57,342,183	2,383,711	4.3	57,790,784	448,601	.8
AID TO LOCAL UNITS	10,478,623	10,375,400	(103,223)	(1.0)	6,755,400	(3,620,000)	(34.9)
OTHER ASSISTANCE	2,527,609	2,500,000	(27,609)	(1.1)	2,500,000	0	.0
TOTAL OPERATING	67,964,704	70,217,583	2,252,879	3.3	67,046,184	(3,171,399)	(4.5)
SCHOOL FOR THE DEAF							
STATE OPERATIONS	6,115,821	6,323,115	207,294	3.4	6,501,686	178,571	2.8
OTHER ASSISTANCE	400	0	(400)	(100.0)	0	0	.0
TOTAL OPERATING	6,116,221	6,323,115	206,894	3.4	6,501,686	178,571	2.8
SECRETARY OF STATE							
STATE OPERATIONS	2,622,213	2,591,152	(31,061)	(1.2)	4,026,554	1,435,402	55.4
AID TO LOCAL UNITS	0	0	0	.0	0	0	.0
TOTAL OPERATING	2,622,213	2,591,152	(31,061)	(1.2)	4,026,554	1,435,402	55.4
SENTENCING COMMISSION							
STATE OPERATIONS	246,263	560,150	313,887	127.5	1,088,126	527,976	94.3
AID TO LOCAL UNITS	0	3,138,850	3,138,850	.0	3,722,762	583,912	18.6
TOTAL OPERATING	246,263	3,699,000	3,452,737	1,402.1	4,810,888	1,111,888	30.1
SOCIAL AND REHABILITATION SERVICES							
STATE OPERATIONS	225,283,193	270,311,702	45,028,509	20.0	254,994,555	(15,317,147)	(5.7)

28-88

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
SOCIAL AND REHABILITATION SERVICES							
AID TO LOCAL UNITS	79,406,802	87,787,273	8,380,471	10.6	89,303,333	1,516,060	1.7
OTHER ASSISTANCE	970,005,592	1,031,331,763	61,326,171	6.3	1,075,939,018	44,607,255	4.3
TOTAL OPERATING	1,274,695,587	1,389,430,738	114,735,151	9.0	1,420,236,906	30,806,168	2.2
MENTAL HEALTH AND RETARDATION SERVICES							
STATE OPERATIONS	0	0	0	.0	(123,247)	(123,247)	.0
AID TO LOCAL UNITS	0	0	0	.0	1,080,348	1,080,348	.0
OTHER ASSISTANCE	0	0	0	.0	1,007,479	1,007,479	.0
TOTAL OPERATING	0	0	0	.0	1,964,580	1,964,580	.0
STATE CONSERVATION COMMISSION							
STATE OPERATIONS	1,148,706	1,468,876	320,170	27.9	1,170,551	(298,325)	(20.3)
AID TO LOCAL UNITS	3,270,523	2,367,673	(902,850)	(27.6)	2,361,457	(6,216)	(.3)
OTHER ASSISTANCE	5,837,752	6,632,999	795,247	13.6	6,655,000	22,001	.3
TOTAL OPERATING	10,256,981	10,469,548	212,567	2.1	10,187,008	(282,540)	(2.7)
DEPARTMENT OF EDUCATION							
STATE OPERATIONS	16,314,964	17,305,590	990,626	6.1	17,253,365	(52,225)	(.3)
AID TO LOCAL UNITS	1,773,804,871	1,874,531,297	100,726,426	5.7	1,928,598,698	54,067,401	2.9
OTHER ASSISTANCE	35,390,434	39,074,250	3,683,816	10.4	42,799,500	3,725,250	9.5
TOTAL OPERATING	1,825,510,269	1,930,911,137	105,400,868	5.8	1,988,651,563	57,740,426	3.0
TOPEKA STATE HOSPITAL							
STATE OPERATIONS	22,636,479	21,880,994	(755,485)	(3.3)	21,227,887	(653,107)	(3.0)
OTHER ASSISTANCE	805	24,015	23,210	2,883.2	0	(24,015)	(100.0)
TOTAL OPERATING	22,637,284	21,905,009	(732,275)	(3.2)	21,227,887	(677,122)	(3.1)
KANSAS GUARDIANSHIP PROGRAM							
STATE OPERATIONS	0	0	0	.0	1,239,562	1,239,562	.0
TOTAL OPERATING	0	0	0	.0	1,239,562	1,239,562	.0
UNIVERSITY OF KANSAS							
STATE OPERATIONS	250,526,846	277,828,518	27,301,672	10.9	279,934,586	2,106,068	.8
OTHER ASSISTANCE	22,187,968	9,343,325	(12,844,643)	(57.9)	9,600,353	257,028	2.8
TOTAL OPERATING	272,714,814	287,171,843	14,457,029	5.3	289,534,939	2,363,096	.8
UNIV OF KANSAS MEDICAL CENTER							
STATE OPERATIONS	291,346,000	293,734,630	2,388,630	.8	295,335,153	1,600,523	.5
OTHER ASSISTANCE	6,617,926	5,957,314	(660,612)	(10.0)	6,152,067	194,753	3.3

28-21

ANALYSIS OF OPERATING EXPENDITURES

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
UNIV OF KANSAS MEDICAL CENTER TOTAL OPERATING	297,963,926	299,691,944	1,728,018	.6	301,487,220	1,795,276	.6
KANSAS WATER OFFICE STATE OPERATIONS	4,240,438	4,867,373	626,935	14.8	4,905,292	37,919	.8
TOTAL OPERATING	4,240,438	4,867,373	626,935	14.8	4,905,292	37,919	.8
DEPARTMENT OF WILDLIFE AND PARKS STATE OPERATIONS	22,642,117	23,529,518	887,401	3.9	23,576,049	46,531	.2
AID TO LOCAL UNITS	182,645	698,288	515,643	282.3	575,000	(123,288)	(17.7)
OTHER ASSISTANCE	9,240	417,715	408,475	4,420.7	40,000	(377,715)	(90.4)
TOTAL OPERATING	22,834,002	24,645,521	1,811,519	7.9	24,191,049	(454,472)	(1.8)
WINFIELD ST. HOSPITAL & TRAINING CENTER STATE OPERATIONS	27,367,699	27,709,800	342,101	1.3	26,369,337	(1,340,463)	(4.8)
OTHER ASSISTANCE	40,553	0	(40,553)	(100.0)	0	0	.0
TOTAL OPERATING	27,408,252	27,709,800	301,548	1.1	26,369,337	(1,340,463)	(4.8)
WICHITA STATE UNIVERSITY STATE OPERATIONS	100,066,165	104,616,378	4,550,213	4.5	105,278,423	662,045	.6
OTHER ASSISTANCE	6,993,367	7,604,949	611,582	8.7	7,644,827	39,878	.5
TOTAL OPERATING	107,059,532	112,221,327	5,161,795	4.8	112,923,250	701,923	.6

28-22

ANALYSIS OF OPERATING EXPENDITURES - SUMMARY

TOTAL EXPENDITURES IN ALL BILLS FOR AGENCIES CONTAINED IN 1995 SENATE BILL 1900

	FY 1994 ACTUAL	FY 1995	CHANGE FROM FY 1994		FY 1996	CHANGE FROM FY 1995	
			\$	%		\$	%
STATE GENERAL FUND							
STATE OPERATIONS	774,460,090	817,020,452	42,560,362	5.5	820,656,775	3,636,323	.4
AID TO LOCAL UNITS	1,685,342,613	1,777,353,363	92,010,750	5.5	1,825,285,822	47,932,459	2.7
OTHER ASSISTANCE	284,497,211	349,076,243	64,579,032	22.7	407,836,259	58,760,016	16.8
TOTAL OPERATING	2,744,299,914	2,943,450,058	199,150,144	7.3	3,053,778,856	110,328,798	3.7
ALL FUNDS							
STATE OPERATIONS	2,067,105,554	2,206,716,452	139,610,898	6.8	2,270,593,968	63,877,516	2.9
AID TO LOCAL UNITS	2,097,277,372	2,228,456,783	131,179,411	6.3	2,277,576,875	49,120,092	2.2
OTHER ASSISTANCE	1,642,050,657	1,686,082,060	44,031,403	2.7	1,765,641,749	79,559,689	4.7
TOTAL OPERATING	5,806,433,583	6,121,255,295	314,821,712	5.4	6,313,812,592	192,557,297	3.1

28-23

STATE OF KANSAS



Bill GRAVES, Governor
State Capitol, 2nd Floor
Topeka, Kansas 66612-1590

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

OFFICE OF THE GOVERNOR

March 24, 1995

The Honorable Robin Jennison, Chairperson
House Committee on Appropriations
Room 514-S, Statehouse

and

The Honorable Gus Bogina, Chairperson
Senate Committee on Ways and Means
Room 120-S, Statehouse

Dear Representative Jennison:

With this letter, I submit the attached amendments to my budget recommendations. Net expenditure decreases from all funding sources total \$109,113,498 for FY 1996. In addition, expenditures from the State General Fund increase by \$42,681,885 to reflect elimination of expenditures from lottery proceeds. The result of these amendments reduce the balance in the State General Fund to \$245.0 million, or 7.0 percent of expenditures. This is \$17.1 million less than the balance required to meet the state's ending balance requirement. My purpose in taking this drastic step is to give you as much notice as possible as to the serious consequences facing our State General Fund balances should the Lottery not be re-authorized.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Graves", with a horizontal line underneath.

BILL GRAVES
Governor

SWAM
April 25, 1995
Attachment 29

Reduction in Gaming Revenues

The following table displays FY 1996 receipts (excluding balances) to the various funds that are wholly or partly dependent on Lottery receipts. Those funds include the Economic Development Initiatives Fund (EDIF), the Juvenile Detention Facilities Fund (JDFF), and the Correctional Institutions Building Fund (CIBF). The table displays revenues each of the funds would receive, from the sale of Lottery tickets as reflected in *The FY 1996 Governor's Budget Report*, the revenues they would receive absent Lottery operations, and the difference between the two amounts.

(Dollars in Millions)

<u>Revenue Source</u>	<u>Governor's Budget</u>	<u>Lottery Discontinued</u>	<u>Change</u>
EDIF	\$42.5	\$4.4	\$(38.1)
JDFF	2.5	.3	(2.2)
CIBF	<u>5.0</u>	<u>.6</u>	<u>(4.4)</u>
Total	\$50.0	\$5.3	\$(44.7)

The ending balance reported in *The FY 1996 Governor's Budget Report* for the Juvenile Detention Facilities Fund is \$2,971,895. Based on elimination of the Lottery, the ending balance in the Juvenile Detention Facilities Fund would be \$777,936. Expenditures from agencies that receive financing from the EDIF and CIBF would be affected by these reductions. Unlike the JDFF, ending balances in the funds cannot support my recommended level of expenditures without transfers from the Lottery. These changes are detailed in the remainder of this letter.

Kansas Lottery

1. I amend my budget to reflect legislative action that virtually abolishes the Lottery in FY 1996. *The FY 1996 Governor's Budget Report* includes receipts for operation of the Lottery in FY 1996. These receipts, together with balances carried forward from FY 1995, finance operation of the Lottery and economic development, prison construction and local juvenile detention programs. Elimination of Lottery operations and payment of prizes by the Lottery reduce the special revenue fund expenditures by \$108,989,490. It also results in the elimination of 98.0 FTE positions.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ —	\$ —
All Other Funds	<u>—</u>	<u>(108,989,490)</u>
All Funds	\$ —	\$ (108,989,490)

Department of Commerce and Housing

2. I amend my budget to replace all financing for the Department of Commerce and Housing from the Economic Development Initiatives Fund contained in *The FY 1996 Governor's Budget Report* with financing from the State General Fund in FY 1996. This amount totals \$17,775,514.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ —	\$ 17,775,514
All Other Funds	<u>—</u>	<u>(17,775,514)</u>
All Funds	\$ —	\$ —

Kansas, Inc.

3. I amend my budget to replace all financing for Kansas, Inc. from the Economic Development Initiatives Fund contained in *The FY 1996 Governor's Budget Report* with financing from the State General Fund in FY 1996. This amount totals \$129,144.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ —	\$ 129,144
All Other Funds	<u>—</u>	<u>(129,144)</u>
All Funds	\$ —	\$ —

Kansas Technology Enterprise Corporation (KTEC)

4. I amend my budget to replace financing for certain programs for KTEC from the Economic Development Initiatives Fund contained in *The FY 1996 Governor's Budget Report* with financing from the State General Fund in FY 1996. This amount totals \$8,976,368. Financing that would remain from the EDIF totals \$9,099,000 and would be for the following programs in the amount recommended in my initial recommendations: Business Innovation Research Grants, Training Equipment, Industrial Liaison, Venture Capital, EPSCoR, Special Projects and MAMTC.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 8,976,368
All Other Funds	<u> --</u>	<u>(8,976,368)</u>
All Funds	\$ --	\$ --

Department of Education

5. I amend my budget for FY 1996 to increase expenditures from the State General Fund by \$9,046,234 and reduce expenditures from the Economic Development Initiatives Fund by the same amount. This amendment affects the following programs of the Department of Education:

Postsecondary Aid	
for Area Vocational-Technical Schools	\$6,050,000
Capital Outlay Aid	
for Area Vocational-Technical Schools	1,500,000
Innovative Program Grants	
for School Districts	1,351,234
Technology Matching Grants	
for AVTSs and Community Colleges	<u>145,000</u>
Total	\$9,046,234

The previously recommended transfers of funds from the EDIF to the corresponding fund of the Department of Education are no longer recommended. The change from my original recommendation for the Department of Education is as follows:

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 9,046,234
All Other Funds	<u> --</u>	<u>(9,046,234)</u>
All Funds	\$ --	\$ --

Board of Agriculture

6. I amend my FY 1996 budget to provide \$366,707 from the State General Fund and reduce funding of the same amount from the Economic Development Fund for the Board of Agriculture. This shift in funding will allow the agency to continue projects that provide additional opportunities for the market promotion and development of Kansas agricultural products.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 366,707
All Other Funds	<u> --</u>	<u>(366,707)</u>
All Funds	\$ --	\$ --

State Water Plan

7. I amend my budget for FY 1996 to increase expenditures from the State General Fund by \$2.0 million to finance the State Water Plan and reduce expenditures from the Economic Development Initiatives Fund by the same amount.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ 2,000,000
All Other Funds	<u> --</u>	<u>(2,000,000)</u>
All Funds	\$ --	\$ --

Kansas Bureau of Investigation

8. The Kansas Bureau of Investigation (KBI) performs investigations on behalf of the Kansas Lottery through the agency's Gaming Unit. Funding for the Unit is from a transfer from the Kansas Lottery and the Kansas Racing Commission. The transfer from the Lottery accounts for 25.0 percent of operating expenditures. I recommended total expenditures of \$496,031 for FY 1996, of which \$124,008 is from the Kansas Lottery transfer, and \$372,023 is from the Racing Commission transfer. Elimination of the Kansas Lottery would also reduce activities and 2.0 FTE positions of the Unit, as no investigations regarding Lottery activities would be performed by the KBI. The remaining positions and activities associated with the Gaming Unit would be funded with the transfer from the Kansas Racing Commission.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ --	\$ --
All Other Funds	<u> --</u>	<u>(124,008)</u>
All Funds	\$ --	\$ (124,008)

Department of Corrections

9. I amend my budget for FY 1996 to replace lottery receipts in the Correctional Institutions Building Fund with financing from the State General Fund of \$4,125,542. The funding needs

to be provided so the Department of Corrections can maintain and repair the physical plants of the nine correctional facilities located in the state.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ —	\$ 4,125,542
All Other Funds	<u> —</u>	<u>(4,125,542)</u>
All Funds	\$ —	\$ —

Topeka Correctional Facility

10. I amend my budget for FY 1996 to replace lottery receipts in the Correctional Institutions Building Fund with financing from the State General Fund of \$262,376. The funding needs to be provided so the Department of Corrections can expand the General Services Building to provide additional storage space for the new maximum security women's unit.

	<u>FY 1995</u>	<u>FY 1996</u>
State General Fund	\$ —	\$ 262,376
All Other Funds	<u> —</u>	<u>(262,376)</u>
All Funds	\$ —	\$ —

Governor's State General Fund Budget Plan
(Dollars in Millions)

Includes the impact of repeal of the Kansas Lottery

	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999
Adjusted Balance:	\$455.1	\$359.3	\$262.1	\$265.8	\$277.5
Revenue:					
Base Revenue Estimates	\$3,288.1	\$3,409.3	\$3,560.5	\$3,743.1	\$3,916.3
Repeal Original Construction Tax	(4.3)	(17.7)	(18.5)	(19.4)	(20.3)
Repeal Utilities in Production Tax	—	(12.4)	(13.0)	(13.6)	(14.3)
Military Retirement Adjustment	(36.9)	17.3	17.3	—	—
Other Adjustments	—	0.5	—	—	—
Subtotal Revenue	\$3,247.0	\$3,397.1	\$3,546.3	\$3,710.1	\$3,881.7
Total Available	\$3,702.0	\$3,756.3	\$3,808.5	\$3,975.9	\$4,159.2
Expenditures:					
Governor's Recommendations	\$3,342.8	\$3,462.5	—	—	—
Governor's Budget Amendments	—	42.9	—	—	—
Expenditures from Prior Year	—	—	3,494.2	3,542.7	3,698.4
School Finance Adjustment	—	5.9	41.2	41.8	18.2
Demand Transfer at Statute	—	—	15.4	7.6	8.1
Subtotal Expenditures	\$3,342.8	\$3,511.3	\$3,550.8	\$3,592.1	\$3,724.7
Additional Allowable Expenditure	—	(17.1)	(8.1)	106.3	144.3
Total Expenditures	\$3,342.8	\$3,494.2	\$3,542.7	\$3,698.4	\$3,869.0
Ending Balance	\$359.3	\$262.1	\$265.8	\$277.5	\$290.2
As % of Expenditures	10.7%	7.5%	7.5%	7.5%	7.5%
Percent Growth in Expenditures	7.4%	4.5%	1.4%	4.4%	4.6%
Add. Exp. as a Percent of Subtotal	—	—	-0.2%	3.0%	3.9%
Revenues minus Expenditures	(\$95.8)	(\$97.1)	\$3.7	\$11.7	\$12.7

Revenue estimates beginning in FY 1997 reflect a 4.75 percent annual base increase.

The adjusted balance in FY 1995 includes released encumbrances through November.

School finance adjustments beginning in FY 1996 assume the Governor's school finance bill and motor vehicle tax proposal.

Demand transfer adjustments beginning in FY 1997 are based on the Governor's revisions to sales taxes.

Governor's State General Fund Budget Plan
(Dollars in Millions)

Includes the impact of repeal of the Kansas Lottery

	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999
Adjusted Balance:	\$455.1	\$359.3	\$262.1	\$265.8	\$277.5
Revenue:					
Base Revenue Estimates	\$3,288.1	\$3,409.3	\$3,560.5	\$3,743.1	\$3,916.3
Repeal Original Construction Tax	(4.3)	(17.7)	(18.5)	(19.4)	(20.3)
Repeal Utilities in Production Tax	—	(12.4)	(13.0)	(13.6)	(14.3)
Military Retirement Adjustment	(36.9)	17.3	17.3	—	—
Other Adjustments	—	0.5	—	—	—
Subtotal Revenue	\$3,247.0	\$3,397.1	\$3,546.3	\$3,710.1	\$3,881.7
Total Available	\$3,702.0	\$3,756.3	\$3,808.5	\$3,975.9	\$4,159.2
Expenditures:					
Governor's Recommendations	\$3,342.8	\$3,462.5	—	—	—
Governor's Budget Amendments	—	42.9	—	—	—
Expenditures from Prior Year	—	—	3,494.2	3,542.7	3,698.4
School Finance Adjustment	—	5.9	41.2	41.8	18.2
Demand Transfer at Statute	—	—	15.4	7.6	8.1
Subtotal Expenditures	\$3,342.8	\$3,511.3	\$3,550.8	\$3,592.1	\$3,724.7
Additional Allowable Expenditure	—	(17.1)	(8.1)	106.3	144.3
Total Expenditures	\$3,342.8	\$3,494.2	\$3,542.7	\$3,698.4	\$3,869.0
Ending Balance	\$359.3	\$262.1	\$265.8	\$277.5	\$290.2
As % of Expenditures	10.7%	7.5%	7.5%	7.5%	7.5%
Percent Growth in Expenditures	7.4%	4.5%	1.4%	4.4%	4.6%
Add. Exp. as a Percent of Subtotal	—	—	-0.2%	3.0%	3.9%
Revenues minus Expenditures	(\$95.8)	(\$97.1)	\$3.7	\$11.7	\$12.7

Revenue estimates beginning in FY 1997 reflect a 4.75 percent annual base increase.

The adjusted balance in FY 1995 includes released encumbrances through November.

School finance adjustments beginning in FY 1996 assume the Governor's school finance bill and motor vehicle tax proposal.

Demand transfer adjustments beginning in FY 1997 are based on the Governor's revisions to sales taxes.

Gus--

Last year the Legislature appropriated \$45,000 from the Highway Fund to the Highway Patrol so that they could build an addition to their garage at I-70 and Gage here in Topeka. However, the lowest bid on the project is \$23,350 over the amount that was appropriated.

They would like to use part of the \$40,000 (Highway Fund) that your Committee lapsed because of salary savings to fund the project.

I told them that I would bring this to your attention.

Timothy Colton
25 April 1995

*SWAM
April 25, 1995
Attachment 30*

Request \$200,000.00 for the Kansas racing commission to oversee an independent in-depth audit/investigation as authorized by the Kansas Parimutual Act, of any licensee, or of any racetrack or business involved in simulcasting to racetracks in Kansas, for the purpose of ascertaining current compliance with any provision of the act or any regulation.

That the audit/investigation not be limited in scope. That the Kansas racing commission coordinate such audit/investigation with any other state agencies whose area of expertise may contribute to the effort.

That the Kansas racing commission report minutes, orders, documentation or conclusions of the audit/investigation to the chairman of the Senate Ways and Means committee.

SWAM
April 25, 1995
Attachment 31

1995 OMNIBUS APPROPRIATIONS BILL

Senate Bill No. 385

As Approved by Senate Committee

The Omnibus Appropriations Bill increases FY 1995 operating expenditures by \$6,195,304. State General Fund operating expenditures in the current year increase by \$1,856,259, and all other funds increase \$4,339,045. Current year capital improvement expenditures, financed from special revenue funds increase by \$826,650 which are also included in the bill.

In FY 1996, operating expenditures totaling \$40,560,086 are approved in the bill. There is an **increase** in State General Fund operating expenditures totaling \$17,540,496. Capital improvements totaling \$2,025,000 are authorized in the budget year, of which \$1,950,000 is from special revenue funds and \$75,000 is from the State General Fund.

The **net change** in expenditures from the State General Fund for both FY 1995 and FY 1996 is an increase of \$19,471,755, while the net change in all funds for both years is \$49,607,040.

1995 OMNIBUS BILL EXPLANATION

Senate Bill No. 385

32-2

Senate Committee Recommendation

House Committee Recommendation

Conference Committee Recommendation

Sec. 2 -- Department of Transportation

1. Add \$900,000 in FY 1996 for constructing a subarea facility in Wichita as recommended in Governor's Budget Amendment No. 4 Item 17 and by the Joint Committee on State Building Construction.

Sec. 3 -- Kansas Lottery

1. Increase the FY 1995 expenditure limitation for the Lottery Operating Fund by \$30,000 for ticket printing costs as a result of concurring with Governor's Budget Amendment No. 4 Item 18 regarding FY 1995 sales of \$161.5 million, an increase of \$1.5 million more than assumed by the Legislature during its regular session. An increase in transfers to the State Gaming Revenues Fund from \$49,798,163 to \$50,492,999 in FY 1995 is estimated. Total expenditures are increased \$884,700 above the approved FY 1995 amount.
2. Add a separate line item in FY 1996 relative to paying a claimant \$117,037 from the Lottery Operating Fund for a July 20, 1988, Cash Lotto drawing.

Sec. 4 -- Kansas Racing Commission

1. In restoring financing and staffing authority which was previously zeroed out in H.B. 2132, concur with the Governor's FY 1996 recommendations for expenditures of \$5,079,836 and staff of 49.5 FTE positions,

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

with the following adjustments: reduce \$58,536 from salaries and benefits enhancements for classified and unclassified personnel; delete the Director of Racing which has never been filled, including a reduction of \$48,174 and 1.0 FTE position; add 2.0 FTE positions and FY 1996 financing of \$74,339 for two classified auditors in order to monitor activities at each race track. Currently, only one auditor is assigned to the Wichita race track and this recommendation provides staff at both the Kansas City and Southeast Kansas facilities. (Items not reflected in this section of the bill: Concur with Governor's Budget Amendment No. 4 Item 18 and reduce estimated transfers to the SGRF by \$709,245 to \$4,040,000 in FY 1995. For FY 1996, reduce the estimated SGRF transfers to \$2,870,538, or \$2,256,562 less than recommended by the Governor, based on projected parimutuel wagering at the race tracks.)

2. Add a provision to assure that three race judges or stewards will be stationed at each race track for race meets in order to implement the Governor's and Legislature's budget recommendations in FY 1995 and FY 1996 which provide 9.0 FTE positions and salary funding for nine race judges.
3. Provide that anyone hired as the Inspector of Parimutuels shall be required to be a certified public accountant.
4. Add a provision authorizing the Kansas racing commission to undertake an independent audit and investigation, as authorized by the Kansas parimutuel act, of any licensee, any race track, or any business involved in simulcasting to race tracks in Kansas, for the

Senate Committee Recommendation

purpose of ascertaining current compliance with provisions of the Kansas parimutuel act and regulations of the Kansas racing commission; provided, that the audit and investigation shall be coordinated with other state agencies; provided further, that the audit scope statement and request for proposal be developed by the Kansas racing commission and submitted to the legislative post audit committee for its review, comments and approval; and provided, that any expenditures or transfers from the state racing fund for the purpose of paying for such audits and investigations shall be in addition to any expenditure limitation imposed on the state racing fund. The fiscal note discussed by the Senate Committee is \$200,000 for auditing.

House Committee RecommendationConference Committee Recommendation

**Sec. 5 -- Kansas Public Employees
Retirement System**

1. Increase the FY 1995 expenditure limitation for investment related expenses by \$237,699 due to a revised estimate provided by KPERS showing increased costs associated with better performance of KPERS investments and litigation related expenses.
2. Add 1.0 FTE position and \$53,174 in FY 1996 for an Assistant Investment Officer authorized in 1995 Senate Sub. for H.B. 2555.

Sec. 6 -- Legislature

1. Authorize that if the Senate chamber chairs of members are replaced in FY 1995 or FY

52-4

Senate Committee Recommendation

1996, that Senators may purchase their chair at fair market value. The price would be set by the Director of Legislative Administrative Services in consultation with Secretary of Administration. Any receipts received from the sale of the chairs would be deposited in the Legislative Special Revenue Fund. In addition, the authorizing language exempts the sale of the Senate chamber chairs from any provisions of existing law.

House Committee Recommendation

Conference Committee Recommendation**Sec. 7 -- Legislative Coordinating Council**

1. Add \$50,000 from the State General Fund in FY 1996 to finance an actuarial audit of the Kansas Public Employees Retirement System (KPERs). The comprehensive audit would review the actuarial work of the KPERs consulting actuary in the most recent annual valuation and the triennial experience valuation. The actuarial audit is required by H.B. 2555 (the KPERs omnibus bill).

**Sec. 8 -- Department of Health
and Environment**

1. Appropriate for FY 1996 the new Dry-cleaning Facility Release Trust Fund established by passage of Sub. for H.B. 2256 with an expenditure limitation of \$1,117,500. No new positions are recommended for the program. The Committee wants the agency to use staff within its existing position limitation to provide for the oversight necessary to administer the program. To assure that most of the recommended \$1,117,500 would be

Senate Committee Recommendation

used for corrective action contracts for environmental cleanup, the Committee recommends that a proviso be placed on the new fund to limit salary expenses to \$95,234. The recommended amount for salaries would provide for the costs of a Geologist I, Geologist II, and Office Assistant IV, which are the positions that the agency indicated would be needed for the program. Receipts to this new trust fund are from a 2.0 percent gross receipt tax on certain laundering and drycleaning businesses beginning on July 1, 1995. In addition, receipts will come from a \$3.50 per gallon fee for the purchase or acquisition of drycleaning solvent. The fee is to start July 1, 1995, and is to be increased by \$0.25 each successive calendar year until the rate reaches \$5.50 per gallon. Estimated revenues are projected at \$1.1 million in FY 1996 and \$1.2 million in FY 1997. The moneys in the new trust fund are to be used for administration and enforcement costs as well as for corrective actions costs related to environmental clean-ups required because of drycleaning solvent releases. The bill also allows moneys in the Trust Fund to be used to pay reimbursement of up to \$100,000 per site to individuals who have incurred costs for corrective action prior to passage of Sub. for H.B. 2256.

- 32-6
2. Appropriate for FY 1996 the new Driving Under the Influence Equipment Fund established by passage of House Substitute for S.B. 127 with an expenditure limitation of "no limit." Revenues to be credited to the new fund are to come from a portion of driver's license reinstatement fees. The bill increases the fee from \$25 to \$50 and earmarks 10 percent of the fees collected for this

House Committee RecommendationConference Committee Recommendation

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

new fund. Also, place a proviso on the new fund so that all expenditures from the fund would be for purchasing blood or alcohol concentration testing equipment. The bill allows for moneys in the new fund to be used for purchasing the testing equipment or for drivers' safety programs. The agency reports that it is currently in need of new equipment and that it does not conduct drivers' safety programs.

3. Adopt the Governor's Budget Amendment No. 4, Item No. 20, which adds \$286,307 for FY 1996 from the Sponsored Project Overhead Fund for first year funding of a three-year certificate of participation for upgrading the Department's vital statistics document imaging equipment. The increase is offset by a reduction of \$27,200 from the State General Fund, which is savings available from a discontinued maintenance contract on the agency's existing equipment. The Department reports that the current document imaging hardware and software are no longer manufactured and manufacturer support will be discontinued in September, 1996.
4. Adopt the Governor's Budget Amendment No. 4, Item No. 21, which reduces the FY 1995 State General Fund appropriation for the agency by \$200,000 because of lower than originally anticipated expenditures necessary to cover the cost of vaccines.
5. Adopt the Governor's Budget Amendment No. 4, Item No. 22, which adds for FY 1996 a total of \$425,000 in federal grant moneys from the United States Department of Energy National Industrial Competitiveness through

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

Energy, Environment, and Economics (NICE 3) program. The moneys would provide for a computer workstation project at the Western Resources utility plant in Lawrence. The intent of the project is to reduce operation and maintenance costs of the facility, leading to improved efficiency and reduced air pollution. The new grant moneys are to be appropriated in a new fund with a proviso that requires the grant recipient to provide any matching amounts necessary for the federal moneys and to assume all liability for continuing the grant for this or any ensuing fiscal year. (Information provided by the agency indicated that federal matching requirements are on a dollar for dollar basis and that grant awardees are expected to continue financing projects started by the one-time grant.) The proviso also would ensure that all moneys are provided to the grant recipient, prohibiting the moneys from being used for state operations.

6. Adopt the Governor's Budget Amendment No. 4, Item No. 23, which provides for a FY 1995 shift in financing of \$224,690 from the state Medicaid fund to the federal Medicare fund. The agency indicates that it is under federal contract to survey the adult care homes in Kansas that are serving both Medicaid and Medicare funded clients. The recommendation allows the agency to make use of higher than originally anticipated federal earnings.
7. Adopt the Governor's Budget Amendment No. 4, Item No. 25, which adds in FY 1996 a total of \$650,047 from a new federal grant for activities related to early detection of breast and cervical cancer. A new fund

Senate Committee Recommendation

would be appropriated for this grant, as was requested by the agency. The new grant moneys would provide for free mammograms, pap smears, and pelvic exams to women across the state who meet certain income eligibility guidelines. The agency indicates that matching requirements for the federal moneys would be met from private sources, including hospitals and other health facilities or foundations. This grant was preceded by a planning grant first awarded in FY 1994. Therefore, also shift beginning in FY 1996 any remaining receipts related to the initial breast and cervical cancer grant to the recommended new fund. This initial planning grant for breast cancer activities is currently in the Disease Prevention and Health Promotion Fund, which also is used for ten other grant projects. The recommendation places all grant moneys for breast and cervical cancer activities into one dedicated fund. The recommendation also provides for \$121,201 in already authorized expenditure authority for state operations from the planning grant.

The Committee learned that an additional \$46,500 would be available in FY 1996 from revised estimated remaining balances from FY 1995. Therefore, the Committee adds the \$46,500, for a net increase of \$696,547. The additional moneys are to be used for contract or grant agreements to pay for medical services related to the detection of breast and cervical cancer. To prevent any of the additional recommended moneys from being used for requested new staff positions, the Committee also recommends that a proviso be placed on the new fund. The proviso would limit the use of moneys in the fund for

House Committee RecommendationConference Committee Recommendation

Senate Committee Recommendation

state operations to \$121,201, except for contract or grant agreements to pay for medical services related to the detection of breast and cervical cancer.

House Committee RecommendationConference Committee Recommendation

8. Add \$659,433 in FY 1996 from the AIDS Project--Education and Risk Reduction--Federal Fund for testing, counseling, and health education of persons found to be infected with the AIDS virus. The agency reports that it recently received notification of this supplemental grant award. The recommendation provides for expending the money in the form of aid-to-local units. No additional moneys are recommended for state operations.
9. Add \$63,337 in FY 1996 from the Health and Environment Training Fee Fund to allow the agency to provide for any requested training to persons across the state who are involved in health issues. The agency reported that it only budgeted \$41,040 from this fund, which is significantly less than expenditures from recent years. The recommendation provides for total FY 1996 expenditures of \$104,377. This amount was reported by the agency as the amount of actual expenditures from the fund in FY 1994.
10. Add \$375,272 in FY 1996 from the Disease Prevention and Health Promotion Fund so that anticipated remaining balances from FY 1995 can be expended in FY 1996 for four federal grant health projects (including projects related to diabetes, burns, health habits, and disability prevention). Also, through a proviso restrict the use of the recommended additional moneys so that the moneys can only be used for aid-to-local units. (The

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

proviso places a limit on the total amount from the fund that can be expended for state operations.)

11. Shift from FY 1995 to FY 1996 a total of \$2.0 million from the Title I--P.L. 99-457 Child Development--Federal Fund for the agency's Infant and Toddler program. The agency reports that the federal moneys will not be available in FY 1995 as was originally anticipated. The Infant and Toddler program provides statewide early intervention services to children with disabilities. Half of the requested moneys of (\$1.0 million) is to be used for one-time operating purchases for the Department. The remaining \$1.0 million is to be given as enhancement grants to local service providers. The providers are to use the additional grant moneys only for one-time purchases.

Sec. 9 -- State Board of Agriculture

1. Add 1.0 FTE unclassified Assistant Secretary of Agriculture position in FY 1996 and funding in the amount of \$68,400 (including fringes) as a result of the reorganization of the Board/Department of Agriculture in Sen. Sub. for H.B. 384.
2. Add \$13,200 SGF for staff reclassifications associated with Sen. Sub. for H.B. 2384.
3. Add \$5,100 in FY 1996 for travel and subsistence for the newly-created advisory board at the Department of Agriculture (as a result of Sen. Sub. for H.B. 2384.

Senate Committee Recommendation

House Committee Recommendation

Conference Committee Recommendation

- 4. Add \$9,300 in the Department of Administration's SHARP line-item in FY 1996 for three personal computers for SHARP implementation. The agency was informed of the need for this funding by the Department of Administration in late March.

Sec. 10 -- Kansas Highway Patrol

- 1. Lapse \$40,000 in funding for the Motor Carrier Inspection Program from the Motor Carrier Inspection Fund in FY 1995 as a result of unanticipated salary savings.
- 2. Use \$23,350 of the lapsed salary funding for the addition to the Patrol's maintenance garage at I-70 and Gage Blvd. in Topeka. The 1994 Legislature appropriated \$45,000 from the Motor Carrier Inspection Fund for this project, but the lowest bid on the project is \$23,350 over the amount appropriated.
- 3. Use \$3,300 of the lapsed funding for the replacement of a trailer at Caney that is used as a Motor Carrier Inspection facility. The 1994 Legislature appropriated \$35,000 for this project, but the lowest bid on the project is \$3,300 over the amount appropriated.

Sec. 11 -- Kansas Guardianship Program

- 1. Lapse \$1,074,200 in grant funding for the Kansas Guardianship Program from 1995 S.B. 343, and appropriate \$1,074,200 directly to the Kansas Guardianship Program in FY 1996, a new quasi-public non-profit entity created by 1995 S.B. 342 in order to recruit volunteers to serve as court-appointed

32-12

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

guardians and/or conservators for adults found by courts to need the protection of guardianship or conservatorship. The entity was created in order to separate the Guardianship Program from Kansas Advocacy and Protective Services (KAPS); a federal audit found that it constituted a conflict of interest for KAPS to operate the Guardianship Program.

2. Appropriate \$120,562 in FY 1996 to assist the agency in meeting the costs of separation from KAPS (moving expenses, replacement of equipment that was once shared with KAPS, and other expenses that will be incurred because of the separation), and \$44,800 to annualize the cost of serving clients added to the program in FY 1995. Use the \$32,171 lapsed from the operating grant to KAPS to finance part of this (see item 4 under Division of Mental Health and Retardation Services (above)). Using the lapsed funding, net new funding for the program will total \$133,191.

Sec. 12 -- Youth Center at Atchison

1. Add \$19,925 from the State General Fund in FY 1996 for capital outlay items. No funding for capital outlay was recommended by the Governor, nor did the Legislature provide funding for capital outlay in the agency's FY 1996 appropriations bill, H.B. 2090.
2. Add \$27,438 from the State General Fund in FY 1996 to provide a 3.0 percent teacher's salary increase for the agency's contractual teachers.

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

3. Add \$18,000 from the State General Fund in FY 1996, as recommended by GBA No. 4, item 42. The recommendation would transfer employee training funds from SRS-Youth and Adult Services to the Youth Center at Atchison where the funds are currently expended.

Sec. 13 -- Youth Center at Beloit

1. Add \$19,275 from the State General Fund in FY 1996 for capital outlay items. No funding for capital outlay was recommended by the Governor, nor did the Legislature provide funding for capital outlay in the agency's FY 1996 appropriations bill, H.B. 2090.
2. Add \$27,567 from the State General Fund in FY 1996 to provide a 3.0 percent teacher's salary increase for the agency's contractual teachers.
3. Add \$18,000 from the State General Fund in FY 1996, as recommended by GBA No. 4, item 42. The recommendation would transfer employee training funds from SRS-Youth and Adult Services to the Youth Center at Beloit where the funds are currently expended.

Sec. 14 -- Youth Center at Topeka

1. Add \$38,724 from the State General Fund in FY 1996 for capital outlay items. No funding for capital outlay was recommended by the Governor, nor did the Legislature provide funding for capital outlay in the agency's FY 1996 appropriations bill, H.B. 2090.

32-14

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

2. Add \$54,348 from the State General Fund in FY 1996 to provide a 3.0 percent teacher's salary increase for the agency's contractual teachers.
3. Add \$36,000 from the State General Fund in FY 1996, as recommended by GBA No. 4, item 42. The recommendation would transfer employee training funds from SRS-Youth and Adult Services to the Youth Center at Topeka where the funds are currently expended.

Sec. 15 -- Board of Barbering

1. Add \$2,172 in FY 1995 to the expenditure limit of the Barbering Fee Fund, as recommended by GBA No. 4, item 61, to cover the costs of unanticipated increases in the agency's operating expenses.

Sec. 16 -- Department of Social and Rehabilitation Services

1. Concur with the consensus caseload estimates, which makes adjustments from the approved budget for agency programs as summarized below:

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation**FY 1995**Change from Approved

	<u>State Funds</u>	<u>All Funds</u>
AFDC	\$ (1,985,126)	\$ (3,914,994)
General Asst.	(1,331,171)	(1,331,171)
Reg. Medical	994,471	1,095,238
Nursing Facil.	3,061,463	1,647,581
HCBS	2,037,591	5,953,752
TOTAL	\$ 2,777,228	\$ 3,450,406

FY 1996Change from Approved

	<u>State Funds</u>	<u>All Funds</u>
AFDC	\$ (2,141,139)	\$ (3,300,000)
General Asst.	(130,699)	(130,699)
Reg. Medical	1,285,394	4,292,289
Nursing Facil.	5,998,883	6,322,327
HCBS	2,200,659	6,199,637
TOTAL	\$ 7,213,098	\$ 13,383,554

2. As a technical adjustment, add language to reappropriate unexpended State General Fund money for the Kansas Social Service Information System (KSSIS) project to FY 1996.
3. As a technical adjustment, appropriate the Medicaid Assistance Federal Fund created in S.B. 343 for FY 1996.
4. Concur with GBA No. 4, Item 36, which adds \$794,990 SGF (\$1.9 million all funds)

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

in FY 1996 to reduce copayments by Medicaid recipients for inpatient hospital services from \$325 to \$48.

5. Concur with GBA No. 4, Item 37, which adds \$2.1 million SGF (\$3.0 million all funds) in FY 1996 to pay plaintiffs' attorney fees associated with a lawsuit that involved reimbursement rates paid by the state to nursing facilities in 1987. Release of the funding is contingent upon the approval of the State Finance Council.
6. Concur with GBA No. 4, Item 38, which adds \$240,236 SGF (\$480,471 all funds) in FY 1995 for items necessary for access to and operation of the SHARP system for SRS and its related agencies.
7. Concur with GBA No. 4, Item 39, which recommends language to ensure in FY 1996 that long term care workers who currently are eligible for longevity pay and rights to appeal to the civil service board retain those benefits after the implementation of the SHARP system and S.B. 176.
8. Concur with GBA No. 4, Item 40, which adds \$2.7 million in federal funds for FY 1995 for the purchase of personal computers to be used in the new Child Support Enforcement computer tracking system.
9. Concur with GBA No. 4, Item 41, which recommends the shift of \$326,721 SGF in FY 1996 from the other medical assistance line item to the MHRS aid and assistance line item.

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

10. Concur with GBA No. 4, Item 42, which recommends the shift of \$90,000 SGF in FY 1996 from Youth and Adult Services to the four state youth centers.
11. Add \$1,389,412 SGF (\$2.5 million all funds) in FY 1996 for job placement services for KanWork clients. This is the same amount as recommended by the Senate in S.B. 343. The Conference Committee on S.B. 343 removed all funding for job placement services pending further review in the Omnibus bill.
12. Add \$800,000 SGF in FY 1995 for the Community Mental Health Centers. This restores funding deleted by 1994 Legislature for anticipated savings from a mental health managed care plan which has not been implemented at this time.

Sec. 16 -- Department of Social and Rehabilitation Services -- Division of Mental Health and Retardation Services

1. Make a technical adjustment in FY 1996, lapsing \$152 from S.B. 343 to correct a posting error.
2. Concur with GBA No. 4, Item 41, transferring \$326,721 from the Other Medical Assistance line-item to the MHRS line item in FY 1996. The funding is existing money--not new money, for a grant for children's mental health services to the Family Service and Guidance Center. The Center is an affiliate of Shawnee Mental Health Services;

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

Shawnee Mental Health Services provides adult services; the Center provides children's services.

3. Use \$32,171 SGF lapsed from the SRS operating grant to Kansas Advocacy and Protective Services (KAPS) in FY 1996 to finance part of the expenses of the new Kansas Guardianship Program, which was created by 1995 S.B. 342 (see below). KAPS may no longer receive state funds as a result of a federal audit that held that it constituted a conflict of interest for KAPS to do so.
4. Add \$395,326 in FY 1996 for special purpose special purpose MR grants. This will be total funding for special purpose grants to \$1,000,000.

Sec. 17 -- Larned State Hospital

1. Increase the expenditure limitation on the Larned State Hospital Fee Fund by \$50,000 in FY 1995 in order to reduce shrinkage. This is identical to Governor's Budget Amendment No. 4, Item 44.
2. Add \$42,619 State General Fund in FY 1996 due to an adjustment for teacher salary increases and deleting \$1,014 State General Fund due to a categorical aid rate adjustment. Teacher salary increases of 3.0 percent were recommended for FY 1996. The categorical aid rate was adjusted from \$19,400 to \$19,500 per teaching unit. Delete \$1,014 State General Fund in FY 1995 due to a categorical aid rate adjustment from \$19,400 to \$19,500 per teaching unit.

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

3. Transfer \$35,627 from the Construction Defects Recovery Fund of the Department of Administration to the Institutional Rehabilitation and Repair Projects Fund of Larned State Hospital in FY 1996. This is identical to Governor's Budget Amendment No. 4, Item 45.
4. Increase the expenditure limitation on the Larned State Hospital Fee Fund by \$475,000 in FY 1996 and decreases State General Fund by the same amount. This is identical to Governor's Budget Amendment No. 4, Item 43.

Sec. 18 -- Osawatomi State Hospital

1. Increase the expenditure limitation on the Osawatomi State Hospital Fee Fund by \$330,000 in FY 1996 and decreases State General Fund by the same amount. This is identical to Governor's Budget Amendment No. 4, Item 43.
2. Add \$22,100 State General Fund in FY 1996 due to an adjustment for a teacher salary increase and delete \$1,420 State General Fund due to a categorical aid rate adjustment. Teacher salary increases of 3.0 percent were approved for FY 1996. The categorical aid rate was adjusted from \$19,400 to \$19,500 per teaching unit. Delete \$1,420 State General Fund in FY 1995 due to a categorical aid rate adjustment from \$19,400 to \$19,500 per teaching unit.

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation**Sec. 19 -- Rainbow Mental Health Facility**

1. Add \$23,667 State General Fund in FY 1996 due to an adjustment for teacher salary increases and deletes \$1,792 State General Fund due to a categorical aid rate adjustment in the education contracts for all of the mental health institutions. Teacher salary increases of 3.0 percent were approved for FY 1996. The categorical aid rate was adjusted from \$19,400 to \$19,500 per teaching unit. Delete \$1,792 State General Fund in FY 1995 due to a categorical aid rate adjustment from \$19,400 to \$19,500 per teaching unit.

Sec. 20 -- Topeka State Hospital

1. Reduce the State General Fund -- Operating Expenditures account in FY 1996 by \$148,535 as a technical adjustment.
2. Increase the expenditure limitation on the Topeka State Hospital Fee Fund by \$100,000 in FY 1995 in order to help reduce shrinkage from 8.8 percent to 8.3 percent. This amount is in addition to the \$115,000 increase recommended by the 1995 Legislature. A total of \$215,000 is required. This is identical to Governor's Budget Amendment No. 4, Item No. 46.
3. Add \$17,109 State General Fund in FY 1996 due to an adjustment for teacher salary increases and deleting \$1,990 State General Fund due to a categorical aid rate adjustment. Teacher salary increases of 3.0 percent were approved for FY 1996. The categorical aid rate was adjusted from \$19,400 to \$19,500

Senate Committee Recommendation

per teaching unit. Delete \$1,990 State General Fund in FY 1995 due to a categorical aid rate adjustment from \$19,400 to \$19,500 per teaching unit.

4. Increase the expenditure limitation on the Topeka State Hospital Fee Fund by \$1,160,000 in FY 1996 and decrease State General Fund by the same amount. This is identical to Governor's Budget Amendment No. 4, Item 43.

House Committee RecommendationConference Committee Recommendation**Sec. 21 -- Consumer Credit Commissioner**

1. Increase the expenditure limitation on the Consumer Credit Fee Fund in FY 1995 by \$10,000 in order to accommodate the payment of claims totalling \$59,095 as required by 1995 S.B. 95.

Sec. 22 -- State Bank Commissioner

1. Increase the expenditure limitation on the Bank Commissioner Fee Fund by \$18,308 in FY 1995 in order to accomodate the payment of a claim of the same amount as required by 1995 S.B. 95.

Sec. 23 -- Human Rights Commission

1. Decrease the federal funds special revenue fund by \$102,591 in FY 1996 to offset a reappropriation of State General Fund from FY 1995 to FY 1996 to cover a shortfall in federal funds in FY 1996.

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation**Sec. 24 -- Youth Center at Larned**

1. Add \$18,000 from the State General Fund in FY 1996, as recommended by GBA No. 4, item 42. The recommendation would transfer employee training funds from SRS-Youth and Adult Services to the Youth Center at Larned where the funds are currently expended.

Sec. 25 -- Kansas Neurological Institute

1. Increase the expenditure limitation in FY 1995 for the Foster Grandparents Program -- federal program from the approved level of \$193,387 to \$212,411.
2. Add \$32,275 for teacher salary increases in FY 1996.
3. Delete \$2,255 in FY 1996 from the hospital's State General Fund appropriation based upon the 1995 legislature's most recent recommendation regarding categorical aid funding.
4. Delete \$2,255 in FY 1995 from the hospital's State General Fund appropriation based upon the 1995 legislature's most recent recommendation regarding categorical aid.
5. Lapse \$88,611 as a technical correction.

Sec. 26 -- Parsons State Hospital and Training Center

1. Add \$16,626 for teacher salary increases in FY 1996.

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

2. Delete \$1,069 in FY 1996 from the hospital's State General Fund appropriation based upon the 1995 legislature's most recent recommendation regarding categorical aid.
3. Delete \$1,069 in FY 1995 from the hospital's State General Fund appropriation based upon the 1995 legislature's most recent recommendation regarding categorical aid.
4. Lapse \$64,536 as a technical correction.
5. Shift financing of \$65,000 from the State General Fund to the Parsons State Hospital and Training Center Fee Fund.

Sec. 27 -- Winfield State Hospital and Training Center

1. Add \$28,829 in FY 1996 for teacher salary increases.
2. Delete \$2,633 in FY 1996 from the hospital's State General Fund appropriation based upon the 1995 legislatures' most recent recommendation regarding categorical aid.
3. Delete \$2,583 in FY 1995 from the hospital's State General Fund appropriation based upon the 1995 legislature's most recent recommendation regarding categorical aid.
4. Lapse \$110,175 as a technical correction.
5. Shift financing of \$170,000 from the State General Fund to the Winfield State Hospital and Training Center Fee Fund.

32-24

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation**Sec. 28 -- Kansas Board of Healing Arts**

1. Add \$9,388 in FY 1996 to the Board of Healing Arts Fee Fund for the registration of athletic trainers.

Sec. 29 -- Secretary of State

1. Add \$1,500,000 in FY 1996 to reflect current law which provides for funding a presidential preference primary.

Sec. 30 -- Kansas Bureau of Investigation

1. The Committee recommends \$2,000,000 from the State General Fund in FY 1996 to allow the agency to replace its Automated Fingerprint Identification System (AFIS). The funding is to be released by the State Finance Council after the agency receives notification about its grant application for \$2,000,000 in federal funds for this purpose. The \$2,000,000 recommended would be reduced by the amount of any federal grant funds received. The Committee also recommends that a proviso be added to the no-limit Kansas Bureau of Investigation Federal Grants Fund that provides that the agency shall make no expenditures from this fund for an AFIS system replacement or upgrade without approval from the State Finance Council.
2. Increase the expenditure limitation on the Forensic Laboratory and Materials Fee Fund from \$20,000 to \$120,000. 1995 S.B. 127

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

(Governor) would increase the driver's license reinstatement fee from \$25 to \$50 and would credit 20 percent of the fee, or \$10 per reinstatement, to the Forensic Laboratory and Materials Fee Fund. Without an expenditure limitation increase, the agency would not be able to spend any revenues generated by S.B. 127.

Sec. 31 -- Board of Indigents' Defense Services

1. Concur with Governor's Budget Amendment No. 4, Item 9, which adds \$167,065 from the State General Fund in FY 1995 and \$477,811 in FY 1996 for payments for assigned counsel.
2. Add \$200,000 from the State General Fund in FY 1995 and \$1,180,000 in FY 1996 for defending capital cases. Of the total recommended for FY 1996, the Senate recommends that \$900,000 be used for operating expenditures, including assigned counsel, and that \$280,000 be used to fund the salaries and wages and operating expenditures of 3.0 new FTE attorneys and 1.0 new FTE mitigation specialist for capital cases.
3. The Senate Committee recommends that \$846,468 of the amount approved for assigned counsel in FY 1996 by 1995 S.B. No. 48 (the agency's FY 1996 appropriations bill) be deleted from the operating expenditures account and appropriated to a separate line item for regional defense delivery system expansion. This would shift expenditures from assigned counsel (contractual services from attorneys in private practice) to public defender attorneys.

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation**Secs. 32-33 -- Department of Administration**

1. Concur with Governor's Budget Amendment No. 4, Item 26, which authorizes an appropriation from the State General Fund and the transfer of other funds to the Department of Administration for the purchase of personal computers and other equipment for the State-wide Human Resource and Payroll (SHARP) system in FY 1995 and FY 1996. Some of these funds were included in the Governor's recommendation for budgets of individual state agencies, but were deleted from those budgets by the Legislature so that the purchases could be supervised and accounted for by SHARP project personnel. The Committee's recommendation makes some adjustments to the amounts recommended in the Governor's Budget Amendment. The State General Fund appropriation totals \$274,764 and the amounts to be transferred to the Department of Administration from other funds total \$141,310. These amounts do not include funding for the Department of Social and Rehabilitations Services, for which funding from the SGF and other funds will be appropriated separately, and for the Department of Administration and the Judicial Branch, both of which will have expenditures from other funds that do not need to be transferred to the Department of Administration.
2. Concur with Governor's Budget Amendment No. 4, Item 27, which would authorize attaching a proviso to the Department of Administration's State General Fund appropriation for the General Administration account in FY 1996. The proviso would

Senate Committee Recommendation

authorize the Secretary of Administration to adopt, amend, and implement personnel regulations that relate to matters covered by memoranda of agreement entered into by state agencies and public employee organizations as deemed necessary by the Secretary for purposes of implementing the SHARP system, implementing biweekly pay, and implementing hourly pay for non-exempt personnel. Before adopting any such regulations, the Secretary would be required to give a copy of the proposed regulations and a notice of hearing to each employee organization certified by the Public Employee Relations Board. After meeting on the proposed regulations, the Secretary must consider the comments from employee organizations and may then adopt and implement the regulations as proposed or revised, subject to the approval of the Governor.

House Committee RecommendationConference Committee Recommendation

3. Concur in part with Governor's Budget Amendment No. 4, Item 28, which would convert certain special project appointments and intermittent positions to full-time equivalent (FTE) positions effective June 18, 1995. These appointments and positions currently are not included in the FTE limitations of their employer agencies. The Governor's Budget Amendment states that the purpose of this action is "to require full disclosure by state agencies of the number of employees in the state workforce and to remove the ability of agencies to manipulate the system through the addition of positions under the guise of 'special projects.'" Although the Governor's Budget Amendment would add a total of 1,384.4 FTE positions to certain agencies, the Senate Committee concurs with converting to FTE positions only those positions that

Senate Committee Recommendation

are currently classified positions. If not converted to FTE positions, these positions would become unclassified temporary positions under the SHARP system.

The following intermittent positions and special projects appointments would be converted to FTE positions under the Senate Committee recommendation:

<u>Agency</u>	<u>FTE Positions Added from Intermittent Positions</u>
Dept. of Administration	15.2
Dept. of Commerce & Housing	7.5
Kansas Racing Commission	0.5
Dept. on Aging	0.8
Dept. of Health & Environment	1.5
Dept. of Human Resources	144.7
Social and Rehabilitation Serv.	677.1*
Kansas Neurological Institute	0.5
Larned State Hospital	0.5
Osawatomie State Hospital	2.1
Rainbow Mental Health Facility	2.4
Topeka State Hospital	2.6
Winfield St. Hospital & Training Ctr.	1.0
School for the Deaf	28.0
Highway Patrol	1.0
Youth Center at Atchison	0.5
Youth Center at Topeka	1.0
Board of Agriculture	8.3
Kansas Dept. of Transportation	0.5
Dept. of Wildlife and Parks	9.0
TOTAL	<u>904.7</u>

* The 677.1 FTE positions added for the Department of Social and Rehabilitation Services includes 249.0 positions that currently are classified special projects appointments and would become unclassified positions without this conversion to FTE positions. The 9.0 positions added to the Department of Wildlife and Parks are classified intermittent positions which were inadvertently omitted from the Governor's Budget Amendment.

4. Concur with Governor's Budget Amendment

House Committee RecommendationConference Committee Recommendation

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

No. 4, Item 29, which would appropriate \$210,600 from the State General Fund in FY 1996 for postage costs associated with mailing payroll warrants and advices beginning in January 1996. Commencing with the implementation of the SHARP system, payroll warrants and advices will be mailed to employees rather than being distributed directly to them at work.

5. Concur with Governor's Budget Amendment No. 4, Item 31, which would appropriate \$50,000 from the State General Fund in FY 1995 for major repairs that may be determined to be necessary during the five-year inspection of the executive aircraft. Although the budget currently includes \$40,000 for the inspection and reasonably foreseeable minor repairs, the budget includes no funding for any major repairs that may be determined to be necessary.
6. Concur with Governor's Budget Amendment No. 4, Item 32, which would increase the expenditure limitation on the State Buildings Operating Fund by \$18,879 in FY 1995 to provide funding for utilities for Memorial Building from October 1, 1995, through June 30, 1996. The State Historical Society is scheduled to vacate the building in September 1995 and the Department of Administration will maintain the building while it is being remodeled into more efficient office space.
7. Concur with Governor's Budget Amendment No. 4, Item 34, which would appropriate \$150,000 from the State General Fund in FY 1995 to finance policy research initiatives, such as studies of the Kansas tax structure, state hospital closure, and agricultural land-

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

use value. Expenditures would be for contractual research and staffing, per diem compensation, travel and subsistence, and other operating expenditures.

Sec. 34 -- State Department of Education

1. Add \$214,334 from the State General Fund for FY 1996 for postsecondary area vocational school aid, for a total of \$18,064,497 from the State General Fund and a total of \$24,114,497 from all funds. The total from all funds is an increase of \$659,248 (2.8 percent) over FY 1995.
2. Add \$10,000 from the State General Fund for FY 1996 for educable deaf-blind and severely handicapped children's aid, for a total of \$110,000. The amount is an increase of \$10,000 over the current year.
3. Add \$50,000 from the State General Fund for FY 1996 for "Communities in Schools," a program that redirects the services of community agencies through schools in order to promote a family-focused, neighborhood-based delivery system. State aid would be used to match a two-year federal grant of \$75,000 per year. Local funding is expected to provide additional revenues of \$25,000 per year.
4. Add \$5,619,169 from the State General Fund for special education in FY 1996, for a total of \$191,435,300. The total is expected to fund an estimated 85 percent of special education excess costs and is an increase of \$13,938,447 over the current year. (The current year's appropriation of \$177,496,853

Senate Committee Recommendation

is expected to fund 83 percent of excess costs.)

5. In general, adjust the appropriations for general and supplemental general state aid contained in S.B. 70 to reflect revised school finance estimates for FY 1995 and FY 1996. The adjusted appropriations are estimated to fully fund H.B. 2152, which has been signed by the Governor. However, the Senate Committee recommends that, of the estimated savings of \$3,490,000 in the general state aid program in FY 1995, only \$2,490,000 be used to finance the program in FY 1996, the effect being that a \$1.0 million cushion would be established in FY 1995 in the event the revised estimates are incorrect. The Senate Committee's recommendation is that savings totaling \$2,761,000 in FY 1995 (\$2,490,000 in general state aid and \$271,000 in supplemental general state aid) be reappropriated to FY 1996. In addition, estimated expenditures for FY 1996 would be reduced by a total of \$14,329,644 (\$13,881,644 in general state aid and \$448,000 in supplemental general state aid). The total reduction in estimated expenditures for both years would be \$17,090,644, which is \$1.0 million less than the revised estimate of savings. The difference is the \$1.0 million cushion in FY 1995.
6. Reduce the estimate for school district capital improvements in FY 1995 from \$11.5 million to \$11.2 million and concur with GBA No. 2, Item 4, by using a balance in the fund of \$70,775 from FY 1994 to reduce the transfer necessary in FY 1995.

House Committee RecommendationConference Committee Recommendation

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

7. Concur with GBA 4, Item 14, relating to KPERS-School. Due to revised estimates, funding of \$59,894,000 approved for FY 1995 can be reduced by \$1,288,492, for a total of \$58,605,508. In addition, add \$3,283,381 to the amount appropriated for FY 1996 (\$59,894,000), for a total of \$63,177,381, which is estimated to fully fund the entitlement.
8. Make a technical adjustment to use a carry-forward balance of \$133,766 in the Economic Development Initiatives Fund to reduce the transfer necessary in FY 1996.
9. Provide for a quarterly transfer of \$40,000 from the State Highway Fund to the School Bus Safety Fund in FY 1996 as the result of passage of S.B. 159. S.B. 159 deletes the current statutorily required quarterly transfer and subjects the transfer to amounts specified in appropriations acts.

Sec. 35 -- Attorney General

1. Add \$224,190 from the State General Fund for FY 1996 for the salaries and operating expenses of 2.0 FTE new positions connected with the passage of S.B. 3. The bill, which has been signed by the Governor, makes the Attorney General responsible for duties currently performed by county and district attorneys with regard to sexually violent predators who are eligible to be released from custody. Of the amount recommended, \$98,165 would be for the salaries and benefits of two assistant attorneys general and the remainder (\$126,025) would be for associated operating expenditures.

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

2. Appropriate with an expenditure limitation of \$100,000 the "Consumer Protection Special Revenue Fund" for FY 1996 which would be created by H.B. 2448. The bill would allow the Attorney General to recoup attorney fees and other expenses received in connection with consumer protection cases. Receipts to the Fund are estimated to be approximately \$100,000 in FY 1996.
3. In general, concur with GBA No. 4, Item 2, to create a fund with a no-limit expenditure limitation in FY 1996 into which would be credited federal funds from the Drug Free School and Communities--Governor's Discretionary Prevention Grant Program. Because federal funds are available in the current year for the program, the Senate Committee also recommends that the no-limit fund be established for FY 1995. (The Governor recommended the fund only for FY 1996.)
4. Concur with GBA No. 4, Item 55, to add 7.0 FTE positions for FY 1996 associated with the creation of a federally-required Medicaid Fraud Control Unit. (The positions are two attorneys, one auditor, three investigators, and one clerical employee.) Federal funds would provide 90 percent of program costs for the first three years and 75 percent thereafter. Included in the recommendation is that \$10,000 be appropriated from the State General Fund so that start-up activities can begin prior to the receipt of federal funds in October, 1995.
5. Concur with GBA No. 4, Item 56, and create the "Attorney General's Violence Against Women Grant Fund" for FY 1995 and FY 1996 into which would be credited federal

32-37

Senate Committee Recommendation

funds available for the program. The Governor has designated the Attorney General to administer the program, which provides grants to enhance the law enforcement and prosecution response to violent crimes against women. Expenditures are estimated to be \$625,000 in both years.

6. Concur with GBA No. 4, Item 57, and create the Attorney General's "Other Federal Grants and Reimbursements Fund" for FY 1995 and FY 1996 into which would be credited miscellaneous federal grants and reimbursements. (An example is \$10,000 in federal funds that the Department of Social and Rehabilitation Services has agreed to provide the agency as reimbursement for training conducted by the Child Death Review Board.)

House Committee RecommendationConference Committee Recommendation**Sec. 36 -- Kansas Corporation Commission**

1. Concur with GBA No. 4, Item 62, to create the "Data Management System Fund" for FY 1995 and FY 1996 into which would be credited federal funds from a U.S. Department of Energy grant to develop and implement a data management system. Expenditures are estimated to be \$107,500 in FY 1995 and \$213,318 in FY 1996. Included in the recommendation is the replacement of \$70,818 in funding from the Conservation Fee Fund for salaries in FY 1996 with federal funds, resulting in a reduction of approved expenditures from the Conservation Fee Fund of \$70,818.

26
26
26

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation**Sec. 37 -- Department of Commerce and Housing**

1. For FY 1995, transfer \$1,036,947 from the state economic development initiatives fund (EDIF) to the Kansas Economic Opportunity Initiatives Fund (KEOIF). The FY 1996 transfer made in H.B. 2132 of \$1,050,000 from the Kansas Basic Enterprise Loan Fund (KBEL) to the EDIF will serve to replenish the EDIF following the above-mentioned FY 1995 transfer.
2. As recommended by GBA No. 4, Item 4, for FY 1996, shift \$200,000 (EDIF) from the strategic planning grants to a new program--the Mainstreet grant and development program.

Sec. 38 -- Kansas Technology Enterprise Corporation

1. For FY 1996, add \$200,000 for the Small Business Innovation Research Bridge Financing Fund. This fund, created by S.B. 12, will provide grants, loans, and equity investments to firms that have previously received federal Phase I Small Business Innovation Research (SBIR) moneys and that have applied for a Phase II SBIR grant.

Sec. 39 -- Department of Human Resources

1. As recommended by GBA No. 4, item 15, for FY 1996, add \$215,000 (State General Fund) to the agency's state general fund operating expenditures to offset a loss in the Special Employment Security Fund (also known as the Penalty and Interest Fund).

92-36

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

This addition is necessary following the passage of H.B. 2305 which places a two-year moratorium on contributions to the State Employment Security Trust Fund by employers who have paid more to the fund than they have been charged in unemployment benefits (positive balance employers). The reduction will occur because employers' payments to the fund are calculated on the amount of delinquent taxes owed, and most employers, under the provisions of the bill, would owe no taxes in 1995 and 1996.

2. As recommended by GBA No. 4, item 16, for FY 1995, increase the expenditure limitation on the OSHA Federal Fund by \$26,072. This increase is due to S.B. 95, the "claims" bill, which requires the agency to pay a bill of \$26,072 in FY 1995.
3. As recommended by GBA No. 4, item 16, for FY 1996, increase the expenditure limitation on OSHA Federal Fund by \$6,901 so the Department can expend additional federal funds that have recently been made available.

Sec. 40 -- Board of Nursing

1. As recommended by GBA No. 4, item 63, for FY 1996, increase the expenditure limitation of the Board of Nursing Fee Fund by \$9,400. The agency has experienced higher than anticipated operating expenses for communications, transportation and additional administrative hearings.

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

2. For FY 1996, add proviso allowing expenditures for board requested KBI background checks to be in addition to the expenditure limitation on the board of nursing fee fund.

Sec. 41 -- Kansas State School for the Blind

1. Make a technical adjustment in FY 1995 in S.B. 236 (the FY 1995 Supplemental Bill).

Sec. 42 -- University of Kansas

1. Concur with GBA No. 4 to increase financing from the State General Fund by \$621,529 in FY 1996, and decrease financing from the General Fees Fund by a like amount due to an estimated shortfall in tuition receipts based on Spring, 1995 enrollments.
2. Add \$370,634 in FY 1995 for utilities.
3. To correct a bill posting error, add \$3,000 from the State General Fund to the geological survey account in FY 1996.

Sec. 43 -- University of Kansas Medical Center

1. Concur with GBA No. 4 to increase financing from the State General Fund by \$317,573 in FY 1996, and decrease financing from the General Fees Fund by a like amount due to an estimated shortfall in tuition receipts based on Spring, 1995 enrollments.
2. Add \$323,754 in FY 1995 for utilities.

Senate Committee Recommendation

House Committee Recommendation

Conference Committee Recommendation

- 3. Concur with GBA No. 4 to add \$1,000,000 from the State General Fund in FY 1995 for operating expenditures because of a shortfall in receipts to the medical student loan repayment fund.
- 4. Concur with GBA No. 4 to add \$652,189 from the State General Fund in FY 1996 because of a shortfall in receipts to the medical student loan repayment fund.
- 5. Add \$88,370 from the State General Fund in FY 1996 for a 3.5 percent increase for the Wichita (\$81,053) and Topeka (\$7,317) resident contracts, pursuant to the recommended salary increase for unclassified personnel.
- 6. Concur with GBA No. 4 to add \$54,200 from the State General Fund in FY 1996 to provide support for two additional residency slots (for a total of eleven) in the Topeka family medicine residency program.
- 7. Add \$277,000 from the State General Fund and 4.0 FTE positions in FY 1996 for a nurse anesthesia outreach program to train nurse anesthetists in rural Kansas.

Sec. 44 -- Kansas State University

- 1. Concur with GBA No. 4 to increase financing from the State General Fund by \$466,218 in FY 1996, and decrease financing from the General Fees Fund by a like amount due to an estimated shortfall in tuition receipts based on Spring, 1995 enrollments.
- 2. Add \$498,181 in FY 1995 for utilities.

33-39

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation**Sec. 45 -- Kansas State University --
Salina, College of Technology**

1. Add \$41,534 in FY 1995 for utilities.
2. Make a technical adjustment to increase the expenditure limitation on the General Fees Fund by \$71,403 in FY 1995 (from \$692,601 to \$764,004) pursuant to the approved budget.

**Sec. 46 -- Kansas State University --
Veterinary Medical Center**

1. Concur with GBA No. 4 to increase financing from the State General Fund by \$98,459 in FY 1996, and decrease financing from the General Fees Fund by a like amount due to an estimated shortfall in tuition receipts based on Spring, 1995 enrollments.
2. Concur with GBA No. 4 to authorize additional expenditures of \$396,583 in FY 1995 and \$422,412 in FY 1996 from the hospital and diagnostic laboratory revenue fund for the purchase of consumable items such as laboratory supplies, and modify the FY 1996 expenditure limitation on the fund.
3. Concur with GBA No. 4 to authorize the expenditure of \$140,000 from restricted fees in FY 1996 to renovate and expand an existing dog facility to a greyhound research facility.

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation**Sec. 47 -- Kansas State University-Extension
and Agriculture Research Programs**

1. Establish a Farmers' Assistance, Counseling and Training Services account for the University's restricted fees fund to allow the agency to receive federal funds pursuant to the transfer of the FACTS program (\$375,193 in federal funds and 3.0 FTE positions) from the State Board of Agriculture.
2. Add \$50,000 from the EDIF in FY 1996 for environmental education. Under this recommendation, KSU-Extension Systems and Agriculture Research Programs would provide the infrastructure to coordinate environment education programs across the state.

Sec. 48 -- Wichita State University

1. Concur with GBA No. 4 to increase financing from the State General Fund by \$70,154 in FY 1996, and decrease financing from the General Fees Fund by a like amount due to an estimated shortfall in tuition receipts based on Spring, 1995 enrollments.
2. Add \$274,977 in FY 1995 for utilities.
3. To correct a calculation error, add \$41,172 from the State General Fund to the operating expenditures account in FY 1996.

Sec. 49 -- Emporia State University

1. Increase financing from the State General Fund by \$400,837 in FY 1996, and decrease

32-41

Senate Committee Recommendation

financing from the General Fees Fund by a like amount due to an estimated shortfall in tuition receipts based on Spring, 1995 enrollments.

2. Add \$319,000 in FY 1995 for utilities.
3. Make a technical correction to proviso language regarding the private matching funds requirement for academic program enhancements.

House Committee RecommendationConference Committee Recommendation**Sec. 50 -- Fort Hays State University**

1. Increase financing from the State General Fund by \$2,856 in FY 1996, and decrease financing from the General Fees Fund by a like amount due to an estimated shortfall in tuition receipts based on Spring, 1995 enrollments.
2. Add \$135,754 in FY 1995 for utilities.
3. Make a technical correction to proviso language regarding the private matching funds requirement for academic program enhancements.

Sec. 51 -- Pittsburg State University

1. Increase financing from the State General Fund by \$228,082 in FY 1996, and decrease financing from the General Fees Fund by a like amount due to an estimated shortfall in tuition receipts based on Spring, 1995 enrollments.
2. Add \$29,122 in FY 1995 for utilities.

82-42

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

3. Add \$137,400 and create a new account in FY 1996 for restricted use funds to allow for fee collections under the contiguous county program approved by the Board of Regents for PSU. Students enrolled under the contiguous county program will not be counted as FTE or for enrollment adjustment purposes; the only monies the University is to receive will be the actual fees received from these students. These restricted use fees will be used by the University to acquire instructional equipment.

Sec. 52 -- State Board of Regents

1. Concur with GBA No. 4 to add \$194,390 from the State General Fund in FY 1996 for the Regents Supplemental Grant Program.
2. Concur with GBA No. 4 to shift financing of \$17,448 in FY 1996 from the State General Fund to two special revenue funds based on increased receipts to those funds.
3. Add a proviso to the State General Fund appropriation for the state scholarship program in FY 1996 making expenditures subject to release by the State Finance Council based on the level of federal funding available for the program.

Sec. 53 -- Kansas Water Office

1. Per GBA No. 2, Item 14, make a technical correction to reduce State Water Plan Fund expenditures in FY 1996 by \$31,837 to properly reflect the Governor's recommendation.

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation**Sec. 54 -- State Conservation Commission**

1. Reduce \$150,000 (State Water Plan Fund) in FY 1996 in the Non-Point Source Pollution Program in order to ensure a positive ending balance in the State Water Plan Fund at the end of FY 1996. If H.B. 2038 is enacted, the Water Plan Fund will have a negative ending balance. This recommendation provides a total of \$1.85 million for the non-point source program: in the regular appropriation bill, the House recommendation was \$1.5 million and the Senate recommendation was \$2.0 million.
2. Add \$24,811 (State Water Plan Fund) in FY 1996 for the aid to conservation districts program, to provide a total of \$1,006,457 for this program.
3. Transfer any available prior years' savings in various projects funded by the State Water Plan Fund back into the balances of the State Water Plan Fund. The State Conservation Commission estimates that such savings may be approximately \$223,000.

Sec. 55 -- Department of Wildlife and Parks

1. As recommended by the Legislative Post Auditor, create a new "Wildlife and Parks Nonrestricted Fund" in FY 1996 to receive funds which previously were deposited into the Wildlife Fee Fund. The Wildlife Fee Fund will continue to receive those funds that are restricted in use either by federal requirements or state law. The new fund will receive nonrestricted funds, such as receipts

32-44

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

from the sale of the Department's magazine, *Kansas Wildlife*. Also, direct the transfer in FY 1996 of \$225,000 from the Wildlife Fee Fund to the new fund; this amount is the revenue projection for the new fund in FY 1996.

2. Add \$800,000 in FY 1995 (\$600,000 Wildlife Conservation Fund and \$200,000 in private funds) for a capital improvement project to develop a public fishing facility at the Wolf Creek generating facility. The state funding would be reimbursed by federal funds, and Coffey County would be required to contribute a match of money or in-kind services equal to \$200,000.
3. Per GBA No. 4, Item 58, add \$115,952 in FY 1996 (State General Fund), with an offsetting reduction of the like amount from the Wildlife Fee Fund to meet the revised payment amount for the second-year payment of the diversion agreement. At the time the Governor's Budget Report was submitted, the amount thought in diversion was \$1,668,205. The revised amount is \$1,900,109; the additional funds will satisfy the requirement of the second repayment of the three payments.
4. Per GBA No. 4, Item 59, add \$985,000 in FY 1996 (\$27,000 private donations, \$75,000 State General Fund, \$75,000 EDIF, and \$808,000 federal funds) for the second phase of the Prairie Spirit Rails-to-Trails project. These funds will continue the development of 50.2 miles of trail from Ottawa to Iola. The Governor recommends that these funds be restricted by proviso requiring certification by the Secretary of Wildlife and Parks that all affected counties have approved the trail's

Senate Committee RecommendationHouse Committee RecommendationConference Committee Recommendation

development prior to expenditure of the funds.

Sec. 56 -- Department of Corrections

1. Concur with Governor's Budget Amendment No. 4, Item 6, which appropriates \$2,389,406 from the State General Fund and increases the agency's position limitation by 43.0 FTE positions in FY 1996. These positions would provide increased staffing for recommended capacity expansion. The Department submitted a plan which would add an additional 447 new beds to the system by February 1996. The actual renovation costs associated with the new bed space will be funded primarily through the Department's rehabilitation and repair funds. Include a proviso that the funding shall be subject to State Finance Council release, after review by the Senate Committee on Ways and Means.
2. Concur with Governor's Budget Amendment No. 4, Item 5, which reappropriates \$900,000 from the treatment and programs line item of the State General Fund from FY 1995 to FY 1996.
3. Concur with Governor's Budget Amendment No. 4, Item 7, which authorizes expenditures of \$518,182 in FY 1996 from flood reimbursement funding received under an agreement with the Federal Emergency Management Agency (FEMA). The funding includes \$466,871 from federal funds and \$51,311 from the agency's general fees fund. The funding is to serve as reimbursement for

Senate Committee Recommendation

flood damage incurred by the Lansing Correctional Facility (LCF) during the spring and summer of 1993. Of the funding, \$44,800 would be used for capital outlay expenditures by LCF, and the remaining amount of \$473,382 would be used to offset a portion of the costs incurred for capacity expansion projects intended to increase operating capacity during FY 1996. In addition, delete the proviso on the agency's general fees fund requiring approval of the State Finance Council before expenditures for flood relief repair can be made.

4. Concur with Governor's Budget Amendment No. 4, Item 8, which shifts FY 1995 expenditures of \$600,000 from an account of the Correctional Institutions Building Fund (CIBF) designated for planning additional housing units at the Larned Correctional Mental Health Facility to an account designated for planning correctional housing unit expansion.

House Committee RecommendationConference Committee Recommendation**Sec. 57 -- Kansas Sentencing Commission**

1. Appropriate \$145,978 from the State General Fund in FY 1996 to provide a 25 percent match for federal funding of \$437,934 for improvements to the Criminal Justice Information System (CJIS). The CJIS plan involves the development of an integrated database containing a variety of records currently dispersed among several different agencies. This would bring total FY 1996 CJIS funding to \$1,209,985, including \$302,245 from the State General Fund.

Senate Committee Recommendation

House Committee Recommendation

Conference Committee Recommendation

2. Add a total of \$27,274, including \$6,819 from the State General Fund and increase the agency's position limitation by 1.0 FTE Research Analyst position. The position would be used to evaluate Bureau of Justice Assistance (BJA) programs in Kansas.

Sec. 58 -- Department of Revenue

1. Add a technical correction of \$117,000 in FY 1995 to the Division of Vehicles Operating Fund to correctly reflect prior legislative action.

32-48