

Approved: 2-13-96
Date

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson Robin Jennison at 1:30 p.m. on February 7, 1996 in Room 514-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Russell Mills, Susan Wieggers, Legislative Research Department
Jim Wilson, Revisor of Statutes
Tim Kukula, Appropriations Secretary; Todd Fertig, Administrative Aide

Conferees appearing before the committee: none

Others attending: See attached list

Chairman Jennison opened the meeting and pointed out to the committee a memorandum of the State General Fund (SGF) receipts from July - January, FY 1996 (Attachment 1).

Chairman Jennison recognized Representative Farmer to give the subcommittee reports on the Kansas Arts Commission and the State Historical Society. Representative Farmer stated that the subcommittee concurs with the Governor's FY 1996 recommendations and concurs with comments on the FY 1997 recommendations (Attachment 2).

A motion was made by Representative Farmer, seconded by Representative Helgerson, to amend the report to add a line to the State Historical Society report to read: "The subcommittee commends the State Historical Society and the newly formed local groups in their cooperation in the operation of historical sites involved with the Historic Sites Transition Plan." The motion carried.

A motion was made by Representative Helgerson, seconded by Representative Reinhardt, to amend the State Historical Society report to add \$35,000 from the EDIF to fund the Historic Sites Transition Plan. The motion failed with a division of 8 to 11.

A motion was made by Representative Farmer, seconded by Representative Edmonds, to adopt the subcommittee reports for the Kansas Arts Commission and the State Historical Society. The motion carried.

Chairman Jennison recognized Representative Farmer to give the subcommittee report for the Kansas State Library. Representative Farmer stated that the subcommittee report concurs with the Governor's recommendation for FY 1996 and FY 1997 (Attachment 3).

A motion was made by Representative Farmer, seconded by Representative Wilk, to adopt the subcommittee report for the Kansas State Library. The motion carried with a division of 11 to 7. Representative Hochhauser voted no.

Chairman Jennison recognized Representative Farmer to give the subcommittee report on the State Council on Vocational Education. Representative Farmer stated that the subcommittee concurs with the Governor's recommendations for both FY 1996 and FY 1997 (Attachment 4).

A motion was made by Representative Farmer, seconded by Representative Reinhardt, to adopt the subcommittee reports for the State Council on Vocational Education. The motion carried.

Chairman Jennison recognized Representative Farmer to give the subcommittee reports for the Kansas State School for the Deaf and the Kansas State School for the Blind. Representative Farmer stated that the report for both of these concurs with the Governor's recommendations for both FY 1996 and FY 1997 with observations (Attachment 5).

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, Room 514-S Statehouse, at 1:30 P.M. on February 7, 1996.

A motion was made by Representative Farmer, seconded by Representative Wilson, to adopt the subcommittee reports for the Kansas State School for the Deaf and the Kansas State School for the Blind. The motion carried.

A motion was made by Representative Kejr, seconded by Representative Farmer, to approve the minutes of the January 31, 1996 meeting. The motion carried.

The meeting adjourned at 2:10 p.m.

The next meeting is scheduled for February 8, 1996.

MEMORANDUM

Kansas Legislative Research Department

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February 6, 1996

To: Legislative Budget Committee

STATE GENERAL FUND (SGF) RECEIPTS

July-January, FY 1996

We now have three months of experience under the revised estimates of SGF receipts in FY 1996 made by the Consensus Estimating Group last November. (The figures in the "Estimate" and "Actual" columns under FY 1996 in the following table include actual receipts in July-October.)

It was estimated that receipts in November through January would total \$885.998 million. Actual receipts were \$25.369 million, or 2.9 percent, above the estimate.

As noted in last month's report, an unanticipated inheritance tax payment of \$31.254 million from one estate was received in December. Without that, receipts in the last three months would be \$5.885 million, or 0.7 percent, below the estimate.

Exceeding the estimates by \$1 million or more were inheritance taxes, by \$34.148 million (would be \$2.894 million without the extraordinary payment in December); corporation income taxes, by \$4.354 million; and individual income taxes, by \$4.090 million.

Falling short of the estimates by at least \$1 million were retail sales tax receipts, by \$10.305 million; agency earnings and miscellaneous revenue, by \$2.373 million; insurance premium taxes, by \$2.290 million; net transfers, by \$1.565 million; and compensating use taxes, by \$1.231 million.

Receipts from all of the other 13 sources of revenue were \$0.541 million (net) over the estimate.

Compared to the first seven months of FY 1995, total receipts through January were up 4.5 percent. The increase would have been 2.9 percent without the extraordinary inheritance tax payment.

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House Appropriations

2-7-96

Attachment

1

STATE GENERAL FUND RECEIPTS
July -January, FY1996
(dollar amounts in thousands)

	Actual FY1995	FY 1996			Percent Increase-- FY 1996 Over	
		Estimate*	Actual	Difference	FY 1995	Estimate
Property Tax:						
Motor Carriers	\$ 7,115	\$ 9,150	\$ 8,636	\$ (514)	21.4 %	(5.6) %
Income Taxes:						
Individual	\$ 697,276	\$ 745,000	\$ 749,090	\$ 4,090	7.4 %	0.5 %
Corporation	101,428	107,500	111,854	4,354	10.3	4.1
Financial Inst.	15,537	15,400	15,806	406	1.7	2.6
Domestic Ins. Co.	(28)	3	3	0	---	0.0
Total	\$ 814,213	\$ 867,903	\$ 876,753	\$ 8,850	7.7 %	1.0 %
Inheritance Tax	\$ 32,586	\$ 34,600	\$ 68,748	\$ 34,148	111.0 %	98.7 %
Excise Taxes:						
Retail Sales	\$ 700,919	\$ 706,800	\$ 696,495	\$ (10,305)	(0.6) %	(1.5) %
Comp. Use	89,511	90,200	88,969	(1,231)	(0.6)	(1.4)
Cigarette	31,017	31,400	31,378	(22)	1.2	(0.1)
Tobacco Prod.	1,666	1,730	1,710	(20)	2.6	(1.2)
Cereal Malt Bev.	1,672	1,530	1,556	26	(6.9)	1.7
Liquor Gallonage	7,559	7,600	7,542	(58)	(0.2)	(0.8)
Liquor Enforce.	15,092	15,400	15,685	285	3.9	1.9
Liquor Dr. Places	2,703	2,740	2,804	64	3.7	2.3
Corp. Franchise	5,154	5,670	5,733	63	11.2	1.1
Severance	44,130	32,700	32,644	(56)	(26.0)	(0.2)
Gas	34,929	23,700	23,933	233	(31.5)	1.0
Oil	9,201	9,000	8,711	(289)	(5.3)	(3.2)
Total	\$ 899,424	\$ 895,770	\$ 884,516	\$ (11,254)	(1.7) %	(1.3) %
Other Taxes:						
Insurance Prem.	\$ 39,161	\$ 40,350	\$ 38,060	\$ (2,290)	(2.8) %	(5.7) %
Miscellaneous	452	560	541	(19)	19.7	(3.4)
Total	39,613	40,910	38,601	(2,309)	(2.6) %	(5.6) %
Total Taxes	\$ 1,792,952	\$ 1,848,333	\$ 1,877,253	\$ 28,920	4.7 %	1.6 %
Other Revenue:						
Interest	\$ 37,002	\$ 40,095	\$ 40,481	\$ 386	9.4 %	1.0 %
Transfers (net)	(4,542)	(3,324)	(4,889)	(1,565)	(7.6)	(47.1)
Agency Earnings and Misc.	27,937	27,098	24,725	(2,373)	(11.5)	(8.8)
Total	\$ 60,397	\$ 63,869	\$ 60,318	\$ (3,551)	(0.1) %	(5.6) %
TOTAL RECEIPTS	\$ 1,853,350	\$ 1,912,202	\$ 1,937,571	\$ 25,369	4.5 %	1.3 %

* Consensus estimate as of November 3, 1995.

NOTE: Details may not add to totals due to rounding.

Subcommittee Report 1996 House Bill 2724

§ 7 Kansas Arts Commission

§ 10 State Historical Society



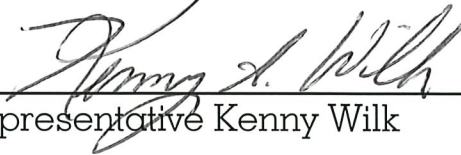
Representative Mike Farmer, Chairman



Representative John Edmonds

Representative Henry Helgerson, Jr

Representative Richard Reinhardt



Representative Kenny Wilk

KANSAS ARTS COMMISSION

Subcommittee Report

The Kansas Arts Commission was created by the Legislature in 1965 for the purpose of supporting, coordinating, fostering, and developing the arts and their practice in the State of Kansas. It serves as the vehicle for state funding for the arts, and the mechanism through which federal funds for Kansas artists and arts programs are channeled. The Arts Commission consists of 12 Commissioners, appointed by the Governor to quadrennial terms. Day-to-day business for the agency is supervised by an Executive Director who is hired by the Commission.

Expenditure	Actual FY 95	Agency Est. FY 96	Gov. Rec. FY 96	Agency Req. FY 97	Gov. Rec. FY 97
All Funds:					
Operating Expenditures	\$ 1,981,021	\$ 2,394,156	\$ 2,178,658	\$ 2,117,266	\$ 1,902,851
Capital Improvements	0	0	0	0	0
TOTAL	\$ 1,981,021	\$ 2,394,156	\$ 2,178,658	\$ 2,117,266	\$ 1,902,851
State General Fund:					
Operating Expenditures	\$ 219,754	\$ 843,043	\$ 827,545	\$ 1,540,786	\$ 1,250,346
Capital Improvements	0	0	0	0	0
TOTAL	\$ 219,754	\$ 843,043	\$ 827,545	\$ 1,540,786	\$ 1,250,346
Percentage Change:					
Operating Expenditures:					
All Funds	10.9%	20.9%	10.0%	(11.6)%	(12.7)%
State General Fund	7.9	283.6	276.6	82.8	51.1
FTE Positions	9.0	9.0	9.0	9.0	9.0
Unclassified Temp. Positions	0.0	0.0	0.0	0.0	0.0
TOTAL	9.0	9.0	9.0	9.0	9.0

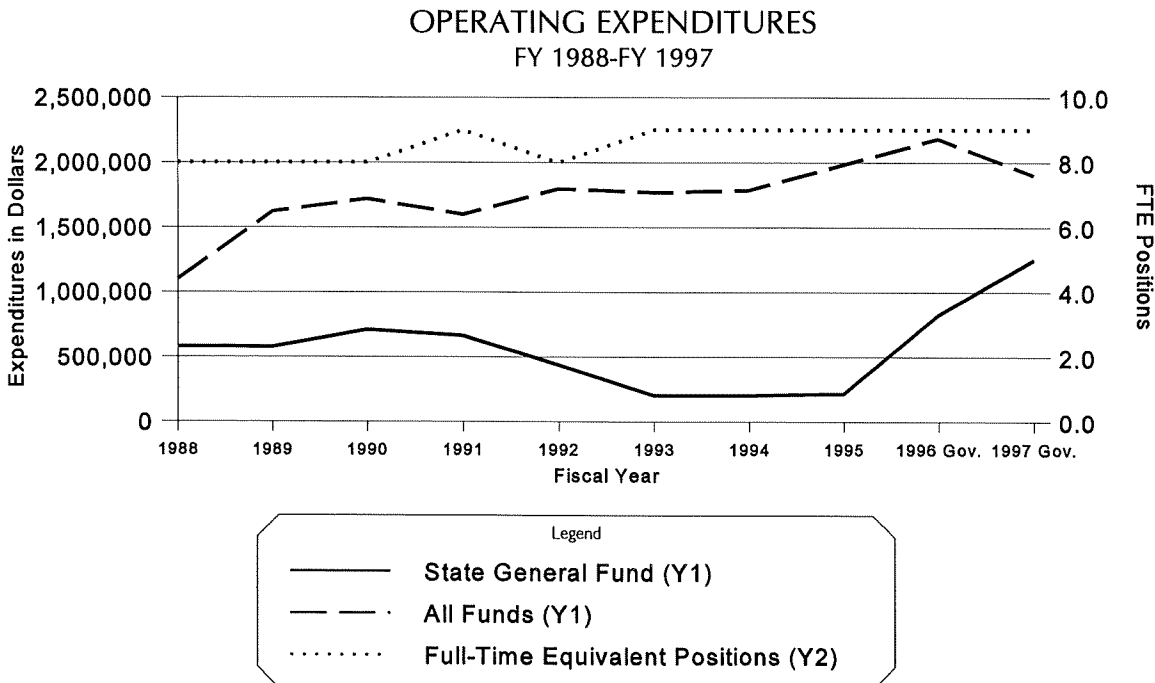
HIGHLIGHTS OF THIS BUDGET

- State Operations.** The agency's FY 1997 request for state operations funding (\$506,789) maintains the agency's 9.0 FTE positions (with a 2½ percent unclassified merit increase for the agency's Executive Director, step movement for classified employees and longevity bonuses for eligible employees). It would also provide for enhancements in travel funding, consultants' services for educational and technical purposes, and \$15,968 in capital outlay funding (\$13,268 for computer equipment and \$2,700 for audio-video equipment and office furniture). **The Governor recommends \$469,447 for state operations.** His recommendation would fund the agency's current FTE positions with an unclassified merit increase of 2½ percent for one-half year for the agency's executive director, step movement for classified employees and longevity bonuses only for those workers at the end of their pay range. He does not recommend the OOE enhancements or the capital outlay requested by the agency.

- Program Grants.** The Kansas Arts Commission requests \$1,610,477 for program grants in FY 1997. Of requested funding, \$1,190,953 is from the State General Fund and \$419,524 is from federal and other funds. The agency's request reflects a proposed funding shift from the current fiscal year, in which the Kansas Legislature funded \$500,000 in program grants from the Economic Development Initiatives Fund (EDIF). It would also replace an anticipated \$124,000 reduction in the state's basic grant from the NEA with moneys from the SGF. **The Governor's recommendation for program grants** is \$1,433,404, of which \$932,339 is from the State General Fund and \$201,465 is from federal and other funds (including \$25 from the EDIF). The Governor does not include funding to replace reduced federal funding, and he recommends that the agency spend grant funds carried over from previous fiscal years. Finally, the Governor redistributes grant moneys between Aid to Local Units of Government and Other Assistance to mirror historical patterns.

FY 1996 -- CURRENT YEAR CHANGE FROM APPROVED BUDGET			FY 1997 -- BUDGET YEAR CHANGE FROM FY 1996			
	Agency Est.	Gov. Rec.	Dollar Change		Percent Change	
			Agency Req.	Gov. Rec.	Agency Req.	Gov. Rec.
State General Fund	\$ 4,354	\$ (11,144)	\$ 697,743	\$ 422,801	82.8%	51.1%
All Other Funds	482,741	282,741	(974,633)	(698,608)	(62.8)	(51.7)
TOTAL	\$ 487,095	\$ 271,597	\$ (276,890)	\$ (275,807)	(11.6)%	(12.7)%
FTE Positions	0.0	0.0	0.0	0.0		

BUDGET TRENDS



LEGISLATIVE CONSIDERATION

House Subcommittee Recommendation

FY 1996. Concur.

FY 1997. Concur. The Subcommittee notes that a \$250,000 loan to the "Treasures of the Czars" exhibition may be paid back to the state treasury in FY 1996 or FY 1997. Since the moneys were used to fund an arts-related project, they could logically be used to fund program grants within this agency, although the use of these moneys would ultimately have to be decided upon by the full Committee and the full House.

KANSAS STATE HISTORICAL SOCIETY

Subcommittee Report

The Kansas State Historical Society was founded in 1875 by Kansas newspaper publishers to collect and preserve the documents and artifacts that tell the history of Kansas. In 1879, it became the official trustee for the state historical collections. Since that time, the Society has functioned both as a not-for-profit membership organization and as a state agency supported by legislative appropriations.

Expenditure	Actual FY 95	Agency Est. FY 96	Gov. Rec. FY 96	Agency Req. FY 97	Gov. Rec. FY 97
All Funds:					
Operating Expenditures	\$ 7,420,593	\$ 8,189,291	\$ 8,054,236	\$ 7,581,243	\$ 7,186,928
Capital Improvements	2,439,161	1,105,969	1,105,969	2,944,654	50,000
TOTAL	\$ 9,859,754	\$ 9,295,260	\$ 9,160,205	\$ 10,525,897	\$ 7,236,928
State General Fund:					
Operating Expenditures	\$ 4,985,227	\$ 5,183,364	\$ 5,061,071	\$ 5,494,084	\$ 5,108,798
Capital Improvements	134,325	249,354	249,354	907,237	50,000
TOTAL	\$ 5,119,552	\$ 5,432,718	\$ 5,310,425	\$ 6,401,321	\$ 5,158,798
Percentage Change:					
Operating Expenditures:					
All Funds	4.5%	10.4%	8.5%	(7.4)%	(10.8)%
State General Fund	(0.3)	4.0	1.5	6.0	0.9
FTE Positions	140.5	136.5	136.5	136.5	136.5
Unclassified Temp. Positions	10.0	10.0	10.0	10.0	10.0
TOTAL	150.5	146.5	146.5	146.5	146.5

HIGHLIGHTS OF THIS BUDGET

The agency's FY 1997 budget request would allow the agency to do the following things:

- ▶ Operate with a two-percent shrinkage rate, and provide staff with longevity bonuses for eligible employees, classified step movement or a 2.5 percent unclassified merit increase (\$149,089 all funds, \$141,740 SGF). **The Governor recommends** a shrinkage rate of 3.7 percent. His recommendations include step movement, unclassified merit increases for six months, and longevity bonuses only for those employees at the end of their pay scale.
- ▶ Continue to operate the three historic sites involved in the Historic Sites Transition Plan (Goodnow House (Manhattan), the First Territorial Capitol (Fort Riley) and Adair Cabin (Osawatomie)) whilst continuing to negotiate with local entities so that localities might

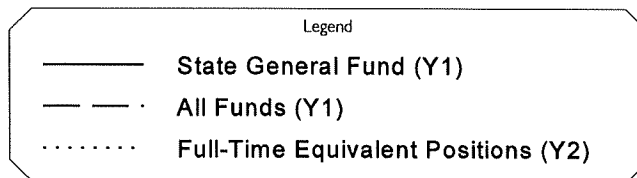
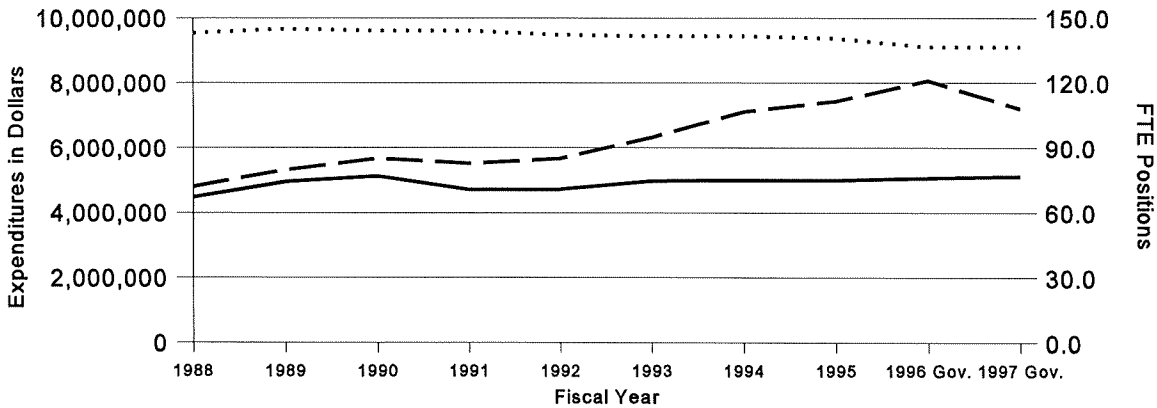
take on greater responsibility in the operation of the sites. **The Governor does not include funding** for the continued operation of these sites. Under his recommendations, the sites would have to be shut down.

- ▶ Develop two special exhibits planned for FY 1997. **The Governor funds one exhibit,** and recommends that the agency raise private funding for the other exhibit.

FY 1996 -- CURRENT YEAR CHANGE FROM APPROVED BUDGET			FY 1997 -- BUDGET YEAR CHANGE FROM FY 1996			
	Agency Est.	Gov. Rec.	Dollar Change		Percent Change	
			Agency Req.	Gov. Rec.	Agency Req.	Gov. Rec.
State General Fund	\$ 88,442	\$ (33,851)	\$ 310,720	\$ 47,727	6.0%	0.9%
All Other Funds	859,796	787,034	(918,768)	(915,035)	(30.6)	(30.6)
TOTAL	\$ 948,238	\$ 753,183	\$ (608,048)	\$ (867,308)	(7.4)%	(10.8)%
FTE Positions	0.0	0.0	0.0	0.0		

BUDGET TRENDS

OPERATING EXPENDITURES FY 1988-FY 1997



LEGISLATIVE CONSIDERATION

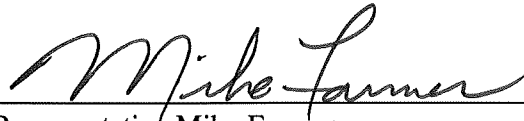
House Subcommittee Recommendation

FY 1996. Concur.

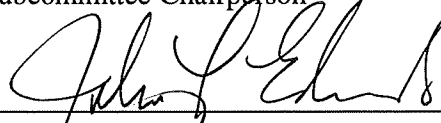
FY 1997. Concur, but give the agency an unlimited reappropriation, as has been the legislative practice in the past.

**FY 1996 AND FY 1997
House Subcommittee Report for:**

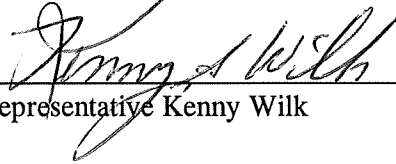
Kansas State Library



Representative Mike Farmer
Subcommittee Chairperson



Representative John Edmonds



Representative Kenny Wilk

Representative Henry Helgerson

Representative Richard Reinhardt

library.sig/pb

2-7-96

House Appropriations

Attachment
3

KANSAS STATE LIBRARY

The Kansas State Library provides information services to the various branches of government and serves as a catalyst to improve statewide library services.

Subcommittee Report

Expenditure	Actual FY 95	Agency Est. FY 96	Gov. Rec. FY 96	Agency Req. FY 97	Gov. Rec. FY 97
All Funds:					
Operating Expenditures	\$ 6,264,165	\$ 5,957,630	\$ 5,918,393	\$ 6,268,035	\$ 5,397,932
Capital Improvements	0	0	0	0	0
Total	\$ 6,264,165	\$ 5,957,630	\$ 5,918,393	\$ 6,268,035	\$ 5,397,932
State General Fund:					
Operating Expenditures	\$ 3,232,158	\$ 4,466,067	\$ 4,427,071	\$ 5,035,297	\$ 4,165,194
Capital Improvements	0	0	0	0	0
Total	\$ 3,232,158	\$ 4,466,067	\$ 4,427,071	\$ 5,035,297	\$ 4,165,194
Percentage Change:					
Operating Expenditures:					
All Funds	6.0%	(5.8)%	(5.5)%	5.2%	(8.8)%
State General Fund	0.9	38.2	37.0	12.7	(5.9)
FTE Positions	26.0	26.0	26.0	30.5	26.0
Unclassified Temp. Positions	0.0	0.0	0.0	0.0	0.0
Total	26.0	26.0	26.0	30.5	26.0

HIGHLIGHTS OF THIS BUDGET

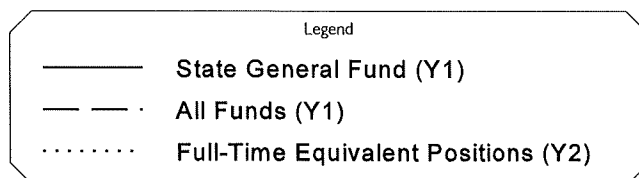
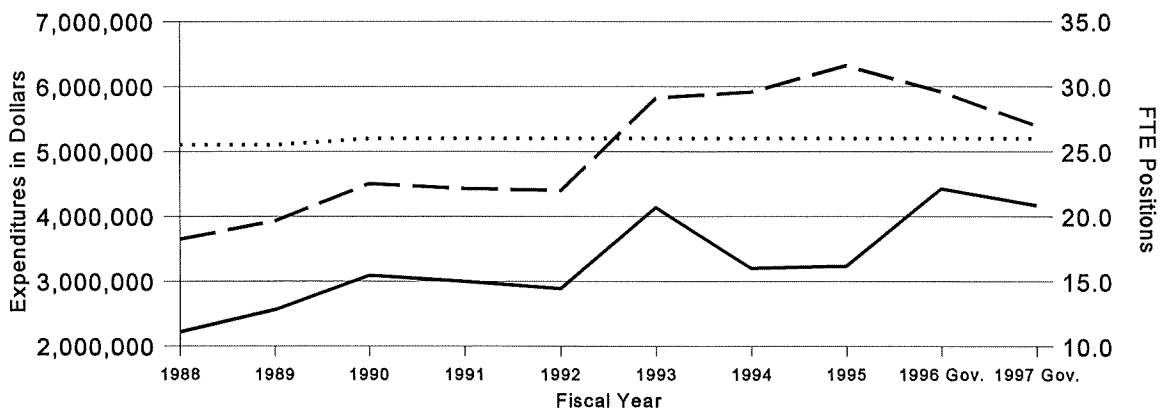
- ▶ The Kansas State Library requests \$148,715 for the addition of 4.5 new FTE positions and for the shifting of partial funding for 1.0 FTE position from Federal to State General funds. The Governor does not concur with these requests.
- ▶ The agency requests \$370,000 for additional funds needed to move toward the purchase of a hybrid delivery system for the Kansas Library Catalog and the application of authority control for the Kansas Library Catalog database. The Governor recommends \$261,358 to continue the basic services at the Library at a similar level to FY 1996.
- ▶ The Reference Services Program of the agency requests \$80,000 for the on-line circulation and automated catalog with Mabee Library at Washburn University. The Governor recommends \$57,074 for capital outlay in FY 1997 for the Reference Services Program.

- ▶ The Kansas Library Network Board proposes adding \$30,619 over its FY 1995 expenditures for Interlibrary Loan Development Program (ILDP) grants to bring it to its 1992 level. The Governor recommends \$619,381 in state aid to local units (i.e., the Governor does not concur with the agency request).
- ▶ The Library Network Services Program requests \$32,000 for Blue Skyways, the library community's new World Wide Web site that was initiated by the Kansas Library Network Board in FY 1995. The agency also requests \$58,622 in aid in local units to improve access to worldwide information resources and to provide Internet training demonstration projects in at least five Kansas communities. The Governor does not recommend the \$32,000 request for Blue Skyways. He does recommend \$45,019 in aid to local units from other funds in FY 1997.

FY 1996 -- CURRENT YEAR CHANGE FROM APPROVED BUDGET			FY 1997 -- BUDGET YEAR CHANGE FROM FY 1996			
	Agency Est.	Gov. Rec.	Dollar Change		Percent Change	
			Agency Req.	Gov. Rec.	Agency Req.	Gov. Rec.
State General Fund	\$ (37,685)	\$ (76,681)	\$ 569,230	\$ (261,877)	12.7%	(5.9)%
All Other Funds	145,195	144,954	(258,825)	(258,584)	(17.4)	(17.3)
TOTAL	\$ 107,510	\$ 68,273	\$ 310,405	\$ (520,461)	5.2%	(8.8)%
FTE Positions	0.0	0.0	4.5	0.0		

BUDGET TRENDS

OPERATING EXPENDITURES FY 1988-FY 1997



House Subcommittee Recommendation

FY 1996. The House Subcommittee concurs with the Governor's recommendations.

FY 1997. The House Subcommittee concurs with the Governor's recommendations.

FY 1996 and FY 1997

House Subcommittee Report for:

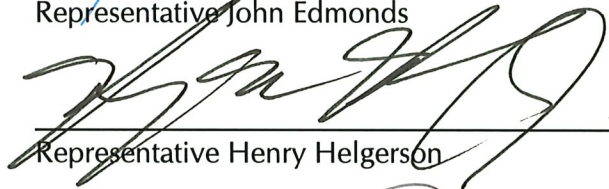
State Council on Vocational Education



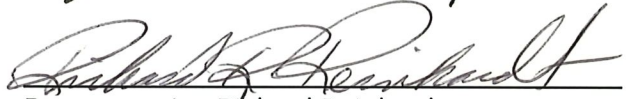
Representative Mike Farmer, Chairperson



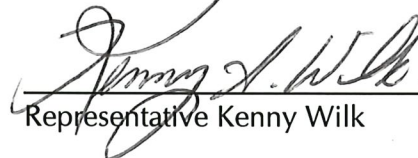
Representative John Edmonds



Representative Henry Helgerson



Representative Richard Reinhardt



Representative Kenny Wilk

House Appropriations
2-7-96

Attachment
4

2-7-96

STATE COUNCIL ON VOCATIONAL EDUCATION

Subcommittee Report

The State Council on Vocational Education is a 13-member body comprised of seven representatives of business and labor organizations and six representatives of vocational education institutions. The Council is funded entirely from federal funds and is mandated by federal law as a condition of Kansas receiving federal vocational education funds. The Council is charged with making recommendations to the State Board of Education and other policymaking bodies concerning the State Plan for Vocational Education and other matters relating to vocational education and job training.

Expenditure	Actual FY 95	Agency Est. FY 96	Gov. Rec. FY 96	Agency Req. FY 97	Gov. Rec. FY 97
All Funds:					
Operating Expenditures	\$ 142,223	\$ 153,124	\$ 153,124	\$ 150,000	\$ 150,000
Capital Improvements	0	0	0	0	0
TOTAL	<u>\$ 142,223</u>	<u>\$ 153,124</u>	<u>\$ 153,124</u>	<u>\$ 150,000</u>	<u>\$ 150,000</u>
Percentage Change:					
Operating Expenditures:					
All Funds	1.1%	7.7%	7.7%	(2.0)%	(2.0)%
FTE Positions	2.0	2.0	2.0	2.0	2.0
Unclassified Temp. Positions	0.0	0.0	0.0	0.0	0.0
TOTAL	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>

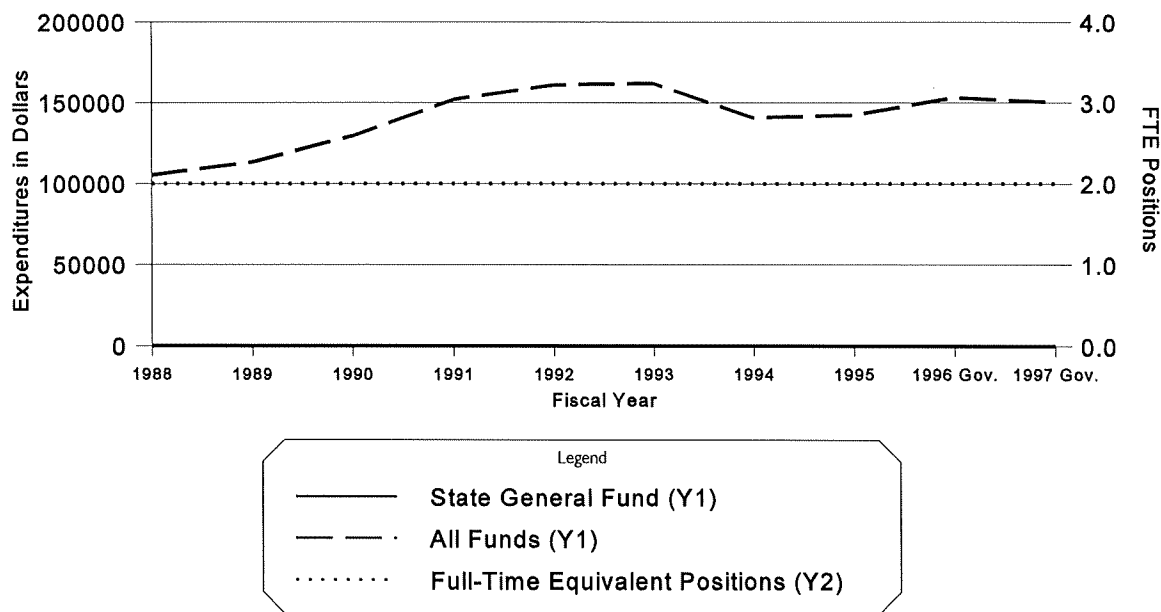
HIGHLIGHTS OF THIS BUDGET

- ▶ Estimated FY 1996 expenditures are \$153,124, which is \$2,940 more than the approved amount of \$150,184. However, federal law stipulates that the expenditure of funds shall be determined solely by state councils and, consequently, the Council has a "no-limit" expenditure limitation. The increase over the approved budget is for a computer system upgrade. The Governor makes no changes to the Council's estimate.
- ▶ For FY 1997, the Council estimates expenditures of \$150,000, a decrease of \$3,124 from the current year. Overall, the estimate would maintain the Council at its current level of operations. The Governor makes no change to the total estimated by the Council.
- ▶ The future of the Council is uncertain. Both versions of legislation currently being considered by the Congress would abolish the Council, after either a one- or two-year transition, effective July, 1997, or July, 1998.

FY 1996 -- CURRENT YEAR CHANGE FROM APPROVED BUDGET			FY 1997 -- BUDGET YEAR CHANGE FROM FY 1996			
	Agency Est.	Gov. Rec.	Dollar Change		Percent Change	
			Agency Req.	Gov. Rec.	Agency Req.	Gov. Rec.
Federal Funds	\$ 2,940	\$ 2,940	\$ (3,124)	\$ (3,124)	(2.0)%	(2.0)%
TOTAL	\$ 2,940	\$ 2,940	\$ (3,124)	\$ (3,124)	(2.0)%	(2.0)%
FTE Positions	0.0	0.0	0.0	0.0		

BUDGET TRENDS

OPERATING EXPENDITURES FY 1988-FY 1997



LEGISLATIVE CONSIDERATION

House Subcommittee Recommendation

FY 1996. The House Subcommittee concurs with the Governor.

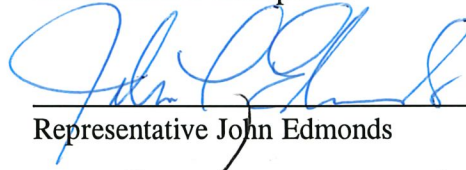
FY 1997. The House Subcommittee concurs with the Governor.

**FY 1996 AND FY 1997
House Subcommittee Report on:**

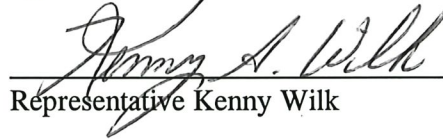
**Kansas State School for the Deaf
Kansas State School for the Blind**



Representative Mike Farmer
Subcommittee Chairperson



Representative John Edmonds



Representative Kenny Wilk

Representative Henry Helgerson

Representative Richard Reinhardt

schools.sig/pb

House Appropriations
2-7-96

2-7-96

Attachment
5

SCHOOL FOR THE DEAF

Subcommittee Report

The Kansas State School for the Deaf, operated under the jurisdiction of the State Board of Education, provides an accredited school program which emphasizes the development of a communications fluency in American Sign Language in a comprehensive curriculum for 160 to 185 deaf students from age 1 to 21.

Expenditure	Actual FY 95	Agency Est. FY 96	Gov. Rec. FY 96	Agency Req. FY 97	Gov. Rec. FY 97
All Funds:					
Operating Expenditures	\$ 6,394,322	\$ 6,622,626	\$ 6,543,728	\$ 7,599,656	\$ 6,524,788
Capital Improvements	5,548,174	737,688	737,688	1,016,096	745,600
Total	\$ 11,942,496	\$ 7,360,314	\$ 7,281,416	\$ 8,615,752	\$ 7,270,388
State General Fund:					
Operating Expenditures	\$ 6,182,440	\$ 6,420,577	\$ 6,341,679	\$ 7,404,621	\$ 6,327,753
Capital Improvements	0	0	0	0	0
Total	\$ 6,182,440	\$ 6,420,577	\$ 6,341,679	\$ 7,404,621	\$ 6,327,753
Percentage Change:					
Operating Expenditures:					
All Funds	4.5%	3.6%	2.3%	14.8%	(0.3)%
State General Fund	3.8	3.9	2.6	15.3	(0.2)
FTE Positions					
Unclassified Temp. Positions	178.5	204.5	204.5	217.5	204.5
Total	178.5	204.5	204.5	217.5	204.5

HIGHLIGHTS OF THIS BUDGET

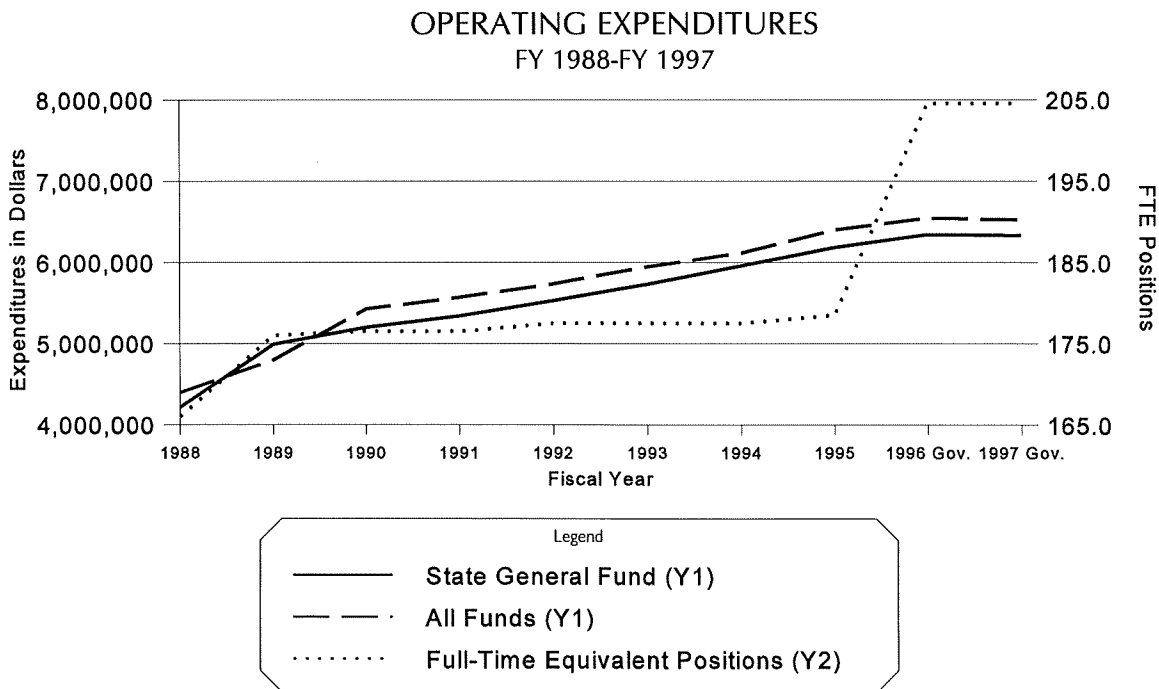
- ▶ The School is continuing its practice of requesting salary parity adjustments for its unclassified faculty and dormitory personnel. The School's request includes a 5.5 percent pay raise for classroom teachers and all professional unclassified staff and a 7.5 percent pay raise for dormitory teachers, in addition to the 2.5 percent requested for all agency unclassified staff (\$214,708). **The Governor recommends \$80,940 for classified step movement (\$21,671), a 2.5 percent unclassified merit pool for six months (\$53,619), and longevity pay for these employees who are at the end of their pay range (\$5,650).**
- ▶ For FY 1997 the School requests a total of 13.0 new FTE positions. The School requests 11.0 FTE positions to staff a requested new program to serve students considered "trainable mentally handicapped/deaf"(TMH). The School also requests 2.0 FTE positions for a program to expand services to families with very young deaf children needing intensive language stimulation. The cost of the 13.0 new FTE positions is \$290,073, including fringe benefits. **The Governor does not recommend the new positions.**
- ▶ For its FY 1997 request, the School continues the 3.5 percent shrinkage rate (\$210,851) approved by the 1995 Legislature for FY 1996. **The Governor recommends a 4.0 percent shrinkage rate (\$240,973).**

- ▶ The School requests \$214,018 for capital outlay. The FY 1996 estimate is \$91,000. Some of the requests are itemized below:
 - \$16,394 to replace an 8-passenger van;
 - \$32,010 to replace auditory training equipment. The School states that the replacement cycle of this equipment should be 10 years. However, 70 percent of the equipment is now over 10 years old and 15 percent is over 20 years old;
 - \$12,480 to replace four ten-year old MacIntosh computers in the student computer lab; and
 - \$11,840 to replace 16 dormitory beds. The current beds date from the 1930s.

The Governor recommends \$33,000 for capital outlay.

FY 1996 -- CURRENT YEAR CHANGE FROM APPROVED BUDGET			FY 1997 -- BUDGET YEAR CHANGE FROM FY 1996			
	Agency Est.	Gov. Rec.	Dollar Change		Percent Change	
			Agency Req.	Gov. Rec.	Agency Req.	Gov. Rec.
State General Fund	\$ (66,930)	\$ (145,828)	\$ 984,044	\$ (13,926)	15.3%	(0.2)%
All Other Funds	133,260	66,330	271,394	(5,014)	28.9	(0.2)
TOTAL	\$ 66,330	\$ (79,498)	\$ 1,255,438	\$ (18,940)	17.1%	(0.2)%
FTE Positions	0.0	0.0	13.0	0.0		

BUDGET TRENDS



House Subcommittee Recommendation

FY 1996 and FY 1997. The Subcommittee concurs with the Governor's recommendations for both FY 1996 and FY 1997 with the following observations:

1. The Subcommittee requests that the School for the Blind and the School for the Deaf develop, in conjunction and coordination with each other, a plan to determine the feasibility of combining their respective outreach programs. The Subcommittee requests that the Schools present their findings to the Subcommittee during the 1997 Legislative session.
2. The Subcommittee also requests that the Schools examine raising the percentage of costs recovered from their outreach programs. (Currently, the goal of each School is to recover 20 percent of outreach costs). The Subcommittee requests that the Schools report their findings to the Subcommittee during the 1997 Legislative Session.

SCHOOL FOR THE BLIND

Subcommittee Report

The Kansas State School for the Blind (KSSB) is a state agency under the control and supervision of the Kansas State Board of Education. Every resident of the state up to the age of 21 who is unable to materially benefit from attendance in the public schools because of visual impairment is entitled to admission to KSSB.

Expenditure	Actual FY 95	Agency Est. FY 96	Gov. Rec. FY 96	Agency Req. FY 97	Gov. Rec. FY 97
All Funds:					
Operating Expenditures	\$ 3,758,742	\$ 4,129,785	\$ 4,028,169	\$ 4,760,198	\$ 4,158,594
Capital Improvements	792,326	2,373,417	2,373,417	1,805,960	1,805,960
Total	<u>\$ 4,551,068</u>	<u>\$ 6,503,202</u>	<u>\$ 6,401,586</u>	<u>\$ 6,566,158</u>	<u>\$ 5,964,554</u>
State General Fund:					
Operating Expenditures	\$ 3,464,509	\$ 3,814,989	\$ 3,713,373	\$ 4,523,714	\$ 3,833,482
Capital Improvements	0	0	0	0	0
Total	<u>\$ 3,464,509</u>	<u>\$ 3,814,989</u>	<u>\$ 3,713,373</u>	<u>\$ 4,523,714</u>	<u>\$ 3,833,482</u>
Percentage Change:					
Operating Expenditures:					
All Funds	4.7%	9.9%	7.2%	15.3%	3.2%
State General Fund	4.6	10.1	7.2	18.6	3.2
FTE Positions	93.5	93.5	93.5	101.0	93.5
Unclassified Temp. Positions	2.0	2.0	2.0	2.0	2.0
Total	<u>95.5</u>	<u>95.5</u>	<u>95.5</u>	<u>103.0</u>	<u>95.5</u>

HIGHLIGHTS OF THIS BUDGET

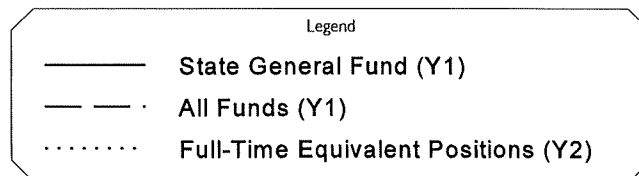
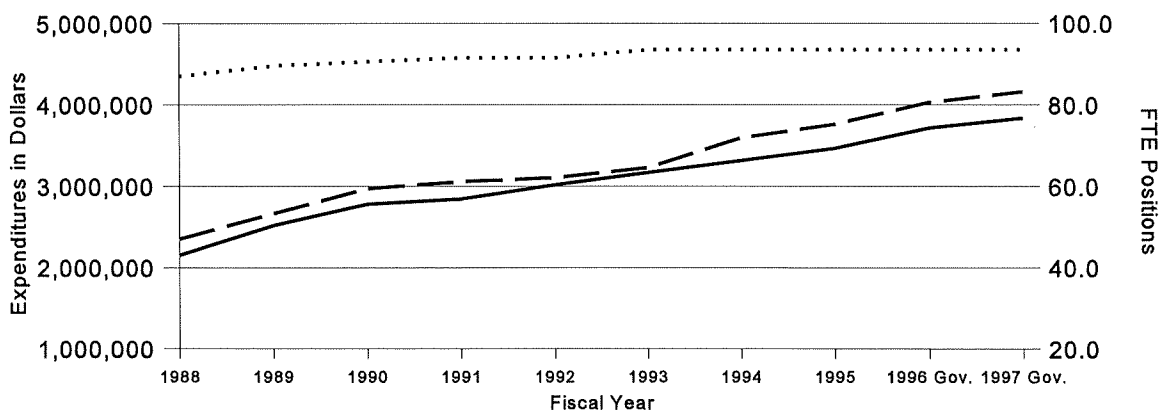
- ▶ The agency requests 7.5 new FTE positions at a cost of \$187,990 (including fringe benefits). Of the requested new positions, 6.5 are in the Instructional Services program (2.0 of which are currently unclassified temporary positions) and 1.0 FTE is in the Support Services program for a Safety and Security Officer. **The Governor does not recommend the new positions.**
- ▶ The School requests \$46,368 for a 2.5 percent merit increase for unclassified FTE positions. In addition, the School requests \$102,010 for a 5.5 percent salary comparison adjustment for all unclassified staff in Instructional Services. The School states that this particular adjustment is needed for unclassified teacher salaries because those salaries continue to remain behind local public school teacher salaries. The School notes that the 1995 Legislature granted a 2.5 percent increase for FY 1996. **The Governor recommends** classified step movement (\$35,154, including fringe benefits), a 2.5 percent unclassified merit pool for six months (\$24,920, including fringe benefits), and longevity pay for those classified employees who are at the end of their pay range (\$1,891).

- ▶ The School requests \$100,000 from the State General Fund for the Technology Lending Library. The School states that the Library will be funded by private grants and donations (\$100,000) as well as the SGF. The \$200,000 would be used for the start-up of an ongoing program to provide students and school districts with special educational equipment that local school districts are not able to provide. **The Governor does not recommend this request.**
- ▶ The School requests a shrinkage rate of 3.8 percent (\$130,207). **The Governor recommends shrinkage at 4.0 percent (\$137,060).**
- ▶ The agency requests FY 1996 supplemental funding of \$20,235 from the State General Fund. This request is necessitated because, in coordination with the division of Personnel Services, and in response to the implementation of SHARP, the status for Dormitory Teachers and Paraprofessionals under the Fair Labor Standards Act has changed from exempt to non-exempt. As a result, employees in these positions are now eligible for overtime and holiday compensation on a non-exempt hourly basis. The additional cost of this unanticipated change is \$20,235. **The Governor has recommended financing the request through reductions in unclassified temporary funding.**

FY 1996 -- CURRENT YEAR CHANGE FROM APPROVED BUDGET			FY 1997 -- BUDGET YEAR CHANGE FROM FY 1996			
	Agency Est.	Gov. Rec.	Dollar Change		Percent Change	
			Agency Req.	Gov. Rec.	Agency Req.	Gov. Rec.
State General Fund	\$ 20,235	\$ (81,381)	\$ 708,725	\$ 120,109	18.6%	3.2%
All Other Funds	82,538	82,538	(645,769)	(437,032)	(24.0)	(13.7)
TOTAL	\$ 102,773	\$ 1,157	\$ 62,956	\$ (316,923)	1.0%	(6.8)%
FTE Positions	0.0	0.0	7.5	0.0		

BUDGET TRENDS

OPERATING EXPENDITURES FY 1988-FY 1997



House Subcommittee Recommendation

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