

Approved: 3-5-97
Date

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson Phil Kline at 1:35 p.m. on February 24, 1997 in Room 514-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Russell Mills, Don Cawby, Legislative Research Department;
Jim Wilson, Mike Corrigan, Revisor of Statutes Office;
Marcia Ayres, Appropriations Secretary; Helen Abramson, Administrative Aide

Conferees appearing before the committee:

Others attending: See attached list

Minutes of the February 20 meeting were distributed for the members to review.

Representative Holmes presented the subcommittee report for the Department of Agriculture in which they concurred with the Governor's recommendations for FY 97 and concurred with the recommendations for FY 98 with an observation. (Attachment 1) Discussion followed.

A motion was made by Representative Holmes, seconded by Representative Feuerborn, to adopt the subcommittee report for the Department of Agriculture. The motion carried.

Representative Holmes reviewed the subcommittee report for the Grain Inspection Department in which they concurred with the Governor's recommendation for FY 97 and concurred with the recommendations for FY 98 with an observation. (Attachment 2)

Considerable discussion followed and there was a request by Representative Packer for staff to determine how many rail cars of grain left the state last year and in previous years, and how many cars were actually inspected.

A motion was made by Representative Holmes, seconded by Representative Feuerborn, to adopt the subcommittee report for the Grain Inspection Department. The motion carried.

Representative Toplikar presented the subcommittee report on the Kansas State Fair in which they concurred with the Governor's recommendation for FY 97. The subcommittee concurred with the recommendations for FY 98 with two adjustments and an observation. (Attachment 3) Discussion followed.

A motion was made by Representative Toplikar, seconded by Representative Feuerborn, to adopt the subcommittee report for the Kansas State Fair. The motion carried.

Representative Feuerborn reported on the subcommittee report for the Kansas Wheat Commission in which they concurred with the Governor's recommendations for FY 97 and concurred with the recommendations for FY 98 with one observation. (Attachment 4) Discussion followed.

A motion was made by Representative Feuerborn, seconded by Representative Holmes, to adopt the subcommittee report for the Kansas Wheat Commission. The motion carried.

Representative Holmes reviewed the subcommittee report for the State Conservation Commission in which they concurred with the Governor's recommendations for FY 97 with one adjustment, and they also concurred with the recommendations for FY 98 with one adjustment. (Attachment 5) Discussion followed

A motion was made by Representative Holmes, seconded by Representative Toplikar, to adopt the subcommittee report for the State Conservation Commission. The motion carried.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, Room 514-S Statehouse, at 1:30 P.M. on February 24, 1997.

Representative Toplikar reported on the subcommittee report for the Kansas Water Office in which they concurred with the Governor's recommendations for FY 97 and concurred with the recommendations for FY 98 with one adjustment. (Attachment 6)

Discussion followed, and there were two handouts for the committee's review regarding expenditures from the State Water Plan Fund for FY 1996 to FY 1998 and recommended FY 98 expenditures from the State Water Plan Fund. (copies available in the Research Department)

A motion was made by Representative Toplikar, seconded by Representative Holmes, to adopt the subcommittee report for the Kansas Water Office. The motion carried.

Representative Feuerborn presented the subcommittee report for the Animal Health Department in which they concurred with the Governor's recommendations for FY 97. They made two recommendations for FY 98 and a couple of observations. (Attachment 7) There was no discussion.

A motion was made by Representative Feuerborn, seconded by Representative Toplikar, to adopt the subcommittee report for the Animal Health Department. The motion carried.

Representative Feuerborn reviewed the subcommittee report for the Department of Wildlife and Parks in which they concurred with the Governor's recommendations for FY 97. The subcommittee concurred with FY 98 with five additional recommendations. (Attachment 8)

Considerable discussion followed. Representative Landwehr requested a breakdown of the cost of leasing flights by the Wildlife and Parks airplane.

A motion was made by Representative Helgerson, seconded by Representative Spangler, to amend the subcommittee report for FY 98 by deleting Item 3. Discussion followed. A substitute motion was made by Representative Edmonds, seconded by Representative Landwehr, to amend the subcommittee report to embargo any further boat ramp projects through FY 98 and to have the department provide a comprehensive plan that indicates what the intentions are for this type of project in the future. Discussion followed. The motion failed. There was some discussion, and the original motion to amend failed.

A motion was made by Representative Edmonds, seconded by Representative Landwehr, to amend the subcommittee report for FY 98 by striking all the funding for the Prairie Spirit Rail Trail. Discussion followed. The motion failed.

There was continued discussion on the boat ramp projects.

A motion was made by Representative Spangler to lay the subcommittee report on the table until the meeting on February 25, 1997, when concrete information could be made available that the committee is making the proper decision on the boat ramp issue. There being no second, the motion failed.

Discussion followed about consolidating the Wildlife and Parks offices in Pratt and Topeka.

A motion was made by Representative Edmonds, seconded by Representative McKechnie, to amend the subcommittee report by inserting a proviso directing the department to examine the question of consolidating the Wildlife and Parks administrative operations to one location. No discussion. The motion carried.

A motion was made by Representative Feuerborn, seconded by Representative Toplikar, to adopt the subcommittee report for the Department of Wildlife and Parks as amended. The motion carried. Representative Spangler is recorded as voting no.

A motion was made and seconded to approve the Minutes for February 20.

Chairperson Kline requested a technical cleanup bill for the Board of Technical Professions.

A motion was made by Representative Farmer, seconded by Representative Wilk, to introduce the bill requested. The motion carried.

A motion was made by Representative Holmes, seconded by Representative Farmer, to introduce a bill concerning controlled shooting areas relating to the total licensed acreage in any county. The motion carried.

The meeting adjourned at 4:05 p.m. The next meeting is scheduled for February 25, 1997.

APPROPRIATIONS COMMITTEE GUEST LIST

DATE: February 24, 1997

NAME	REPRESENTING
William C. Long	Riley County Fish & Game Assoc.
Cynthia Abbott	Ks. Audubon Council
Kola Warner	SCC
George Teagarden	Ks Animal Health Dept.
TRACY STREETER	STATE CONS. Comm.
Terrie Wedel	K Water Office
MAX FOSTER	DEPT. OF AGRICULTURE
Greg Krissch	Ks Dept of Ag
Greg Tugman	" "
Cindy Denton	Div of Budget
Jim Langford	DOB
Don Waterworth	Division of the Budget
Al LeDoux	KWD
Tom Stiles	KWO
Cathy Tucker-Vogel	KWO
Dick Koerth	KIDWP
Charles Benjamin	KNRC/Sierra Club

FY 1997-1998

HOUSE SUBCOMMITTEE REPORTS

DEPARTMENT OF AGRICULTURE
GRAIN INSPECTION DEPARTMENT
KANSAS STATE FAIR
KANSAS WHEAT COMMISSION
STATE CONSERVATION COMMISSION
KANSAS WATER OFFICE
ANIMAL HEALTH DEPARTMENT



Representative Carl Holmes
Subcommittee Chair



Representative John M. Toplikar



Representative Bill Feuerborn

Appropriations
2-24-97
Attachment 1

SUBCOMMITTEE REPORT

Agency: Department of Agriculture

Bill No. 228

Bill Sec. 45

Analyst: Cawby

Analysis Pg. No. 21

Budget Page No. 59

Expenditure Summary	Agency Est. FY 97	Gov. Rec. FY 97	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 20,364,726	\$ 20,420,006	\$ 0
Aid to Local Units	0	0	0
Other Assistance	1,650	1,650	0
Subtotal - Operating	<u>\$ 20,366,376</u>	<u>\$ 20,421,656</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 20,366,376</u></u>	<u><u>\$ 20,421,656</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 9,355,309	\$ 9,410,589	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 9,355,309</u>	<u>\$ 9,410,589</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 9,355,309</u></u>	<u><u>\$ 9,410,589</u></u>	<u><u>\$ 0</u></u>
FTE Positions	305.8	305.8	0.0
Unclassified Temp. Positions	22.0	22.0	0.0
TOTAL	<u><u>327.8</u></u>	<u><u>327.8</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency estimates operating expenditures of **\$20,366,376, \$1,358,360 more than the amount approved by the 1996 Legislature.** The estimate reflects State General Fund supplemental requests totaling \$144,720 and a carryover of \$1,213,640 in fee funds and federal funds from FY 1996 to FY 1997. The agency's current year estimate includes \$9,335,309 from the State General Fund, \$2,657,538 from federal funds, and \$8,353,529 from all other funds. The estimate includes a Kansas Quality Management (KQM) reappropriation of \$67,270 (which may be expended in FY 1997 without any further legislative action).

The Governor recommends current year operating expenditures of \$20,421,656, an increase of \$55,280 over the agency request. The increase reflects adjustments to the agency's supplemental requests. Excluding those adjustments, the Governor concurs with the agency's current year estimate for operating expenditures. The recommendation is an increase of \$1,413,640 over the amount approved by the 1996 Legislature, reflecting the Governor's recommended \$200,000 State General

Fund supplemental appropriation and a carry-forward of \$1,214,640 in fee funds and federal funds from FY 1996 to FY 1997. The recommendation concurs with the agency estimate of a \$67,270 Kansas Quality Management (KQM) reappropriation.

State General Fund Supplemental Requests. The agency requests the following supplemental increases in the current year:

- **Large Scale Cart.** The request includes a supplemental request of \$24,720 in FY 1997 to purchase a second large scale cart for an additional motor pool truck acquired during the current fiscal year. **The Governor does not recommend this supplemental request.**
- **Computer System.** The agency requests \$120,000 from the State General Fund in capital outlay expenditures for the first of five payments for a KDFA bond to purchase the requested software (\$600,000) included in the FY 1998 computer system enhancement. **The Governor recommends** a supplemental appropriation of \$200,000 from the State General Fund in FY 1997 for the computer enhancement requested in both fiscal years. The recommendation is in addition to approximately \$50,000 the Department is funding within approved resources for a systems architecture study in the current year.

Senate Subcommittee Recommendation

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

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Senate Subcommittee.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Expenditure	Gov. Rec. FY 97	House Subcommittee Adjustments
All Funds:		
State Operations	\$ 20,420,006	\$ 0
Aid to Local Units	0	0
Other Assistance	1,650	0
Subtotal - Operating	\$ 20,421,656	\$ 0
Capital Improvements	0	0
TOTAL	<u>\$ 20,421,656</u>	<u>\$ 0</u>
State General Fund:		
State Operations	\$ 9,410,589	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 9,410,589	\$ 0
Capital Improvements	0	0
TOTAL	<u>\$ 9,410,589</u>	<u>\$ 0</u>
FTE Positions	305.8	0.0
Unclass. Temp. Positions	22.0	0.0
TOTAL	<u>327.8</u>	<u>0.0</u>

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations.

Current Status Comparison

Expenditure	Gov. Rec. FY 1997	Senate Committee Action FY 1997	House Subcommittee Action FY 1997	House Change from Senate
All Funds:				
State Operations	\$ 20,420,006	\$ 20,420,006	\$ 20,420,006	\$ 0
Aid to Local Units	0	0	0	0
Other Assistance	1,650	1,650	1,650	0
Subtotal - Operating	\$ 20,421,656	\$ 20,421,656	\$ 20,421,656	\$ 0
Capital Improvements	0	0	0	0
TOTAL	<u>\$ 20,421,656</u>	<u>\$ 20,421,656</u>	<u>\$ 20,421,656</u>	<u>\$ 0</u>
State General Fund:				
State Operations	\$ 9,410,589	\$ 9,410,589	\$ 9,410,589	\$ 0
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	\$ 9,410,589	\$ 9,410,589	\$ 9,410,589	\$ 0
Capital Improvements	0	0	0	0
TOTAL	<u>\$ 9,410,589</u>	<u>\$ 9,410,589</u>	<u>\$ 9,410,589</u>	<u>\$ 0</u>
FTE Positions	305.8	305.8	305.8	0.0
Unclass. Temp. Positions	22.0	22.0	22.0	0.0
TOTAL	<u>327.8</u>	<u>327.8</u>	<u>327.8</u>	<u>0.0</u>

SUBCOMMITTEE REPORT

Agency: Department of Agriculture

Bill No. 178

Bill Sec. 96

Analyst: Cawby

Analysis Pg. No. 21

Budget Page No. 59

Expenditure Summary	Agency Req. FY 98	Gov. Rec. FY 98	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 20,368,714	\$ 20,395,373	\$ (490,693)
Aid to Local Units	0	0	0
Other Assistance	1,650	1,650	0
Subtotal - Operating	<u>\$ 20,370,364</u>	<u>\$ 20,397,023</u>	<u>\$ (490,693)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 20,370,364</u></u>	<u><u>\$ 20,397,023</u></u>	<u><u>\$ (490,693)</u></u>
State General Fund:			
State Operations	\$ 9,964,853	\$ 9,901,229	\$ (311,590)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 9,964,853</u>	<u>\$ 9,901,229</u>	<u>\$ (311,590)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 9,964,853</u></u>	<u><u>\$ 9,901,229</u></u>	<u><u>\$ (311,590)</u></u>
FTE Positions	315.8	305.8	0.0
Unclassified Temp. Positions	19.0	22.0	0.0
TOTAL	<u><u>334.8</u></u>	<u><u>327.8</u></u>	<u><u>0.0</u></u>

Agency Request/Governor's Recommendation

The agency requests \$20,370,364 in FY 1998, including \$9,964,853 from the State General Fund, \$1,018,149 from the State Water Plan Fund, \$2,256,817 from federal funds, and \$7,130,545 from all other special revenue funds. The request is an increase of \$3,988 over the current year estimate. The increase reflects an increase of \$609,544 from the State General Fund and an offsetting reduction of \$605,556 from all other funds. The requested increase from the State General Fund includes \$477,578 in salaries and wages and \$131,966 in other operating expenditures.

The Governor recommends FY 1998 expenditures of \$20,397,023, an all funds increase of \$26,659 over the agency request, but a \$24,633 reduction from the current year recommendation. The recommendation includes \$9,901,229 from the State General Fund, \$2,372,349 from federal funds, and \$8,123,445 from agency fee funds. The increase from the agency request reflects adjustments to the

agency's requested enhancements, increases for the Governor's pay plan, and a recommended increase in federal funding for the Plant Health program.

Enhancements. The agency requests \$427,172 in FY 1998 from the State General Fund for the following enhancements:

- **Computer System.** The agency requests \$233,250 from the State General Fund in FY 1998 for capital outlay expenditures to purchase a computer system which the agency believes would move it toward a less paper intensive workplace. As previously noted, the agency has requested \$120,000 in FY 1997 for the first of a five payments for a KDFA bond to purchase the requested software (\$600,000). The FY 1998 request includes \$120,000 for the second payment on the bond, \$40,000 for programming fees, \$46,250 for annual licensing rights, and \$27,000 for laptop computers in the Plant Protection Program.

The Governor recommends \$300,000 from the State General Fund in FY 1998 for the requested computer system enhancement. The complete enhancement totals \$500,000 from the State General Fund over two fiscal years for the requested computer system enhancement. The Governor's recommendation includes a supplemental appropriation of \$200,000 in FY 1997 and the \$300,000 appropriation in FY 1998 for the system.

- **Weights and Measures.** The agency requests \$80,822 from the State General Fund and 10.0 FTE positions in FY 1998 for enhancements in the newly created Division of Weights and Measures. **The agency requests \$80,822 from the State General Fund and 2.0 FTE positions** for two additional inspectors and related equipment costs in the program to provide additional inspectors for all regulatory functions of the program. **The FY 1998 enhancement request also includes the reclassification of 8.0 unclassified temporary positions to FTE positions.** As part of the reforms passed by the 1996 Legislature for the Weights and Measures program, the agency contracted inspections for fuel quality and quantity. During the current year the department was unsuccessful in acquiring competitive bids for three of the six fuel quantity areas in the state. As a result, the Department requested and received 3.0 unclassified temporary positions appointed by the Governor in FY 1997 to complete the un-contracted work. The Department indicates the desire to eliminate all contract fuel quantity inspections in FY 1998 and do the same work with 8.0 FTE or unclassified temporary positions.

The Governor does not recommend the requested new 2.0 FTE positions. The Governor also does not recommend the 5.0 new unclassified temporary positions and the subsequent reclassification of those requested 5.0 unclassified temporary positions (along with the current 3.0 positions) to FTE positions. Instead, the Governor recommends the continuance of the program as it was structured in FY 1997, with 3.0 unclassified temporary Petroleum Measurement Enforcement Program (PMEP) inspector positions and the contracting of the other PMEP inspections. **The Governor's recommendation shifts \$149,454 from Petroleum Inspection Fee Fund for the requested salaries and wages expenditures to other operating expenditures,** to provide funds for the continuation of contract inspections.

- **Agency Turnover Rates.** The agency requests an enhancement of \$113,100 from the State General Fund for a reduction in the agency turnover rate from 4.0 percent to 3.0 percent. According to the agency, unnaturally high turnover rates in the past have forced the agency to keep positions vacant for an entire year, resulting in workload backlogs. **The Governor does not recommend this enhancement and recommends a 4.0 percent turnover savings rate in FY 1998.**

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendations with the following adjustment and observation.

1. **Delete \$490,693**, including \$311,590 from the State General Fund, based on the recommendation to delete funding for classified step movement (\$195,355), the 1.0 classified base salary increase (\$105,509), an unclassified merit pool of 3.5 percent (\$41,404), and the longevity bonus (\$148,425) from individual agency budgets.
2. **The Subcommittee notes** its support for the computer enhancement recommended by the Governor. The Subcommittee encourages the agency to pursue this technology upgrade in an attempt to more adequately meet the increased technology requirements as indicated by the regulated community and other agency customers.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Senate Subcommittee.

Senate Recommendation

The Full Senate has not taken action on this agency's budget.

Expenditure	Gov. Rec. FY 98	House Subcommittee Adjustments
All Funds:		
State Operations	\$ 20,395,373	\$ 0
Aid to Local Units	0	0
Other Assistance	1,650	0
Subtotal - Operating	\$ 20,397,023	\$ 0
Capital Improvements	0	0
TOTAL	\$ 20,397,023	\$ 0
State General Fund:		
State Operations	\$ 9,901,229	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 9,901,229	\$ 0
Capital Improvements	0	0
TOTAL	\$ 9,901,229	\$ 0
FTE Positions	305.8	0.0
Unclass. Temp. Positions	22.0	0.0
TOTAL	327.8	0.0

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations with the following observation:

The House Subcommittee notes its support for the computer system enhancement recommended by the Governor. The Subcommittee encourages the agency to pursue this technology upgrade in an attempt to more adequately meet technology requirements indicated by the regulated community and other agency customers. **The Subcommittee also notes** that the Department did complete an architecture study which was approved by the Joint Committee on Computers and Telecommunications prior to the 1997 Legislative Session. **The Subcommittee commends the Department of Agriculture** for following the process which has been established for the review of these projects and encourages all other agencies to follow this example of how to plan and present proposed computer projects.

Current Status Comparison

Expenditure	Gov. Rec. FY 1998	Senate Committee Action FY 1998*	House Subcommittee Action FY 1998	House Change from Senate
All Funds:				
State Operations	\$ 20,395,373	\$ 19,904,680	\$ 20,395,373	\$ 490,693
Aid to Local Units	0	0	0	0
Other Assistance	1,650	1,650	1,650	0
Subtotal - Operating	\$ 20,397,023	\$ 19,906,330	\$ 20,397,023	\$ 490,693
Capital Improvements	0	0	0	0
TOTAL	\$ 20,397,023	\$ 19,906,330	\$ 20,397,023	\$ 490,693
State General Fund:				
State Operations	\$ 9,901,229	\$ 9,589,639	\$ 9,901,229	\$ 311,590
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	\$ 9,901,229	\$ 9,589,639	\$ 9,901,229	\$ 311,590
Capital Improvements	0	0	0	0
TOTAL	\$ 9,901,229	\$ 9,589,639	\$ 9,901,229	\$ 311,590
FTE Positions	305.8	305.8	305.8	0.0
Unclass. Temp. Positions	22.0	22.0	22.0	0.0
TOTAL	327.8	327.8	327.8	0.0

* Includes a reduction of \$490,693, including \$311,590 from the State General Fund, to remove the Governor's recommended pay plan.

SUBCOMMITTEE REPORT

Agency: Grain Inspection Department

Bill No. 228

Bill Sec. 47

Analyst: Cawby

Analysis Pg. No. 78

Budget Page No. 197

Expenditure	Agency Est. FY 97	Gov. Rec. FY 97	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 5,106,095	\$ 5,097,874	\$ 0
Aid to Local Units		0	0
Other Assistance		0	0
Subtotal - Operating	\$ 5,106,095	\$ 5,097,874	\$ 0
Capital Improvements	0	0	0
TOTAL	<u>\$ 5,106,095</u>	<u>\$ 5,097,874</u>	<u>\$ 0</u>
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	0	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
FTE Positions	117.0	117.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	<u>117.0</u>	<u>117.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The Grain Inspection Department estimates FY 1997 expenditures of \$5,106,095 (excluding federal fees remitted), the amount approved by the 1996 Legislature. The estimate reflects 100 percent funding from the Grain Inspection Fee Fund. The agency estimate is an increase of \$962,442 (23.2 percent) over FY 1996 actual expenditures of \$4,143,653. **The Governor recommends** FY 1997 expenditures of \$5,097,874 from the Grain Inspection Fee Fund, a reduction of \$8,221 in the Warehouse program. The recommendation increases the turnover rate in the Warehouse program from 5.5 percent to 7.2 percent, resulting in an expenditure limit reduction of \$8,221 from the agency estimate. The Governor concurs with the agency estimate for current year expenditures in the Grain Inspection and Administration programs.

*Appropriations
2-24-97
Attachment 2*

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the Governor's current year recommendations.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Senate Subcommittee.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Agency: Grain Inspection Department

Bill No. 2272

Bill Sec. 47

Expenditure	Gov. Rec. FY 97	House Subcommittee Adjustments
All Funds:		
State Operations	\$ 5,097,874	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 5,097,874	\$ 0
Capital Improvements	0	0
TOTAL	\$ 5,097,874	\$ 0
State General Fund:		
State Operations	\$ 0	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 0	\$ 0
Capital Improvements	0	0
TOTAL	\$ 0	\$ 0
FTE Positions	117.0	0.0
Unclass. Temp. Positions	0.0	0.0
TOTAL	117.0	0.0

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations.

Current Status Comparison

Expenditure	Gov. Rec. FY 1997	Senate Committee Action FY 1997	House Subcommittee Action FY 1997	House Change from Senate
All Funds:				
State Operations	\$ 5,097,874	\$ 5,097,874	\$ 5,097,874	\$ 0
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	\$ 5,097,874	\$ 5,097,874	\$ 5,097,874	\$ 0
Capital Improvements	0	0	0	0
TOTAL	\$ 5,097,874	\$ 5,097,874	\$ 5,097,874	\$ 0
State General Fund:				
State Operations	\$ 0	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	\$ 0	\$ 0	\$ 0	\$ 0
Capital Improvements	0	0	0	0
TOTAL	\$ 0	\$ 0	\$ 0	\$ 0
FTE Positions	117.0	117.0	117.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	117.0	117.0	117.0	0.0

SUBCOMMITTEE REPORT

Agency: Grain Inspection Department

Bill No. 178

Bill Sec. 98

Analyst: Cawby

Analysis Pg. No. 78

Budget Page No. 197

<u>Expenditure</u>	<u>Agency Req. FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 5,054,004	\$ 4,979,101	\$ (49,388)
Aid to Local Units		0	0
Other Assistance		0	0
Subtotal - Operating	\$ 5,054,004	\$ 4,979,101	\$ (49,388)
Capital Improvements	0	0	0
TOTAL	\$ 5,054,004	\$ 4,979,101	\$ (49,388)
State General Fund:			
State Operations	\$ 200,000	\$ 0	\$ 67,881
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 200,000	\$ 0	\$ 67,881
Capital Improvements	0	0	0
TOTAL	\$ 200,000	\$ 0	\$ 67,881
FTE Positions	117.0	117.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	117.0	117.0	0.0

Agency Request/Governor's Recommendation

The agency's FY 1998 request for the Grain Inspection Department totals \$5,054,004 (excluding federal fees remitted). Of the request \$200,000 is from the State General Fund for the Warehouse Program and \$4,854,004 is from the Grain Inspection Fee Fund. The amount requested is a total reduction of \$52,091 (1.0 percent) which reflects a \$200,000 increase in State General Fund funding and a \$252,091 (4.9 percent) reduction in fee fund expenditures from the current year estimate of \$5,106,095.

The Governor recommends FY 1998 expenditures of \$4,979,101, all from the Grain Inspection Fee Fund. The recommendation is a reduction of \$74,903 (1.5 percent) from the agency request, reflecting reductions of \$45,105 in salaries and wages and \$29,798 for travel expenditures in the Warehouse program. The recommendation is also a reduction of \$118,773 from the current year recommendation, with the majority of the reduction (\$109,080) in salaries and wages expenditures. The Governor does not recommend any funding from the State General Fund for the Warehouse program.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendations with the following adjustments and observations.

1. The Subcommittee notes the following events and information which will impact the Warehouse program in FY 1998.

Cancellation of the Commodity Credit Corporation Agreement. Currently, the Department provides inspections for the Commodity Credit Corporation (CCC) under an annual agreement. As a result of the Federal Agriculture Improvement and Reform Act of 1996, the CCC's role has apparently become diminished in the marketplace by not encouraging stocks to be placed under the price support loan program and continuing the depletion of CCC-owned stocks. During the CCC's review of the Act, they adopted a policy of reimbursing states in FY 1997 for only those warehouse examinations conducted in State-licensed warehouses that have had CCC-owned or loan stocks for the previous 12-month period, from July 1, 1995 to June 30, 1996. The CCC notified the Grain Inspection Department in October of 1996, in light of the reduced workload accompanying these policy implications, that the current Federal warehouse examination workforce is adequate to conduct these examinations, and accordingly all cooperative agreements will be terminated on October 1, 1997.

Fiscal Impact. The fiscal impact of the Commodity Credit Corporation's cancellation of the agreement on the Grain Inspection's Warehouse Program is that approximately 40 percent of the funding from the program will be discontinued. FY 1996 revenue for the contracts was \$223,649 (41.3 percent of Warehouse revenue) and is estimated at \$226,393 for FY 1997 (39.1 percent of Warehouse revenue). **The Subcommittee notes** that the Department was receiving this funding for examinations which it was already conducting under its state regulatory authority, therefore, the Department will experience no accompanying reduction in expenditure requirements due to the cancellation of the agreement.

Program Expenditures. For FY 1998, the agency requested \$200,000 from the State General Fund for the Warehouse Program to replace funding lost by the cancellation of the Commodity Credit Corporation (CCC) agreement. The agency requested the funding as part of a three year plan to make the program self-sufficient. The plan would require State General Fund appropriations of \$200,000 in FY 1998, \$150,000 in FY 1999, \$75,000 in FY 2000 and \$0 in 2001. The plan also includes increasing license fees by 15 percent and fees for functional units by \$50 each of the next three years, and possible staff reductions. The agency believes the program could be self-supporting by 2001. **The Subcommittee notes** that fees were most recently increased in FY 1996 and have been increased several times since 1980.

2. **Warehouse Program Reductions.** **The Subcommittee notes** that the Governor did not provide any of the State General Fund funding requested by the agency for FY 1998. Furthermore, the Subcommittee notes that the Governor recommended a reduction of \$75,161 (15.9 percent) from the agency's request for salaries and wages

in the program to reflect a turnover savings rate of 20.3 percent. The agency testified that the Governor's recommendation would require the agency will hold 2.0 FTE positions vacant in FY 1998. For FY 1997, the Governor recommends an estimated turnover rate of 7.2 percent. The Subcommittee notes that the Governor recommended a reduction of \$29,798 (23.8 percent) from the agency request for other operating expenditures, which appears to reflect expenditures associated with holding positions vacant. **The Subcommittee also notes** the agency's testimony which stated the Governor's recommended reduction would allow for only one warehouse inspection per year.

3. **To address the concerns noted above, the Subcommittee recommends the following changes to the Governor's budget recommendations:**
 - **Add \$33,292 from the State General Fund** for the Warehouse program to be used to offset half of the anticipated 15.0 percent increase in warehouse license fees to reduce the anticipated increase to only 7.5 percent for FY 1998.
 - **Add \$19,690 from the State General Fund** for the Warehouse program to reduce the program's turnover savings rate to 16.2 percent which should result in only 1.0 FTE position being held vacant in the program for FY 1998. The recommendation should also allow for an increase in the number of Warehouse inspections which could occur in FY 1998. The Subcommittee estimates that 1.25 inspections per warehouse could occur in FY 1998 under the recommendations.
 - **Add \$14,899 from the State General Fund** for the Warehouse program to provide \$14,899 in increased operating expenditures associated with providing funding to fill one of the Governor's recommended vacant positions.
4. **Delete \$117,269**, from the Grain Inspection Fee Fund based on the recommendation to delete funding for classified step movement (\$20,105), the 1.0 classified base salary increase (\$31,879), an unclassified merit pool of 3.5 percent (\$1,767), and the longevity bonus (\$63,518) from individual agency budgets.
5. **The Subcommittee notes** that the Senate Agriculture Committee has recommended the introduction of legislation which would privatize the grain inspection function of the agency. The agency testified to the Subcommittee that discussions concerning the privatization of the inspection functions have been considered by interested parties within the Executive Branch and that discussions concerning moving the Warehouse program to the Department of Agriculture have also taken place.
6. **The Subcommittee also notes** the testimony of the agency which indicated that the Grain Inspection program could operate as a private business and possibly at less expense. The agency indicated to the Subcommittee that it could have purchased several items for the agency at a much less cost than it did when it purchased those items off of state contracts.

Performance Measures	Actual FY 1995	Actual FY 1996	Agency Est. FY 1997	Gov. Rec. FY 1998	Subcom. Rec. FY 1998
Number of examinations per warehouse in a one year period	1.4	1.5	1.5	0.8	1.25
Number of facilities audited	439	441	441	224	337
Percent of loss to depositors of grain	0%	0%	0%	-	-

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Senate Subcommittee.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Agency: Grain Inspection Department

Bill No. 2160

Bill Sec. 98

Expenditure	Gov. Rec. FY 98	House Subcommittee Adjustments
All Funds:		
State Operations	\$ 4,979,101	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 4,979,101	\$ 0
Capital Improvements	0	0
TOTAL	\$ 4,979,101	\$ 0
State General Fund:		
State Operations	\$ 0	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 0	\$ 0
Capital Improvements	0	0
TOTAL	\$ 0	\$ 0
FTE Positions	117.0	0.0
Unclass. Temp. Positions	0.0	0.0
TOTAL	117.0	0.0

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations with the following observation:

The Subcommittee notes the introduction of legislation by the Senate Agriculture Committee (1997 S.B. 317) which would privatize the grain inspection function of the agency and would transfer the warehouse program to the Department of Agriculture.

Fee Fund Analysis

Grain Inspection Fee Fund

	Actual FY 96	House Subcom. Rec. FY 97	House Subcom. Rec. FY 98
Balance Forward	\$ 1,509,919	\$ 1,430,290	\$ 1,410,367
Add: Receipts	4,126,420	5,218,827	4,681,181
Interest on Fee Fund +	0	69,124	82,302
Total Funds Available	<u>\$ 5,636,339</u>	<u>\$ 6,718,241</u>	<u>\$ 6,173,850</u>
Less: Expenditures	4,055,003	5,097,874	4,979,101
Federal Fees Remitted	151,046	210,000	200,000
Ending Balance	<u><u>\$ 1,430,290</u></u>	<u><u>\$ 1,410,367</u></u>	<u><u>\$ 994,749</u></u>

Ending Balance as a			
Percentage of Expenditures	35.3%	27.7%	20.0%

Grain Inspection Fee Fund—Warehouse Funds Only

	Actual FY 1995	Actual FY 1996	House Subcom. Rec. FY 97	House Subcom. Rec. FY 1998
Balance Forward	\$ 0	\$ 132,862	\$ 193,841	\$ 179,126
Add: Receipts	547,543	507,421	574,844	398,594
Interest on Fee Fund +	0	0	4,800	0
Total Funds Available	<u>\$ 547,543</u>	<u>\$ 640,283</u>	<u>\$ 773,485</u>	<u>\$ 577,720</u>
Less: Expenditures	414,681	446,442	594,359	492,126
Ending Balance	<u><u>\$ 132,862</u></u>	<u><u>\$ 193,841</u></u>	<u><u>\$ 179,126</u></u>	<u><u>\$ 85,594</u></u>

Ending Balance as a				
Percentage of Expenditures	30.7%	42.2%	30.1%	17.4%

+ Interest is actually part of the general receipts, but is broken out to show revenue contribution.

Current Status Comparison

Expenditure	Gov. Rec. FY 1998	Senate Committee Action FY 1998*	House Subcommittee Action FY 1998	House Change from Senate
All Funds:				
State Operations	\$ 4,979,101	\$ 4,929,713	\$ 4,979,101	\$ 49,388
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	<u>\$ 4,979,101</u>	<u>\$ 4,929,713</u>	<u>\$ 4,979,101</u>	<u>\$ 49,388</u>
Capital Improvements	0	0	0	0
TOTAL	<u><u>\$ 4,979,101</u></u>	<u><u>\$ 4,929,713</u></u>	<u><u>\$ 4,979,101</u></u>	<u><u>\$ 49,388</u></u>
State General Fund:				
State Operations	\$ 0	\$ 67,881	\$ 0	\$ (67,881)
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	<u>\$ 0</u>	<u>\$ 67,881</u>	<u>\$ 0</u>	<u>\$ (67,881)</u>
Capital Improvements	0	0	0	0
TOTAL	<u><u>\$ 0</u></u>	<u><u>\$ 67,881</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (67,881)</u></u>
FTE Positions	117.0	117.0	117.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u><u>117.0</u></u>	<u><u>117.0</u></u>	<u><u>117.0</u></u>	<u><u>0.0</u></u>

* Includes a reduction of \$117,269 from the Grain Inspection Fee Fund to remove the Governor's recommended pay plan.

SUBCOMMITTEE REPORT

Agency: Kansas State Fair

Bill No. 228

Bill Sec. 46

Analyst: Cawby

Analysis Pg. No. 66

Budget Page No. 181

Expenditure	Agency Est. FY 97	Gov. Rec. FY 97	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 2,926,689	\$ 2,926,689	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 2,926,689	\$ 2,926,689	\$ 0
Capital Improvements	750,859	750,859	0
TOTAL	\$ 3,677,548	\$ 3,677,548	\$ 0
State General Fund:			
State Operations	\$ 115,000	\$ 115,000	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 115,000	\$ 115,000	\$ 0
Capital Improvements	455,882	360,882	0
TOTAL	\$ 570,882	\$ 475,882	\$ 0
FTE Positions	18.0	18.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	18.0	18.0	0.0

Agency Estimate/Governor's Recommendation

The Kansas State Fair estimates current year operating expenditures of \$2,926,689, including \$115,000 from the State General Fund. The estimate is a reduction of \$171,620 (all from agency fee funds) from the amount approved by the 1996 Kansas Legislature. The agency's current year estimate is a reduction in operating expenditures of \$69,872 (2.3 percent) from FY 1996 actual expenditures of \$2,996,561. The major factor in the current year reduction was a \$100,806 (15.7 percent) reduction in fees paid to entertainers. **The Governor concurs** with the agency's estimate of \$2,926,689 for current year operating expenditures.

Appropriations
2-24-97
Attachment 3

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's current year recommendations.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Senate Subcommittee.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Agency: Kansas State Fair

Bill No. 2272

Bill Sec. 46

Expenditure	Gov. Rec. FY 97	House Subcommittee Adjustments
All Funds:		
State Operations	\$ 2,926,689	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 2,926,689	\$ 0
Capital Improvements	750,859	0
TOTAL	<u>\$ 3,677,548</u>	<u>\$ 0</u>
State General Fund:		
State Operations	\$ 115,000	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 115,000	\$ 0
Capital Improvements	360,882	0
TOTAL	<u>\$ 475,882</u>	<u>\$ 0</u>
FTE Positions	18.0	0.0
Unclass. Temp. Positions	0.0	0.0
TOTAL	<u>18.0</u>	<u>0.0</u>

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations.

Current Status Comparison

Expenditure	Gov. Rec. FY 1997	Senate Committee Action FY 1997	House Subcommittee Action FY 1997	House Change from Senate
All Funds:				
State Operations	\$ 2,926,689	\$ 2,926,689	\$ 2,926,689	\$ 0
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	<u>\$ 2,926,689</u>	<u>\$ 2,926,689</u>	<u>\$ 2,926,689</u>	<u>\$ 0</u>
Capital Improvements	750,859	750,859	750,859	0
TOTAL	<u><u>\$ 3,677,548</u></u>	<u><u>\$ 3,677,548</u></u>	<u><u>\$ 3,677,548</u></u>	<u><u>\$ 0</u></u>
State General Fund:				
State Operations	\$ 115,000	\$ 115,000	\$ 115,000	\$ 0
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	<u>\$ 115,000</u>	<u>\$ 115,000</u>	<u>\$ 115,000</u>	<u>\$ 0</u>
Capital Improvements	360,882	360,882	360,882	0
TOTAL	<u><u>\$ 475,882</u></u>	<u><u>\$ 475,882</u></u>	<u><u>\$ 475,882</u></u>	<u><u>\$ 0</u></u>
FTE Positions	18.0	18.0	18.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u><u>18.0</u></u>	<u><u>18.0</u></u>	<u><u>18.0</u></u>	<u><u>0.0</u></u>

SUBCOMMITTEE REPORT

Agency: Kansas State Fair

Bill No. 178

Bill Sec. 99

Analyst: Cawby

Analysis Pg. No. 66

Budget Page No. 181

Expenditure	Agency Req. FY 98	Gov. Rec. FY 98*	Senate Subcommittee Adjustments**
All Funds:			
State Operations	\$ 3,075,712	\$ 3,056,159	\$ (9,507)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 3,075,712	\$ 3,056,159	\$ (9,507)
Capital Improvements	1,450,272	438,000	5,000
TOTAL	\$ 4,525,984	\$ 3,494,159	\$ (4,507)
State General Fund:			
State Operations	\$ 130,000	\$ 115,000	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 130,000	\$ 115,000	\$ 0
Capital Improvements	1,146,472	104,200	0
TOTAL	\$ 1,276,472	\$ 219,200	\$ 0
FTE Positions	18.0	18.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	18.0	18.0	0.0

* Reflects Governor's Budget Amendment No. 1.

** The Senate Subcommittee did not consider GBA No. 1, Item 8, which reduces capital improvement expenditures by \$5,000.

Agency Request/Governor's Recommendation

The agency requests FY 1998 operating expenditures of \$3,075,712, of which \$130,000 is from the State General Fund. The agency's request is an increase of \$149,023 (5.1 percent), over the current year estimate and a State General Fund increase of \$15,000 (requested for children's programs) over the current year estimate. The agency's request includes the payment of \$17,076 for the interest on the Grandstand Renovation bonds.

The Governor recommends FY 1998 operating expenditures of \$3,055,384, a reduction of \$20,328 from the agency request. The recommendation includes funding of \$115,000 from the State General Fund (a reduction of \$15,000 from the agency request), and \$2,940,384 from agency fee funds (a reduction of \$5,328) from the agency request). The recommendation is an increase of \$128,695 (4.4 percent) over the current year recommendation.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendations with the following adjustments and observation.

1. **Delete \$21,519** from the agency's fee funds based on the recommendation to delete funding for classified step movement (\$7,911), the 1.0 classified base salary increase (\$5,152), an unclassified merit pool of 3.5 percent (\$2,701), and the longevity bonus (\$5,755) from individual agency budgets.
2. **Add \$775** for a technical adjustment to reflect 1.0 percent of the unclassified merit pool which was mistakenly omitted in the Governor's recommendations (GBA No. 1, Item 9).
3. **Add \$12,012** in temporary salaries to provide for the new Executive Director of the State Fair to work six weeks with the current Director who is planning to retire in December of 1998.
4. **The Subcommittee notes** the agency's review of the proposed grandstand elevator which is estimated to cost approximately double the amount (\$75,000) provided by the 1996 Legislature. **The Subcommittee recommends** that the agency consider other options for handicapped accessible seating which would not require the installation of the elevator and still comply with Americans with Disabilities Act (ADA) standards.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Senate Subcommittee.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Expenditure	Gov. Rec. FY 98*	House Subcommittee Adjustments
All Funds:		
State Operations	\$ 3,056,159	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 3,056,159	\$ 0
Capital Improvements	438,000	0
TOTAL	<u>\$ 3,494,159</u>	<u>\$ 0</u>
State General Fund:		
State Operations	\$ 115,000	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 115,000	\$ 0
Capital Improvements	104,200	0
TOTAL	<u>\$ 219,200</u>	<u>\$ 0</u>
FTE Positions	18.0	0.0
Unclass. Temp. Positions	0.0	0.0
TOTAL	<u>18.0</u>	<u>0.0</u>

* Reflects Governor's Budget Amendment No. 1.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations with the following adjustments and observation:

1. **Add \$775** from the State Fair Fee Fund to adopt **Governor's Budget Amendment No. 1** (Item 9), which makes a technical adjustment to reflect 1.0 percent of the unclassified merit pool which was mistakenly omitted in the Governor's recommendations.
2. **Delete \$5,000** from the State Fair Capital Improvements Fund, to reflect **Governor's Budget Amendment No. 1** (Item 8) which makes a technical correction to the Governor's capital improvements recommendation.
3. **The Subcommittee notes** the agency's review of the proposed grandstand elevator which is estimated to cost \$69,384 more than the \$75,000 provided by the 1996 Legislature (\$12,125 State General Fund and \$62,875 State Fair Capital Improve-

ments Fund), making the total elevator estimate \$144,384. **The Subcommittee recommends** that the agency consider other options for handicapped accessible seating which would not require the installation of the elevator and still comply with Americans with Disabilities Act (ADA) standards.

Current Status Comparison

Expenditure	Gov. Rec. FY 1998*	Senate Committee Action FY 1998**	House Subcommittee Action FY 1998	House Change from Senate
All Funds:				
State Operations	\$ 3,056,159	\$ 3,034,640	\$ 3,056,159	\$ 21,519
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	<u>\$ 3,056,159</u>	<u>\$ 3,034,640</u>	<u>\$ 3,056,159</u>	<u>\$ 21,519</u>
Capital Improvements	438,000	443,000	438,000	(5,000)
TOTAL	<u><u>\$ 3,494,159</u></u>	<u><u>\$ 3,477,640</u></u>	<u><u>\$ 3,494,159</u></u>	<u><u>\$ 16,519</u></u>
State General Fund:				
State Operations	\$ 115,000	\$ 115,000	\$ 115,000	\$ 0
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	<u>\$ 115,000</u>	<u>\$ 115,000</u>	<u>\$ 115,000</u>	<u>\$ 0</u>
Capital Improvements	104,200	104,200	104,200	0
TOTAL	<u><u>\$ 219,200</u></u>	<u><u>\$ 219,200</u></u>	<u><u>\$ 219,200</u></u>	<u><u>\$ 0</u></u>
FTE Positions	18.0	18.0	18.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u><u>18.0</u></u>	<u><u>18.0</u></u>	<u><u>18.0</u></u>	<u><u>0.0</u></u>

* Includes Governor's Budget Amendment No. 1.

** Includes a reduction of \$21,519 from the agency's fee funds to remove the Governor's recommended pay plan. Also, the Senate Committee has not yet considered GBA No. 1, Item 8, which reduces capital improvement expenditures by \$5,000.

SUBCOMMITTEE REPORT

Agency: Kansas Wheat Commission

Bill No. 228

Bill Sec. 49

Analyst: Cawby

Analysis Pg. No. 107

Budget Page No. 491

<u>Expenditure</u>	<u>Agency Est. FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 2,141,607	\$ 2,141,607	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 2,141,607</u>	<u>\$ 2,141,607</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 2,141,607</u></u>	<u><u>\$ 2,141,607</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
FTE Positions	8.0	8.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	<u><u>0.0</u></u>	<u><u>0.0</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency estimates current year expenditures of \$2,141,607, the same as the amount approved by 1996 Legislature, but \$300,000 less than the approved amount as adjusted by the State Finance Council. The increased amount reflects \$300,000 in expenditures from the Wheat Commission Emergency Fund which was approved by the State Finance Council to address cash flow problems in the agency due to the poor wheat harvest. The agency's revised estimate does not include any of the approved expenditures from the emergency fund in FY 1997. The agency does request the transfer of the Emergency Fund balance (\$550,000) to the Wheat Commission Fee Fund in the current year. The action would consolidate all agency funds to the Wheat Commission Fee Fund.

*Appropriations
2-24-97
Attachment 4*

The Governor concurs with the agency estimate for current year expenditures. The Governor also recommends the transfer of the Emergency Fund balance (\$550,000) to the Wheat Commission Fee Fund in the current year. No increased expenditures are associated with this recommendation and the Governor does not recommend any increase in expenditures from the balance transferred from the Emergency Fund in FY 1997.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's current year recommendations.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Senate Subcommittee.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Agency: Kansas Wheat Commission

Bill No. 2272

Bill Sec. 49

Expenditure	Gov. Rec. FY 97	House Subcommittee Adjustments
All Funds:		
State Operations	\$ 2,141,607	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 2,141,607	\$ 0
Capital Improvements	0	0
TOTAL	<u>\$ 2,141,607</u>	<u>\$ 0</u>
State General Fund:		
State Operations	\$ 0	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 0	\$ 0
Capital Improvements	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>
FTE Positions	8.0	0.0
Unclass. Temp. Positions	0.0	0.0
TOTAL	<u>8.0</u>	<u>0.0</u>

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations.

Current Status Comparison

Expenditure	Gov. Rec. FY 1997	Senate Committee Action FY 1997	House Subcommittee Action FY 1997	House Change from Senate
All Funds:				
State Operations	\$ 2,141,607	\$ 2,141,607	\$ 2,141,607	\$ 0
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	<u>\$ 2,141,607</u>	<u>\$ 2,141,607</u>	<u>\$ 2,141,607</u>	<u>\$ 0</u>
Capital Improvements	0	0	0	0
TOTAL	<u><u>\$ 2,141,607</u></u>	<u><u>\$ 2,141,607</u></u>	<u><u>\$ 2,141,607</u></u>	<u><u>\$ 0</u></u>
State General Fund:				
State Operations	\$ 0	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Capital Improvements	0	0	0	0
TOTAL	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
FTE Positions	8.0	8.0	8.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u><u>8.0</u></u>	<u><u>8.0</u></u>	<u><u>8.0</u></u>	<u><u>0.0</u></u>

SUBCOMMITTEE REPORT

Agency: Kansas Wheat Commission

Bill No. 178

Bill Sec. 100

Analyst: Cawby

Analysis Pg. No. 107

Budget Page No. 491

Expenditure	Agency Req. FY 98	Gov. Rec. FY 98	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 2,669,053	\$ 2,550,224	\$ 23,753
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 2,669,053	\$ 2,550,224	\$ 23,753
Capital Improvements	0	0	0
TOTAL	\$ 2,669,053	\$ 2,550,224	\$ 23,753
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	0	0	0
TOTAL	\$ 0	\$ 0	0
FTE Positions	8.0	8.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0

Agency Request/Governor's Recommendation

The Kansas Wheat Commission requests FY 1998 expenditures of \$2,669,053, all from the Wheat Commission Fee Fund. The amount requested is an increase of \$527,446 (24.6 percent) over the current year estimate of \$2,141,607. The request reflects increases of \$19,795 in salaries and wages, \$378,051 in marketing and research contracts, and \$58,600 in capital outlay for a computer system (\$35,780), vehicle replacement (\$34,320) and other items (\$8,500). The FY 1998 request is an increase of \$544,126 (25.6 percent) over FY 1996 actual expenditures. The agency's FY 1998 request, proportioned by object of expenditure, is summarized in the chart below.

The Governor recommends FY 1998 expenditures of \$2,550,224 from the Wheat Commission Fee Fund, a reduction of \$118,829 (4.5 percent) from the agency request, but an increase of \$408,617 (19.1 percent) over the current year recommendation. The recommendation includes reductions from

the agency request of \$55,000 in contractual services, \$57,620 in capital outlay, and \$5,709 in salaries and wages.

Marketing and Research Contracts. The Commission's request for marketing and research contracts in FY 1998 totals \$1,836,000, an increase of \$378,051 (25.9 percent) from the revised FY 1997 estimate of \$1,457,949. **The Governor recommends** \$1,796,000 for research and marketing contracts in FY 1998. The recommendation is a reduction of \$40,000 from the agency request.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendations with the following adjustments and recommendations.

1. **Add \$35,780** from the agency's fee fund to provide funding for the upgrade of the agency's computers, the creation of an office network environment and to provide Internet access for the agency. The Subcommittee recommends that the agency consult with the Division of Information Systems and Communications (DISC) prior to the equipment purchase to ensure that system is both efficient and adequate for the agency's needs. The Subcommittee also encourages the agency to work with DISC to create a system that will provide the opportunity for inter-connectivity with the State of Kansas's computer systems, as well as with other state and federal agencies which the Commission communicates with on a regular basis.
2. **Delete \$12,027** from the Wheat Commission Fee Fund based on the recommendation to delete funding for classified step movement (\$2,505), the 1.0 classified base salary increase (\$2,063), an unclassified merit pool of 3.5 percent (\$4,049), and the longevity bonus (\$3,410) from individual agency budgets.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Senate Subcommittee.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Expenditure	Gov. Rec. FY 98	House Subcommittee Adjustments
All Funds:		
State Operations	\$ 2,550,224	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 2,550,224	\$ 0
Capital Improvements	0	0
TOTAL	<u>\$ 2,550,224</u>	<u>\$ 0</u>
State General Fund:		
State Operations	\$ 0	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 0	\$ 0
Capital Improvements	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>
FTE Positions	8.0	0.0
Unclass. Temp. Positions	0.0	0.0
TOTAL	<u>8.0</u>	<u>0.0</u>

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations with the following observation:

The House Subcommittee notes the agency's request of \$35,780 which was recommended by the Senate Committee. The House Subcommittee does not recommend the increase in the expenditure limit over the Governor's recommended expenditure level. (The Subcommittee does note that the recommendation not to increase the expenditure limit to include the requested computer expenditures was not unanimous.) Furthermore, the Subcommittee again expresses its desire for all computer related expenditures to be subject to review by the Joint Committee on Computers and Telecommunications and release of expenditure authority by the State Finance Council.

Fee Fund Analysis - Wheat Commission Fee Fund

	Actual FY 96	House Subcom. Rec. FY 97*	House Subcom. Rec. FY 98
Balance Forward	\$ 1,006,481	\$ 577,929	\$ 997,722
Add: Receipts	1,694,375	2,011,400	2,700,000
Emergency Fund Transfer	0	550,000	0
Total Funds Available	<u>\$ 2,700,856</u>	<u>\$ 3,139,329</u>	<u>\$ 3,697,722</u>
Less: Expenditures	2,122,927	2,141,607	2,550,224
Ending Balance	<u>\$ 577,929</u>	<u>\$ 997,722</u>	<u>\$ 1,147,498</u>
 Ending Balance as a Percentage of Expenditures	 27.2%	 46.6%	 45.0%

* The FY 1997 Governor's recommendation eliminates the Wheat Commission Emergency Fund and transfers it to the Wheat Commission Fee Fund.

Current Status Comparison

Expenditure	Gov. Rec. FY 1998	Senate Committee Action FY 1998*	House Subcommittee Action FY 1998	House Change from Senate
All Funds:				
State Operations	\$ 2,550,224	\$ 2,573,977	\$ 2,550,224	\$ (23,753)
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	<u>\$ 2,550,224</u>	<u>\$ 2,573,977</u>	<u>\$ 2,550,224</u>	<u>\$ (23,753)</u>
Capital Improvements	0	0	0	0
TOTAL	<u>\$ 2,550,224</u>	<u>\$ 2,573,977</u>	<u>\$ 2,550,224</u>	<u>\$ (23,753)</u>
 State General Fund:				
State Operations	\$ 0	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Capital Improvements	0	0	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 FTE Positions	 8.0	 8.0	 8.0	 0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>8.0</u>	<u>8.0</u>	<u>8.0</u>	<u>0.0</u>

* Includes a reduction of \$12,027 from the Wheat Commission Fee Fund to remove the Governor's recommended pay plan.

SUBCOMMITTEE REPORT

Agency: State Conservation Commission

Bill No. 228

Bill Sec. 52

Analyst: Cawby

Analysis Pg. No. 52

Budget Page No. 119

Expenditure	Agency Est. FY 97	Gov. Rec. FY 97	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 1,674,408	\$ 1,674,408	\$ 0
Aid to Local Units	2,968,763	2,868,763	500
Other Assistance	7,998,341	7,248,341	0
Subtotal - Operating	\$ 12,641,512	\$ 11,791,512	\$ 500
Capital Improvements	0	0	0
TOTAL	\$ 12,641,512	\$ 11,791,512	\$ 500
State General Fund:			
State Operations	\$ 525,870	\$ 525,870	\$ 0
Aid to Local Units	2,168,763	2,068,763	0
Other Assistance	3,831,237	3,931,237	0
Subtotal - Operating	\$ 6,525,870	\$ 6,525,870	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 6,525,870	\$ 6,525,870	\$ 0
FTE Positions	14.0	14.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	14.0	14.0	0.0

Agency Estimate/Governor's Recommendation

The agency's revised estimate for FY 1997 totals \$12,641,512, including \$6,525,870 from the State General Fund, \$5,989,534 from the State Water Plan Fund, and \$126,108 from all other funds. The revised estimate is an increase of \$1,642,954 (15.0 percent) over the approved budget, all from special revenue funds. The increase reflects \$1,613,892 in State Water Plan funding reappropriated to FY 1997 and \$29,062 from Watershed Protection federal grants carried forward to the current year. Estimated State Water Plan expenditure increases are found in the Non-point Source Pollution program (\$986,418), the Riparian and Wetlands program (\$178,758), the Water Resources Cost Share program (\$327,535), and Watershed Dam Construction State Aid (\$121,181). The current year State General Fund approved amount includes \$2,001 from a Kansas Quality Management reappropriation. The agency estimate is an increase of \$2,176,523 (20.8 percent) over FY 1996 actual expenditures.

*Appropriations
2-24-97
Attachment 5*

The Governor recommends FY 1997 expenditures of \$11,791,512, a reduction of \$850,000 from the agency's current year estimate. (**Staff Note:** The recommended reduction by the Governor appears to correct an oversight made in the FY 1997 appropriation and the agency's subsequent overstatement of the estimate by \$850,000. Due to the oversight, the 1996 appropriations bill provided the agency with an additional \$850,000 in FY 1997 expenditure authority over the legislative authorized amount. Consequently, the agency requested all available approved funding for FY 1997, which was overstated by \$850,000.)

Supplemental Request. For FY 1997, the agency requests clarification in the appropriations language which would allow it to expend \$16,750, from State Water Plan funds, previously approved by the 1996 Legislature for general operating expenditures in the agency (Administration program). The agency states that the appropriations language was too vague to allow for the budgeted expenditures. **The Governor concurs** with the previously approved expenditure of \$16,750, from the State Water Plan Fund, for general operating expenditures in the agency.

Senate Subcommittee Recommendation

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

1. **Add \$500** in additional expenditure authority and transfer from the State Water Plan Fund for Conservation District Aid for FY 1997. The Subcommittee recommends the amount to correct a technical error made in the agency request for aid to Sheridan County.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Senate Subcommittee.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Expenditure	Gov. Rec. FY 97	House Subcommittee Adjustments
All Funds:		
State Operations	\$ 1,674,408	\$ 0
Aid to Local Units	2,868,763	500
Other Assistance	7,248,341	0
Subtotal - Operating	\$ 11,791,512	\$ 500
Capital Improvements	0	0
TOTAL	<u>\$ 11,791,512</u>	<u>\$ 500</u>
State General Fund:		
State Operations	\$ 525,870	\$ 0
Aid to Local Units	2,068,763	0
Other Assistance	3,931,237	0
Subtotal - Operating	\$ 6,525,870	\$ 0
Capital Improvements	0	0
TOTAL	<u>\$ 6,525,870</u>	<u>\$ 0</u>
FTE Positions	14.0	0.0
Unclass. Temp. Positions	0.0	0.0
TOTAL	<u>14.0</u>	<u>0.0</u>

House Subcommittee Recommendation

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

1. **Add \$500** in additional expenditure authority and transfer from the State Water Plan Fund for Conservation District Aid in FY 1997. The Subcommittee recommends the amount to correct an error made in the agency request for aid to Sheridan County.

Current Status Comparison

Expenditure	Gov. Rec. FY 1997	Senate Committee Action FY 1997	House Subcommittee Action FY 1997	House Change from Senate
All Funds:				
State Operations	\$ 1,674,408	\$ 1,674,408	\$ 1,674,408	\$ 0
Aid to Local Units	2,868,763	2,869,263	2,869,263	0
Other Assistance	7,248,341	7,248,341	7,248,341	0
Subtotal - Operating	\$ 11,791,512	\$ 11,792,012	\$ 11,792,012	\$ 0
Capital Improvements	0	0	0	0
TOTAL	\$ 11,791,512	\$ 11,792,012	\$ 11,792,012	\$ 0
State General Fund:				
State Operations	\$ 525,870	\$ 525,870	\$ 525,870	\$ 0
Aid to Local Units	2,068,763	2,068,763	2,068,763	0
Other Assistance	3,931,237	3,931,237	3,931,237	0
Subtotal - Operating	\$ 6,525,870	\$ 6,525,870	\$ 6,525,870	\$ 0
Capital Improvements	0	0	0	0
TOTAL	\$ 6,525,870	\$ 6,525,870	\$ 6,525,870	\$ 0
FTE Positions	14.0	14.0	14.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	14.0	14.0	14.0	0.0

SUBCOMMITTEE REPORT

Agency: State Conservation Commission

Bill No. 178

Bill Sec. 101

Analyst: Cawby

Analysis Pg. No. 52

Budget Page No. 119

Expenditure	Agency Req. FY 98	Gov. Rec. FY 98	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 1,923,409	\$ 1,523,257	\$ (10,624)
Aid to Local Units	2,816,500	2,334,400	0
Other Assistance	7,140,616	6,567,100	0
Subtotal - Operating	\$ 11,880,525	\$ 10,424,757	\$ (10,624)
Capital Improvements	0	0	0
TOTAL	\$ 11,880,525	\$ 10,424,757	\$ (10,624)
State General Fund:			
State Operations	\$ 586,603	\$ 557,589	\$ (8,165)
Aid to Local Units	2,016,500	1,816,500	0
Other Assistance	3,983,500	4,183,500	0
Subtotal - Operating	\$ 6,586,603	\$ 6,557,589	\$ (8,165)
Capital Improvements	0	0	0
TOTAL	\$ 6,586,603	\$ 6,557,589	\$ (8,165)
FTE Positions	14.0	14.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	14.0	14.0	0.0

Agency Request/Governor's Recommendation

The State Conservation Commission requests a total of \$11,880,525 for FY 1998, which is a reduction of \$760,987 from the current year estimate. The request includes \$6,586,603 from the State General Fund, \$5,193,988 from the State Water Plan Fund, and \$99,934 from the Land Reclamation Fee Fund. The request reflects a State Water Plan funding reduction of \$795,546 (13.3 percent) from the current year estimate, which includes a reduction of \$1,009,988 in other assistance and an offsetting increase of \$214,442 in other operating expenditures. The requested increase from the State General Fund (all in the Administration Program) includes \$14,562 (3.0 percent) for salaries and wages and \$46,171 (111.0 percent) for other operating expenditures. The bulk of the requested reduction is in the Water Resources Cost-Share Program (\$327,535), 43.0 percent of the reduction, and in the Riparian Wetlands Program (\$207,820), 27.3 percent of the reduction.

The Governor recommends FY 1998 expenditures of \$10,424,757, a reduction of \$1,455,768 (12.3 percent) from the agency request and a reduction of \$1,366,755 (11.6 percent) from the current year recommendation. The recommendation includes \$6,557,589 from the State General Fund, \$3,766,500 from the State Water Plan Fund, and \$100,668 from the Land Reclamation Fee Fund. The majority of the reduction (84.3 percent) from the agency request reflects \$827,488 (56.8 percent) for the requested enhancement in the Non-Point Source Pollution program which was not recommended, and a \$400,000 (27.5 percent) reduction in the Water Resources Cost-Share Program. Of the Governor's recommended reductions from the agency request, \$400,152 is in state operations, \$482,100 is in aid to local units, and \$573,516 is in other assistance payments.

Enhancement. The agency's FY 1998 request includes an enhancement of \$827,488, from the State Water Plan Fund, in the Non-Point Source (NPS) Pollution program. The request would provide \$206,872 to contract technical assistance for NPS planning and projects and \$620,616 to provide financial assistance to local land owners for NPS projects. The agency requests the enhancement to fund an increase in NPS project work plans from 58 conservation districts (counties) to 78 new conservation districts with approved strategic based management plans. **The Governor recommends an enhancement of \$282,100 for the program**, for total NPS program expenditures of \$2,482,100 from the State Water Plan Fund, including \$815,000 in operating expenditures for technical assistance and \$1,667,100 for assistance payments.

Senate Subcommittee Recommendation

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

1. **Add \$9,265 from the State General Fund to upgrade the automation of the agency's contracting and payment processes.** The Subcommittee's recommendation includes the conversion of all payment process to STARS, the upgrade of three computers, completion of the agency's local area network, and provides access to the Internet and E-Mail for selected staff.
2. **Delete \$19,889**, including \$17,430 from the State General Fund, based on the recommendation to delete funding for classified step movement (\$3,139), the 1.0 classified base salary increase (\$2,015), an unclassified merit pool of 3.5 percent (\$11,511), and the longevity bonus (\$3,224) from individual agency budgets.
3. **Amend the following Governor's recommended FY 1998 performance level from 78 counties to 68 counties**, which more accurately reflects the Governor's recommended enhancement of \$282,100 for the Non-Point Source Pollution program. The Subcommittee notes that the Governor's recommendation provided no adjustment for the portion of the requested enhancement for the NPS program which was not recommended.

Performance Measure	Actual FY 1996	Agency Est. FY 1997	Agency Req. FY 1998	Gov. Est. FY 1998
Number of counties with approved non-point source pollution project work plans	41	58	78	68

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Senate Subcommittee.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Agency: State Conservation Commission Bill No. 2160

Bill Sec. 101

Expenditure	Gov. Rec. FY 98	House Subcommittee Adjustments
All Funds:		
State Operations	\$ 1,523,257	\$ 0
Aid to Local Units	2,334,400	0
Other Assistance	6,567,100	0
Subtotal - Operating	\$ 10,424,757	\$ 0
Capital Improvements	0	0
TOTAL	\$ 10,424,757	\$ 0
State General Fund:		
State Operations	\$ 557,589	\$ 9,950
Aid to Local Units	1,816,500	0
Other Assistance	4,183,500	0
Subtotal - Operating	\$ 6,557,589	\$ 9,950
Capital Improvements	0	0
TOTAL	\$ 6,557,589	\$ 9,950
FTE Positions	14.0	0.0
Unclass. Temp. Positions	0.0	0.0
TOTAL	14.0	0.0

House Subcommittee Recommendation

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

1. **Shift \$9,950 from the State Water Plan Fund to the State General Fund** to fund costs contained under the Non-Point Source and Riparian and Wetlands program contractual services which are being utilized to carry out various administrative-type activities within the agency and not project implementation.

Current Status Comparison

Expenditure	Gov. Rec. FY 1998	Senate Committee Action FY 1998*	House Subcommittee Action FY 1998	House Change from Senate
All Funds:				
State Operations	\$ 1,523,257	\$ 1,512,633	\$ 1,523,257	\$ 10,624
Aid to Local Units	2,334,400	2,334,400	2,334,400	0
Other Assistance	6,567,100	6,567,100	6,567,100	0
Subtotal - Operating	\$ 10,424,757	\$ 10,414,133	\$ 10,424,757	\$ 10,624
Capital Improvements	0	0	0	0
TOTAL	\$ 10,424,757	\$ 10,414,133	\$ 10,424,757	\$ 10,624
State General Fund:				
State Operations	\$ 557,589	\$ 549,424	\$ 567,539	\$ 18,115
Aid to Local Units	1,816,500	1,816,500	1,816,500	0
Other Assistance	4,183,500	4,183,500	4,183,500	0
Subtotal - Operating	\$ 6,557,589	\$ 6,549,424	\$ 6,567,539	\$ 18,115
Capital Improvements	0	0	0	0
TOTAL	\$ 6,557,589	\$ 6,549,424	\$ 6,557,589	\$ 18,115
FTE Positions	14.0	14.0	14.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	14.0	14.0	14.0	0.0

* Includes a reduction of \$19,889, including \$17,430 from the State General Fund, to remove the Governor's recommended pay plan.

SUBCOMMITTEE REPORT

Agency: Kansas Water Office

Bill No. 228

Bill Sec. 51

Analyst: Cawby

Analysis Pg. No. 90

Budget Page No. 490

Expenditure Summary	Agency Est. FY 97	Gov. Rec. FY 97	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 10,901,356	\$ 10,904,335	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 10,901,356	\$ 10,904,335	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 10,901,356	\$ 10,904,335	\$ 0
State General Fund:			
State Operations	\$ 1,253,991	\$ 1,257,469	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 1,253,991	\$ 1,257,469	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 1,253,991	\$ 1,257,469	\$ 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 agency estimates \$10,901,356 in operating expenditures for the current year, an increase of \$2,379,157 over the amount approved by the 1996 Legislature. Estimated operating expenditures include \$1,253,991 from the State General Fund, \$2,027,960 from the State Water Plan Fund, and \$7,619,405 from all other special revenue funds. The increase over the approved amount is attributable to the following items:

- ◆ Requested **supplemental State General Fund appropriation of \$25,000** to pay operation and maintenance costs of storage space at Cedar Bluff Reservoir.
- ◆ **The purchase of additional storage space (\$1,972,310)** from the Water Supply Storage Acquisition Financing Fund, financed through a loan from the Pooled Money Investment Board (PMIB) which is authorized by K.S.A. 82a-1370.

*Appropriations
2-24-97
Attachment 6*

- ◆ **Carry-forward of unencumbered State Water Plan Funds (\$324,034)**, including operation and maintenance expenditures associated with the storage space purchased with the PMIB loan (\$297,796).
- ◆ **Higher than anticipated payments from other no-limit funds (\$57,848).**

The Governor recommends \$10,904,335 for operating expenditures in FY 1998, an increase of \$2,979 over the agency request. The recommendation includes \$1,257,469 from the State General Fund, which is an increase of \$3,478 over the agency request. The State General Fund recommendation includes the requested supplemental funding of \$25,000 for the current year and an additional \$3,478 from the State General Fund for general agency operating expenditures. The Governor's recommendation also includes \$2,027,461 from the State Water Plan Fund, including a \$499 reduction in State Water Plan Fund funding from the agency request. The Governor concurs with the agency's estimate for expenditures from all other funding sources (\$7,619,405).

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's FY 1997 recommendation.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Senate Subcommittee.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Expenditure	Gov. Rec. FY 97	House Subcommittee Adjustments
All Funds:		
State Operations	\$ 10,904,335	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 10,904,335	\$ 0
Capital Improvements	0	0
TOTAL	<u>\$ 10,904,335</u>	<u>\$ 0</u>
State General Fund:		
State Operations	\$ 1,257,469	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 1,257,469	\$ 0
Capital Improvements	0	0
TOTAL	<u>\$ 1,257,469</u>	<u>\$ 0</u>
FTE Positions	22.0	0.0
Unclass. Temp. Positions	1.0	0.0
TOTAL	<u>23.0</u>	<u>0.0</u>

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations.

Current Status Comparison

Expenditure	Gov. Rec. FY 1997	Senate Committee Action FY 1997	House Subcommittee Action FY 1997	House Change from Senate
All Funds:				
State Operations	\$ 10,904,335	\$ 10,904,335	\$ 10,904,335	\$ 0
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	<u>\$ 10,904,335</u>	<u>\$ 10,904,335</u>	<u>\$ 10,904,335</u>	<u>\$ 0</u>
Capital Improvements	0	0	0	0
TOTAL	<u><u>\$ 10,904,335</u></u>	<u><u>\$ 10,904,335</u></u>	<u><u>\$ 10,904,335</u></u>	<u><u>\$ 0</u></u>
State General Fund:				
State Operations	\$ 1,257,469	\$ 1,257,469	\$ 1,257,469	\$ 0
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	<u>\$ 1,257,469</u>	<u>\$ 1,257,469</u>	<u>\$ 1,257,469</u>	<u>\$ 0</u>
Capital Improvements	0	0	0	0
TOTAL	<u><u>\$ 1,257,469</u></u>	<u><u>\$ 1,257,469</u></u>	<u><u>\$ 1,257,469</u></u>	<u><u>\$ 0</u></u>
FTE Positions	22.0	22.0	22.0	0.0
Unclass. Temp. Positions	1.0	1.0	1.0	0.0
TOTAL	<u><u>23.0</u></u>	<u><u>23.0</u></u>	<u><u>23.0</u></u>	<u><u>0.0</u></u>

SUBCOMMITTEE REPORT

Agency: Kansas Water Office

Bill No. 178

Bill Sec. 102

Analyst: Cawby

Analysis Pg. No. 90

Budget Page No. 490

Expenditure Summary	Agency Est. FY 98	Gov. Rec. FY 98	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 6,557,849	\$ 5,196,426	\$ 88,007
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 6,557,849	\$ 5,196,426	\$ 88,007
Capital Improvements	0	0	0
TOTAL	\$ 6,557,849	\$ 5,196,426	\$ 88,007
State General Fund:			
State Operations	\$ 1,321,890	\$ 1,296,821	\$ (40,269)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 1,321,890	\$ 1,296,821	\$ (40,269)
Capital Improvements	0	0	0
TOTAL	\$ 1,321,890	\$ 1,296,821	\$ (40,269)
FTE Positions	23.0	21.5	0.0
Unclassified Temp. Positions	0.0	1.0	0.0
TOTAL	23.0	22.5	0.0

Agency Estimate/Governor's Recommendation

The agency requests a total of **\$6,557,849** for FY 1998, of which **\$1,321,890** is from the State General Fund. The request is an increase of \$67,899 from the State General Fund, including \$34,955 for salaries and wages and \$32,944 for other operating expenditures. The remainder of the FY 1998 request (\$5,235,959) is a special revenue funds reduction of \$4,411,406 from the current year estimate of \$9,647,365. **The requested change from the current year** reflects: **reductions** for the one-time purchase of storage space in FY 1997 (\$1,972,310), the payment of a PMIB loan (\$4,235,944) in FY 1997, and no FY 1998 expenditures from federal sources (\$32,081), and **offsetting increases** of \$1,625,466 from the State Water Plan Fund for programs and water supply acquisition, \$197,878 in payments from the Water Marketing Fund, and \$5,585 for other minor increases in salaries and wages (\$2,140) and water supply storage (\$3,445)

The Governor recommends \$5,196,426 for operating expenditures in FY 1998, a reduction of \$1,361,423 from the agency request. The reduction from the agency request reflects: enhancements

which were not funded by the Governor (\$1,300,500), net reductions in salaries and wages reflecting a 0.5 FTE reduction (\$3,140), and other reductions from the request in other operating expenditures (\$57,783). The recommendation reflects \$1,296,821 from the State General Fund, \$2,319,212 from the State Water Plan Fund, and \$1,580,393 from all other funding sources.

Enhancements included in the agency's FY 1998 budget request include:

- ◆ The conversion of the existing **Geographic Information System Coordinator** position, from an unclassified temporary position to an FTE position. **The Governor recommends** continuation of the position as an unclassified temporary position.

- ◆ **Water Plan Programs.** The agency requests **\$495,500 in contractual services from the State Water Plan Fund** for enhancements in State Water Plan programs contracts. **The Governor recommends** \$291,500 from the State Water Plan for funding the requested State Water Plan Program enhancements. The requested enhancements include:
 - **\$100,000 for feedlot water quality research** to study the effects of corporate farming operations in southwest Kansas on water quality. The study, which would conclude in 2000, would build upon current research by Kansas State University. With the requested funds, the Water Office would contract with Kansas State University for the research and the would then pass along the resulting information to the Department of Health and Environment to be used in the analysis and implementation of their programs. **The Governor concurs** with the requested enhancement.

 - **\$190,000 to expand the weather modification (hail suppression) project** from southwest Kansas to northwest Kansas. According to the agency, Northwest Kansas Ground Water Management District No. 4 has voted to increase its 1997 budget by \$181,000 to match the funding and other local government entities have expressed interest. **The Governor concurs** with the requested enhancement. The recommendation would provide a total of \$390,000 in FY 1998 for the weather modification project.

 - **\$5,500 for a stream gauging station on the Arkansas River** near Nickerson as part of the Equus Beds Aquifer saltwater intrusion study. **The Governor recommends \$1,500** for the requested enhancement. The recommendation would provide a total of \$346,000 in FY 1998 for the stream gauging program.

 - **\$200,000 to provide additional technical assistance** to water users for water conservation. The request reflects a shift of \$200,000 current funding for the technical assistance program to public water supplies in the Department of Health and Environment to the Kansas Water Office. The agency's current service

level for FY 1998 includes \$225,000 in technical assistance. **The Governor does not recommend the agency's requested enhancement of \$200,000.** The recommendation would maintain the level of \$225,000 for technical assistance in the agency.

- ◆ **Water Supply Acquisition - Milford and Perry.** The agency requests **\$1,096,500 from the State Water Plan Fund** for capital costs (\$840,850) and operation and maintenance costs (\$255,650) associated with contracts already signed with the U.S. Corps of Engineers for 300,000 acre-feet of storage space in Milford Reservoir and 150,000 acre-feet of storage space in Perry Reservoir. The agency requests that a "savings account" be developed, seeded with the requested funding, to act as a standby account for the time when the state would call the storage into services. **The Governor does not recommend** this requested enhancement.

Senate Subcommittee Recommendation

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

1. **Delete \$70,000 (State Water Plan Fund) from the Governor's recommended \$190,000 weather modification enhancement.** Under the Subcommittee's recommendation, the FY 1998 level of funding for the entire weather modification project would be \$320,000, an increase of \$225,000 over the current year recommendation of \$95,000.
2. **Add \$200,000 from the State Water Plan Fund for the requested technical assistance enhancement.** The recommendation provides for the shift of funding for technical assistance currently provided in the Department of Health and Environment under the Governor's FY 1998 recommendation. The Subcommittee notes that the recommended shift to the Kansas Water Office combines similar activities which are occurring in two separate agencies.

Currently, the KDHE program provides funding to contract with the Kansas Rural Water Association to carry out water supply and distribution system improvements through on-site assistance. The Kansas Water Office program contracts mainly with Groundwater Management Districts to increase water conservation among high water users and irrigators. Through the shift, the Subcommittee hopes to provide for greater efficiencies in the program and to foster more accountability to the program which would encompass both municipal water and irrigation systems. The Subcommittee encourages the Senate Ways and Means Subcommittee on the Department of Health and Environment to concur with this recommended shift.

3. **The Subcommittee notes** the Governor's recommendation to provide only \$1,500 of the requested \$5,500 enhancement for stream monitoring on the Arkansas River. The Subcommittee also notes that the saltwater intrusion in the Equus Beds region

is a genuine concern to the Subcommittee. It is the understanding of the Subcommittee that the proposed monitoring on the Arkansas River will occur out of the Governor's recommended FY 1998 resources for the stream gauging program (\$346,000).

- 4. **Delete \$41,993**, including \$40,269 from the State General Fund, based on the recommendation to delete funding for classified step movement (\$15,407), the 1.0 classified base salary increase (\$9,654), an unclassified merit pool of 3.5 percent (\$4,215), and the longevity bonus (\$12,717) from individual agency budgets.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Senate Subcommittee.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Agency: Kansas Water Office

Bill No. 2160

Bill Sec. 102

Expenditure	Gov. Rec. FY 98	House Subcommittee Adjustments
All Funds:		
State Operations	\$ 5,196,426	\$ 200,000
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 5,196,426	\$ 200,000
Capital Improvements	0	0
TOTAL	\$ 5,196,426	\$ 200,000
State General Fund:		
State Operations	\$ 1,296,821	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 1,296,821	\$ 0
Capital Improvements	0	0
TOTAL	\$ 1,296,821	\$ 0
FTE Positions	21.5	0.0
Unclass. Temp. Positions	1.0	0.0
TOTAL	22.5	0.0

House Subcommittee Recommendation

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

1. **Add \$200,000 from the State Water Plan Fund for the requested technical assistance enhancement.** The recommendation provides for a shift of funding for technical assistance from the Department of Health and Environment (KDHE) to the Water Office. The technical assistance is provided in KDHE currently and under the Governor's FY 1998 recommendation. The Subcommittee notes that the recommended shift to the Kansas Water Office combines similar activities which are occurring in two separate agencies.

Currently, the KDHE program provides funding to contract with the Kansas Rural Water Association to carry out water supply and distribution system improvements through on-site assistance. The Kansas Water Office program contracts mainly with Groundwater Management Districts to increase water conservation among high water users and irrigators. Through the shift, the Subcommittee hopes to provide for greater efficiencies in the program and to foster more accountability to the program which would encompass both municipal water and irrigation systems. **The Subcommittee encourages** the House Appropriations Subcommittee on the Department of Health and Environment to concur with this recommended shift.

Current Status Comparison

Expenditure	Gov. Rec. FY 1998	Senate Committee Action FY 1998*	House Subcommittee Action FY 1998	House Change from Senate
All Funds:				
State Operations	\$ 5,196,426	\$ 5,284,433	\$ 5,396,426	\$ 111,993
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	<u>\$ 5,196,426</u>	<u>\$ 5,284,433</u>	<u>\$ 5,396,426</u>	<u>\$ 111,993</u>
Capital Improvements	0	0	0	0
TOTAL	<u><u>\$ 5,196,426</u></u>	<u><u>\$ 5,284,433</u></u>	<u><u>\$ 5,396,426</u></u>	<u><u>\$ 111,993</u></u>
State General Fund:				
State Operations	\$ 1,296,821	\$ 1,256,552	\$ 1,296,821	\$ 40,269
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	<u>\$ 1,296,821</u>	<u>\$ 1,256,552</u>	<u>\$ 1,296,821</u>	<u>\$ 40,269</u>
Capital Improvements	0	0	0	0
TOTAL	<u><u>\$ 1,296,821</u></u>	<u><u>\$ 1,256,552</u></u>	<u><u>\$ 1,296,821</u></u>	<u><u>\$ 40,269</u></u>
FTE Positions	21.5	21.5	21.5	0.0
Unclass. Temp. Positions	1.0	1.0	1.0	0.0
TOTAL	<u><u>22.5</u></u>	<u><u>22.5</u></u>	<u><u>22.5</u></u>	<u><u>0.0</u></u>

* Includes a reduction of \$41,993, including \$40,269 from the State General Fund to remove the Governor's recommended pay plan.

SUBCOMMITTEE REPORT

Agency: Animal Health Department

Bill No. 228

Bill Sec. 48

Analyst: Cawby

Analysis Pg. No. 40

Budget Page No. 77

Expenditure	Agency Est. FY 97	Gov. Rec. FY 97	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 1,788,067	\$ 1,848,217	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 1,788,067</u>	<u>\$ 1,848,217</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 1,788,067</u></u>	<u><u>\$ 1,848,217</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 517,510	\$ 577,660	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 517,510</u>	<u>\$ 577,660</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 517,510</u></u>	<u><u>\$ 577,660</u></u>	<u><u>\$ 0</u></u>
FTE Positions	29.0	29.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	<u><u>29.0</u></u>	<u><u>29.0</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency estimates current year expenditures of \$1,788,067, the same as the amount approved by 1996 Legislature. The FY 1997 agency estimate is an increase of 16.7 percent over FY 1996 actual expenditures of \$1,532,774. The estimate reflects \$517,510 from the State General Fund and \$1,270,557 from agency fee funds. **The Governor recommends operating expenditures of \$1,848,217** in the current year, an increase of \$60,150 (all from the State General Fund) over the agency estimate. The increase reflects supplemental appropriations, made at the agency's request after budget submission, of \$4,000 for updating agency regulations and \$56,150 to reimburse the agency for expenditures associated with the depopulation of a brucellosis infected herd.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation for FY 1997.

*Appropriations
2-24-97
Attachment 7*

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Senate Subcommittee.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Agency: Animal Health Department

Bill No. 2272

Bill Sec. 48

Expenditure	Gov. Rec. FY 97	House Subcommittee Adjustments
All Funds:		
State Operations	\$ 1,848,217	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 1,848,217	\$ 0
Capital Improvements	0	0
TOTAL	\$ 1,848,217	\$ 0
State General Fund:		
State Operations	\$ 577,660	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 577,660	\$ 0
Capital Improvements	0	0
TOTAL	\$ 577,660	\$ 0
FTE Positions	29.0	0.0
Unclass. Temp. Positions	0.0	0.0
TOTAL	29.0	0.0

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations.

Current Status Comparison

Expenditure	Gov. Rec. FY 1997	Senate Committee Action FY 1997	House Subcommittee Action FY 1997	House Change from Senate
All Funds:				
State Operations	\$ 1,848,217	\$ 1,848,217	\$ 1,848,217	0
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	\$ 1,848,217	\$ 1,848,217	\$ 1,848,217	0
Capital Improvements	0	0	0	0
TOTAL	\$ 1,848,217	\$ 1,848,217	\$ 1,848,217	0
State General Fund:				
State Operations	\$ 577,660	\$ 577,660	\$ 577,660	0
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	\$ 577,660	\$ 577,660	\$ 577,660	0
Capital Improvements	0	0	0	0
TOTAL	\$ 577,660	\$ 577,660	\$ 577,660	0
FTE Positions	29.0	29.0	29.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	29.0	29.0	29.0	0.0

SUBCOMMITTEE REPORT

Agency: Animal Health Department

Bill No. 178

Bill Sec. 97

Analyst: Cawby

Analysis Pg. No. 40

Budget Page No. 77

Expenditure	Agency Req. FY 98	Gov. Rec. FY 98*	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 1,788,290	\$ 1,797,812	\$ (32,775)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 1,788,290	\$ 1,797,812	\$ (32,775)
Capital Improvements	0	0	0
TOTAL	\$ 1,788,290	\$ 1,797,812	\$ (32,775)
State General Fund:			
State Operations	\$ 532,452	\$ 540,922	\$ (11,101)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 532,452	\$ 540,922	\$ (11,101)
Capital Improvements	0	0	0
TOTAL	\$ 532,452	\$ 540,922	\$ (11,101)
FTE Positions	29.0	29.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	29.0	29.0	0.0

* Reflects Governor's Budget Amendment No. 1.

Agency Request/Governor's Recommendation

The agency estimate for FY 1998 for the Animal Health Department totals \$1,788,290, of which \$532,452 is from the State General Fund and \$1,255,838 is from the agency's fee funds. The amount requested is an increase of \$223 (0.0 percent) over the current year estimate of \$1,788,067. The request will support the existing 29.0 FTE positions in the agency.

The Governor recommends FY 1998 operating expenditures of \$1,797,117, of which \$540,227 is from the State General Fund and \$1,256,890 is from agency fee funds. The recommendation is an increase of \$8,827 (0.5 percent) over the agency request, all for salaries and wages increases. The Governor concurs with the agency's request of \$751,831 for all other operating expenditures in FY 1998.

Depopulation of Brucellosis Infected Herds. The agency requests no specific state funds for indemnity payments to allow for of the depopulation of brucellosis infected herds in FY 1998, as the federal government is providing indemnity payments of \$250 per head directly to the producer. However, the agency is requesting funding of \$1,061,830 for the Animal Disease Control program, whose current primary function (approximately 80 percent of expenditures) is to detect, control and eradicate brucellosis in Kansas livestock. **The Governor concurs** with the agency's request, with minor salary adjustments, for the Animal Disease Control Program and **provides an additional \$50,000 from the State General Fund** to replenish the Livestock Indemnity Fee Fund which is used to provide indemnity payments not approved or funded by the U.S. Department of Agriculture.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's FY 1998 recommendation with the following adjustments, recommendations, and observations.

1. **Delete \$32,775**, including \$10,632 from the State General Fund, based on the recommendation to delete funding for classified step movement (\$11,540), the 1.0 classified base salary increase (\$8,823), an unclassified merit pool of 3.5 percent (\$2,439), and the longevity bonus (\$9,973) from individual agency budgets.
2. **Add \$695**, including \$226 from the State General Fund, to make a technical correction and provide for 1.0 percent of the unclassified merit pool which was mistakenly omitted from the Governor's recommendation. (**Staff Note:** Governor's Budget Amendment No. 1, Item 16, reflects this item, but funds the entire \$695 from the State General Fund.)
3. **Make a technical adjustment** to the bill to provide transfer language mistakenly omitted from the bill.
4. **Fee Funds.** The Senate Subcommittee notes its concern over the status of the agency's primary funding sources, the Animal Disease Control Fee Fund and the Animal Dealer Fee Fund.

The **Animal Disease Control Fee Fund** has seen a steady decline in receipts for the past 15 years due to a decline the number of livestock markets and animals sold at those markets. The agency provided information which reported that number of animals which were sold at market has declined from 4,372,916 in FY 1981 to 2,515,395 in FY 1996, a reduction of 1,857,557 or 42.5 percent over that time period. Since the current 15 cent fee per animal sold at a public livestock market is the largest single source of revenue to the fund (\$377,309 in FY 1996), **the Subcommittee expresses concern** over the viability of the fund in the next two years and notes that a new or additional funding source needs to be identified by the agency and presented to the Subcommittee during the 1998 Legislative Session.

The **Animal Dealer Fee Fund** is in even more dire straits than the Disease Control Fund. The ending balance for the agency fee fund in FY 1998 is estimated at \$8,491 under the agency's request and the Governor's recommendation. Furthermore, the agency's expenditures continue to rise as receipts remain around the \$135,000 per year. The Subcommittee also notes the following annual license fees: animal

dealers premises and pet shop operators licenses are as much as \$300 per facility, a pound or shelter license fee is \$200, and a hobby kennel operator license is \$75. The Subcommittee notes that raising license fees is not the most appropriate manner by which to provide a solution to the funding shortfall and encourages the Animal Health Board and the Legislature to provide recommendations for alternative funding sources to best fund the program. The Subcommittee also notes the urgency in solving this dilemma and encourages expedience in presenting possible solutions.

5. **Animal Disease Control Program.** The Subcommittee notes the Governor's transfer of \$50,000 in FY 1998 from the State General Fund to the agency's Livestock Indemnity Fund to aid in the eradication of brucellosis through depopulation of infected herds. The Subcommittee also concurs with the Governor's recommended supplemental appropriation of \$56,150 for depopulation of a large infected herd in FY 1997. The Subcommittee notes that the federal program will most likely expire in FY 1998 and that the agency believes the state will be free of infected herds by the end of 1998. The Subcommittee also notes that out of 14 herds identified in the past 12 months, to date all but 2 have been depopulated. The Subcommittee notes that only one swine herd remains in the state that has been identified as being infected with pseudorabies. The agency notes that it plans to propose legislation this session which would aid in the depopulation of the remaining infected swine.
6. **The Subcommittee commends** the agency for its coordination with the federal animal disease control program, by working with federal field staff to coordinate inspection and regulation efforts.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Senate Subcommittee.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Expenditure	Gov. Rec. FY 98*	House Subcommittee Adjustments
All Funds:		
State Operations	\$ 1,797,812	\$ (32,775)
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 1,797,812	\$ (32,775)
Capital Improvements	0	0
TOTAL	\$ 1,797,812	\$ (32,775)
State General Fund:		
State Operations	\$ 540,922	\$ (10,632)
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	\$ 540,922	\$ (10,632)
Capital Improvements	0	0
TOTAL	\$ 540,922	\$ (10,632)
FTE Positions	29.0	0.0
Unclass. Temp. Positions	0.0	0.0
TOTAL	29.0	0.0

* Reflects Governor's Budget Amendment No. 1

House Subcommittee Recommendation

1. **Add \$695** from the State General Fund **to concur with Governor's Budget Amendment No. 1, item 16**, which makes a technical correction to provide for 1.0 percent of the unclassified merit pool which was mistakenly omitted from the Governor's recommendation.
2. **Make a technical adjustment** to the bill to provide transfer language mistakenly omitted from the bill.
3. **Fee Funds.** The Subcommittee notes its concern over the status of the agency's primary funding sources, the Animal Disease Control Fee Fund and the Animal Facilities Fee Fund.

7-7

The **Animal Disease Control Fee Fund** has seen a steady decline in receipts for the past 15 years due to a decline the number of livestock markets and animals sold at those markets. The agency provided information which reported that number of animals which were sold at market has declined from 4,372,916 in FY 1981 to 2,515,395 in FY 1996, a reduction of 1,857,557 or 42.5 percent over that time period. Since the current 15 cent fee per animal sold at a public livestock market is the largest single source of revenue to the fund (\$377,309 in FY 1996), **the Subcommittee expresses concern** over the viability of the fund in the next two years and notes that a new or additional funding source needs to be identified by the agency and presented to the Subcommittee during the 1998 Legislative Session.

The **Animal Dealer Fee Fund** is in even more dire straits than the Disease Control Fund. The ending balance for the agency's fee fund in FY 1998 is estimated at \$8,491 under the agency's request and the Governor's recommendation. Furthermore, the agency's expenditures continue to rise as receipts remain around \$135,000 per year. The Subcommittee also notes the following annual license fees: animal dealers premises and pet shop operators licenses are as much as \$300 per facility, a pound or shelter license fee is \$200, and a hobby kennel operator license is \$75. The Subcommittee notes the urgency in solving this problem and encourages expedience in presenting possible solutions.

4. **The Subcommittee commends** the agency for its coordination with the Federal animal disease control program, by working with federal field staff to coordinate inspection and analysis efforts.

Fee Funds Status

Animal Disease Control Fund	Actual FY 96	House Subcom. Rec. FY 97	House Subcom. Rec. FY 98
Beginning Balance	\$ 133,448	\$ 241,025	\$ 168,753
Net Receipts	563,924	523,042	489,808
Total Funds Available	\$ 697,372	\$ 764,067	\$ 658,561
Less: Expenditures	456,347	595,314	601,289
Ending Balance	<u>\$ 241,025</u>	<u>\$ 168,753</u>	<u>\$ 57,272</u>
Ending Balance as a Percentage of Expenditures	52.8%	28.3%	9.5%

<u>Animal Dealer Fee Fund</u>	<u>Actual FY 96</u>	<u>House Subcom. Rec. FY 97</u>	<u>House Subcom. Rec. FY 98</u>
Beginning Balance	\$ 81,411	\$ 85,191	\$ 61,294
Net Receipts	135,484	133,000	135,550
Total Funds Available	\$ 216,895	\$ 218,191	\$ 196,844
Less: Expenditures	131,704	156,897	188,353
Ending Balance	<u>\$ 85,191</u>	<u>\$ 61,294</u>	<u>\$ 8,491</u>

Ending Balance as a Percentage of Expenditures	64.7%	39.1%	4.5%
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Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 1998*</u>	<u>Senate Committee Action FY 1998**</u>	<u>House Subcommittee Action FY 1998</u>	<u>House Change from Senate</u>
All Funds:				
State Operations	\$ 1,797,812	\$ 1,765,037	\$ 1,797,812	\$ 32,775
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	\$ 1,797,812	\$ 1,765,037	\$ 1,797,812	\$ 32,775
Capital Improvements	0	0	0	0
TOTAL	<u>\$ 1,797,812</u>	<u>\$ 1,765,037</u>	<u>\$ 1,797,812</u>	<u>\$ 32,775</u>
State General Fund:				
State Operations	\$ 540,922	\$ 529,821	\$ 540,922	\$ 11,101
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	\$ 540,922	\$ 529,821	\$ 540,922	\$ 11,101
Capital Improvements	0	0	0	0
TOTAL	<u>\$ 540,922</u>	<u>\$ 529,821</u>	<u>\$ 540,922</u>	<u>\$ 11,101</u>
FTE Positions	29.0	29.0	29.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>29.0</u>	<u>29.0</u>	<u>29.0</u>	<u>0.0</u>

* Includes Governor's Budget Amendment No. 1, item 16.

** Includes a reduction of \$32,775, including \$10,632 from the State General Fund, to remove the Governor's recommended pay plan.

FY 1997-1998

HOUSE SUBCOMMITTEE REPORTS

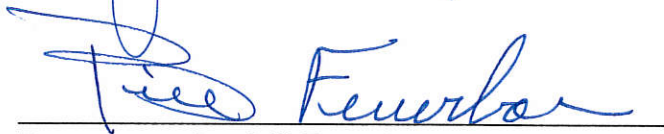
DEPARTMENT OF WILDLIFE AND PARKS



Representative Carl Holmes
Subcommittee Chair



Representative John M. Toplikar



Representative Bill Feuerborn

Appropriations
2-24-97
Attachment 8

SUBCOMMITTEE REPORT

Agency: Wildlife and Parks

Bill No. –

Bill Sec. –

Analyst: Mills

Analysis Pg. No. 177

Budget Page No. 495

<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 26,927,544	\$ 26,964,298	\$ 0
Aid to Local Units	971,141	971,141	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 27,898,685	\$ 27,935,439	\$ 0
Capital Improvements	<u>13,710,644</u>	<u>22,210,567</u>	<u>0</u>
TOTAL	<u><u>\$ 41,609,329</u></u>	<u><u>\$ 50,146,006</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 3,813,577	\$ 3,832,112	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 3,813,577	\$ 3,832,112	\$ 0
Capital Improvements	<u>961,593</u>	<u>9,517,349</u>	<u>0</u>
TOTAL	<u><u>\$ 4,775,170</u></u>	<u><u>\$ 13,349,461</u></u>	<u><u>\$ 0</u></u>
FTE Positions	404.8	402.8	0.0
Unclassified Temp. Positions	<u>11.0</u>	<u>11.0</u>	<u>0.0</u>
TOTAL	<u><u>415.8</u></u>	<u><u>413.8</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency's revised FY 1997 estimate is \$27,898,685, or \$332,384 more than the amount approved by the 1996 Legislature. Of the total estimate, \$3,813,577 is from the State General Fund and \$24,085,108 is from other funds. The estimate for spending from the State General Fund is \$3,138 less than the amount approved and the estimate for spending from special revenue funds is \$335,522 more than the amount approved.

The Governor recommends an operating budget of \$27,935,439, which is an increase of \$369,138 over the approved budget; most of the increase is in special revenue funds. The Governor recommends three State General Fund supplemental appropriations which are summarized below.

El Dorado State Park Payment. The Governor recommends \$8,170,756 from the State General Fund as a supplemental appropriation for payment to the federal government of construction costs for recreational development of El Dorado State Park. The federal government has agreed to accept this amount to satisfy the state's obligation for the El Dorado park.

Computer System Upgrade. The Governor recommends \$128,100 (of which \$38,430 is from the State General Fund) to allow the Department to add a Local Area Network (LAN) in the Office of the Secretary, upgrade an existing LAN at the Department's Pratt Office, and provide computerized communication to agency offices statewide.

Flood Damage Repair. The Governor also includes supplemental funding of \$385,000 from the State General Fund to allow the Department to continue repairs of facilities damaged by floods that occurred in 1993 and 1995.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 1997.

Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee for FY 1997.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Agency: Wildlife and Parks

Bill No. -

Bill Sec. -

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
All Funds:		
State Operations	\$ 26,964,298	\$ 0
Aid to Local Units	971,141	0
Other Assistance	0	0
Subtotal - Operating	<u>\$ 27,935,439</u>	<u>\$ 0</u>
Capital Improvements	<u>22,210,567</u>	<u>0</u>
TOTAL	<u><u>\$ 50,146,006</u></u>	<u><u>\$ 0</u></u>
State General Fund:		
State Operations	\$ 3,832,112	\$ 0
Aid to Local Units	0	0
Other Assistance	0	0
Subtotal - Operating	<u>\$ 3,832,112</u>	<u>\$ 0</u>
Capital Improvements	<u>9,517,349</u>	<u>0</u>
TOTAL	<u><u>\$ 13,349,461</u></u>	<u><u>\$ 0</u></u>
FTE Positions	402.8	0.0
Unclassified Temp. Positions	<u>11.0</u>	<u>0.0</u>
TOTAL	<u><u>413.8</u></u>	<u><u>0.0</u></u>

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

Current Status Comparison

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Committee Action</u>	<u>House Subcommittee Action FY 1997</u>	<u>House Change from Senate</u>
All Funds:				
State Operations	\$ 26,964,298	\$ 26,964,298	\$ 26,964,298	\$ 0
Aid to Local Units	971,141	971,141	971,141	0
Other Assistance	0	0	0	0
Subtotal - Operating	\$ 27,935,439	\$ 27,935,439	\$ 27,935,439	\$ 0
Capital Improvements	22,210,567	22,210,567	22,210,567	0
TOTAL	<u>\$ 50,146,006</u>	<u>\$ 50,146,006</u>	<u>\$ 50,146,006</u>	<u>\$ 0</u>
State General Fund:				
State Operations	\$ 3,832,112	\$ 3,832,112	\$ 3,832,112	\$ 0
Aid to Local Units	0	0	0	0
Other Assistance	0	0	0	0
Subtotal - Operating	\$ 3,832,112	\$ 3,832,112	\$ 3,832,112	\$ 0
Capital Improvements	9,517,349	9,517,349	9,517,349	0
TOTAL	<u>\$ 13,349,461</u>	<u>\$ 13,349,461</u>	<u>\$ 13,349,461</u>	<u>\$ 0</u>
FTE Positions	402.8	402.8	402.8	0.0
Unclassified Temp. Positions	11.0	11.0	11.0	0.0
TOTAL	<u>413.8</u>	<u>413.8</u>	<u>413.8</u>	<u>0.0</u>

SUBCOMMITTEE REPORT

Agency: Wildlife and Parks

Bill No. 178

Bill Sec. 103

Analyst: Mills

Analysis Pg. No. 177

Budget Page No. 495

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 27,880,073	\$ 27,767,881	\$ (688,397)
Aid to Local Units	625,000	625,000	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 28,505,073	\$ 28,392,881	\$ (688,397)
Capital Improvements	<u>5,923,500</u>	<u>4,443,833</u>	<u>0</u>
TOTAL	<u>\$ 34,428,573</u>	<u>\$ 32,836,714</u>	<u>\$ (688,397)</u>
State General Fund:			
State Operations	\$ 4,683,777	\$ 4,628,771	\$ (114,206)
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 4,683,777	\$ 4,628,771	\$ (114,206)
Capital Improvements	<u>1,115,700</u>	<u>190,700</u>	<u>0</u>
TOTAL	<u>\$ 5,799,477</u>	<u>\$ 4,819,471</u>	<u>\$ (114,206)</u>
FTE Positions	404.8	402.8	0.0
Unclassified Temp. Positions	<u>4.0</u>	<u>3.0</u>	<u>0.0</u>
TOTAL	<u>408.8</u>	<u>405.8</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency requests FY 1998 operating expenditures of \$28,505,073, an increase of \$606,388 or 2.2 percent above the revised FY 1997 estimate. Of the total FY 1998 request, \$4,683,777, or 16.4 percent, is financed from the State General Fund; and \$23,821,296, or 83.6 percent, is financed from agency special revenue funds. Of the requested increase, \$870,200 is from the State General Fund, with a decrease of \$263,812 in spending from special revenue funds.

The Governor recommends \$28,392,881 for operating expenditures in FY 1998, which is a 1.6 percent increase over the current year recommendation. The recommendation is composed of \$4,628,771 from the State General Fund and \$23,764,110 from special revenue funds. The Governor recommends continuation of 402.8 FTE positions.

Pay Plan Adjustments. The agency requests \$188,719 (including fringe benefits) for classified step movement, \$6,935 for a 2.5 percent unclassified merit pool, and \$168,440 for longevity pay.

The Governor recommends \$188,719 (including fringe benefits) for classified step movement, \$12,075 for unclassified merit, and \$188,200 for longevity pay. The Governor also recommends a 1.0 percent base salary adjustment (\$143,882).

Shrinkage Rate. The agency requests a shrinkage rate of 2.0 percent (\$351,659) in FY 1998 and 3.0 percent (\$517,496) in FY 1997.

The Governor recommends a 2.0 percent (\$344,576) shrinkage rate in FY 1998 and 3.0 percent (\$517,046) in FY 1997.

Enhancement Packages. The Department is requesting four enhancement packages totaling \$434,980 (of which \$46,430 is from the State General Fund). The enhancement packages, which are discussed in the budget detail below, are ranked by the Department in the following priority order:

1. implement Harvest Inventory Program (\$30,480);
2. enhanced state parks improvements (\$233,900);
3. upgrade computer systems (\$128,100); and
4. enhanced public service and education (\$42,500).

The Governor recommends funding for the Harvest Inventory Program (\$30,480), enhanced state parks operations (\$233,900), and the education and public service enhancement (\$42,500). The Governor recommends the computer systems upgrade in FY 1997.

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 1998, the agency requests \$385,000 (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; \$750,000 (\$650,000 SGF and \$100,000 SBSF) for FY 1996; and \$385,000 (SGF) in FY 1997.) 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 Department requests \$385,000 for flood damage repair in FY 1998.

The Governor recommends no funding for flood repair in FY 1998, but rather shifts this amount to the current year.

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 initial federal audit, for the period of FY 1989-FY 1992, found that the amount in diversion was \$1.9 million. Prior Legislatures have approved funding to satisfy this obligation. The audit for the period of FY 1993-FY 1994 revealed a

diversion of \$1.7 million; the 1996 Legislature approved the FY 1997 transfer of \$720,073 from the State General Fund, the Wildlife Fee Fund (and the transfer of \$114,625 from the Boating Fee Fund to the Wildlife Fee Fund) to satisfy the first payment on the FY 93-94 diversion. The Department requests similar amounts in FY 1998 to satisfy the last payment on this diversion.

The Governor recommends a State General Fund appropriation in FY 1998 of \$720,073 (and the transfer of \$114,625 from the Boating Fee Fund to the Wildlife Fee Fund) to satisfy the last payment of the FY 93-94 diversion repayment.

Senate Subcommittee Recommendation

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

1. Delete \$673,897, including \$106,206 from the State General Fund, based on the recommendation to delete funding for classified step movement (\$292,459), the 1.0 percent classified base salary increase (\$144,575), the unclassified 3.5 percent merit pool (\$14,073), and the longevity bonus (\$222,790) from individual agency budgets.
2. Delete \$8,000 (State General Fund) of the enhancement recommended by the Governor for additional operating expenditures for the Prairie Spirit Rail Trail, until more is known about the expected future operation of the Trail. The Governor had recommended an enhancement of \$10,000 (\$8,000 SGF and \$2,000 from the Prairie Spirit Rail Trail Fund). The recommendation of the Senate Subcommittee deletes the State General Fund portion of the enhancement. This enhancement would be in addition to the \$25,000 already budgeted for operation of the trail.
3. Delete \$6,500 (Wildlife Fee Fund) which is an enhancement recommended by the Governor for expansion of the "Becoming An Outdoors Woman" program; this program is designed to provide opportunities for women to learn outdoor recreational skills. The Senate Subcommittee recommends no expansion of this program at this time; the recommendation leaves intact the \$35,000 already budgeted for the program.
4. The Senate Subcommittee reviewed the performance measures for each of the operational divisions of the Department of Wildlife and Parks. The Senate Subcommittee expresses the concern that some of the agency's performance measures indicate a slackening of efforts toward more efficiency and effectiveness. For example, in the Law Enforcement Division, the performance measures on the compliance rates with wildlife and boating laws show a decrease from actual FY 1996 to FY 1997 and FY 1998: the wildlife compliance rate decreases from 94.4 percent to 90.0 percent and the boating compliance rate decreases from 82.6 percent to 80.0 percent. The Senate Subcommittee expresses the concern that all performance measures should be refined to make the out-year measures more challenging and a goal for improvement.

Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee, with the following additional recommendations:

1. The Committee notes that the Governor has recommended additional expenditures of \$250,000 (Wildlife Fee Fund) for expansion of the Walk-In-Hunting-Area (WIHA) program, under which the Department leases private land for hunting opportunities for the general public. The number of acres in the WIHA program was 10,000 in FY 1996; 182,000 in FY 1997; and a projected 300,000 in FY 1998 in the Governor's recommendation. The Committee recommends that the Department develop a tracking system on the sale of hunting licenses to determine the impact of the WIHA program on hunter participation.
2. A technical correction, as requested by the Budget Division, to insert language which was inadvertently omitted from the bill dealing with the lapse of unexpended State Water Plan Fund appropriations at the end of FY 1998.

Senate Recommendation

The full Senate has not taken action on this agency's budget.

Agency:	Wildlife and Parks	Bill No. 178	Bill Sec. 103
Expenditure Summary	Gov. Rec. FY 98	House Subcommittee Adjustments	
All Funds:			
State Operations	\$ 27,767,881	\$ (54,000)	
Aid to Local Units	625,000	0	
Other Assistance	0	0	
Subtotal - Operating	<u>\$ 28,392,881</u>	<u>\$ (54,000)</u>	
Capital Improvements	4,443,833	0	
TOTAL	<u><u>\$ 32,836,714</u></u>	<u><u>\$ (54,000)</u></u>	
State General Fund:			
State Operations	\$ 4,628,771	\$ (4,000)	
Aid to Local Units	0	0	
Other Assistance	0	0	
Subtotal - Operating	<u>\$ 4,628,771</u>	<u>\$ (4,000)</u>	
Capital Improvements	190,700	0	
TOTAL	<u><u>\$ 4,819,471</u></u>	<u><u>\$ (4,000)</u></u>	
FTE Positions	402.8	0.0	
Unclassified Temp. Positions	3.0	0.0	
TOTAL	<u><u>405.8</u></u>	<u><u>0.0</u></u>	

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations, with the following additional recommendations:

1. Delete \$4,000 (State General Fund) of the enhancement recommended by the Governor for the Prairie Spirit Rail Trail and make the Prairie Spirit Rail Trail Fund (user fees) a "no-limit" fund. The Governor had recommended an enhancement of \$10,000 (\$8,000 SGF and \$2,000 from the Prairie Spirit Rail Trail Fund), in addition to the \$25,000 already budgeted for operation of the Trail.
2. Delete \$50,000 (Central Aircraft Operating Fund) of the \$89,000 recommended by the Governor for replacement of one engine on the Department's aircraft; the engine will be replaced in the current year using available funds in the operating fund. The remaining balance will be used to overhaul both propellers and other service work in FY 1998.
3. Shift the \$55,833 for a boat ramp project on the Kansas River recommended by the Governor from the State Water Plan Fund to the Boating Fee Fund. The Subcommittee believes that the Boating Fee Fund is the appropriate funding source for this project.
4. The House Subcommittee wishes to commend the Secretary and his staff for their work in resolving the diversion issue which has troubled the Department in recent years. The final diversion payment is included in the Governor's recommendation for FY 1998. The Secretary has assured the Subcommittee there will be no further need for State General Fund financing for this issue.
5. A technical correction, as requested by the Budget Division, to insert language which was inadvertently omitted from the bill dealing with the lapse of unexpended State Water Plan Fund appropriations at the end of FY 1998.

Current State Comparison

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Committee FY 98*</u>	<u>Senate Subcommittee FY 1998</u>	<u>House Change From Senate</u>
All Funds:				
State Operations	\$ 27,767,881	\$ 27,079,484	\$ 27,713,881	\$ 634,397
Aid to Local Units	625,000	625,000	625,000	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 28,392,881	\$ 27,704,484	\$ 28,338,881	\$ 634,397
Capital Improvements	4,443,833	4,443,833	4,443,833	0
TOTAL	<u>\$ 32,836,714</u>	<u>\$ 32,148,317</u>	<u>\$ 32,782,714</u>	<u>\$ 634,397</u>
State General Fund:				
State Operations	\$ 4,628,771	\$ 4,514,565	\$ 4,624,771	\$ 110,206
Aid to Local Units	0	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 4,628,771	\$ 4,514,565	\$ 4,624,771	\$ 110,206
Capital Improvements	190,700	190,700	190,700	0
TOTAL	<u>\$ 4,819,471</u>	<u>\$ 4,705,265</u>	<u>\$ 4,815,471</u>	<u>\$ 110,206</u>
FTE Positions	402.8	0.0	0.0	0.0
Unclassified Temp. Positions	<u>3.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>405.8</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

* Includes a reduction of \$673,897, including \$106,206 from the State General Fund to remove the Governor's recommended pay plan.