

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on March 7, 1996 in Room 123-S of the Capitol.

All members were present except: Senator Brady, who was excused

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

Conferees appearing before the committee:

Others attending: See attached list

Senator Burke moved, Senator Rock seconded that 5 RS 2438 be introduced as requested by the Governor's Office. The motion carried on a voice vote.

A letter of appeal from the Topeka Independent Living Resource Center was distributed to members (Attachment 1). The Chairman noted that the appeal was not submitted in time for Committee consideration of **SB 719**. Senator Burke, the chairman of the transportation subcommittee, noted that the committee report on **SB 719** had not been turned in and that additional adjustments needed to be made.

Senator Burke moved, Senator Rock seconded, that the Committee reconsider its action on SB 719. The motion carried on a voice vote.

Senator Burke moved that the FY 97 subcommittee report be amended to reflect corrected amounts for computer hardware and PC maintenance (Attachment 2). The motion carried on a voice vote.

Senator Lawrence moved, Senator Burke seconded, that the FY 97 subcommittee be amended to direct the Department of Transportation to expend \$145,075 from the State Highway Fund for continuing the installation of the EMS transmitter project. It was noted that the EMS subcommittee want the Department of Transportation to provide for the EMS projects as was originally anticipated and to be made aware of any difficulty in providing for the project next year or in any future years until the project is complete. The motion carried on a voice vote.

In answer to Senator Karr, it was noted that if an adjustment is needed to address the KHP and KDOT change in rental properties it could be done in the Omnibus bill.

Senator Petty told members that she would research funding for public transportation and might offer a floor amendment.

Senator Karr requested that staff clarify to the Department how federal monies are authorized for scenic byways.

Senator Rock moved, Senator Burke seconded that the amended FY 97 subcommittee report be adopted and that SB 719 as amended be recommended favorably for passage. The motion carried on a roll call vote.

It was moved by Senator Burke and seconded by Senator Rock that the FY 96 subcommittee report on the Department of Transportation be amended to reflect corrected amounts for computer hardware and PC

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 11:00 a.m. on March 7, 1996.

maintenance. The motion carried on a voice vote.

SB 722: Appropriations for FY 97, agricultural agencies and certain natural resources agencies

Animal Health Department

Senator Lawrence reviewed the FY 96 and FY 97 subcommittee reports (Attachment 3). During discussion of brucellosis, Livestock Commissioner George Teagarden stated that it is hoped that the state will be declared brucellosis-free by next fall. Senator Lawrence moved, Senator Burke seconded, that the FY 96 and FY 97 subcommittee reports be approved. The motion carried on a voice vote.

Kansas State Fair

The FY 96 and FY 97 subcommittee reports were presented by Senator Lawrence (Attachment 4). Senator Karr noted that the amounts for capital improvements in these reports did not match the numbers in the capital improvements bill. It was noted that if an adjustment needs to be made, it can be done in the capital improvements bill. Senator Lawrence moved, Senator Burke seconded, that the FY 96 and FY 97 subcommittee reports be adopted. The motion carried on a voice vote.

State Conservation Commission

Senator Rock reviewed the FY 96 and FY 97 subcommittee reports for the State Conservation Commission (Attachment 5). There were no questions. It was moved by Senator Rock and seconded by Senator Vancrum that the reports be adopted. The motion carried on a voice vote.

Kansas Water Office

Senator Vancrum presented the FY 96 and FY 97 subcommittee reports on the Kansas Water Office (Attachment 6). The Chairman stated that he was interested in pursuing an operational audit of the Water Office to determine whether it is accomplishing what it should with the \$16 million contributed by the state every year. Members discussed the Water Authority's evaluation of Water Plan Fund expenditures and the report that is submitted to legislators every year. There was some consensus that legislators do not study the report to evaluate the goals of the Water Office. Members discussed other alternatives for a study. The Chairman noted that there appeared to be interest for some type of review, but stated that the subcommittee report would not have to be amended to reflect that. It was moved by Senator Vancrum and seconded by Senator Rock that the FY 96 and FY 97 subcommittee reports be adopted. The motion carried on a voice vote.

Wildlife and Parks

Senator Moran reviewed the FY 96 and FY 97 subcommittee reports (Attachment 7). In answer to Senator Karr, staff stated that three audits of the use of federal funds for fish and wildlife purposes were performed:

-for the period from FY 89-FY 92 -- the amount in diversion is \$1.9 million. The Legislature provided most of the payment and the Governor includes in his FY 97 budget \$548,000 from the SGF to complete the repayment of funds in diversion. (Mr. Koerth, Wildlife & Parks, stated that the three areas of diversion during this time were diversions from the Wildlife Fee Fund including hunting & fishing licenses, underspending the base amount for fisheries, and receiving federal aid for work done in state parks.)

-for the period from FY 93-FY 94 -- the amount in diversion is \$1.7 million. The Governor in Budget Amendment #4 has provided \$800,000 for the first year of two yearly payments. (Mr. Koerth stated that the two issues in this audit were continued diversion of \$1.7 million and base fisheries. He noted that the Department has taken internal measures to correct the issues surrounding base fisheries.)

-for the period of FY 95 -- there are no results.

Senator Kerr inquired whether the subcommittee's recommendation to allow flexibility for expenditures from the three fee funds (item 1, Attachment 7-2) would exacerbate the problems involved with diversion. Mr. Koerth stated that the Department would like to make corrections during the fiscal year to compensate for under or over spending from the funds, and that flexibility isn't allowed under current fixed limitations on the funds. The Chairman commented that the net result of diversion is that the Legislature gives the agency more money and requested that the subcommittee report include the prohibition on future use of SGF monies as was adopted by the Interim Ways and Means/Appropriations Committee. Senator Moran moved, Senator Petty seconded, that the FY 96 report be amended by recommending that there be no further use of SGF dollars for diversion repayments for any diversions which occur after FY 95, and that if diversion repayments should be required, the Department will have to shift funds from other sources to meet the payments. The motion carried on a voice vote.

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

A member of the Research staff stated that he would investigate the discrepancy between the agency's request

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 11:00 a.m. on March 7, 1996.

and the Governor's recommendation for FTE positions in FY 96.

Department of Agriculture

Senator Morris reviewed the FY 96 and FY 97 subcommittee reports (Attachment 8). It was moved by Senator Morris and seconded by Senator Petty that the subcommittee reports be adopted. The motion carried on a voice vote.

Kansas Wheat Commission

The FY 96 and FY 97 subcommittee reports were presented by Senator Lawrence (Attachment 9). Members discussed the financial effects of another less than average yield wheat crop on the Wheat Commission Fee Fund.

Grain Inspection Department

Senator Lawrence presented the FY 96 and FY 97 subcommittee reports (Attachment 10). It was moved by Senator Lawrence and seconded by Senator Burke that the FY 96 and FY 97 subcommittee reports for the Kansas Wheat Commission and the Grain Inspection Department be adopted. The motion carried on a voice vote.

The Chairman requested that staff review which budgets have sustained the 2% FTE reductions as ordered of Cabinet agencies by the Governor and which have not. There was some debate as to whether the transfer of a division from the Department of Agriculture would count toward the recommended staff reduction in that agency.

Senator Lawrence moved, Senator Burke seconded, that SB 722 as amended be recommended favorably for passage. The motion carried on a roll call vote.

It was moved by Senator Moran and seconded by Senator Karr that the minutes of the March 6 meeting stand approved as read. The motion carried on a voice vote.

A memorandum documenting the number of off-season events on the grounds of the Kansas State Fair was distributed (Attachment 11).

The Chairman adjourned the meeting at 12:20 P.M. The next meeting is scheduled for March 11, 1996.



Offices located in
the Historic Crawford Building

Topeka Independent Living Resource Center

(913) 233-4572 V/TDD • Fax 913-233-1561 • Toll Free 1-800-443-2207
501 SW Jackson Street • Suite 100 • Topeka, KS 66603-3300

Testimony Regarding SB 719 Carol Doss

My name is Carol Doss. I work for the Topeka Independent Living Resource Center (TILRC), a services and advocacy organization for people with all types of disabilities.

The mission of our agency is to increase consumer choice, to empower people with disabilities to run their own lives to the maximum extent feasible, and to increase the capacity of our community to integrate people with disabilities into all aspects of life including work, recreation, transportation and public accommodations.

A major issue for people with disabilities is access to transportation. The majority of people that TILRC serve rely on public transportation. Transportation provides a link to employment, medical services and social opportunities.

TILRC is subsidizing the Topeka Transit Authority to provide evening transportation on weekends. However, TILRC and other private organizations cannot pay for general public transportation. Given the drastic reductions in federal subsidies, how will Kansas ensure the continued existence of this much needed service. The transit authority here in Topeka has seen their federal operating funds cut in half over the last two years, for example.

We urge you to adequately fund public transportation in Kansas.

Thank you.

Sincerely,

Carol J. Doss

Carol J. Doss

*Senate Ways & Means
March 7, 1996
Attachment 1*

IT FINANCIAL PLAN, FY96-97

Updated February 1996

	FY96 Issues	FY97 Issues
INFRASTRUCTURE TECHNOLOGIES		
Desktop Standardization		
Migrate to GUI (Pilot)	\$74,000	
CADD Maintenance Privatization		\$159,268
PC Maintenance Privatization	\$150,000	\$300,000
Expansion of the Ethernet System	\$260,190	\$1,325,000
Statewide 800 MHZ System (incl. KHP)	\$1,503,554	\$2,550,593
Subtotal	\$1,987,744	\$4,334,861
INFRASTRUCTURE SOLUTIONS		
Records Management	**	
Video Log Access		
Subtotal	\$0	\$0
AGENCY-WIDE APPLICATIONS		
Executive Information System (EIS)	**	
Financial Information Management System		**
Subtotal	\$0	\$0
DIVISION/BUREAU SPECIFIC APPLICATION		
Automated Condition Survey		\$100,000
Bridge Management System		\$56,000
Sign Inventory System	\$252,500	
Subtotal	\$252,500	\$156,000
ON-GOING DEVELOPMENT/MAINTENANCE		
Contract Programming/Services	\$2,441,148	\$2,000,000*
Subtotal	\$2,441,148	\$2,000,000
TOTAL INFORMATION TECHNOLOGY ISSUES:		
	\$4,681,392	\$6,490,861
Computer Hardware, Processing Equip, Software & Repair	\$3,027,269	\$2,423,646
DISC Charges	\$981,395	\$1,106,434
TOTAL:	\$8,690,056	\$10,020,941

* In accordance with DOB recommendations, funds allocated according to agency priorities.

** Represents studies using Contract Programming/Services funds

*Senate Ways + Means
March 7, 1996
Attachment 2*

*KDOT new \$
Revised
March 5, 1996*

SUBCOMMITTEE REPORT

Agency: Animal Health Department

Bill No. –

Bill Sec. –

Analyst: Mills

Analysis Pg. No. 533

Budget Page No. 73

Expenditure	Agency Est. FY 96	Gov. Rec. FY 96	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 1,757,608	\$ 1,743,704	–
Aid to Local Units	0	0	–
Other Assistance	0	0	–
Subtotal - Operating	\$ 1,757,608	\$ 1,743,704	–
Capital Improvements	0	0	–
TOTAL	<u>\$ 1,757,608</u>	<u>\$ 1,743,704</u>	–
State General Fund:			
State Operations	\$ 499,578	\$ 493,006	–
Aid to Local Units	0	0	–
Other Assistance	0	0	–
Subtotal - Operating	\$ 499,578	\$ 493,006	–
Capital Improvements	0	0	–
TOTAL	<u>\$ 499,578</u>	<u>\$ 493,006</u>	–
FTE Positions	29.0	29.0	–
Unclassified Temp. Positions	0.0	0.0	–
TOTAL	<u>29.0</u>	<u>29.0</u>	–

Agency Estimate/Governor's Recommendation

The agency estimates current year expenditures of \$1,757,608, a reduction of \$14,275 from the approved budget. These reductions are the result of salary savings attributed to the retirement of two long-term staff, and the voluntary 1.5 percent SGF reduction requested by the Governor. The agency estimate will support 29.0 FTE positions, a reduction of 0.5 position from the FY 1995 level. The agency will meet the 1.5 percent State General Fund recession (\$7,607) through a reduction in operating expenditures in the Animal Disease Control Program.

The Governor recommends FY 1996 state operations funding of \$1,743,704, a reduction of \$13,904 from the agency estimate and a reduction of \$28,179 from the approved budget. Of the reduction, \$6,572 is from the State General Fund and \$7,332 is from special revenue funds. The

*Senate Ways & Means
march 7, 1996
Attachment 3*

reduction is found in salaries (\$19,904), with an offsetting increase in OOE (\$6,000). The Governor concurs with the agency appeal for \$6,000 for replacement computers.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 1996.



Senator Barbara Lawrence, Chair



Senator Paul "Bud" Burke

SUBCOMMITTEE REPORT

Agency: Animal Health Department

Bill No.

Bill Sec.

Analyst: Mills

Analysis Pg. No. 533

Budget Page No. 73

Expenditure	Agency Req. FY 97	Gov. Rec. FY 97	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 1,821,387	\$ 1,788,067	\$ (21,083)
Aid to Local Units	0	0	-
Other Assistance	0	0	-
Subtotal - Operating	\$ 1,821,387	\$ 1,788,067	\$ (21,083)
Capital Improvements	0	0	-
TOTAL	<u>\$ 1,821,387</u>	<u>\$ 1,788,067</u>	<u>\$ (21,083)</u>
State General Fund:			
State Operations	\$ 542,169	\$ 517,510	\$ (4,024)
Aid to Local Units	0	0	-
Other Assistance	0	0	-
Subtotal - Operating	\$ 542,169	\$ 517,510	\$ (4,024)
Capital Improvements	0	0	0
TOTAL	<u>\$ 542,169</u>	<u>\$ 517,510</u>	<u>\$ (4,024)</u>
FTE Positions	29.0	29.0	-
Unclassified Temp. Positions	0.0	0.0	-
TOTAL	<u>29.0</u>	<u>29.0</u>	<u>-</u>

Agency Request/Governor's Recommendation

The agency request for FY 1997 for the Animal Health Department totals \$1,821,387, of which \$542,169 is from the State General Fund and \$1,279,218 is from the agency's fee funds. The amount requested is an increase of \$63,779 (3.6 percent) over the current year estimate of \$1,757,608. The request will support the existing 29.0 FTE positions.

The Governor's recommendation for FY 1997 totals \$1,788,067, of which \$517,510 is from the State General Fund and \$1,270,557 is from the agency's fee funds. The recommendation is an increase of \$44,363 (2.5 percent) over the Governor's recommendation for FY 1996. The funding will support the existing 29.0 FTE positions.

Replacement Computers. Following its budget submission, the agency has appealed for \$6,000 (State General Fund) in both FY 1996 and FY 1997 to provide capital outlay funding to purchase 6 replacement computers. The new computers would replace two inoperative computers and provide four new computers for use in the licensing process. **The Governor concurs** with the agency appeal for \$6,000 in each year to acquire replacement computers.

Brand Book. The agency requests \$30,000 (Brand Fee Fund) in printing costs to provide for printing a new brand book, which would contain the 22,000 brands registered in Kansas. The brand book has not been reprinted since 1990 because of budgetary constraints. **The Governor concurs** with the agency request for \$30,000 to print a new brand book in FY 1997.

Depopulation of Brucellosis Infected Herds. The agency is *not* requesting state funds for the depopulation of brucellosis infected herds, as the federal government is providing indemnity payments of \$250 per head directly to the producer. The federal program is expected to continue through 1998.

Senate Subcommittee Recommendation

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

1. Delete \$21,083, including \$4,024 from the State General Fund, based on the recommendation to delete funding for the six-month 2.5 percent unclassified merit pool (\$905), classified step movement (\$16,574), and the longevity bonus (\$3,604) from individual agency budgets.
2. Make a technical correction to the bill.



Senator Barbara Lawrence, Chair



Senator Paul "Bud" Burke

Kansas Animal Health Department
Performance Measures

OBJECTIVES OF KANSAS ANIMAL HEALTH DEPARTMENT:

- To provide effective services to the public in a timely and efficient manner;
- To identify and eliminate brucellosis in cattle by 1998 in the state of Kansas;
- To advance to stage III of the national swine pseudorabies eradication program by 1998, by testing a random sample of all breeding animals each year;
- To continue surveillance and be in a state of readiness if an outbreak of any reportable infectious and contagious diseases occurs;
- To provide essential regulatory and enforcement services to ensure that the companion animal industry in Kansas produces, sells, distributes, or boards and trains sound, healthy animals which are free from disease and treated in a humane manner;
- To increase voluntary participation for brand inspection by 50 percent in all livestock markets by 1999.

Brucellosis quarantined herds

1957 -	2,993 herds were quarantined
June 1987 -	39 herds
May 1993 -	21 herds
May 1994 -	36 herds
Jan. 1995 -	14 herds
Jan. 1996 -	4 herds
Feb. 1996 -	3 herds

Animal Facilities Inspection Program

	<u>FY 1994</u>	<u>FY 1995</u>	<u>FY 1996</u>
Total number of licensees and registrants:	948	909	987
Complaints (calendar year)	<u>1993</u>	<u>1994</u>	<u>1995</u>
Number of consumer complaints regarding unlicensed facilities	24	11	22
Number of consumer complaints regarding licensed facilities	45	54	92

Brand Program

Brand registrations:	<u>1981</u> - 27,000
	<u>1994</u> - 22,620
	<u>1995</u> - 21,350

Theft investigation:	<u>1993</u>	<u>1994</u>	<u>1995</u>	
Reported stray/missing:	761	642	1,215*	
Reported stolen	314	218	*	
Reported returned/recovered	176	499	280	
Cases handled	224	263	255	2/19/96

SUBCOMMITTEE REPORT

Agency: Kansas State Fair

Bill No. --

Bill Sec. --

Analyst: Mills

Analysis Pg. No. 557

Budget Page No. 187

Expenditure	Agency Est. FY 96	Gov. Rec.* FY 96	Senate Sub. Adj.
All Funds:			
State Operations	\$ 3,037,601	\$ 3,001,971	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 3,037,601	\$ 3,001,971	\$ 0
Capital Improvements	2,154,270	2,129,523	0
TOTAL	\$ 5,191,871	\$ 5,131,494	\$ 0
State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 0	\$ 0	\$ 0
Capital Improvements	1,649,698	1,778,116	0
TOTAL	\$ 1,649,698	\$ 1,778,116	\$ 0
FTE Positions	17.0	17.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	17.0	17.0	0.0

* Includes GBA No. 1 shift of \$29,684 in capital improvements.

Agency Estimate/Governor's Recommendation

Requested funding for the Kansas State Fair is \$1,875,213 more than the amount approved by the 1995 Kansas Legislature, as adjusted by the State Finance Council. The principal reason for this is that funding for repairs to the 4-H Encampment Building (\$1,673,573 from the State General Fund -- to be matched by \$250,000 in privately-raised funding) has been carried over from FY 1995 to FY 1996 (and will be carried over from year to year until such time as the private funds have been raised and the repairs carried out). The agency also adjusted its fee fund revenue estimates following the State Fair in September (the agency reports that gate receipt revenue was the strongest in ten years), and adjusted estimated expenditures to match actual expenditures.

*Senate Ways & Means
March 7, 1996
Attachment 4*

Finally, the agency requests a supplemental appropriation from the Economic Development Initiatives Fund of \$25,000. This funding would finance an economic impact study of the State Fair. According to the agency, such a study would be helpful to the Fair in better identifying its audience, which would in turn help the fair in securing national sponsorships.

The Governor's recommendation is \$1,814,836 above the approved amount, again because of the carryover of funds for the repair of the 4-H Encampment Building from FY 1995 to FY 1996, and because of revisions to the Fair's Fee Fund in light of 1995 receipts at the Kansas State Fair. The Governor funds interest expenditures on renovation of the Fair's grandstand out of the State General Fund, even though there is a special revenue fund for this purpose. The Governor does not recommend the supplemental appropriation from the EDIF.

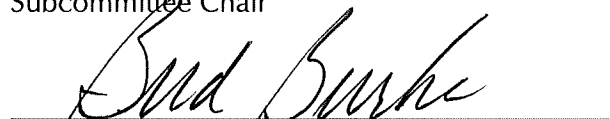
Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation, with the following additional recommendation:

1. Per GBA No. 1, concur with a shift of \$29,684 in capital improvements from the State General Fund to other funds.



Senator Barbara Lawrence
Subcommittee Chair



Senator Paul Bud Burke

SUBCOMMITTEE REPORT

Agency: Kansas State Fair

Bill No. 722

Bill Sec. 5

Analyst: Mills

Analysis Pg. No. 557

Budget Page No. 187

Expenditure	Agency Req. FY 97	Gov. Rec.* FY 97	Senate Sub. Adj.
All Funds:			
State Operations	\$ 3,124,704	\$ 3,094,998	\$ 13,014
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 3,124,704	\$ 3,094,998	\$ 13,014
Capital Improvements	1,404,522	309,564	0
TOTAL	<u>\$ 4,529,226</u>	<u>\$ 3,404,562</u>	<u>\$ 13,014</u>
State General Fund:			
State Operations	\$ 15,000	\$ 115,000	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 15,000	\$ 115,000	\$ 0
Capital Improvements	1,039,522	164,085	0
TOTAL	<u>\$ 1,054,522</u>	<u>\$ 279,085</u>	<u>\$ 0</u>
FTE Positions	18.0	17.0	1.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>18.0</u>	<u>17.0</u>	<u>1.0</u>

* Includes GBA No. 1.

Agency Request/Governor's Recommendation

The agency requests FY 1997 operating expenditures of \$3,124,704, of which \$15,000 is from the State General Fund (for children's programming), and \$115,000 from the Economic Development Initiatives Fund. The Governor recommends no funding for children's services, but does provide \$115,000 from the SGF in lieu of the requested funds from the EDIF. The agency request appears to be premised on the provision of current service levels, with the following exceptions:

- The agency requests a 1.0 FTE Facilities Maintenance Supervisor, at a cost of \$24,822 (excluding fringe benefits). According to the agency, its Maintenance Program has had 9.0 FTE positions for the past 20 years, while, during that time, its workload has doubled. The person occupying the requested position would

take over some of the supervisory duties of the agency's Physical Plant Manager. The Governor does not recommend the new position, but does increase funding in the program so that the agency can contract out some of the additional work.

- The agency's request for \$90,379 in capital outlay funding. \$76,504 is for machinery, tools and equipment for the Maintenance Program. \$6,000 is for computer equipment for the Operations Program. The Governor concurs with the agency request.

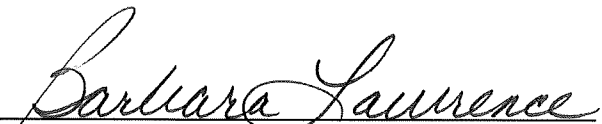
The Governor's budget contains funding for step movement (or unclassified merit increases), or longevity bonuses for those at the end of their pay range.

The agency requests capital improvements funding in the amount of \$1,404,522. Of the requested funding, \$1,039,522 is from the State General Fund, the bulk of which is for renovation of the Commercial Building (\$989,522). The agency requests an FY 1997 demand transfer from the State General Fund to the State Fair Capital Improvements Fund in the amount of \$119,557. The Governor recommends \$309,564 in capital improvement expenditures, of which \$24,564 is from the State General Fund (moneys for the Encampment Building carried over from FY 1996 to FY 1997). The Governor concurs with the requested demand transfer from the State General Fund.

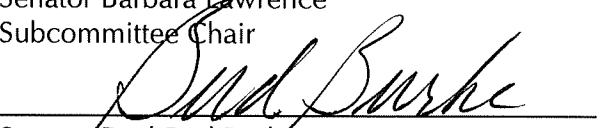
Senate Subcommittee Recommendation

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

1. Delete \$15,119 based on the recommendation to delete funding for the six-month 2.5 percent unclassified merit pool (\$1,918), classified step movement (\$7,126), and the longevity bonus (\$6,075) from individual agency budgets.
2. Per GBA No.1, concur with a reduction of \$2,760 in state operations and a shift of \$80,749 in capital improvements to correct errors in calculating the agency budget recommendation.
3. Add 1.0 FTE position and \$28,133 (State Fair Fee Fund) for a Facilities Maintenance Supervisor position. The agency stated that the position is needed to coordinate maintenance staff projects, private contractors, and inmate labor on the various projects at the State Fair.



Senator Barbara Lawrence
Subcommittee Chair



Senator Paul Bud Burke

**KANSAS STATE FAIR, AGENCY 373
PERFORMANCE MEASURES**

1. GATE ADMISSIONS

FY:	1995 Actual	1996 Estimate	1997 Estimate
Attendance:	341,195	361,647	353,000
Gate Receipts:	\$806,892	\$875,000	\$811,000

Gate admissions are the primary performance measure for the Kansas State Fair. Our mission is to offer an annual state fair for the people of Kansas.

Attendance is dependent on several factors. The most critical, weather, is beyond our control. 1995 provided 10 days of excellent weather which resulted in a 6% increase in attendance. Carnival and grandstand tickets are sold in advance to commit people to attending. Competitive exhibit entries are taken in advance.

The second factor is meeting the needs of the public. We strive to schedule a well-rounded fair that retains our agricultural heritage, highlights the new and different and offers unique opportunities not available elsewhere.

The third factor, advertising, is tied to the Fair's responsibility to inform as many Kansans as possible of Fair events.

2. NON FAIR EVENTS

FY:	1995 Actual	1996 Estimate	1997 Estimate
Event Days:	265	290	290
Non Fair Revenues:	\$226,807	\$233,123	\$236,473

Non Fair events and activities provide a year-round source of revenue for this agency and require the buildings be kept in good repair throughout the year. Non Fair events include livestock shows, flea markets, automobile sales, car shows, auctions, family reunions, rodeos, team ropings, and many other activities. We are restricted in our capacity to increase rentals because of staff limitations. The agency requested one additional FTE in the maintenance department. One of the major functions of this position would be overseeing the setup and tear down necessary for off season rentals.

3. EXHIBITORS AND CONCESSIONAIRES

FY:	1995 Actual	1996 Estimate	1997 Estimate
Number:	695	695	700
Revenues:	\$1,031,403	\$1,202,600	\$1,172,100

Exhibitors and Concessionaires are one of the most important aspects of a state fair in meeting the needs of the public. We contract with reputable businesses offering a variety of services, products, and food items, and maintain a balance in products and services offered.

This agency must provide adequate facilities and accommodations for these exhibitors and concessionaires. They require undated electrical and plumbing, safe, ADA accessible locations, and a good attendance.

SUBCOMMITTEE REPORT

Agency: State Conservation Commission

Bill No. 715

Bill Sec. 7

Analyst: Mills

Analysis Pg. No. 544

Budget Page No. 123

<u>Expenditure Summary</u>	<u>Agency Est. FY 96</u>	<u>Gov. Rec. FY 96</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,652,563	\$ 1,648,563	\$ 180,000
Aid to Local Units	2,402,010	2,402,010	0
Other Assistance	6,728,547	6,728,547	0
Subtotal - Operating	\$ 10,783,120	\$ 10,779,120	\$ 180,000
Capital Improvements	0	0	0
TOTAL	\$ 10,783,120	\$ 10,779,120	\$ 180,000
State General Fund:*			
State Operations	\$ 536,769	\$ 532,954	\$ 0
Aid to Local Units	0	1,867,622	0
Other Assistance	6,000,000	4,132,378	0
Subtotal - Operating	\$ 6,536,769	\$ 6,532,954	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 6,536,769	\$ 6,532,954	\$ 0
FTE Positions	14.0	14.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	14.0	14.0	0.0

* The State General Fund total includes \$5,932,800 in FY 1995, \$6,000,000 in FY 1996, and \$6,000,000 in FY 1997 designated as being financed by the State General Fund portion of the State Water Plan Fund.

Agency Est./Governor's Recommendation

The agency's revised estimate for FY 1996 totals \$10,783,120. The estimate will support the approved 14.0 FTE positions and 1.0 special projects appointment. The revised estimate is an increase of \$428,438 over the approved budget; all of the increase is in special revenue funds. The major increases are found in the Multipurpose Small Lakes program (\$193,705), the Nonpoint Source Pollution program (\$140,928), and the Riparian and wetland program (\$155,110), with an offsetting decrease in other assistance (\$76,453). The agency's administrative operations are funded from the State General Fund, while the conservation programs are generally financed by the State Water Plan Fund. The agency

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plans to meet the 1.5 percent State General Fund reduction through decreases in several object codes (\$992).

The Governor's recommendation for FY 1996 totals \$10,779,120, which is a reduction of \$4,000 from the agency estimate. The entire reduction of \$4,000 is found in salaries. The Governor's recommendation is composed of \$6,532,954 from the State General Fund and \$4,246,166 from all other funds. The reduction of 1.0 FTE position from the approved budget reflects the elimination of an unclassified temporary position; federal funding for this position will cease during FY 1996.

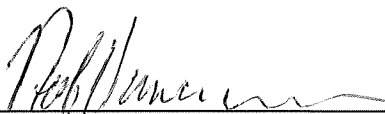
Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation, with the following additional recommendation:

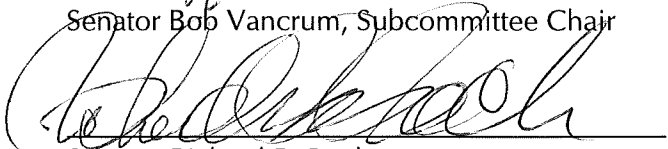
1. The agency advised the Subcommittee that there are uncommitted prior years' balances of State Water Plan funds which total \$1.243 million; these funds were originally appropriated for FY 1992 and FY 1993, but were not expended as a result of the 1993 flood. Of the total, the Governor recommends that \$1,008,892 of reappropriated funds be used to finance the State Aid to Conservation Districts program in FY 1997.

The agency proposes that \$180,000 of these reappropriated funds be used in FY 1996 to purchase digital orthophotography (DOQ) as part of the Governor's Water Quality Plan. Under the proposal, DOQ would be purchased for seven counties (Clay, Cloud, Dickinson, Jewell, Marshall, Smith, and Washington) in the Kansas-Lower Republican River basin. The state funding of \$180,000 will be matched by the U.S. Department of Agriculture and the U.S. Geological Survey to provide a total of \$540,000 available. When completed, the photography will be delivered to the Kansas Data Access and Support Center at the University of Kansas, for public and private use.

The Senate Subcommittee endorses both of these uses of reappropriated funds.



Senator Bob Vancrum, Subcommittee Chair



Senator Richard R. Rock

SUBCOMMITTEE REPORT

Agency: State Conservation Commission

Bill No. 722

Bill Sec. 7

Analyst: Mills

Analysis Pg. No. 544

Budget Page No. 123

<u>Expenditure Summary</u>	<u>Agency Req. FY 97</u>	<u>Gov. Rec.* FY 97</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,822,192	\$ 1,846,465	\$ (10,416)
Aid to Local Units	3,854,287	2,618,892	0
Other Assistance	<u>7,480,200</u>	<u>6,531,200</u>	<u>0</u>
Subtotal - Operating	\$ 13,156,679	\$ 10,996,557	\$ (10,416)
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 13,156,679</u></u>	<u><u>\$ 10,996,557</u></u>	<u><u>\$ (10,416)</u></u>
State General Fund:**			
State Operations	\$ 598,471	\$ 523,869	\$ (9,484)
Aid to Local Units	1,008,892	1,903,892	0
Other Assistance	<u>6,000,000</u>	<u>4,096,108</u>	<u>0</u>
Subtotal - Operating	\$ 7,607,363	\$ 6,523,869	\$ (9,484)
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 7,607,363</u></u>	<u><u>\$ 6,523,869</u></u>	<u><u>\$ (9,484)</u></u>
FTE Positions	14.0	14.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>14.0</u></u>	<u><u>14.0</u></u>	<u><u>0.0</u></u>

* Includes GBA No. 1 reduction of \$32,168 from the State Water Plan Fund.

** The State General Fund total includes \$5,932,800 in FY 1995, \$6,000,000 in FY 1996, and \$6,000,000 in FY 1997 designated as being financed by the State General Fund portion of the State Water Plan Fund.

Agency Req./Governor's Recommendation

The State Conservation Commission requests a total of \$13,156,679 (All Funds) in FY 1997, which is an increase of \$2,373,559 over the current year estimate. This funding will support the existing 14.0 FTE positions; the 1.0 classified temporary position is eliminated in FY 1996 due to the loss of federal funding.

The largest dollar increases are requested in the following programs: Watershed Dam Construction (\$441,961); Water Resources Cost-Share (\$374,344); Multipurpose Small Lakes (\$951,690); and Nonpoint Source Pollution Control (\$659,072).

The bulk of the increase is in Aid to Local Units (\$1,452,277) and Other Assistance (\$751,653).

(Staff Note: The State Conservation Commission will target appropriated State Water Plan Funds to assist in the implementation of the Governor's Water Quality Initiative in FY 1997.)

The Governor's recommendation for FY 1997 totals \$11,028,725, which is an increase of \$249,605 (2.3 percent) over the current year recommendation. The Governor's recommendation is composed of \$6,523,869 from the State General Fund and \$4,504,856 from all other funds. The Governor recommends the continuation of the existing 14.0 FTE positions. The largest increases are found in the Watershed Dam Construction program (\$136,961) and the Multipurpose Small Lakes program (\$106,295).

The Governor recommends \$3,042 for classified step movement, \$4,110 for unclassified merit for six months, and \$286 for longevity pay.

Senate Subcommittee Recommendation

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

1. Delete \$10,416, including \$9,484 from the State General Fund, based on the recommendation to delete funding for the six-month 2.5 percent unclassified merit pool (\$4,111), classified step movement (\$6,019), and the longevity bonus (\$286) from individual agency budgets.
2. Per GBA No. 1, concur with a reduction in expenditures from the State Water Plan Fund by \$32,168 in FY 1997 to correct errors made in calculating operating expenditures.
3. The agency advised the Subcommittee that there are uncommitted prior years' balances of State Water Plan funds which total \$1.243 million; these funds were originally appropriated for FY 1992 and FY 1993, but were not expended as a result of the 1993 flood. Of the total, the Governor recommends that \$1,008,892 of reappropriated funds be used to finance the State Aid to Conservation Districts program in FY 1997.

The agency proposes that \$180,000 of these reappropriated funds be used in FY 1996 to purchase digital orthophotography (DOQ) as part of the Governor's Water Quality Plan. Under the proposal, DOQ would be purchased for seven counties (Clay, Cloud, Dickinson, Jewell, Marshall, Smith, and Washington) in the Kansas-Lower Republican River basin. The state funding of \$180,000 will be matched by the U.S. Department of Agriculture and the U.S. Geological Survey to provide a total of \$540,000 available. When completed, the

photography will be delivered to the Kansas Data Access and Support Center at the University of Kansas, for public and private use.

The Senate Subcommittee endorses both of these uses of reappropriated funds.

4. As requested by the agency, add a proviso to allow the Executive Director of the Conservation Commission to transfer FY 1996 reappropriations of State Water Plan Fund moneys to another item of appropriation for FY 1997 for state water plan programs. Such transfers would be reported to the Division of the Budget and the Legislative Research Department.
5. Make technical corrections to the bill.



Senator Bob Vancrum, Subcommittee Chair



Senator Richard R. Rock

**STATE CONSERVATION COMMISSION
FY 1997 PROGRAM MEASURES**

WATERSHED DAM CONSTRUCTION PROGRAM:

<u>OUTCOME MEASURES:</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997C</u>	<u>FY 1998</u>	<u>FY 1999</u>
Percent of Annual Flood Reduction Benefits Exceeding Dam Construction Costs	193	173	148	150	150

<u>OUTPUT MEASURES:</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997C</u>	<u>FY 1998</u>	<u>FY 1999</u>
Number of Structures (Dams)	25	11	25	25	25
Drainage Area Controlled (Acres)	18,837	18,871	12,736	18,000	18,000
Total Floodwater Detention Storage (Acre Feet)	5,608	2,588	2,194	4,000	4,000

WATER RESOURCES COST-SHARE PROGRAM:

<u>OUTCOME MEASURES:</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997C</u>	<u>FY 1998</u>	<u>FY 1999</u>
Estimated Sediment Reduction (total tons)	138,403	174,400	357,700	357,700	357,700

<u>OUTPUT MEASURES:</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997C</u>	<u>FY 1998</u>	<u>FY 1999</u>
Total Acres Treated	7,528	9,858	21,885	21,885	21,885

<u>OUTCOME MEASURES:</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997C</u>	<u>FY 1998</u>	<u>FY 1999</u>
Acre Feet of Irrigated Groundwater Saved Per Year	4,250	14,850	19,250	19,250	19,250

<u>OUTPUT MEASURES:</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997C</u>	<u>FY 1998</u>	<u>FY 1999</u>
Number Irrigation Systems Improved Per Year	85	297	385	385	385

NONPOINT SOURCE POLLUTION CONTROL PROGRAM:

<u>OUTCOME MEASURES:</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997C</u>	<u>FY 1998</u>	<u>FY 1999</u>
Counties with Approved Project Work Plans	39	45*	50	75	100

* The figure includes an estimate that six (6) additional counties will receive funding after the December 15, 1995 reallocation of uncommitted funds.

<u>OUTPUT MEASURES:</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997C</u>	<u>FY 1998</u>	<u>FY 1999</u>
Abandoned Water Well Plugging	21	32	37	45	60
Failing On-Site Wastewater Systems	5	21	30	45	60
Livestock Waste Systems	22	21	30	45	60
Nutrient and Pesticide Management	12	13	20	25	30
Technical Assistance	30	38	40	50	60

SUBCOMMITTEE REPORT

Agency: Kansas Water Office

Bill No. –

Bill Sec. –

Analyst: Mills

Analysis Pg. No. 601

Budget Page No. 541

<u>Expenditure Summary</u>	<u>Agency Est. FY 96</u>	<u>Gov. Rec. FY 96</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 6,324,693	\$ 6,497,369	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 6,324,693	\$ 6,497,369	\$ 0
Capital Improvements	5,839,075	5,751,489	0
TOTAL	\$ 12,163,768	\$ 12,248,858	\$ 0
State General Fund:			
State Operations	\$ 1,281,917	\$ 1,252,730	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 1,281,917	\$ 1,252,730	\$ 0
Capital Improvements	5,839,075	5,751,489	0
TOTAL	\$ 7,120,992	\$ 7,004,219	\$ 0
FTE Positions	22.0	22.0	0.0
Unclassified Temp. Positions	1.0	1.0	0.0
TOTAL	23.0	23.0	0.0

Agency Est./Governor's Recommendation

The approved operating budget for FY 1996 for the Kansas Water Office was \$4,947,593, including \$1,282,592 from the State General Fund. The agency revised estimate is \$6,324,693, an increase of \$1,377,100 over the approved budget. Nearly all of the increase is attributed to additional pass-through expenditures under the water assurance program: these moneys are revenues from the water assurance districts which pass through the water office to the federal government. An additional purchase of storage space was made in FY 1996 at Tuttle Creek which is reflected in the revised agency estimate.

The agency will meet its 1.5 percent State General Fund reduction by decreasing expenditures in state operations (\$19,228) and water supply acquisition (\$87,586), for a total reduction of \$106,814.

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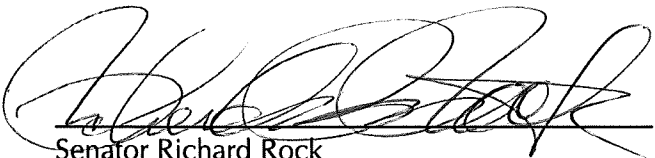
The Governor's recommendation for FY 1996 is \$6,497,369, an increase of \$172,676 over the agency revised estimate. The increase is attributed to "pass-through" monies which flow from the water assurance districts to the federal government.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 1996.



Senator Bob Vancrum, Chair



Senator Richard Rock

SUBCOMMITTEE REPORT

Agency: Kansas Water Office

Bill No. –

Bill Sec. –

Analyst: Mills

Analysis Pg. No. 601

Budget Page No. 541

<u>Expenditure Summary</u>	<u>Agency Req. FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 10,142,091	\$ 8,723,499	\$ (6,860)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 10,142,091	\$ 8,723,499	\$ (6,860)
Capital Improvements	0	0	0
TOTAL	\$ 10,142,091	\$ 8,723,499	\$ (6,860)
State General Fund:			
State Operations	\$ 1,324,699	\$ 1,229,026	\$ (6,235)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 1,324,699	\$ 1,229,026	\$ (6,235)
Capital Improvements	0	0	0
TOTAL	\$ 1,324,699	\$ 1,229,026	\$ (6,235)
FTE Positions	23.0	22.0	0.0
Unclassified Temp. Positions	0.0	1.0	0.0
TOTAL	23.0	23.0	0.0

Agency Req./Governor's Recommendation

The agency requests a total of \$10,142,091 for FY 1997, of which \$1,324,699 is from the State General Fund. The requested funding is composed of \$1,171,098 for salaries and wages, \$4,537,413 for contractual services and commodities, \$17,280 for capital outlay, \$4,215,000 for departmental debt, and \$201,300 for nonexpense items. The request would support the existing 23.0 positions; however, the agency requests that 1.0 unclassified temporary position be shifted to an FTE position.

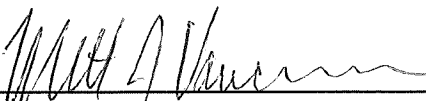
- ◆ The agency requests that the existing position of **Geographic Information System Coordinator**, which is currently an unclassified temporary position be converted to an FTE position. Funding associated with this position totals \$53,207 (State Water Plan Fund). **The Governor recommends** continuation of the position as an unclassified temporary position.

- ◆ The agency also requests continuation of a temporary **Computer Operator III** position (\$10,819 SGF) to provide computer support to the KWO staff. No funding is recommended by the Governor for this temporary position.
- ◆ The agency request includes \$19,000 (SGF) to pay the Water Office's share of the state obligation for operation and maintenance costs at **Cedar Bluff Reservoir**. The Department of Wildlife and Parks pays the rest of the state's obligation. **The Governor concurs** with the expenditures of \$19,000 in FY 1997 to satisfy the obligation.
- ◆ The 1987 Legislature created the Water Supply Storage Assurance Fund and directed the Pooled Money Investment Board to loan to the Director of the Water Office \$4.0 million to provide earnest money required as part of a memorandum of understanding between the state and the Corps of Engineers to purchase municipal and industrial water supply storage. The loan must be repaid to the PMIB on July 1, 1996. **The agency requests \$4,215,000 (Water Supply Storage Assurance Fund) in FY 1997 to repay the loan. The Governor concurs** with the request to retire the loan in FY 1997.

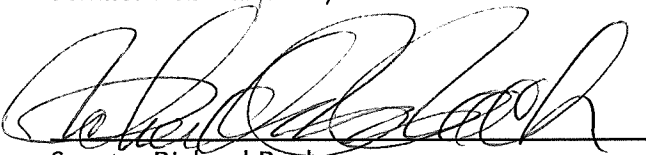
Senate Subcommittee Recommendation

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

1. Delete \$17,679, including \$17,054 from the State General Fund, based on the recommendation to delete funding for the six-month 2.5 percent unclassified merit pool (\$1,504), classified step movement (\$11,795), and the longevity bonus (\$4,381) from individual agency budget.
2. Add \$10,819 (State General Fund) for the salary (including fringe benefits) of the part-time temporary Computer Operator III position. This part-time support position has been funded since FY 1993; the Governor recommended no funding in FY 1997. The Senate Subcommittee recommends continuation of this part-time position, as the Water Office is overwhelmingly dependent upon computer resources to carry out its mission.
3. Make technical adjustments to the bill.



Senator Bob Vancrum, Chair



Senator Richard Rock

**KANSAS WATER OFFICE
GOALS AND OBJECTIVES
FY 1997**

GOAL #1

Develop and revise water resource policies and programs to further direct the state toward meeting its water needs in the next century through improved management, conservation and development.

Obj #1 Develop water resource policy that directs state programs to meet the needs of the state for water management up to the year 2010.

GOAL #2

Ensure full implementation of the 1995 Kansas Water Plan to achieve the goals of the State Water Resource Planning Act and evaluate state programs as to their effectiveness in protecting and utilizing the state's water.

Obj #1 Reduce the number of public water suppliers or irrigators who waste water or exceed the reasonable use of water by 10 percent per year.

Obj #2 Combat ground water declines in the Ogallala Aquifer through water conservation efforts in western Kansas, reducing the 1995-2000 rate of decline below that seen over 1990-1994.

Obj #3 Operate the state's reservoirs to reliably supply water to satisfy 1997 demands and maintain stream flows at appropriate target levels and to support the development of other resources at the reservoirs.

Obj #4 Target State Water Plan funds toward priority water resource areas within the state to provide comprehensive water quality protection.

Obj #5 Obtain all appropriate data and research to provide real-time assessment of the condition of the state's water resources and to allow evaluation of state programs in improving that condition in terms of quantity, quality and use.

Obj #6 Heighten public awareness, interest and understanding of natural resource and environmental issues through enhanced public information and outreach and introduce environmental education curriculum into schools.

Obj #7 Enhance weather modification activities to reduce economic damage to crops in western Kansas.

GOAL #3

Coordinate and integrate management of the state's water resources with management of other economic, environmental, and social resources of the state.

Obj #1 Promote the sharing of information and develop open communication between agencies with regard to related programs, in order to reduce or eliminate redundant effort, and to optimize the use of available resources in order to improve management decision-making.

Obj #2 Coordinate geographic information development and management within and among all levels of government in Kansas.

GOAL #4

Ensure adequate supplies of quality water are available to meet the needs of the citizens of Kansas at a reasonable cost, and control and manage the water resources of the state to maximize the economic, social, environmental, recreational and aesthetic benefits of the resources to the citizens of Kansas.

Obj #1 Ensure costs to the state for providing water supply storage space are ultimately borne by and collected from the user, deposited in the appropriate accounts and used to meet all financial obligations required by the agreements between the agency and the federal government for water supply storage space and operation and maintenance costs associated with that storage space.

Obj #2 Gain and maintain state control of available water supply storage space in 13 federal reservoirs : Big Hill, Clinton, Council Grove, Elk City, Hillsdale, John Redmond, Kanopolis, Marion, Melvern, Milford, Pomona, Perry and Tuttle Creek by June 30, 1996.

Obj #3 Realize the financial benefits of the 1985 Memorandum of Understanding with the Corps of Engineers through negotiated contracts with the Marais des Cygnes and Cottonwood/Neosho water assurance districts and existing contracts with Kansas River Water Assurance District by 6/30/96.

SUBCOMMITTEE REPORT

Agency: Wildlife and Parks

Bill No. 715

Bill Sec. 3

Analyst: Mills

Analysis Pg. No. 622

Budget Page No. 547

<u>Expenditure Summary</u>	<u>Agency Est. FY 96</u>	<u>Gov. Rec. FY 96</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 24,828,320	\$ 24,632,171	\$ 0
Aid to Local Units	894,275	894,275	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 25,722,595	\$ 25,526,446	\$ 0
Capital Improvements	<u>15,337,833</u>	<u>15,262,417</u>	<u>0</u>
TOTAL	<u><u>\$ 41,060,428</u></u>	<u><u>\$ 40,788,863</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 4,341,945	\$ 4,235,834	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 4,341,945	\$ 4,235,834	\$ 0
Capital Improvements	<u>754,804</u>	<u>679,388</u>	<u>0</u>
TOTAL	<u><u>\$ 5,096,749</u></u>	<u><u>\$ 4,915,222</u></u>	<u><u>\$ 0</u></u>
FTE Positions	406.0	410.0	0.0
Unclassified Temp. Positions	<u>10.0</u>	<u>11.0</u>	<u>0.0</u>
TOTAL	<u><u>416.0</u></u>	<u><u>421.0</u></u>	<u><u>0.0</u></u>

Agency Est./Governor's Recommendation

The agency's revised FY 1996 estimate is \$25,722,595, or \$970,619 more than the amount approved by the 1995 Legislature. Of the total estimate, \$4,341,945 is from the State General Fund and \$21,380,650 is from other funds. The estimate for spending from the State General Fund is \$69,000 more than the amount approved and the estimate for spending from special revenue funds is \$901,619 more than the amount approved. The agency has made the 1.5 percent State General Fund reduction (\$75,416). The reduction was made in flood damage repair funding.

The Governor recommends \$25,526,446 in operating expenditures in FY 1996, a decrease of \$196,149 from the revised estimate. The recommendation reduces State General Fund expenditures by \$37,111 from the approved budget, but increases spending from special revenue funds by \$774,470.

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Although the 1995 Legislature approved a total of 414.0 FTE positions for the Department in FY 1996, the Department has voluntarily eliminated 4.0 FTE positions, making the revised total 410.0 FTE positions. The four positions eliminated were three retirements and two part-time positions.

- ◆ **State General Fund Supplemental Funding.** The agency requests FY 1996 State General Fund supplemental funding of \$69,000 to be used to finance the operations costs associated with the Prairie Spirit Rail-Trail. The agency states that construction of the first 15 mile segment of the trail between Richmond and Welda will be completed in the Spring of 1996. The agency will assign an existing position to duties on the trail. However, the operations funding is requested for items such as weed control, maintenance supplies, and grounds equipment.

The Governor concurs with the expenditure of \$69,000 to finance the operations of the Prairie Spirit Rail-Trail, but shifts the financing to the Parks Fee Fund.

Senate Subcommittee Recommendation

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

1. Addition of language in the FY 1996 supplemental bill similar to the language recommended by the Governor in the FY 1997 in order to assist the Department in complying with the federal aid expenditure requirements of the U.S. Fish and Wildlife Service for the utilization of federal aid funds. The new language recommended by the Governor will allow the Department to adjust expenditures from the Wildlife Fee Fund, the Park Fee Fund, and the Boating Fee Fund to properly finance agency programs in accordance with federal and state requirements. Such expenditures could be in addition to the expenditure limitations on the funds; all such expenditures would have to be reported by the Secretary to the Governor and the Legislature.
2. Make technical corrections to the appropriation bill to properly reflect the intent of the Governor's recommendation.

JERRY MORAN

Senator Jerry Moran, Subcommittee Chair

Bill Brady

Senator Bill Brady

SUBCOMMITTEE REPORT

Agency: Wildlife and Parks

Bill No. 722

Bill Sec. 9

Analyst: Mills

Analysis Pg. No. 622

Budget Page No. 547

<u>Expenditure Summary</u>	<u>Agency Req. FY 97</u>	<u>Gov. Rec.* FY 97</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 27,595,112	\$ 26,642,401	\$ (165,002)
Aid to Local Units	675,000	675,000	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 28,270,112	\$ 27,317,401	\$ (165,002)
Capital Improvements	<u>8,552,121</u>	<u>6,485,274</u>	<u>(300,000)</u>
TOTAL	<u><u>\$ 36,822,233</u></u>	<u><u>\$ 33,802,675</u></u>	<u><u>\$ (465,002)</u></u>
State General Fund:			
State Operations	\$ 4,886,067	\$ 5,085,499	\$ (48,169)
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 4,886,067	\$ 5,085,499	\$ (48,169)
Capital Improvements	<u>1,645,347</u>	<u>500,000</u>	<u>0</u>
TOTAL	<u><u>\$ 6,531,414</u></u>	<u><u>\$ 5,585,499</u></u>	<u><u>\$ (48,169)</u></u>
FTE Positions	410.0	410.0	0.0
Unclassified Temp. Positions	<u>11.0</u>	<u>11.0</u>	<u>0.0</u>
TOTAL	<u><u>421.0</u></u>	<u><u>421.0</u></u>	<u><u>0.0</u></u>

* Includes GBA No. 1 addition of \$12,000 and GBA No. 4 addition of \$834,698.

Agency Request/Governor's Recommendation

The agency requests FY 1997 operating expenditures of \$28,270,112, an increase of \$2,547,517 or 9.9 percent above the revised FY 1996 estimate. Of the total FY 1997 request, \$4,886,067, or 17.3 percent, is financed from the State General Fund; and \$23,384,045, or 82.7 percent, is financed from agency special revenue funds. Of the requested increase, \$544,122 is from the State General Fund and \$2,003,395 is from special revenue funds.

The Governor recommends \$26,470,703 for operating expenditures in FY 1997, which is a 3.7 percent increase over the current year recommendation. The recommendation is composed of \$4,365,426 from the State General Fund and \$22,105,277 from special revenue funds. The Governor recommends continuation of the existing 410.0 FTE positions. **The Governor recommends** \$240,390

(including fringe benefits) for classified step movement, \$7,008 for unclassified merit for six months, and \$51,890 for longevity pay.

Shrinkage Rate. The agency requests a shrinkage rate of 1.0 percent (\$175,437) in FY 1997. **The Governor recommends** a 2.0 percent shrinkage rate (\$342,137).

Flood Damage Repair. During the summers of both 1993 and 1995, severe flooding caused widespread damage at many of the Department's properties: several state parks were wholly or partially closed due to flooding. **For FY 1997, the agency requests \$1,005,347 (State General Fund) to continue flood damage repair at the affected properties.** (Staff Note: The Legislature has approved flood damage repair funding of \$500,000 (SGF) for FY 1994; \$1.0 million (SBSF) for FY 1995; and \$750,000 (\$650,000 SGF and \$100,000 SBSF) for FY 1996.) In addition, the Department received federal funding of \$375,000 from the Bureau of Reclamation. Total repair costs for the 1993 and 1995 flooding are estimated at \$4.877 million. **The Governor recommends** \$385,000 (State General Fund) for flood repair in FY 1997, a reduction of \$620,347 from the agency request.

Federal Aid Diversion Repayment. Since 1993, the Department has been involved with the federal government as a result of improper expenditures of fish and wildlife program revenues, including federal aid reimbursements, and is attempting to comply with the requirements established by the U.S. Fish and Wildlife Service (USFWS) to remain eligible for federal aid. **The Governor includes** \$548,711 (State General Fund) in OOE in the Fisheries and Wildlife program to complete the replacement of funds for the diversion during the period of FY 1989-FY 1992.

A subsequent USFWS audit for the period FY 1993–FY 1994 has revealed a two-year total diversion of \$1,669,396, of which \$229,250 had been spent of the boating program and \$1,440,146 had been spent of park or other non-wildlife programs. The Department is currently in discussion with the USFWS on methods to correct this diversion. (Staff Note: During testimony to the interim Ways and Means/Appropriations Committee in November, 1995, it was stated that an internal audit conducted by the Department indicated that diversion of wildlife funds had also occurred in FY 1995 in the amount of \$786,809, which was improperly spent on the boating program (\$274,437) and the park program (\$512,372).

Senate Subcommittee Recommendation

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

1. Delete \$238,902, including \$48,169 from the State General Fund, based on the recommendation to delete funding for the six-month 2.5 percent unclassified merit pool (\$4,138), classified step movement (\$16,574), and the longevity bonus (\$38,079) from individual agency budgets.
2. Per GBA No. 1, provide for the expenditure of an additional \$12,000 (State Water Plan Fund) which will be available in the carry forward balance to properly reflect the intent of the Governor's recommendation.

As a technical adjustment, reduce the State Water Plan Fund transfer amount by \$38,797 in FY 1997 to adjust for a larger than anticipated carry forward balance.

3. Per GBA No. 4, concur with the Governor's recommendation to include additional expenditures of \$720,073 from the State General Fund and transfer \$114,625 from the Department's Boating Fee Fund to its Wildlife Fee Fund, for total increased expenditures of \$834,698. This action will allow the Department of Wildlife and Parks to initiate resolution of the U.S. Fish and Wildlife Service audit for the period of FY 1993 – FY 1994, which indicated a diversion amount of \$1,669,396 for this period. The funding will be used to enhance the Department's fishery and wildlife projects. The Governor indicated that his FY 1998 budget will include another \$834,698 to make the final payment for the audit period FY 1993 – FY 1994.

With regard to the diversion issue, the Senate Subcommittee notes that the Governor's recommended budget for FY 1997 includes \$548,711 from the State General Fund, which is the final payment on the \$1.9 million which was found to be in diversion for the period of FY 1989 – FY 1992. As noted above, an additional \$834,698 is recommended for FY 1997 as the first payment for the diversion for the Fiscal Years 1993 – 1994. Again this year, the Senate Subcommittee wishes to express its frustration that the spending problems which have beset the Department of Wildlife and Parks in recent years are still not solved. The Senate Subcommittee believes that these spending problems are capable of resolution and that the time has come to solve the problems. The Senate Subcommittee notes that the new Secretary has implemented several changes to correct the diversion problem, including creating a separate Parks Division, restructuring fish and wildlife programs, revision of the Department's cost accounting system, and monthly reviews of spending patterns. The U.S. Fish and Wildlife Service has commented that these changes "represent significant progress" toward eliminating future diversions. The Senate Subcommittee urges the Secretary to continue aggressive changes, as needed, to ensure that the agency meets the spending requirements of both state and federal laws.

4. Shift \$73,900 (Migratory Waterfowl Fund) of the \$300,000 recommended by the Governor for wetlands acquisition in FY 1997 to capital outlay to assist the Department in purchasing a tractor to be used for cattail eradication at the Cheyenne Bottoms Waterfowl Area. The estimated purchase price of the tractor is \$114,400 and the agency will reallocate existing funds to complete the purchase with available funding.

The remaining balance of the \$300,000 originally recommended for wetlands acquisition (\$226,100) should be left in the Migratory Waterfowl Fund and not be expended in FY 1997.

The Senate Subcommittee recommends no funding for wetlands acquisition in FY 1997.

5. As requested by the Department, creation of a new line-item in the bill for a "Parks Restitution Fund", which would be used for any receipts which might be

available as a result of court-ordered restitution payments for persons convicted of vandalism or damaging state park properties.

6. Make technical corrections to the bill.

JERRY MORAN

Senator Jerry Moran
Subcommittee Chair

Bill Brady

Senator Bill Brady

<u>ADMINISTRATIVE SERVICES</u>	<u>FY1995</u>	<u>FY1996</u>	<u>FY1997A</u>	<u>FY1997B</u>	<u>FY1997C</u>	<u>FY1998</u>	<u>FY1999</u>
No. of Vouchers processed	22,200	23,600	23,600	24,000	24,000	24,000	24,000
Fishing License Processed	325,345	325,000	325,000	325,000	325,000	325,000	325,000
Hunter Education Students	12,500	12,500	12,500	13,000	13,000	12,000	13,000
<u>EXECUTIVE SERVICES</u>							
Response Rate to Project Dev. Proposals within 90 days of Receipt	75	100	100	100	100	100	100
Percent of Federal Aid funds claimed	25	95	95	100	100	100	100
KANSAS WILDLIFE AND PARKS magazine circulation	29M	30M	31M	31M	31M	32M	33M
<u>LAW ENFORCEMENT</u> (measures are per Conservation Officer)							
Wildlife Lic. & Permit Checks Per C.O.	919	900	900	907	907	900	900
Boat Safety & Registration Checks Total Per C.O.	208	250	250	252	252	252	252
Info. & Education Hours Per C.O.	209	190	190	191	191	191	191
<u>PARKS AND PUBLIC LANDS</u>							
Percent campers satisfied	80	78	55	89	89	95	95
Percent day users satisfied	85	81	60	89	89	95	95
Number day user days parks/public lands	5,662,000	4,150,000	2,600,000	4,450,000	4,450,000	5,000,000	5,000,000
<u>FISHERIES</u>							
DEMAND-Catfish Fingerlings	1,169,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
<u>AVERAGE 1989-1994</u> 1,188,167 DEMAND 1,074,655 Output-(Number Fish Produced) (90%) Outcome-(% of Demand Filled)							
Population/Harvest Inventories	195	195	195	195	195	195	195
<u>WILDLIFE</u>							
Population/Harvest Inventories	50	50	50	50	50	50	50
New WHIP Cooperators	231	300	300	300	350	300	300

SUBCOMMITTEE REPORT

Agency: Department of Agriculture

Bill No. 715

Bill Sec. --

Analyst: Cawby

Analysis Pg No. 641

Budget Page No. 57

Expenditure Summary	Agency Req. FY 96	Governor Rec. FY 96*	Subcommittee Adjustments
State Operations:			
State General Fund	\$ 9,433,461	\$ 9,290,184	\$ 0
All Other Funds	<u>10,730,309</u>	<u>10,668,096</u>	<u>0</u>
Subtotal - State Operations	\$ 20,163,770	\$ 19,958,280	\$ 0
Other Assistance:			
All Other Funds	<u>945</u>	<u>945</u>	<u>0</u>
Total - Oper. Expnd.	\$ 2,164,715	\$ 19,959,225	\$ 0
Capital Improvements:			
State General Fund	54,500	25,473	0
All Other Funds	<u>45,000</u>	<u>45,000</u>	<u>0</u>
TOTAL	<u><u>\$ 20,264,215</u></u>	<u><u>\$ 20,029,698</u></u>	<u><u>\$ 0</u></u>
FTE Positions	322.8	322.8	--
Unclassified Temporary	<u>20.4</u>	<u>20.4</u>	<u>--</u>
Total	<u><u>343.2</u></u>	<u><u>343.2</u></u>	<u><u>--</u></u>

* Includes GBA Nos. 1 and 4.

Agency Request/Governor's Recommendation

The agency estimates operating expenditures that are \$655,887 more than the amount approved by the 1995 Legislature as adjusted by the State Finance Council. This is due to the carryover of special revenue funds from FY 1995 to FY 1996 and the reappropriation of State General Fund moneys from FY 1995 to FY 1996. **The Governor's recommendation** is \$449,452 (including GBAs) more than the approved amount for the same reason. The amount of the Governor's State General Fund reduction is \$140,803.

Capital Improvements Supplemental. The agency requests a supplemental appropriation from the State General Fund of \$54,500 in order to repair the air conditioning unit at the Division of Laboratories. **The Governor recommends** funding of \$25,473 for this item.

Senate Subcommittee Recommendation

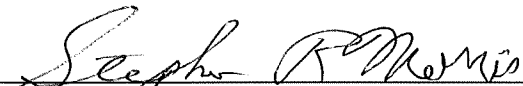
The Senate Subcommittee concurs with the Governor's recommendation, with the following adjustments:

1. Add \$666 from the Wheat Quality Fund to adopt the Governor's Budget Amendment No. 1, Item 25 as a technical adjustment to the Governor's recommendation.
2. Add \$53,000 from the State General Fund to adopt the Governor's Budget Amendment No. 4, Item 3, which adds funds to implement the plans to reform the Weights and

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March 7, 1996
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Measures Program as they were introduced in S.B. 704 and S.B. 705, as well as other operating concerns.

3. Make a **technical adjustment** to include the no limit Waste Pesticide Federal Fund in the bill to reflect the Governor's intent.
4. The Subcommittee concurs with the Governor's recommendation for a supplemental appropriation to repair the HVAC system at the laboratory. The Subcommittee notes that the unit is only four years old and has been plagued with problems since its installation. **The Subcommittee recommends that the Joint Committee on State Building Construction review the problem** during the interim session to see if the recent repairs have eliminated the problem.
5. The Subcommittee also notes **H.B. 2784**, which provides the Secretary of Agriculture with the authority to contract out services related to the Interstate Pest Compact. Under the Governor's recommendation, the FY 1996 budget includes \$6,000 for the compact, which is the first annual installment of the \$28,000 required to join.



Senator Stephen Morris, Subcommittee Chairperson



Senator Marge Petty

SUBCOMMITTEE REPORT

Agency: Department of Agriculture

Bill No. 722

Bill Sec. 2

Analyst: Cawby

Analysis Pg No. 641

Budget Page No. 57

<u>Expenditure Summary</u>	<u>Agency Req. FY 97</u>	<u>Governor Rec. FY 97*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 8,985,433	\$ 9,043,319	\$ (154,610)
All Other Funds	<u>11,772,008</u>	<u>9,733,737</u>	<u>(85,670)</u>
Subtotal - State Operations	\$ 20,757,441	\$ 18,777,056	\$ (240,280)
Other Assistance:			
All Other Funds	<u>945</u>	<u>945</u>	<u>0</u>
Total - Oper. Expnd.	<u>\$ 20,758,386</u>	<u>\$ 18,778,001</u>	<u>\$ (240,280)</u>
FTE Positions	328.8	308.8	--
Unclassified Temporary	<u>17.0</u>	<u>17.0</u>	<u>--</u>
Total	<u>345.8</u>	<u>325.8</u>	<u>--</u>

* Includes GBA Nos. 1, 3, and 4.

Agency Request/Governor's Recommendation

The agency requests \$20,758,386 for operating expenditures in FY 1997. Essentially, the request would allow for the maintenance of current service levels, with two exceptions.

Weights and Measures. The agency's request includes \$987,891 from fee funds and 16.0 additional FTE positions for the augmentation of the Weights and Measures program. Under this plan, the petroleum measurement enforcement program would be returned to the public sector. The livestock scale program would be returned to partial state inspection, with some funds generated by a certification program, and one of the two required tests per year performed by state inspectors. The head house scale program would be returned to public oversight. According to the agency, assistance might be available from the Kansas Grain Inspection Department. Other sub-programs would remain under private inspection with greatly increased state oversight through some staffing enhancements and the use of statistical sampling programs. Private scale companies and owners of private devices would be put on notice that the law must be enforced and that the state would have data to identify noncompliance.

The Governor does not recommend the fee funding or the new positions requested by the agency (this does not include **Governor's Budget Amendment No. 4**).

Agricultural Market Promotion and Development. The agency requests \$374,743 in FY 1997, which is \$791,339 less than the current year estimate. The difference is due to the transfer of marketing programs to the Department of Commerce and Housing. This program is reduced by 10.0 FTE positions, four of which are also transferred to the Department of Commerce and Housing. In the future, this sub-program will concentrate on research and development activities.


The Governor concurs with the agency's proposal to transfer marketing programs to the Department of Commerce and Housing (this does not include **Governor's Budget Amendment No. 3**).

The Governor recommends FY 1997 operating expenditures of \$18,778,001 from all funds and \$9,043,319 from the State General Fund (including GBAs). The Governor's amended FY 1997 recommendation is an all funds reduction of \$1,073,892 from the FY 1996 adjusted recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation, with the following observations, recommendations, and adjustments:

1. Delete the **FACTS Grants and Contributions Fund** from the bill as a technical amendment.
2. Shift \$16,701 to the State General Fund from all other funds to reflect **Governor's Budget Amendment No. 1, Item 25** which makes technical adjustments to the Governor's recommendation.
3. Delete \$263,599 (including \$198,509 from the State General Fund, \$41,491 from the Economic Development Initiatives Fund, and \$23,599 from fees) and 4.0 FTE positions to reflect **Governor's Budget Amendment No. 3**. The deletion reflects the transfer of these funds and positions from the Agriculture Marketing and Promotion Program to the Department of Commerce and Housing.
4. Add \$204,000 from the State General Fund to adopt **Governor's Budget Amendment No. 4, Item 3**, which adds funds to implement the plans to reform the Weights and Measures Program as they were introduced in SB 704 and SB 705, as well as other operating concerns.
5. Delete \$240,280, including \$154,610 from the State General Fund, based upon the recommendation to delete funding for the six month 2.5 percent unclassified merit pool (\$12,825); classified step movement (\$181,732); and the longevity bonus (\$45,723) from the individual agency budgets.
6. The **Subcommittee commends** the Secretary of Agriculture and the agency for the review of agency programs and the initiative demonstrated in the proposed downsizing of the agency. The Subcommittee also commends the Secretary of Agriculture for her initiative and timely action in dealing with the problems in the Weights and Measures Program.
7. The **Subcommittee notes** that the Governor funded a **\$64,000 survey of non-point source pollution factors in the Republican River and Blue River basins**, in association with the **Kansas Water Quality Initiative**. The survey is funded through the State Water Plan with \$20,000 coming from the agency and \$64,000 coming from the Kansas Water Office budget.
8. The **Subcommittee notes the reduction of the permit backlog of the Division of Water Resources**. The agency provided performance measures which demonstrate the reduction by the agency. The Subcommittee notes the **reduction by 40.0 percent of all pending applications** in the past year and turn-around periods for new applications have also been reduced from approximately two years in FY 1993 to 60 days in FY 1996.
9. The **Subcommittee notes the proposed phytosanitary fee increase** (negotiated with the industry) from \$5 to \$20 in **H.B. 2983**, for inspections related to shipments made under the GATT trade agreements. The Subcommittee notes that in the future the Subcommittee may want to review the program to insure the costs of the program are covered by the fees collected.



Senator Stephen Morris, Subcommittee Chairperson



Senator Marge Petty

SUBCOMMITTEE REPORT

Agency: Kansas Wheat Commission

Bill No. --

Bill Sec. --

Analyst: Cawby

Analysis Pg. No. 614

Budget Page No. 543

<u>Expenditure Summary</u>	<u>Agency Estimate FY 96</u>	<u>Gov. Rec. FY 96</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 2,171,681	\$ 2,164,456	\$ 0
FTE Positions	8.0	8.0	--

Agency Estimate/Governor's Recommendation

The Commission estimates FY 1996 expenditures of \$2,171,681, \$72,327 (3.2 percent) less than the amount approved by the 1996 Legislature, \$2,244,008, as adjusted for Finance Council action. The estimate is a \$210,194 (8.8 percent) reduction from FY 1995 actual expenditures of \$2,381,875. According to the agency, the reduction reflects the agency's efforts to reduce expenditures in response to the poor 1995 wheat harvest.

The Governor recommends FY 1996 expenditures of \$2,164,456 from the Wheat Commission Fee Fund, \$7,225 (0.3 percent) less than the agency estimate. The recommendation is a reduction of \$217,419 from FY 1995 actual expenditures. The Governor's recommendation reflects reductions for health insurance rate adjustments and a turnover rate of 1.0 percent in the current year.


Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Wheat Commission Fee Fund

<u>Resource Est.</u>	<u>Actual FY 95</u>	<u>Estimated FY 96</u>
Beginning Balance	\$ 981,462	\$ 1,006,397
Projected Receipts	2,406,810	1,705,420
Total Available	\$ 3,388,272	\$ 2,711,817
Less: Expenditures	2,381,875	2,164,456
Ending Balance	<u>\$ 1,006,397</u>	<u>\$ 547,361</u>
Ending Balance as a Percentage of Expenditures	42.3%	25.3%

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March 7, 1996
Attachment 9*



Senator Barbara Lawrence
Subcommittee Chair



Senator Paul Bud Burke

SUBCOMMITTEE REPORT

Agency: Kansas Wheat Commission

Bill No. 722

Bill Sec. 6

Analyst: Cawby

Analysis Pg. No. 614

Budget Page No. 543

<u>Expenditure Summary</u>	<u>Agency Request FY 97</u>	<u>Gov. Rec.* FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 2,509,056	\$ 2,141,607	\$ (7,461)
FTE Positions	8.0	8.0	-

* Includes GBA No. 1, Item 20.

Agency Request/Governor's Recommendation

The Commission requests a total of \$2,509,056 for FY 1997, an increase of \$337,375 (15.5 percent) from the revised FY 1996 estimate of \$2,171,681. The agency's salaries and wages request of \$377,766 is a \$17,458 increase (4.8 percent) over the FY 1996 request of \$360,308. The agency requests no turnover savings in FY 1997, as in FY 1996. Of the total requested increase over the FY 1996 estimate, 67.0 percent (\$225,917) is for increases in marketing and research contracts, 5.2 percent for salaries and wages increases, and 27.8 percent (\$94,000) for all other operation expenditures.

The agency includes in their FY 1997 request an increase in the current wheat assessment from a levy of 7 mills per bushel of wheat to a levy of 10 mills per bushel. K.S.A. 2-2608 authorizes the agency to establish a levy per bushel of wheat which is no greater than 10 mills. The agency estimates that the 3 mill increase would increase estimated FY 1997 wheat assessment receipts (after refunds) from \$2,191,260 to \$2,993,584, an increase of \$802,324. The estimated receipts are based upon a five-year average wheat crop of 340,180,000 bushels. The agency states that the increase is necessary to recover from the poor crop of 1995, which the agency estimates was 110 million bushels less than the five-year average. Based upon the five-year estimate, the agency states that the current level of income is \$770,000 less than originally estimated.

The Governor recommends FY 1997 expenditures of \$2,159,328 from the Wheat Commission Fee Fund, a reduction of \$349,728 from the agency's request and \$5,128 from the FY 1996 recommendation. The Governor's net reduction from the FY 1996 recommendation reflects an increase of \$22,698 for salaries and wages and a reduction of \$27,826 for research and marketing contracts. The Governor's recommendation for salaries and wages in FY 1997 includes classified step movement (\$4,942), a 2.5 percent unclassified merit pool for six months (\$1,569), longevity for classified employees at the end of their pay range (\$1,995), and a turnover rate of 0.9 percent (\$3,244) for a reduction in the rate of 0.1 percent from the current year recommendation. **The Governor does not recommend** a 3 mill increase in the mill levy for the wheat assessment for FY 1997. The Governor recommends that the agency retain the current 7 mill levy in FY 1997.


Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation, with the following adjustments and observation:


1. Delete \$17,721 from the Wheat Commission Fee Fund to adopt the Governor's Budget Amendment, No. 1, which made a technical adjustment for the over-funding of salaries and wages by the Governor.
2. Delete \$7,461 from the Wheat Commission Fee Fund based upon the recommendation to delete funding for the six month 2.5 percent unclassified merit pool (\$1,553); classified step movement (\$3,933); and the longevity bonus (\$1,975) from the individual agency budgets.
3. The Subcommittee notes that current estimates for the 1996 wheat harvest are at or below last year's harvest (291.6 millions bushels). The Subcommittee also notes that the agency's FY 1997 budget is built upon the assumption of a five-year average wheat crop (370 million bushels) in 1996.

Wheat Commission Fee Fund

Resource Est.	Actual FY 95	Estimated FY 96	Estimated FY 97
Beginning Balance	\$ 981,462	\$ 1,006,397	\$ 547,361
Projected Receipts	2,406,810	1,705,420	2,145,760
Total Funds Available	\$ 3,388,272	\$ 2,711,817	\$ 2,693,121
Less: Expenditures	2,381,875	2,164,456	2,134,146
Ending Balance	<u>\$ 1,006,397</u>	<u>\$ 547,361</u>	<u>\$ 558,975</u>
Ending Balance as a Percentage of Expenditures	42.3%	25.3%	26.2%



 Senator Barbara Lawrence
 Subcommittee Chair



 Senator Paul Bud Burke

SUBCOMMITTEE REPORT

Agency: Grain Inspection Department

Bill No. --

Bill Sec. --

Analyst: Cawby

Analysis Pg. No. 567

Budget Page No. 211

<u>Expenditure Summary</u>	<u>Agency Req. FY 96</u>	<u>Gov. Rec. FY 96*</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 90,000	\$ 84,752	\$ 0
Special Revenue Fund**	5,518,510	5,416,501	0
TOTAL -- State Operations	<u>\$ 5,608,510</u>	<u>\$ 5,501,253</u>	<u>\$ 0</u>
FTE Positions	135.0	135.0	--

* Includes GBA No. 1, Item 21.

** Excluding Federal Fees remitted.

Agency Req./Governor's Recommendation

The Grain Inspection Department estimates FY 1996 expenditures of \$5,608,510 (excluding federal fees remitted), \$4,028 (0.1 percent) less than the amount approved by the 1995 Legislature, \$5,612,538. The estimate includes funding of \$5,518,510 from the Grain Inspection Fee Fund and \$90,000 from the State General Fund.

The Governor recommends FY 1996 expenditures of \$5,501,253 (excluding federal fees remitted) \$107,257 less than the agency request, all in salaries and wages reductions. The recommendation reflects a net reduction for retirement savings (\$44,206), health insurance rate adjustments (\$86,171), and an offsetting increase for an inspection program turnover rate reduced from the requested 6.1 percent to 5.5 percent (\$23,120).

Senate Subcommittee Recommendation

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

1. Shift \$33,113 from the Grain Inspection Fee Fund to the State General Fund **to adopt the Governor's Budget Amendment, No. 1**, which makes a technical adjustment to reflect a position reduction from the appropriate fund.

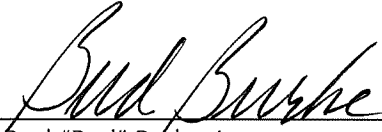
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Attachment 10*

Grain Inspection Fee Fund

<u>Resource Est.</u>	<u>Actual FY 95</u>	<u>Estimated FY 96</u>
Beginning Balance	\$ 1,229,492	\$ 1,508,622
Projected Receipts	<u>4,997,301</u>	<u>5,107,421</u>
Total Available	\$ 6,206,793	\$ 6,616,043
Less: Expenditures	4,517,801	5,416,501
Federal Fees Remitted	<u>180,370</u>	<u>210,000</u>
Ending Balance	<u>\$ 1,508,622</u>	<u>\$ 989,542</u>
Ending Balance as a Percentage of Expenditures	33.4%	18.3%



Senator Barbara Lawrence, Subcommittee Chair



Senator Paul "Bud" Burke, Jr.

SUBCOMMITTEE REPORT

Agency: Grain Inspection Department **Bill No.** 722 **Bill Sec.** 4
Analyst: Cawby **Analysis Pg. No.** 567 **Budget Page No.** 211

<u>Expenditure Summary</u>	<u>Agency Req. FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 5,240,353	\$ 5,139,208	\$ (93,472)
FTE Positions	118.0	118.0	--

* Excluding Federal Fees remitted.

Agency Req./Governor's Recommendation

For FY 1997, the agency requests \$5,240,353 from the Grain Inspection Fee Fund (excluding federal fees remitted), a reduction of \$368,157 (6.6 percent) from its revised FY 1996 estimate. The agency requests no State General Fund appropriation to supplement the Warehouse Regulation Division in FY 1997. **The requested reduction** is proportioned as follows:

<u>Item</u>	<u>Percent of Reduction</u>
Salaries and Wages	66.5%
Other Contractual Services	16.8
Commodities	8.4
Capital Outlay	8.3
TOTAL	<u><u>100.0%</u></u>

The reduction in salaries and wages is attributable to the reduction of 17.0 vacant FTE positions from the FY 1996 estimate and a corresponding reduction in the turnover rates from the current year in the Grain Inspection and Warehouse Divisions. The agency anticipates no reduction in service levels due to the reduction of the vacant 17.0 positions. The positions were held vacant in FY 1996 and previous years to meet the higher turnover rates.

The agency also requests that it retain interest on their fee fund. According to the agency, the Federal Grain Inspection Service requires the department to retain interest earned on monies collected from official inspection and weighing services, based upon federal law. H.B. 2595 has been introduced, which allows the agency to retain the interest on its fee fund.

The Governor recommends FY 1997 expenditures of \$5,139,208 from the Grain Inspection Fee Fund (excluding federal fees remitted), a reduction of \$362,045 from the current year recommendation. The recommendation reflects a reduction of \$101,145 from the agency's request, all in salaries and wages reductions. **The Governor concurs** with the agency's requested reduction of 17.0 FTE positions and a corresponding reduction in turnover rates. **The Governor also concurs** with the agency request to retain interest generated on the agency fee fund. The Governor and the agency estimate FY 1997 interest of \$64,324 for the Inspection program and \$4,800 for the Warehouse program.

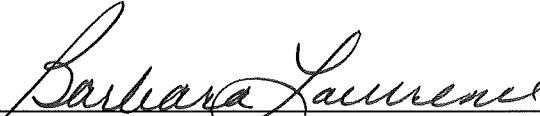
Senate Subcommittee Recommendation

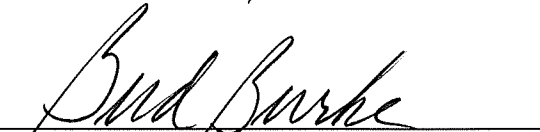
The Senate Subcommittee concurs with the Governor's recommendation, with the following adjustment:

1. Delete \$93,472 from the Grain Inspection Fee Fund based upon the recommendation to delete funding for the six month 2.5 percent unclassified merit pool (\$618); classified step movement (\$50,626); and the longevity bonus (\$42,228) from the individual agency budgets.

Grain Inspection Fee Fund

<u>Resource Est.</u>	<u>Actual FY 95</u>	<u>Estimated FY 96</u>	<u>Estimated FY 97</u>
Beginning Balance	\$ 1,229,492	\$ 1,508,622	\$ 989,542
Projected Receipts	<u>4,997,301</u>	<u>5,107,421</u>	<u>5,277,951</u>
Total Available	\$ 6,206,793	\$ 6,616,043	\$ 6,267,493
Less: Expenditures	4,517,801	5,416,501	5,045,736
Federal Fees Remitted	<u>180,370</u>	<u>210,000</u>	<u>210,000</u>
Ending Balance	<u>\$ 1,508,622</u>	<u>\$ 989,542</u>	<u>\$ 1,011,757</u>
Ending Balance as a Percentage of Expenditures	33.4%	18.3%	20.1%


 Senator Barbara Lawrence, Subcommittee Chair


 Senator Paul "Bud" Burke, Jr.

A Fair Assumption



The Kansas State Fairgrounds
continues to grow in popularity
as a place for people to get-together year-round.

In 1986

26 groups held **34** events totaling **63** days.

In 1995

71 groups held **125** events totaling **265** days.



The Official State Fair of Kansas since 1913

2000 North Poplar • Hutchinson, Kansas

*Senate Ways & Means
March 7, 1996
Attachment 11*

2000 North Poplar • Hutchinson, Kansas 67502-5598 (316) 669-3600



Starting the first Friday after Labor Day.

ROBERT A. GOTTSCHALK, *General Manager*
ELMER K. DENNING, *Assistant General Manager*

January, 1996

Dear State Fair Supporter:

When a member of the Fair's permanent staff tells someone they work for the Kansas State Fair, there are two questions they can count on hearing: "Is that a full-time job?" and "What do you do the other eleven months of the year?". Many people do not realize the amount of off-season activity that occurs on the Fairgrounds.

As you can see by the enclosed information, the Fairgrounds has experienced tremendous growth in its off-season rentals in the past ten years. Any given month, there could be a flea market, equipment auction, livestock shows, team roping events, a company picnic, or a family reunion.

This certainly proves the Kansas State Fairgrounds continues to grow in popularity as a place for people to get together year-round. In addition, the Fair's central location within the state and nation is a major asset for drawing regional and national events.

Thank you for your support of the Kansas State Fair. We wish you the best in 1996 and look forward to seeing you at the 1996 "Great Kansas Get Together", September 6-15.

Sincerely,


Robert A. Gottschalk
General Manager

1986

Look who's getting together on the fairgrounds!

Event	Date	Building(s)
Flea Market	First Sunday of every month Oct. - June	Industrial
Scout-O-Rama Kanza Council Boy Scouts of America	January 24-25	Beef Pavilion
Hutchinson Jaycees Rodeo	February 21-23	Horse Exhibition Center
Hutchinson Saddle Club Show	March 1-2	Horse Exhibition Center
Central Kansas Corvette Show	March 8-9	Industrial
Hutchinson Spring Expo	March 14-16	Industrial
Mennonite Relief Sale	April 11-12	Fairgrounds
Kansas Holstein Show & Sale	April 25-26	Beef Pavilion
Salt City Rabbit Show	April 27	Rabbit Barn
Kansas Classic Beef Show	May 3-4	Beef Pavilion
Kansas Classic Sheep Show	May 3-4	Sheep & Swine Barns
Kansas Appaloosa Horse Show	May 3-4	Horse Exhibition Center
Hutchinson Iris Club Show	May 11	Encampment
Horseless Carriage Swap Meet	June 7-8	Dairy Pavilion
PrairieFest	July 4-5	Fairgrounds
Hutchinson National Auto Races	July 20, 26-27	Grandstand
Reno County 4-H Fair	August 4-8	Fairgrounds
KANSAS STATE FAIR	SEPTEMBER 5-14	FAIRGROUNDS
Kansas Saddle Horse Assoc. Show	October 4-5	Horse Exhibition Center
Hoskinson Arts & Crafts Show	October 11	Industrial
Kansas Milking Shorthorn Show	October 25	Beef Pavilion
Kansas Pigeon Show	November 1	Poultry
Kansas Shorthorn Show & Sale	November 22	Beef Pavilion
Ark Valley Poultry Show	November 29	Poultry
Kansas-Texas Longhorn Assoc. Show	November 29	Horse Exhibition Center

1995

NOW Look who's getting together on the fairgrounds!

Event	Date	Building(s)
Flea Market	First Sunday of every month Oct. - June	Industrial
S & S Roping	January 1,4,8,11,15,18,25,29	Horse Exhibition Center
Krause Corporation Dealers Trade Show	January 12-21	Industrial
Kansas Angus Futurity	January 20-21	Beef Pavilion
DUI House Arrest Program	January 27-February 1	Encampment
Bullmania	January 28	Horse Exhibition Center
Hutchinson Comm. College Sports Practices	January 23 through March	Beef Pavilion
S & S Roping	February 1,5,8,15,22,26	Horse Exhibition Center
Pankratz Implement Show	February 10-11	Industrial
Salt City Rod & Custom Car Show	February 18-19	Industrial
Reno County Deputy Sheriff's Rodeo	March 3-4	Horse Exhibition Center
Hutchinson Comm. College Horsemanship Classes	March 7-8,14-15,28-29	Horse Exhibition Center
Hutchinson Chamber of Commerce Spring Expo	March 10-12	Industrial
S & S Roping	March 12,23-26	Horse Exhibition Center
Davenport Auction Exotic Animal Auction	April 1	Beef Pavilion
Hutchinson Comm. College Horsemanship Classes	April 4-5,11-12,18-19,25-26	Horse Exhibition Center
FFA Livestock Judging Show	April 4	Beef Pavilion, Dairy Pavilion
Kansas Jr. Duck Stamp Contest	April 4	Encampment
Davenport Auction Pony & Tack Sale	April 6	Beef Pavilion
Toyota Regional Training Ride & Drive	April 7	Eisenhower Carnival Lot
Mennonite Relief Sale	April 7-8	Fairgrounds
Craig Scott Ram Sale	April 9	Beef Pavilion
Kansas Sheep Association Ram Sale	April 14-15	Sheep & Swine Barns
Kiwanis Club Easter Egg Hunt	April 16	Fairgrounds
Reno Co. 4-H Beef Show	April 22	Beef Pavilion
Government Agencies Auction	April 22	Dairy Pavilion
U.S. Weapons Collectors Show	April 22-23	Industrial
DUI House Arrest Program	April 28-May 3	Encampment
March of Dimes Walk America	April 29	Lake Talbott Area
Kansas Paint Horse Show	April 29	Horse Exhibition Center
Kansas Pinto Horse Show	April 30	Horse Exhibition Center
Reno Co. 4-H Rabbit Show	April 30	Rabbit Barn
Hutchinson Comm. College Horsemanship Classes	May 2-3	Horse Exhibition Center
Kansas Classic Beef Show	May 5-6	Beef Pavilion
Reno Co. 4-H Horse Show	May 6	Horse Exhibition Center
Kansas Classic Sheep Show	May 6-7	Sheep Barn
Salt City Rabbit Club Show	May 6-7	Rabbit Barn
Reno Co. Quarter Horse Show	May 13-14	Horse Exhibition Center
Dillons Vendor Show	May 16-17	Industrial
March for Jesus	May 27	Farm Bureau Arena
Kansas POA Club Show	May 27-28	Horse Exhibition Center
Foust Family Reunion	May 28	Lake Talbott
Boy Scout Day Camp	June 1-3	Encampment
Lindburg & Vogel Company Picnic	June 3	Lake Talbott
Kansas Appaloosa Horse Show	June 9-11	Horse Exhibition Center
Dillons Company Picnic	June 11	Lake Talbott,4H Showcase

Kansas US Team Roping Championship	June 15-18	Horse Exhibition Center Outside Horse Arena
HutchFest Cruisin'	June 23	Lake Talbott
HutchFest '95 Fireworks	July 4	Grandstand
National Jr. Shorthorn Show	July 10-15	Beef Pavilion
Dillons Floral Show	July 12	Pride of Kansas
Hutchinson National Auto Races	July 22-23	Grandstand
Reno Co. 4-H Dog Show	July 22	Eisenhower
Reno Co. 4-H Fair	July 24-27	Fairgrounds
DUI House Arrest Program	July 28-August 2	Encampment
Palomino Horse Exhibitors of Kansas Show	August 5-6	Horse Exhibition Center
Dillons Store #48 Picnics	August 6 & 13	Lake Talbott
Kansas Fertilizer & Chemical Association Ride & Drive	August 8	Lots A & B
KANSAS STATE FAIR	SEPTEMBER 8-17	FAIRGROUNDS
Hutchinson Comm. College Horsemanship Classes	September 26-27	Horse Exhibition Center
Kansas Pigeon Association	September 30	Birthing Center
Hutchinson Hospital Picnic	October 1	Encampment
Hutchinson Comm. College Horsemanship Classes	October 3-4,10-11,17-18, 24-25	Horse Exhibition Center
Eaton Corp. Picnic	October 7	Industrial
Republic Gypsum Picnic	October 7	Lake Talbott
Reno Co. 4-H Carnival	October 7	Encampment
S & S Roping	October 8	Horse Exhibition Center
Homier Distributing Tool Sale	October 12-15	Eisenhower
Showcase Club Calf Sale	October 14-15	Beef Pavilion
Kansas State Rabbit Breeders	October 14-15	Rabbit Barn,Poultry
Dillons Vendor Show	October 18	Industrial
DUI House Arrest Program	October 20-25	Encampment
American Cancer Society Casino Night	October 21	Pride of Kansas
Mid Continent Club Calf Sale	October 21-22	Horse Exhibition Center
Kansas Milking Shorthorn Show & Sale	October 27-28	Beef Pavilion
FFF Poultry Club Show	October 28	Poultry
Hutchinson Comm. College Horsemanship Classes	November 1,7-8,14-15	Horse Exhibition Center
Reno Co. Cattleman's Steak Fry	November 2	Horse Exhibition Center
The Christmas Factory Arts & Crafts Show	November 3-4	Eisenhower
Bank IV Employees Party	November 4	Pride of Kansas
Kansas Pigeon Show	November 4-5	Poultry
Nazarene Church Youth Lock-in	November 10	Pride of Kansas
Mid America Team Penning	November 18	Horse Exhibition Center
KWBW Radio Arts & Crafts Sale	November 18	Industrial
Kansas Classic Poultry Show	November 25	Poultry
S & S Roping	November 26	Horse Exhibition Center
S & S Roping	December 6,10,13,20, 27,30-31	Horse Exhibition Center
Mid America Team Penning	December 9	Horse Exhibition Center