

Approved: 3-24-97
Date

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on March 13, 1997 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Legislative Research Department
Kathy Porter, Legislative Research Department
Mark Burenheide, Legislative Research Department
Norman Furse, Revisor of Statutes
Michael Corrigan, Revisor of Statutes
Judy Bromich, Administrative Assistant
Janet Henning, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

Senator Jordan reviewed the Subcommittee report for the Veterinary Examiners Board (Attachment 1). Senator Feleciano moved, Senator Jordan seconded, that the FY 1997-FY 1998 Subcommittee report for the Veterinary Examiners Board be approved. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the FY 1999 Veterinary Examiners Board budget. Senator Jordan moved, Senator Feleciano seconded, that the FY 1999 Subcommittee report for the Veterinary Examiners Board be approved. The motion carried on a voice vote.

The Subcommittee report for the Board of Accountancy was reviewed by Senator Jordan (Attachment 2). It was moved by Senator Feleciano, seconded by Senator Jordan, that the Subcommittee report for the Board of Accountancy be approved. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the Board of Mortuary Arts (Attachment 3). It was moved by Senator Feleciano, seconded by Senator Jordan, that the Subcommittee report for the Board of Mortuary Arts be approved. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the Board of Cosmetology (Attachment 4). It was moved by Senator Feleciano, seconded by Senator Gilstrap, that the Subcommittee report for the Board of Cosmetology be approved. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the Board of Barbering (Attachment 5). It was moved by Senator Feleciano, seconded by Senator Jordan, that the Subcommittee report for the Board of Barbering be approved. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the Real Estate Commission (Attachment 6). It was moved by Senator Jordan, seconded by Senator Feleciano, that the Subcommittee report for the Real Estate Commission be approved. The motion carried on a voice vote.

The Subcommittee report for the Real Estate Appraisal Board was reviewed by Senator Jordan (Attachment 7). After a brief discussion, it was moved by Senator Jordan, seconded by Senator Feleciano, that the Subcommittee report for the Real Estate Appraisal Board be approved. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the Board of Technical Professions (Attachment 8). It was moved by Senator Feleciano, seconded by Senator Jordan, that the

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 11:00 a.m. on March 13, 1997.

Subcommittee report for the Board of Technical Professions be approved. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the Board of Examiners for Hearing Aids (Attachment 9). It was moved by Senator Feleciano, seconded by Senator Jordan, that the Subcommittee report for the Board of Examiners for Hearing Aids be approved. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the Behavioral Sciences Regulatory Board (Attachment 10). Committee members discussed their concerns with the reports regarding the daily operations of the Board. Dr. Cheryl Kinderknecht, Credentialing Specialist, Behavioral Sciences Regulatory Board, told Committee members that in 1995, their agency implemented both random and purposeful audits. At the time, the agency didn't have the human resources to look at over 300,000 continuing education hours so the Board authorized the agency to begin with social workers as a pilot project that they would simply audit purposefully and randomly, at least 5%. The agency has now moved into professional counseling and recently received approval from the Board to streamline the CE reporting form for master level psychologists. That particular procedure has been very cumbersome with 100% review. The agency is changing the procedures and have within the last two years moved all but two of the six credential programs into a selective audit process which has increased efficiency a great deal.

Senator Salmans moved to amend the Subcommittee report to state that for the purpose of tracking, it may be more expedient to perform spot checks on a yearly basis. The motion was seconded by Senator Jordan and carried on a voice vote.

Senator Salmans moved, seconded by Senator Jordan, to approve the Subcommittee report for the Behavioral Sciences Regulatory Board as amended. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the Board of Nursing (Attachment 11). Senator Downey inquired if there had been a joint request from the Behavioral Sciences Board and Board of Nursing for additional attorneys prompted by the feeling that they were not receiving the action by the Attorney General's Office as needed.

Pat Johnson, Executive Administrator, Board of Nursing, advised that the issue is there is a backlog not only for investigations but also for the hearing process which is where they obtain their assistance from the Attorney General's office. A few years ago, the Board of Nursing asked for their own Assistant Attorney General which they would pay for because they could not get the assistance from the Attorney General's Office at the level needed. There is still an approximate backlog of 120-130 cases for hearings. This year the Board of Nursing asked for an Assistant Attorney General for a half-time position. They were advised they could not have that help. The Attorney General's Office was too busy and could not give the additional staffing as in the past. Therefore, when asking for a Nurse Investigator position, they are going to do some changes in the workload. Also, the Nurse Practice Specialist is a Nurse/Attorney and she will also help with some of the hearings.

In response to questions from Committee members regarding prioritizing the cases in order to reduce the backlog, Ms. Johnson responded that all cases are prioritized. With the number of cases between 600-700 per year, there is a backlog of approximately 350. The two investigators are able to respond to approximately 55-60 cases per year.

Senator Jordan moved, seconded by Senator Feleciano, to add one unclassified temporary position and \$35,000 to assist with the backlog for the FY 1998. The motion carried on a voice vote.

Senator Feleciano moved, seconded by Senator Jordan, to adopt the Subcommittee report for the Board of Nursing as amended. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the Board of Optometry Examiners (Attachment 12). Senator Feleciano moved, Senator Jordan seconded, that the Subcommittee report for the Board of Optometry Examiners be approved. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the Dental Board (Attachment 13). Senator Feleciano moved, Senator Jordan seconded, that the Subcommittee report for the Dental Board be approved. The motion carried on a voice vote.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 11:00 a.m. on March 13, 1997.

Senator Jordan reviewed the Subcommittee report for the Board of Pharmacy (Attachment 14). Senator Feleciano moved, Senator Jordan seconded, that the Subcommittee report for the Board of Pharmacy be approved. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the Board of Healing Arts (Attachment 15). Senator Feleciano moved, Senator Jordan seconded, that the Subcommittee report for the Board of Healing Arts be approved. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the Abstracters' Board of Examiners (Attachment 16). Senator Feleciano moved, Senator Jordan seconded, that the Subcommittee report for the Abstracters' Board of Examiners be approved. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the Consumer Credit Commissioner (Attachment 17). Senator Feleciano moved, Senator Jordan seconded, that the Subcommittee report for the Consumer Credit Commissioner be approved. The motion carried on a voice vote.

Senator Jordan reviewed the Subcommittee report for the Department of Credit Unions (Attachment 18). After a brief discussion among Committee members, Senator Jordan moved, seconded by Senator Feleciano, to reinstate the \$3,000 requested to finance the move of a financial examiner from Wichita to the Kansas City area. The motion carried on a voice vote.

Senator Feleciano moved, Senator Jordan seconded, that the Subcommittee report for the Department of Credit Unions be approved as amended. The motion carried on a voice vote.

Senator Feleciano reviewed the Subcommittee report for the Office of Securities Commissioner (Attachment 19). Senator Feleciano moved that the Subcommittee report for the Office of Securities Commission be approved. The motion was seconded and carried on a voice vote.

Senator Feleciano reviewed the Subcommittee report for the Bank Commissioner (Attachment 20). Senator Jordan told Committee members the Bank Commissioner's Office has had 19 resignations since 1993 and the reason is primarily lack of competitive salaries with the banking industry. The Bank Commissioner has been working with the Department of Personnel Services to upgrade various positions. W. Newton Male, Bank Commissioner, told Committee members that the Bank Commissioner's Office regulates 293 banks in the State of Kansas and are losing examiners much too fast. He further stated the banking industry has become a very highly technical business. Commissioner Male stated their department would be working with Department of Personnel Services during the interim.

Senator Jordan moved, seconded by Senator Feleciano, that the Subcommittee report for the Bank Commissioner be approved. The motion carried on a voice vote.

The Chairman adjourned the meeting at 12:30 p.m.

The next meeting is scheduled for March 14, 1997 at 10:30 a.m.

SUBCOMMITTEE REPORT

Agency: Veterinary Examiners Board

Bill No. 2272

Bill Sec. 3

Analyst: Cawby

Analysis Pg. No. 1462

Budget Page No. 563

Expenditure	Agency Est. FY 97	Gov. Rec. FY 97	House Subcommittee Adjustments
State Operations			
Special Revenue Fund	\$ 189,608	\$ 187,269	\$ 0
FTE Positions	2.0	2.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	2.0	2.0	0.0

Agency Estimate/Governor's Recommendation

The Board of Veterinary Examiners estimates Fiscal Year 1997 expenditures in the amount of \$189,608. The estimate is \$13,032 more than \$176,576, the current expenditure limitation on the Board of Veterinary Examiners Fee Fund established by the 1996 Legislature and includes Kansas Quality Management (KQM) savings of \$9,059. The Board requests the supplemental expenditure limit increase of \$13,032 for unanticipated rent costs of \$3,600, and an increase in salaries and wages of \$9,432 associated with temporary salaries to complete the backlog of premise registrations.

The Governor recommends FY 1997 expenditures of \$187,269, a reduction of \$2,339 from the agency estimate. The recommendation reflects a \$10,693 increase in the agency expenditure limitation over the approved amount. The Governor's reduction from the agency estimate is reflected entirely in salaries and wages expenditures.

House Subcommittee Recommendation

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

House Committee Recommendation

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

House Recommendation

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

Senate Ways and Means Committee

Date 3-13-97

Attachment # /

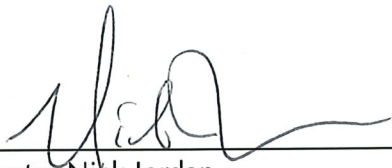
Expenditure	Gov. Rec. FY 97	Senate Subcommittee Adjustments
State Operations		
Special Revenue Fund	\$ 187,269	\$ 0
FTE Positions	2.0	0.0
Unclass. Temp. Positions	0.0	0.0
TOTAL	2.0	0.0

Senate Subcommittee Recommendation

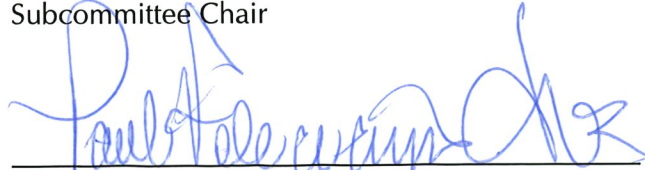
The Senate Subcommittee concurs with the Governor's recommendations.

Current Status Comparison

Expenditure	Gov. Rec. FY 1997	House Committee Action FY 1997	Senate Subcommittee Action FY 1997	Senate Change from House
State Operations				
Special Revenue Fund	\$ 187,269	\$ 187,269	\$ 187,269	0
FTE Positions	2.0	2.0	2.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	2.0	2.0	2.0	0.0



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Veterinary Examiners Board

Bill No. 2160

Bill Sec. 21

Analyst: Cawby

Analysis Pg. No. 1462

Budget Page No. 563

<u>Expenditure</u>	<u>Agency Req. FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations			
Special Revenue Fund	\$ 224,508	\$ 215,086	\$ 1,150
FTE Positions	3.0	2.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>2.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The Board requests FY 1998 expenditures of \$224,508, an increase of \$34,900 (18.4 percent) over the current year estimate. The majority of the requested increase (\$22,915) reflects a 74.4 percent increase in contractual services and a request for \$9,150 in capital outlay expenditures for a computer system upgrade and other communications equipment.

The Governor recommends FY 1998 expenditures of \$215,086 from the agency fee fund, a reduction of \$9,422 (4.2 percent) from the agency request. The reduction from the agency request includes reductions for salaries and wages calculation adjustments (\$172) and for capital outlay expenditures which were not recommended (\$9,250). Also, the Governor does not recommend the requested 1.0 FTE position conversion from temporary salaries. The recommendation is an increase of \$27,817 (14.9 percent) over the current year recommendation and reflects a 3.5 percent unclassified merit pool and no turnover savings reductions.

House Subcommittee Recommendation

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

1. **Add \$1,150 to the agency' fee fund expenditure limit to provide for the purchase of video conferencing equipment (\$1,000) and a two-line speaker phone (\$150).** The Subcommittee notes that agency's justification that the equipment would reduce expenditures for travel and subsistence associated with board meetings. **The Subcommittee also recommends** that the agency track the expenditure savings achieved through using the conferencing equipment and provide that detailed information to the Subcommittee during the 1998 Legislative Session.
2. **The Subcommittee notes** the agency's fee fund balances and the continuing trend of receipts exceeding program expenditures. However, the Subcommittee does note

that expenditures are projected to exceed receipts in FY 1999. In light of these factors and the high fee fund balance retained by the agency, the Subcommittee recommends that the agency review measures which might reduce veterinary license fees, either for one or several years, or review any other measures which might reduce both the ending balance and the fees realized by the licensee.

House Committee Recommendation

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

House Recommendation

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



Agency: Veterinary Examiners Board

Bill No. 178

Bill Sec. 21

<u>Expenditure</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
State Operations		
Special Revenue Fund	\$ 215,086	\$ (3,156)
FTE Positions	2.0	0.0
Unclass. Temp. Positions	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>2.0</u></u>	<u><u>0.0</u></u>

Senate Subcommittee Recommendation

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

1. **Delete \$3,156** from the Veterinary Examiners Fee Fund based on the recommendation to delete funding for the **Governor's pay plan** from individual agency budgets. The deletion reflects the Governor's recommendation for an unclassified merit pool of 3.5 percent.

Fee Fund Status


The status of the Veterinary Examiners Board Fee Fund is shown below and reflects the Senate Subcommittee's recommendations.

<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Rec. FY 1997</u>	<u>Rec. FY 1998</u>
Beginning Balance	\$ 323,608	\$ 371,271	\$ 399,116
Projected Receipts	209,083	215,114	215,614
Total Available	\$ 532,691	\$ 586,385	\$ 614,730
Less: Expenditures	161,420	187,269	211,930
Ending Balance	<u>\$ 371,271</u>	<u>\$ 399,116</u>	<u>\$ 402,800</u>
 Ending Balance as a Percentage of Expend.	 230.0%	 213.1%	 190.1%

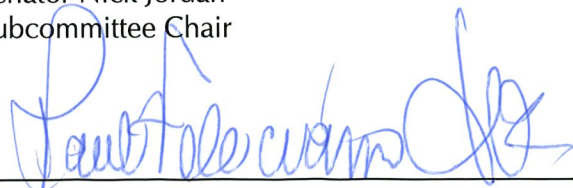
Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 1998</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998*</u>	<u>Senate Change from House</u>
State Operations				
Special Revenue Fund	\$ 215,086	\$ 216,236	\$ 211,930	\$ (4,306)
FTE Positions	2.0	2.0	2.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>0.0</u>

* Includes a reduction of \$3,156 from the Veterinary Examiners Fee Fund to remove the Governor's recommended pay plan.



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Veterinary Examiners Board

Bill No. 2160

Bill Sec. 21

Analyst: Cawby

Analysis Pg. No. 1462

Budget Page No. 563

<u>Expenditure</u>	<u>Agency Req. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations			
Special Revenue Fund	\$ 222,027	\$ 221,612	\$ 0
FTE Positions	3.0	2.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>2.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The Board requests FY 1999 expenditures of \$222,027, a net reduction of \$2,481 from the FY 1998 request. The net reduction reflects no requested capital outlay expenditures in FY 1999, a reduction of \$9,250 from FY 1998, and offsetting increases in salaries and wages (\$3,697 or 3.0 percent), contractual services (\$2,988 or 5.6 percent), and commodities (\$84 or 0.2 percent). The request also includes the continuation of the additional 1.0 FTE position requested in FY 1998.

The Governor recommends FY 1999 expenditures of \$221,612, a reduction of \$415 from the agency request. The entire reduction from the agency's FY 1999 request reflects adjustments to the agency's salaries and wages request. The recommendation is an increase of \$6,526 (3.0 percent) over the FY 1998 recommendation.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations for FY 1999.

House Committee Recommendation

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

House Recommendation

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

Agency: Veterinary Examiners Board

Bill No. 178

Bill Sec. 21

<u>Expenditure</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
State Operations		
Special Revenue Fund	\$ 221,612	\$ (2,333)
FTE Positions	2.0	0.0
Unclass. Temp. Positions	0.0	0.0
TOTAL	<u>2.0</u>	<u>0.0</u>

Senate Subcommittee Recommendation

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

1. Delete \$2,333 from the Veterinary Examiners Fee Fund based on the recommendation to delete funding for the **Governor's pay plan** from individual agency budgets. The deletion reflects the Governor's recommendation for an unclassified merit pool of 2.5 percent in FY 1999.

Fee Fund Status


The Status of the Veterinary Examiners Board Fee Fund is shown below and reflects the Senate Subcommittee's recommendations.

<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Rec. FY 1997</u>	<u>Rec. FY 1998</u>	<u>Rec. FY 1999</u>
Beginning Balance	\$ 323,608	\$ 371,271	\$ 399,116	\$ 402,800
Projected Receipts	<u>209,083</u>	<u>215,114</u>	<u>215,614</u>	<u>216,114</u>
Total Available	\$ 532,691	\$ 586,385	\$ 614,730	\$ 618,914
Less: Expenditures	<u>161,420</u>	<u>187,269</u>	<u>211,930</u>	<u>219,279</u>
Ending Balance	<u>\$ 371,271</u>	<u>\$ 399,116</u>	<u>\$ 402,800</u>	<u>\$ 399,635</u>
Ending Balance as a Percentage of Expend.	230.0%	213.1%	190.1%	182.2%

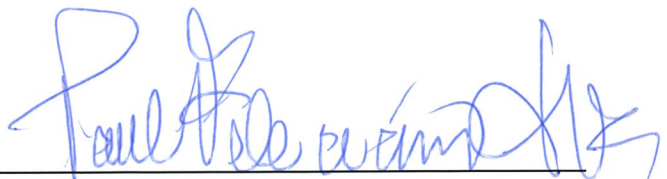
Current Status Comparison

Expenditure	Gov. Rec. FY 1998	House Committee Action FY 1998	Senate Subcommittee Action FY 1998*	Senate Change from House
State Operations				
Special Revenue Fund	\$ 221,612	\$ 221,612	\$ 219,279	\$ (2,333)
FTE Positions	2.0	2.0	2.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	2.0	2.0	2.0	0.0

* Includes a reduction of \$2,333 from the Veterinary Examiners Fee Fund to remove the Governor's recommended pay plan.



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Accountancy

Bill No. –

Bill Sec. –

Analyst: Little

Analysis Pg. No. 1338

Budget Page No. 527

<u>Expenditure Summary</u>	<u>Agency Est. FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 225,609	\$ 225,609	\$ 0
FTE Positions	3.0	3.0	0.0

Agency Est./Governor's Recommendation

The FY 1997 request of \$225,609 includes \$105,671 for salaries and wages, \$117,428 for contractual services, \$2,510 for commodities. The request contains longevity, classified step movement, and unclassified merit pay for 3.0 FTE.

The Governor concurs with the agency's request, but shifts \$397 in funds from salaries and wages to capital outlay due to savings from the retirement of the previous executive director.

House Subcommittee Recommendation

For FY 1997, the Subcommittee concurs with the Governor's recommendation with the following observation:

1. The Subcommittee notes the agency reported that they have signed a contract to privatize the administration of the national certified public accountant (CPA) examinations. The privatization will occur during FY 1997 and FY 1998. The agency reported the privatization would provide savings and greater uniformity and comity with other states that regulate the practices of CPAs. The Subcommittee notes that the agency will continued to certify new CPA's, but will no longer administer the examination nor receive the funds paid by the examinee. The Subcommittee recognizes that privatization of the examination will impact significantly the operations of the agency and recommends the introduction of language to amend the statute in FY 1998 and makes expenditure adjustments in FY 1999.

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

Senate Ways and Means Committee

Date *3-13-97*

Attachment # *2*

House Recommendation

The full House has not taken action on the agency's budget.

Agency: Board of Accountancy	Bill No. --		Bill Sec. --
<u>Expenditure Summary</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>	
State Operations:			
Special Revenue Fund	\$ 225,609	\$	0
FTE Positions	3.0		0.0

Senate Subcommittee Recommendation

For FY 1997, the Subcommittee concurs with the Governor's recommendation, with the following observation:

1. The Subcommittee notes the agency reported that they have signed a contract to privatize the administration of the national certified public accountant (CPA) examinations. The privatization will occur during FY 1997 and FY 1998. The agency reported the privatization would provide savings and greater uniformity with other states that regulate the practices of CPAs. The Subcommittee notes that the agency will continue to certify new CPA's, but will no longer administer the examination nor receive the funds paid by the examinee. H.B. 2298, which is in the full House, amends the statutes to distinguish the examination from the certification process. The bill directs that fees for the examination are paid directly to the administering company. The Subcommittee heard testimony that the Board of Accountancy would continue to set the fees for examinations and would receive a two-year advance notification if the cost of the examination increased. The Subcommittee makes expenditure adjustments in FY 1999.

Current Status Comparison

	<u>Gov. Rec. FY 1997</u>	<u>House Committee Action FY 1997</u>	<u>Senate Subcommittee Action FY 1997</u>	<u>Senate Subcommittee Change from House FY 1997</u>
Special Revenue Fund	\$ 225,609	\$ 225,609	\$ 225,609	\$ 0
FTE Positions	3.0	3.0	3.0	0.0
Unclass. Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Accountancy

Bill No. 2160

Bill Sec. 3

Analyst: Little

Analysis Pg. No. 1338

Budget Page No. 527

<u>Expenditure Summary</u>	<u>Agency Req. FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 224,862	\$ 235,870	\$ 0
FTE Positions	3.0	3.0	0.0

Agency Req./Governor's Recommendation

The agency's request for expenditures in FY 1998 is \$224,862, a reduction of \$747 from the FY 1997 estimate. The request includes \$106,267 for salaries and wages, \$116,005 for contractual services, and \$2,590 for commodities.

The Governor recommends \$235,870, an increase of \$10,261 or 4.5 percent over the FY 1997 recommendation. The Governor adds \$1,608 in salaries and wages including longevity, unclassified merit of 3.5 percent, classified step movement, and the 1.0 percent base salary adjustment. Otherwise, the Governor concurs with the agency request. The Governor adds \$9,400 for capital outlay to address the reportedly antiquated computer systems in the agency. The agency reports that their records for the 8,198 CPAs are maintained on paper records.

House Subcommittee Recommendation

For FY 1998, the Subcommittee concurs with the Governor's recommendation with the following observation:

1. The Subcommittee notes that the agency will continue the process of privatizing the administration of the national CPA examination. The Subcommittee examined and recommends for introduction as a bill the agency's request for amended statutory language that would distinguish the examination from the certification process. The bill directs that fees for the examination are paid directly to the administering entity. The Subcommittee heard testimony that the Board of Accountancy would continued to set the fees for examinations and would receive a two-year advance notification if the cost of the examination increased.

House Committee Recommendation

The Committee concurs with the Subcommittee recommendation.

House Recommendation

The full House has not taken action on the agency's budget.

Agency: Board of Accountancy

Bill No. 178

Bill Sec. 3

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 235,870	\$(3,562)
FTE Positions	3.0	0.0

Senate Subcommittee Recommendation

For FY 1998, the Subcommittee concurs with the Governor's recommendation, with the following adjustment:

1. Delete \$3,562, all special revenue funds, based on recommendations to delete 3.5 percent unclassified merit pool (\$1,472); classified step movement (\$1,123); longevity bonus payments (\$500); and the 1.0 percent classified base salary adjustment (\$467) from individual agency budgets.

Current Status Comparison

	<u>Gov. Rec. FY 1998</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Subcommittee Change from House FY 1998</u>
Special Revenue Fund	\$ 235,870	\$ 235,870	\$ 232,308	\$ (3,562)
FTE Positions	3.0	3.0	3.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Accountancy

Bill No. 2160

Bill Sec. 3

Analyst: Little

Analysis Pg. No. 1338

Budget Page No. 527

<u>Expenditure Summary</u>	<u>Agency Req. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 238,138	\$ 237,584	\$(60,000)
FTE Positions	3.0	3.0	0.0

Agency Req./Governor's Recommendation

The agency's request for FY 1999 operating expenditures is \$238,138, an increase of \$13,276 or 5.9 percent over the FY 1998 recommendation. The request includes \$111,616 for salaries and wages, \$123,847 for contractual services, and \$2,675 for capital outlay requests. The agency included an enhancement package request of \$5,500 to publish a directory of CPA permit holders, which they believe should be published every three years.

The Governor recommends \$237,584 for operating expenditures, an increase of \$1,714 over the FY 1998 recommendation. Salaries and wages are \$110,887, a 2.8 percent increase including longevity, step movement, and unclassified merit. The Governor adds an additional \$1,500 for further computer system needs. The Governor also recommends \$4,175 for publication of a directory of CPA permit holders.

House Subcommittee Recommendation

For FY 1997, the Subcommittee concurs with the Governor's recommendations, except for the following adjustment and observation:

1. The Subcommittee recommends a reduction of \$60,000 in the agency's expenditure limitation. Due to privatization of administration of the national CPA examination, the agency no longer incurs expenses related to the examination. Expenses included the cost of the examination, grading, temporary help, examination space, and other items. The agency reported \$60,000 for administration of the examination in FY 1999. The Subcommittee recommends that the \$60,000 be reduced from the agency's special revenue fund expenditure for contractual services. This expense should no longer be included in the agency's budget in future years.
2. The Subcommittee recognizes that the agency's fee fund analysis, which includes expenditures and projected receipts, and the subsequent 20 percent general fund transfer, will be affected by privatization of the administration of the examination. The Subcommittee recommends that the Committee revisit the issue at Omnibus.

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

House Recommendation

The full House has taken no action on the agency's budget.

Agency: Board of Accountancy	Bill No. 178	Bill Sec. 3
<u>Expenditure Summary</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 237,584	\$ (62,781)
FTE Positions	3.0	0.0

Senate Subcommittee Recommendation

For FY 1999, the Subcommittee concurs with the Governor's recommendations, with the following adjustments:

1. Delete \$2,781, all special revenue funds, based on recommendation to delete 3.5 percent unclassified merit pool (\$1,088); classified sep movement (\$1,147); and longevity bonus payments (\$546) from individual agency budgets.
2. Reduction of \$60,000 in the agency's contractual services expenditures limitation. Due to privatization of administration of the national CPA examination, the agency no longer incurs expenses related to the examination. Expenses included the cost of the examination, grading, temporary help, examination space, and other items. The agency reported \$60,000 for administration of the examination in FY 1999. The Subcommittee recommends that the \$60,000 be reduced from the agency's special revenue fund expenditure for contractual services. This expense should no longer be included in the agency's budget in future years.
3. The Subcommittee recognizes that the agency's fee fund analysis, which includes expenditures and projected receipts, and the subsequent 20 percent general fund transfer, will be affected by privatization of the administration of the examination. The Subcommittee recommends that the Committee revisit the issue at Omnibus.

The status of the fee fund, as recommended by the Governor, is shown on the table below.

Resource Estimate	Actual FY 1996	Agency Estimate FY 1997	Gov. Rec. FY 1997	Agency Request FY 1998	Gov. Rec. FY 1998	Agency Request FY 1999	Gov. Rec. FY 1999
Beginning Balance	\$ 102,568	\$ 113,876	\$ 113,876	\$ 131,851	\$ 131,851	\$ 109,173	\$ 98,165
Projected Receipts	271,413	304,480	304,480	252,730	252,730	266,890	266,890
Less: 20 Percent General Fund Transfer	<u>54,331</u>	<u>60,896</u>	<u>60,896</u>	<u>50,546</u>	<u>50,546</u>	<u>53,378</u>	<u>53,378</u>
Total Available	\$ 319,890	\$ 357,460	\$ 357,460	\$ 334,035	\$ 334,035	\$ 322,685	\$ 311,677
Less: Expenditures	<u>205,774</u>	<u>225,609</u>	<u>225,609</u>	<u>224,862</u>	<u>235,870</u>	<u>238,138</u>	<u>237,584</u>
Ending Balance	<u>\$ 113,876</u>	<u>\$ 131,851</u>	<u>\$ 131,851</u>	<u>\$ 109,173</u>	<u>\$ 98,165</u>	<u>\$ 84,547</u>	<u>\$ 74,093</u>
Ending Balance as a Per- centage of Expend.	53.3%	58.4%	58.4%	48.6%	41.6%	35.5%	31.2%

Current Status Comparison

	Gov. Rec. FY 1997	House Committee Action FY 1999	Senate Subcommittee Action FY 1999	Senate Subcommittee Change from House FY 1999
Special Revenue Fund	\$ 237,584	\$ 177,584	\$ 174,803	\$ (2,781)
FTE Positions	3.0	3.0	3.0	0.0
Unclass. Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>


 Senator Nick Jordan
 Subcommittee Chair


 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Mortuary Arts

Bill No. –

Bill Sec. –

Analyst: Little

Analysis Pg. No. 1408

Budget Page No. 547

<u>Expenditure Summary</u>	<u>Agency Est. FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 166,110	\$ 167,044	\$ 0
FTE Positions	3.0	3.0	0.0

Agency Est./Governor's Recommendation

The agency requests in FY 1997 \$166,110, an increase of \$10,200 or 6.5 percent from FY 1996, from the Special Revenue Fund for operating expenditures. The request includes \$115,394 for salaries and wages, \$45,916 for contractual services, and \$3,600 for commodities. The agency reports that they went on-line with STARS and SHARP in FY 1997 without additional expenses.

The Governor recommends expenditures of \$167,044, including an 8.1 percent (\$8,801) increase in salaries and wages and a reduction of \$874 for contractual services.

House Subcommittee Recommendation

For FY 1997, the House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

House Recommendation

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

Senate Ways and Means Committee

Date 3-13-97

Attachment # 3

Agency: Board of Mortuary Arts

Bill No. -

Bill Sec. -

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 167,044	\$ 0
FTE Positions	3.0	0.0

Senate Subcommittee Recommendation

For FY 1997, the Subcommittee concurs with the Governor's recommendation.

Current Status Comparison

	<u>Gov. Rec. FY 1997</u>	<u>House Committee Action FY 1997</u>	<u>Senate Subcommittee Action FY 1997</u>	<u>Senate Subcommittee Change from House FY 1997</u>
Special Revenue Fund	\$ 167,044	\$ 167,044	\$ 167,044	\$ 0
FTE Positions	3.0	3.0	3.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Mortuary Arts

Bill No. 2160

Bill Sec. 11

Analyst: Little

Analysis Pg. No. 1408

Budget Page No. 547

<u>Expenditure Summary</u>	<u>Agency Req. FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 173,086	\$ 177,868	\$ 0
FTE Positions	3.0	3.0	0.0

Agency Req./Governor's Recommendation

The agency requests \$173,086 in FY 1998 from the Special Revenue Fund of operating expenditures. The request is an increase of \$6,976 or 4.2 percent from the FY 1997 request and includes \$118,286 for salaries and wages, \$49,000 for contractual services, \$1,800 for capital outlay, and \$4,000 for commodities. The request includes funding for longevity, classified step movement, and unclassified merit pay. Rents were reported to increase in FY 1998 to \$10,000.

The Governor recommends expenditures of \$177,868, and includes step movement, the 1.0 percent classified base salary adjustment, and the 3.5 percent unclassified merit pool, as well as \$1,800 for a printer.

House Subcommittee Recommendation

For FY 1998, the House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

For FY 1998, the House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The full House has not taken action on the agency's budget.

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 177,868	\$ (4,888)
FTE Positions	3.0	0.0


Senate Subcommittee Recommendation

For FY 1998, the Subcommittee concurs with the Governor's recommendation with the following adjustment:

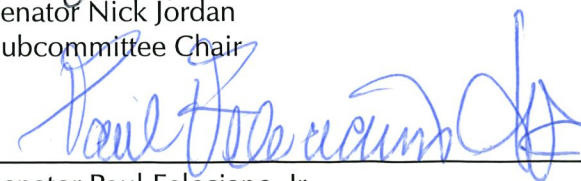
1. Delete \$4,888 all special revenue funds, based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$1,804); classified step movement (\$1,137); longevity bonus payments (\$1,364); and the 1.0 percent classified base salary adjustment (\$583) from individual agency budget.

Current Status Comparison

	<u>Gov. Rec. FY 1998</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Subcommittee Change from House FY 1998</u>
Special Revenue Fund	\$ 177,868	\$ 177,868	\$ 172,980	\$ (4,888)
FTE Positions	3.0	3.0	3.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Mortuary Arts

Bill No. 2160

Bill Sec. 11

Analyst: Little

Analysis Pg. No. 1408

Budget Page No. 547

<u>Expenditure Summary</u>	<u>Agency Req. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 181,496	\$ 186,409	\$ 0
FTE Positions	3.0	3.0	0.0

Agency Req./Governor's Recommendation

The agency requests \$181,496 in FY 1999 from the Special Revenue Fund for operating expenditures. The request is an increase of \$8,541 or 4.8 percent from the FY 1997 request and includes \$126,619 for salaries and wages, \$52,390 for contractual services, \$3,000 for capital outlay, and \$4,400 for commodities. The request includes funding for merit pay, classified step movement, and unclassified merit pay. Rents will increase due to a new contract for copy machine maintenance. The agency also requests \$3,000 to purchase a new computer system in FY 1999.

The Governor recommends expenditures of \$186,409, and includes longevity, step movement, and unclassified merit, as well as \$3,000 requested for capital outlay. The Governor also made minor adjustments for fringe benefits.

House Subcommittee Recommendation

For FY 1999, the House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

House Recommendation

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

3-5

Agency: Board of Mortuary Arts

Bill No. 178

Bill Sec. 11

Analyst: Little

Analysis Pg. No. 1408

Budget Page No. 547

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 186,409	\$(4,200)
FTE Positions	3.0	0.0

Senate Subcommittee Recommendation

For FY 1999, the Subcommittee concurs with the Governor's recommendation with the following adjustments:

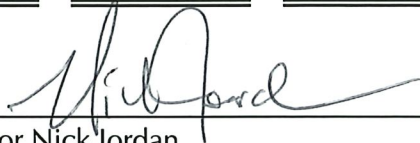
1. Delete \$4,200, all special revenue funds, based on the recommendation to delete funding for the 3.5 unclassified merit pool (\$1,333); classified step movement (\$1,412); and longevity (\$1,455) from individual agency budget.

The status of the fee fund, as recommended by the Governor, is shown on the following table.

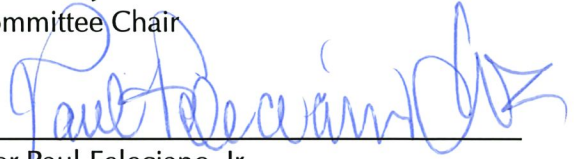
<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Agency Estimate FY 1997</u>	<u>Gov. Rec. FY 1997</u>	<u>Agency Request FY 1998</u>	<u>Gov. Rec. FY 1998</u>	<u>Agency Request FY 1999</u>	<u>Gov. Rec. FY 1999</u>
Beginning Balance	\$ 63,235	\$ 73,529	\$ 73,529	\$ 77,737	\$ 76,803	\$ 66,099	\$ 60,383
Projected Receipts	<u>166,204</u>	<u>170,318</u>	<u>170,318</u>	<u>161,448</u>	<u>161,448</u>	<u>170,318</u>	<u>170,318</u>
Total Available	\$ 229,439	\$ 243,847	\$ 243,847	\$ 239,185	\$ 238,251	\$ 236,417	\$ 230,701
Less: Expenditures	<u>155,910</u>	<u>166,110</u>	<u>167,044</u>	<u>173,086</u>	<u>177,868</u>	<u>181,496</u>	<u>186,409</u>
Ending Balance	<u>\$ 73,529</u>	<u>\$ 77,737</u>	<u>\$ 76,803</u>	<u>\$ 66,099</u>	<u>\$ 60,383</u>	<u>\$ 54,921</u>	<u>\$ 44,292</u>
Ending Balance as a Percentage of Expend.	47.2%	46.8%	46.0%	38.2%	33.9%	30.3%	23.8%

Current Status Comparison

	<u>Gov. Rec. FY 1999</u>	<u>House Committee Action FY 1999</u>	<u>Senate Subcommittee Action FY 1999</u>	<u>Senate Subcommittee Change from House FY 1999</u>
Special Revenue Fund	\$ 186,409	\$ 186,409	\$ 182,209	\$ (4,200)
FTE Positions	3.0	3.0	3.0	0.0
Unclass. Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

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SUBCOMMITTEE REPORT

Agency: Board of Cosmetology

Bill No. 2272

Bill Sec. 4

Analyst: Kannarr

Analysis Pg. No. 1367

Budget Page No. 538

<u>Expenditure Summary</u>	<u>Agency Est. FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 441,210	\$ 441,210	\$ 0
FTE Positions	10.0	10.0	(1.0)

Agency Est./Governor's Recommendation

The agency's revised FY 1997 expenditure limitation request is \$441,210 which is the same as the limitation approved by the 1996 Legislature. The revised request includes a 1.0 FTE Office Assistant I position for half of the current fiscal year beginning in January, 1997. This would bring the total number of positions in the agency to 10.0. The agency reports that responsibilities added to the Board in recent years necessitate the position increase. Responsibilities added were the regulation of tanning facilities (1992 Legislature) and the regulation and licensing of body piercers, tattoo artists, permanent cosmetic technicians, and their facilities (1996 Legislature). The agency will fund the \$8,287 required for the position by utilizing savings in other operating expenditures.

The Governor recommends an expenditure limitation of \$441,210 for FY 1997, which is equal to the agency request and the approved budget. The Governor concurs with the agency request for 1.0 FTE clerical position beginning in the second half of the fiscal year.

House Subcommittee Recommendation

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

1. The Subcommittee does not recommend the additional 1.0 FTE clerical position recommended by the Governor for the last half of FY 1997 at this time. The Subcommittee recommends looking at this issue during the Omnibus session. The agency is requested to report back to the Subcommittee at that time and address concerns regarding the agency's relationship with the people it regulates. Also, the agency should further justify the need for the additional position beginning in FY 1997.

House Committee Recommendation

The Committee concurs with the Subcommittee recommendation for FY 1997.

Senate Ways and Means Committee

Date *3-13-97*

Attachment # *4*

House Recommendation

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

Agency: Board of Cosmetology

Bill No.: -

Bill Sec.: -

<u>Expenditure</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 441,210	\$ 0
FTE Positions	10.0	0.0

Senate Subcommittee Recommendation

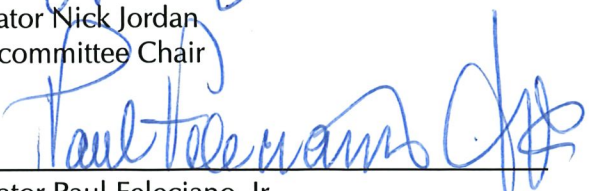
The Subcommittee concurs with the Governor's recommendation.

Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 97</u>	<u>House Committee Action FY 1997</u>	<u>Senate Subcommittee Action FY 1997</u>	<u>Senate Change from House</u>
State Operations:				
Special Revenue Fund	\$ 441,210	\$ 0	\$ 0	\$ 0
FTE Positions	2.0	(1.0)	-	1.0



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Cosmetology

Bill No. 2160

Bill Sec. 8

Analyst: Kannarr

Analysis Pg. No. 1367

Budget Page No. 538

<u>Expenditure Summary</u>	<u>Agency Req. FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 483,065	\$ 475,016	\$ 0
FTE Positions	11.0	10.0	(1.0)

Agency Req./Governor's Recommendation

The agency requests an expenditure limitation of \$483,065 for FY 1998, an increase of \$41,855 or 9.5 percent over FY 1997. The request includes an enhancement package of \$14,800 to fund an additional 1.0 FTE clerical position for the second half of FY 1998. This would bring the total number of positions in the agency to 11.0.

According to the agency, the new Office Assistant I position being requested for the second half of FY 1998 will allow the Board to track continuing education requirements within its own staffing. At present, the Board has contracted with an outside vendor to track continuing education due to staffing shortages. Also, the position will coordinate inspection processes to determine that the performance is at maximum levels. With more supervision and organization, the Board anticipates that inspections can be accomplished with current inspector staff. The agency estimates that in-house tracking of continuing education would represent a savings of \$200,000 to the 8,000 current licensees due to the fees currently paid to the tracking company.

The Governor recommends an expenditure limitation of \$475,016 for FY 1998, a decrease of \$8,049, or 1.7 percent, below the agency request including enhancements. The recommendation includes \$317,878 for salaries and wages (a decrease of \$5,236 below the request); \$113,755 in contractual services (equal to the request); \$40,683 for commodities (a decrease of \$3,013 below the request); and \$2,700 for capital outlay (an increase of \$200 above the request). The Governor does not recommend the additional 1.0 FTE clerical position. The recommendation includes a 1.0 percent classified base salary increase totaling \$2,821. In addition, funding for classified step movement, unclassified merit increases of 3.5 percent, and longevity bonuses are included.

House Subcommittee Recommendation

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

1. The Subcommittee does not recommend the additional 1.0 FTE clerical position recommended by the Governor for the last half of FY 1997 at this time. The

Subcommittee recommends looking at this issue during the Omnibus session. The agency is requested to report back to the Subcommittee at that time and address concerns regarding the agency's relationship with the people it regulates. Also, the agency should further justify the need for the additional position beginning in FY 1997.

The status of the fee fund, based on the recommendation of the House Subcommittee, is as follows:

Resource Estimate	Actual FY 1996	Agency Estimate FY 1997	Gov. Rec. FY 1997	Agency Request FY 1998	Gov. Rec. FY 1998	Agency Request FY 1999	Gov. Rec. FY 1999
Beginning Balance	\$ 141,601	\$ 150,143	\$ 150,143	\$ 149,144	\$ 149,144	\$ 119,000	\$ 155,049
Projected Receipts	434,854	440,211	440,211	452,921	480,921	460,207	476,207
Total Available	\$ 576,455	\$ 590,354	\$ 590,354	\$ 602,065	\$ 630,065	\$ 579,207	\$ 631,256
Less: Expenditures	426,312	441,210	441,210	483,065	475,016	513,861	493,822
Ending Balance	<u>\$ 150,143</u>	<u>\$ 149,144</u>	<u>\$ 149,144</u>	<u>\$ 119,000</u>	<u>\$ 155,049</u>	<u>\$ 65,346</u>	<u>\$ 137,434</u>
Ending Balance as a Percentage of Expend.	35.2%	33.8%	33.8%	24.6%	32.6%	12.7%	27.8%

House Committee Recommendation

The Committee concurs with the Subcommittee recommendation for FY 1998.

House Recommendation

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

Agency: Board of Cosmetology

Bill No.: 178

Bill Sec.: 8

Expenditure	Gov. Rec. FY 98	Senate Subcommittee Adjustments
State Operations:		
Special Revenue Fund	\$ 475,016	\$ (11,769)
FTE Positions	10.0	0.0

Senate Subcommittee Recommendation

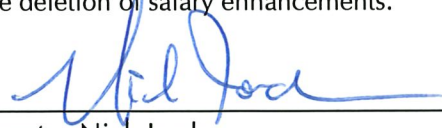
The Subcommittee concurs with the Governor's recommendation with the following exception and comment:

1. Delete \$11,769 from the Cosmetology Fee Fund expenditure limitation based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$1,651); classified step movement (\$1,607); longevity bonus payments (\$6,228); and the 1.0 percent classified base salary adjustment (\$2,283) from individual agency budgets.
2. The Subcommittee notes the effect of the passage of 1997 H.B. 2217 on agency operations. The Subcommittee was informed that H.B. 2217 passed the House on a 120-3 vote and is expected to pass the Senate. One of the effects of the bill is to require the Board to provide in-house tracking of continuing education requirements. Currently, the Board has an agreement with an outside tracking company because the agency does not have staff available to do the work. The agency requested one additional clerical position for the last half of FY 1997 and another position beginning in the last half of FY 1998 to assist with additional regulatory requirements (e.g., tattooing and body piercing) and in-house tracking of continuing education. The Governor recommended the position in FY 1997 but not the additional position in FY 1998. The agency estimates that tracking in-house will bring in additional receipts because the agency, not the tracking company, will collect the continuing education fee. According to the agency, the in-house fee will be significantly less than the tracking company's which will save the 9,000 current licensees approximately \$200,000. The Subcommittee recommends this issue be revisited during the Omnibus session.

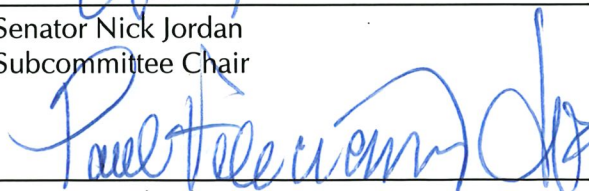
Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 98</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Change from House</u>
State Operations:				
Special Revenue Fund	\$ 475,016	\$ 0	\$ (11,769)	\$ (11,769)
FTE Positions	10.0	(1.0)	-	1.0

Note: All of the Senate Subcommittee adjustment is due to the deletion of salary enhancements.



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Cosmetology

Bill No. 2160

Bill Sec. 8

Analyst: Kannarr

Analysis Pg. No. 1367

Budget Page No. 538

<u>Expenditure Summary</u>	<u>Agency Req. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 513,861	\$ 493,822	\$ 0
FTE Positions	11.0	10.0	(1.0)

Agency Req./Governor's Recommendation

For FY 1999, the agency requests an expenditure limitation of \$513,861, an increase of \$30,796 or 6.4 percent above FY 1998. The request includes an enhancement package of \$20,239 which represents a full year's funding for the clerical position requested for the last half of FY 1998. The agency's reasons for needing the position are the same as in FY 1998.

The Governor recommends an expenditure limitation of \$493,822 for FY 1999, a decrease of \$20,039, or 3.9 percent, below the agency request including enhancements. The recommendation includes \$326,692 for salaries and wages (a decrease of \$14,839 below the request); \$119,355 for contractual services (a decrease of \$500 below the request); \$47,775 for commodities (a decrease of \$2,000 below the request); and \$0 for capital outlay (a decrease of \$2,700 below the request). The majority of the decrease is due to the fact that the Governor did not recommend the additional 1.0 FTE position in the last half of FY 1998. The decreases of \$500 in contractual services and \$2,000 in commodities are also due to the position not being recommended as they represent expenses associated with the new position. As a result of the 1.0 percent base salary adjustment in FY 1998, the Governor increases FY 1999 salaries and wages by \$2,888. Also included are classified step movement, unclassified merit increases of 2.5 percent, and longevity bonuses.

House Subcommittee Recommendation

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

1. The Subcommittee does not recommend the additional 1.0 FTE clerical position recommended by the Governor for the last half of FY 1997 at this time. The Subcommittee recommends looking at this issue during the Omnibus session. The agency is requested to report back to the Subcommittee at that time and address concerns regarding the agency's relationship with the people it regulates. Also, the agency should further justify the need for the additional position beginning in FY 1997.

4-6

The status of the fee fund, based on the recommendation of the House Subcommittee, is as follows:

Resource Estimate	Actual FY 1996	Agency Estimate FY 1997	Gov. Rec. FY 1997	Agency Request FY 1998	Gov. Rec. FY 1998	Agency Request FY 1999	Gov. Rec. FY 1999
Beginning Balance	\$ 141,601	\$ 150,143	\$ 150,143	\$ 149,144	\$ 149,144	\$ 119,000	\$ 155,049
Projected Receipts	<u>434,854</u>	<u>440,211</u>	<u>440,211</u>	<u>452,921</u>	<u>480,921</u>	<u>460,207</u>	<u>476,207</u>
Total Available	\$ 576,455	\$ 590,354	\$ 590,354	\$ 602,065	\$ 630,065	\$ 579,207	\$ 631,256
Less: Expenditures	<u>426,312</u>	<u>441,210</u>	<u>441,210</u>	<u>483,065</u>	<u>475,016</u>	<u>513,861</u>	<u>493,822</u>
Ending Balance	<u>\$ 150,143</u>	<u>\$ 149,144</u>	<u>\$ 149,144</u>	<u>\$ 119,000</u>	<u>\$ 155,049</u>	<u>\$ 65,346</u>	<u>\$ 137,434</u>
Ending Balance as a Percentage of Expend.	35.2%	33.8%	33.8%	24.6%	32.6%	12.7%	27.8%

House Committee Recommendation

The Committee concurs with the Subcommittee recommendation for FY 1999.

House Recommendation

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

Agency: Board of Cosmetology

Bill No.: 178

Bill Sec.: 8

Expenditure	Gov. Rec. FY 99	Senate Subcommittee Adjustments
State Operations:		
Special Revenue Fund	\$ 493,822	\$ (11,004)
FTE Positions	10.0	0.0

Senate Subcommittee Recommendation

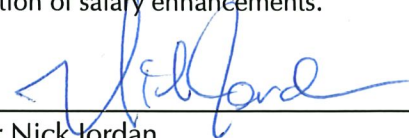
The Subcommittee concurs with the Governor's recommendation with the following exception:

1. Delete \$11,004 from the Cosmetology Fee fund expenditure limitation based on the recommendation to delete funding for the 2.5 percent unclassified merit pool (\$1,221); classified step movement (\$3,282); and longevity bonus payments (\$6,501) from individual agency budgets.

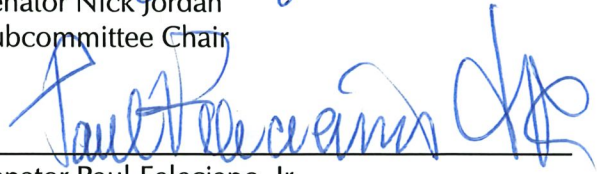
Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 99</u>	<u>House Committee Action FY 1999</u>	<u>Senate Subcommittee Action FY 1999</u>	<u>Senate Change from House</u>
State Operations:				
Special Revenue Fund	\$ 493,822	\$ 0	\$ (11,004)	\$ (11,004)
FTE Positions	10.0	(1.0)	-	1.0

Note: All of the Senate Subcommittee adjustment is due to the deletion of salary enhancements.



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Barbering

Bill No. –

Bill Sec. –

Analyst: Kannarr

Analysis Pg. No. 1355

Budget Page No. 532

<u>Expenditure Summary</u>	<u>Agency Est. FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 95,718	\$ 95,688	\$ 0
FTE Positions	2.0	2.0	0.0

Agency Estimate/Governor's Recommendation

The agency estimates expenditures of \$95,718 for FY 1997, an increase of \$30, or 0.03 percent, above the expenditure limitation of \$95,688 approved by the 1996 Legislature. The increase is in the salaries and wages portion of the budget. Of the estimate, \$63,477 is for salaries and wages, \$30,241 is for contractual services, and \$2,000 is for commodities. No request is made for capital outlay. (**Staff Note:** The \$30 increase in salaries and wages is actually due to a calculation error by the agency and does not represent a request for an expenditure limitation increase.) The estimated expenditures represent the continuation of current services.

The Governor recommends an expenditure limitation of \$95,688 for FY 1997. The recommendation is a decrease of \$30 below the agency estimate and is equal to the approved budget.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The Committee concurs with the Subcommittee recommendation for FY 1997.

House Recommendation

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

Senate Ways and Means Committee

Date 3-13-97

Attachment # 5

Agency: Board of Barbering

Bill No. --

Bill Sec. --

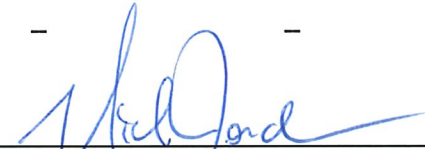
<u>Expenditure</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations: Special Revenue Fund	\$ 95,688	\$ 0
FTE Positions	2.0	0.0

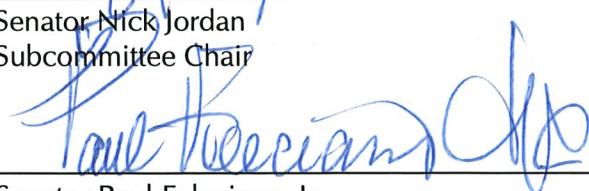
Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 97</u>	<u>House Committee Action FY 1997</u>	<u>Senate Subcommittee Action FY 1997</u>	<u>Senate Change from House</u>
State Operations: Special Revenue Fund	\$ 95,688	\$ 0	\$ 0	\$ 0
FTE Positions	2.0	-	-	-



 Senator Nick Jordan
 Subcommittee Chair


 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Barbering

Bill No. 2160

Bill Sec. 5

Analyst: Kannarr

Analysis Pg. No. 1355

Budget Page No. 532

<u>Expenditure Summary</u>	<u>Agency Req. FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 103,675	\$ 103,212	\$ 0
FTE Positions	2.0	2.0	0.0

Agency Request/Governor's Recommendation

The agency requests an expenditure limitation of \$103,675, an increase of \$7,957, or 8.3 percent, above the FY 1997 estimate. The request includes an enhancement package of \$3,889. The enhancement request includes \$1,581 in salaries and wages; \$1,200 in contractual services; and \$1,108 in capital outlay. The requested enhancements would increase the salaries of the Administrative Officer and the Barber Shop Inspector; allow the Board to conduct licensure examinations at the United States Disciplinary Barracks at Fort Leavenworth and the Hutchinson Correctional Facility; purchase a plain paper fax for the administrative office; and allow for the installation of and monthly costs for an additional telephone line. According to the agency, the request for the phone line and fax machine is based on the recommendation of the agency's Division of Information Services and Communications representative.

The Governor recommends an expenditure limitation of \$103,212 for FY 1998. The recommendation is a decrease of \$460 below the agency request of \$103,675 (including an enhancement package of \$3,889). The recommendation of \$65,493 for salaries and wages includes \$577 for a 1.0 percent base salary increase. The remainder of the recommendation includes \$34,110 for contractual services (same as agency request), \$2,200 for commodities (same as agency request) and \$1,409 for capital outlay (increase of \$301 over the agency request). The Governor recommends the requested enhancement package but makes adjustments to correct agency miscalculations.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

The status of the fee fund, based on the recommendation of the House Subcommittee is as follows:

Resource Estimate	Actual FY 1996	Agency Estimate FY 1997	Gov. Rec. FY 1997	Agency Request FY 1998	Gov. Rec. FY 1998	Agency Request FY 1999	Gov. Rec. FY 1999
Beginning Balance	\$ 95,389	\$ 98,150	\$ 98,150	\$ 105,340	\$ 105,370	\$ 109,145	\$ 109,638
Projected Receipts	<u>100,281</u>	<u>102,908</u>	<u>102,908</u>	<u>107,480</u>	<u>107,480</u>	<u>108,412</u>	<u>108,412</u>
Total Available	\$ 195,670	\$ 201,058	\$ 201,058	\$ 212,820	\$ 212,850	\$ 217,557	\$ 218,050
Less: Expenditures	<u>97,520</u>	<u>95,718</u>	<u>95,688</u>	<u>103,675</u>	<u>103,212</u>	<u>105,691</u>	<u>105,736</u>
Ending Balance	<u>\$ 98,150</u>	<u>\$ 105,340</u>	<u>\$ 105,370</u>	<u>\$ 109,145</u>	<u>\$ 109,638</u>	<u>\$ 111,866</u>	<u>\$ 112,314</u>
Ending Balance as a Percentage of Expend.	100.6%	110.1%	110.1%	105.3%	106.2%	105.9%	106.2%

House Committee Recommendation

The Committee concurs with the Subcommittee recommendation for FY 1998.

House Recommendation

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

Agency: Board of Barbering

Bill No. 178

Bill Sec. 5

Expenditure	Gov. Rec. FY 98	Senate Subcommittee Adjustments
State Operations:		
Special Revenue Fund	\$ 103,212	\$ (1,690)
FTE Positions	2.0	0.0

Senate Subcommittee Recommendation

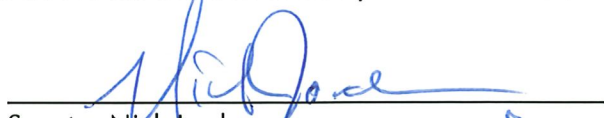
The Subcommittee concurs with the Governor's recommendation with the following exception:

1. Delete \$1,690 from the Barbering Fee fund expenditure limitation based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$1,209); classified step movement (\$339); longevity bonus payments (\$0); and the 1.0 percent classified base salary adjustment (\$142) from individual agency budgets.

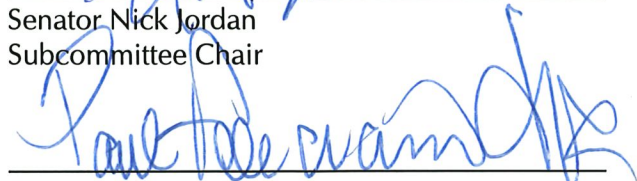
Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 98</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Change from House</u>
State Operations:				
Special Revenue Fund	\$ 103,212	\$ 0	\$ (1,690)	\$ (1,690)
FTE Positions	2.0	-	-	-

Note: All of the Senate Subcommittee adjustment is due to the deletion of salary enhancements.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Barbering

Bill No. 2160

Bill Sec. 5

Analyst: Kannarr

Analysis Pg. No. 1355

Budget Page No. 532

<u>Expenditure Summary</u>	<u>Agency Req. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$105,691	\$105,736	\$0
FTE Positions	2.0	2.0	0.0

Agency Request/Governor's Recommendation

For FY 1999, the agency requests an expenditure limitation of \$105,691, an increase of \$2,016, or 1.9 percent, above the FY 1999 agency request. The request includes an enhancement package of \$4,351. The enhancement package includes \$1,612 in salaries and wages; \$800 in contractual services; and \$1,939 in capital outlay. The requested enhancements would increase the salaries of the Administrative Officer and the Barber Shop Inspector; allow the Board conduct licensure examinations at the United States Disciplinary Barracks at Fort Leavenworth and the Hutchinson Correctional Facility; and purchase an office chair and a conference table with chairs.

The Governor recommends an expenditure limitation of \$105,736 in FY 1999, an increase of \$45 over the agency request. The recommendation includes \$384 for the 1.0 percent base salary increase in FY 1998. Included in the recommendation is \$67,888 for salaries and wages (\$346 over the agency request), \$34,010 for contractual services (same as agency request), \$2,200 for commodities (same as agency request), and \$1,638 for capital outlay (\$301 below the agency request). The Governor's recommends the requested enhancement package but makes adjustments to correct agency miscalculations.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

The status of the fee fund, based on the recommendation of the House Subcommittee, is as follows:

Resource Estimate	Actual FY 1996	Agency Estimate FY 1997	Gov. Rec. FY 1997	Agency Request FY 1998	Gov. Rec. FY 1998	Agency Request FY 1999	Gov. Rec. FY 1999
Beginning Balance	\$95,389	\$98,150	\$98,150	\$105,340	\$105,370	\$109,145	\$109,638
Projected Receipts	100,281	102,908	102,908	107,480	107,480	108,412	108,412
Total Available	\$195,670	\$201,058	\$201,058	\$212,820	\$212,850	\$217,557	\$218,050
Less: Expenditures	97,520	95,718	95,688	103,675	103,212	105,691	105,736
Ending Balance	\$98,150	\$105,340	\$105,370	\$109,145	\$109,638	\$111,866	\$112,314
Ending Balance as a Percentage of Expend.	100.6%	110.1%	110.1%	105.3%	106.2%	105.9%	106.2%

House Committee Recommendation

The Committee concurs with the Subcommittee recommendation for FY 1999.

House Recommendation

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

Agency: Board of Barbering

Bill No. 178

Bill Sec. 5

Expenditure	Gov. Rec. FY 99	Senate Subcommittee Adjustments
State Operations:		
Special Revenue Fund	\$ 105,736	\$ (1,348)
FTE Positions	2.0	0.0

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following exception:

1. Delete \$1,343 from the Barbering Fee fund expenditure limitation based on the recommendation to delete funding for the 2.5 percent unclassified merit pool (\$907); classified step movement (\$436); and longevity bonus payments (\$0) from individual agency budgets.

Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 98</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Change from House</u>
State Operations:				
Special Revenue Fund	\$ 105,736	\$ 0	\$ (1,343)	\$ (1,343)
FTE Positions	2.0	-	-	-

Note: All of the Senate Subcommittee adjustment is due to the deletion of salary enhancements.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Real Estate Commission

Bill No. –

Bill Sec. –

Analyst: Rampey

Analysis Pg. No. 1439

Budget Page No. 557

<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
Special Revenue Fund:			
State Operations	\$ 578,161	\$ 579,810	--
Other Assistance	17,000	17,000	--
TOTAL	<u><u>\$ 595,161</u></u>	<u><u>\$ 596,810</u></u>	
FTE Positions	14.0	14.0	--
Unclassified Temp. Positions	0.0	0.0	--
TOTAL	<u><u>14.0</u></u>	<u><u>14.0</u></u>	

Agency Overview

The Kansas Real Estate Commission is the regulatory and licensing authority for real estate brokers and salespersons. The Commission approves continuing education courses, examines records of real estate brokers, and investigates complaints from the general public. The five-member commission is appointed by the Governor.

Agency Estimate/Governor's Recommendation

The Real Estate Commission estimates expenditures of \$595,161 in the current year, a reduction of \$13,778 from the approved amount. The savings are due to turnover in one position and a vacancy in a second position that will be filled this month. The Governor recommends expenditures of \$596,810, an increase of \$1,649 over the agency's estimate.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the Subcommittee.

Senate Ways and Means Committee

Date *3-13-97*

Attachment # *6*

House Committee of the Whole Recommendation

The House Committee of the Whole has not considered this budget.

Agency: Real Estate Commission

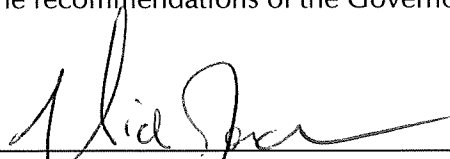
Bill No. --

Bill Sec. --

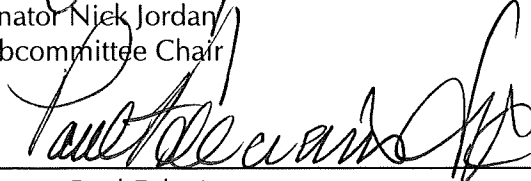
<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
Special Revenue Fund:			
State Operations	\$ 578,161	\$ 579,810	--
Other Assistance	17,000	17,000	--
TOTAL	\$ 595,161	\$ 596,810	
FTE Positions	14.0	14.0	--
Unclassified Temp. Positions	0.0	0.0	--
TOTAL	14.0	14.0	

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor.



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano

SUBCOMMITTEE REPORT

Agency: Real Estate Commission

Bill No. 2160

Bill Sec. 18

Analyst: Rampey

Analysis Pg. No. 1439

Budget Page No. 557

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
Special Revenue Fund:			
State Operations	\$ 609,639	\$ 604,958	--
Other Assistance	32,000	17,000	--
TOTAL	<u>\$ 641,639</u>	<u>\$ 621,958</u>	<u>--</u>
FTE Positions	14.0	14.0	--
Unclassified Temp. Positions	0.0	0.0	--
TOTAL	<u>14.0</u>	<u>14.0</u>	<u>--</u>

Agency Request/Governor's Recommendation

The Board's request for FY 1998 is \$641,639, an increase of \$46,478 over the current year. The main reason for the increase is that the Commission underspent its budget in FY 1997 because of a staff vacancy which most likely will be filled by February, resulting in full funding for salaries in FY 1998. In addition, the Commission is estimating expenditures of \$32,000 from the Real Estate Recovery Revolving Fund in FY 1998, an increase of \$15,000 from the \$17,000 budgeted in FY 1997. The Fund is used to reimburse persons who have suffered monetary damage in connection with any transaction involving a licensee of the Commission who violates provisions of the statutes that regulate real estate brokers and salespersons. According to the Executive Director of the Commission, the Commission has no particular reason to believe that expenditures from the Fund will go up in FY 1998, but wants to allow for the possibility in its budget submission. There were no expenditures from the Fund in FY 1996. Payments from the Fund are made only upon court order.

The Governor recommends expenditures of \$621,958 in FY 1998, an increase of \$25,148 over his recommendation for the current year. The main adjustment made by the Governor is to reduce estimated expenditures from the Real Estate Recovery Revolving Fund from \$32,000 to \$17,000.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor.

House Committee Recommendation

The House Committee concurs with the Subcommittee.

House Committee of the Whole Recommendation

The House Committee of the Whole has not considered this budget.

Agency: Real Estate Commission

Bill No. 178

Bill Sec. 18

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
Special Revenue Fund:			
State Operations	\$ 609,639	\$ 604,958	\$ (19,333) *
Other Assistance	32,000	17,000	0
TOTAL	<u>\$ 641,639</u>	<u>\$ 621,958</u>	<u>\$ (19,333)</u>
FTE Positions	14.0	14.0	-
Unclassified Temp. Positions	0.0	0.0	-
TOTAL	<u>14.0</u>	<u>14.0</u>	<u>-</u>

* Represents the deletion of the Governor's salary plan adjustments.

Senate Subcommittee Recommendations


The Senate Subcommittee concurs with the recommendations of the Governor, with the following exception:

1. Delete \$19,333, based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$1,849); classified step movement (\$11,885); longevity bonus payments (\$2,248); and the 1.0 percent classified base salary adjustment (\$3,351) from individual agency budgets.

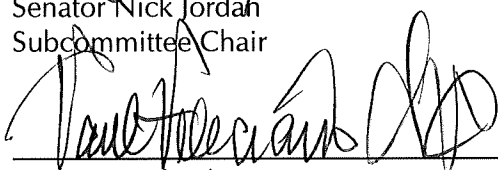
Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 1998</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Change from House FY 1998</u>
Special Revenue Fund				
State Operations	\$ 604,958	\$ 604,958	\$ 585,625 *	\$ (19,333)
Other Assistance	<u>17,000</u>	<u>17,000</u>	<u>17,000</u>	<u>0</u>
TOTAL	<u>\$ 621,958</u>	<u>\$ 621,958</u>	<u>\$ 602,625</u>	<u>\$ (19,333)</u>
FTE Positions	14.0	14.0	14.0	0.0
Unclass. Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>0.0</u>

* Includes the deletion of the Governor's salary plan adjustments.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano

SUBCOMMITTEE REPORT

Agency: Real Estate Commission

Bill No. 2160

Bill Sec. 18

Analyst: Rampey

Analysis Pg. No. 1439

Budget Page No. 557

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
Special Revenue Fund:			
State Operations	\$ 616,241	\$ 614,525	--
Other Assistance	32,000	17,000	--
TOTAL	\$ 648,241	\$ 631,525	--
FTE Positions	14.0	14.0	--
Unclassified Temp. Positions	0.0	0.0	--
TOTAL	14.0	14.0	--

Agency Request/Governor's Recommendation

The request of \$648,241 for FY 1999 would maintain the Board's operations at the current level. An increase over the request for FY 1998 of \$8,463 for salaries would allow for normal step movement and merit pay and is partially offset by a slight decrease (\$1,861) in other operating expenditures.

The Governor recommends expenditures of \$631,525 for FY 1999, an increase of \$9,567 over his recommendation for FY 1998. The recommendation is \$16,716 lower than the agency's request, mainly because the Governor reduces the estimate of expenditures from the Real Estate Recovery Revolving Fund from \$32,000 to \$17,000.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor.

Resource Estimate	Actual FY 1996	Agency Estimate FY 1997	Gov. Rec. FY 1997	Agency Request. FY 1998	Gov. Rec. FY 1998	Agency Request FY 1999	Gov. Rec. FY 1999
Beginning Balance	\$ 417,031	\$ 408,453	\$ 408,453	\$ 397,324	\$ 395,675	\$ 400,645	\$ 403,677
Net Receipts	<u>507,367</u>	<u>570,032</u>	<u>570,032</u>	<u>612,960</u>	<u>612,960</u>	<u>548,744</u>	<u>548,744</u>
Total Funds Available	\$ 924,398	\$ 978,485	\$ 978,485	\$ 1,010,284	\$ 1,008,635	\$ 949,389	\$ 952,421
Less: Expenditures	511,266	578,161	579,810	609,639	604,958	616,241	614,525
Less: Transfers	<u>4,679</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Balance	<u>\$ 408,453</u>	<u>\$ 397,324</u>	<u>\$ 395,675</u>	<u>\$ 400,645</u>	<u>\$ 403,677</u>	<u>\$ 333,148</u>	<u>\$ 337,896</u>
Ending Balance as a Percentage of Expenditures	79.9%	68.7%	68.2%	65.7%	66.7%	54.1%	55.0%

House Committee Recommendation

The House Committee concurs with the Subcommittee.

House Committee of the Whole Recommendation

The House Committee of the Whole has not considered this budget.

Agency: Real Estate Commission

Bill No. 178

Bill Sec. 18

Expenditure Summary	Agency Request FY 99	Gov. Rec. FY 99	Senate Subcommittee Adjustments
Special Revenue Fund:			
State Operations	\$ 616,241	\$ 614,525	\$ (16,827) *
Other Assistance	<u>32,000</u>	<u>17,000</u>	<u>0</u>
TOTAL	<u>\$ 648,241</u>	<u>\$ 631,525</u>	<u>\$ (16,827)</u>
FTE Positions	14.0	14.0	--
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>--</u>
TOTAL	<u>14.0</u>	<u>14.0</u>	<u>--</u>

* Represents the deletion of the Governor's salary plan adjustments.

Senate Subcommittee Recommendation

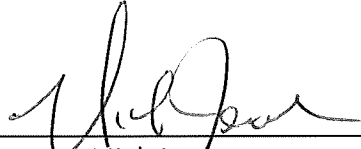
The Senate Subcommittee concurs with the recommendations of the Governor, with the following exception:

1. Delete \$16,827, based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$2,674); classified step movement (\$11,728); and longevity bonus payments (\$2,425) from individual agency budgets.

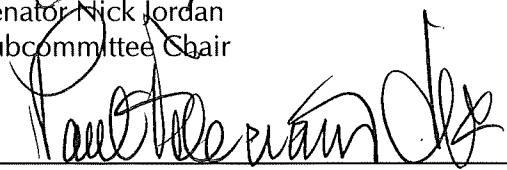
Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 1999</u>	<u>House Committee Action FY 1999</u>	<u>Senate Subcommittee Action FY 1999</u>	<u>Senate Change from House FY 1999</u>
Special Revenue Fund				
State Operations	\$ 614,525	\$ 614,525	\$ 597,698 *	\$ (16,827)
Other Assistance	17,000	17,000	17,000	0
TOTAL	<u>\$ 631,525</u>	<u>\$ 631,525</u>	<u>\$ 614,698</u>	<u>\$ (16,827)</u>
FTE Positions	14.0	14.0	14.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>0.0</u>

* Includes the deletion of the Governor's salary plan adjustments.



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano

SUBCOMMITTEE REPORT

Agency: Real Estate Appraisal Board

Bill No. --

Bill Sec. --

Analyst: Rampey

Analysis Pg. No. 1432

Budget Page No. 555

<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 153,605	\$ 144,294	--
FTE Positions	2.0	2.0	--
Unclassified Temp. Positions	0.0	0.0	--
TOTAL	<u>2.0</u>	<u>2.0</u>	<u>--</u>

Agency Overview

The Real Estate Appraisal Board licenses and certifies approximately 1,000 real estate appraisers. It was created in 1990 in response to federal law requiring appraisers involved in federally related transactions to have a state license and certification. At the time of its creation, the Board was attached to the Real Estate Commission for administrative purposes. It became a separate agency in FY 1994. The seven members of the Board are appointed by the Governor. The Board's staff consists of an Executive Director and an Office Specialist.

According to the Board's Executive Director, among the reasons the Board expects an increased workload is the statutory requirement that, after July 1, 1997, no person can become a county or district appraiser unless the person is a certified general real property appraiser. According to the Board, this requirement will increase its workload because it is almost certain that there will be new county or district appraisers who will have to meet Board licensure requirements.

Agency Estimate/Governor's Recommendation

Estimated expenditures for the current year exceed the approved amount of \$129,275 by \$24,330. The increase includes \$4,024 in salary and fringe benefits for the Executive Director to fully fund the salary approved by the Board and \$20,000 to contract with appraisers to review reports received in connection with complaints.

The Governor recommends expenditures of \$144,294, a reduction of \$9,311 from the Board's estimate. The Governor does not approve the requested salary increase for the Executive Director, but does approve the requested increase of \$20,000 for contracts with appraisers.

Senate Ways and Means Committee

Date 3-13-97

Attachment # 7

House Subcommittee Recommendations

The House Subcommittee concurs with the recommendation of the Governor.

House Committee Recommendation

The House Committee concurs with the Subcommittee.

House Committee of the Whole Recommendation


The House Committee of the Whole has not taken action on this budget.

Agency: Real Estate Appraisal Board **Bill No. --** **Bill Sec. --**

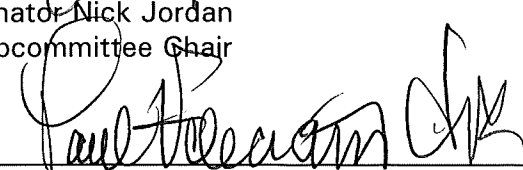
<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 153,605	\$ 144,294	--
FTE Positions	2.0	2.0	--
Unclassified Temp. Positions	0.0	0.0	--
TOTAL	<u>2.0</u>	<u>2.0</u>	<u>--</u>

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor.



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Real Estate Appraisal Board

Bill No. 2160

Bill Sec. 17

Analyst: Rampey

Analysis Pg. No. 1432

Budget Page No. 555

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 193,089 *	\$ 157,166	\$ 19,783
FTE Positions	3.0	2.0	1.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>2.0</u>	<u>1.0</u>

* Excludes \$22,000 for temporary employees and professional services that would be needed only if the request for a new position is not approved.

Agency Request/Governor's Recommendation

The request for FY 1998 totals \$193,089 and exceeds the estimate for the current year by \$39,484. (The amount excludes \$22,000 for temporary employees and professional services that would be needed if the requested new position is not approved.) Most of the increase is the salary and associated operating expenses (travel, furniture, and office equipment) connected with the requested new position. Funding also is requested to change the classification of the Office Specialist to a Public Service Administrator.

The Governor recommends expenditures of \$157,166, a reduction of \$35,923 from the request. Most of the reduction is due to the Governor not approving the requested new position or the change in classification of the Office Specialist.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor, with the following exceptions:

1. Add \$34,463 for the salary and fringe benefits of a new Investigator, plus \$4,000 for associated office equipment and furniture, for a total of \$38,463. The Subcommittee believes that the increasing workload of the Board necessitates the addition of a position, the first new position added since the Board became an independent agency in FY 1994. In the Subcommittee's opinion, adding an employee to the Board's staff is preferable to the Governor's alternative of using appraisers hired on a contractual basis because the permanent employee will provide continuity that contracted employees cannot. Furthermore, the increased workload will be ongoing,

making it more reasonable to hire an employee who will become part of the staff. In addition to helping with the general increase in the Board's workload, the Investigator would be specifically involved in approving pre-licensing courses and reviewing new applicants to ensure that they meet the experience requirement for certification and licensure.

2. Delete \$20,000 for professional services, which will not be necessary under the Subcommittee's recommendation to add 1.0 FTE position to the staff.
3. Add \$1,320 to upgrade the classification of the Office Specialist to a Public Service Administrator.

House Committee Recommendation

The House Committee concurs with the Subcommittee.

House Committee of the Whole Recommendation

The House Committee of the Whole has not taken action on this budget.

Agency: Real Estate Appraisal Board

Bill No. 178

Bill Sec. 17

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 193,089 *	\$ 157,166	\$ 16,980 **
FTE Positions	3.0	2.0	1.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>3.0</u></u>	<u><u>2.0</u></u>	<u><u>1.0</u></u>

* Excludes \$22,000 for temporary employees and professional services that would be needed only if the request for a new position is not approved.

** Includes the deletion of \$2,803 for the Governor's salary plan adjustments.

Senate Subcommittee Recommendations

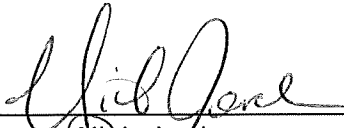
The Senate Subcommittee concurs with the Governor, with the following exceptions:

1. Delete \$2,803, based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$1,768); classified step movement (\$735); and the 1.0 percent classified base salary adjustment (\$300) from individual agency budgets.
2. Add \$34,463 for the salary and fringe benefits of a new Investigator, plus \$4,000 for associated office equipment and furniture, for a total of \$38,463. The Subcommittee believes that the increasing workload of the Board necessitates the addition of a position, the first new position added since the Board became an independent agency in FY 1994. In the Subcommittee's opinion, adding an employee to the Board's staff is preferable to the Governor's alternative of using appraisers hired on a contractual basis because the permanent employee will provide continuity that contracted employees cannot and be more accountable to the Board with regard to the confidentiality of investigations and other staff work. Furthermore, the increased workload will be ongoing, making it more reasonable to hire an employee who will become part of the staff. In addition to helping with the general increase in the Board's workload, the Investigator would be specifically involved in approving the pre-licensing courses and reviewing new applicants to ensure that they meet the experience requirement for certification and licensure.
3. Delete \$20,000 for professional services, which will not be necessary under the Subcommittee's recommendation to add 1.0 FTE position to the staff.
4. Add \$1,320 to upgrade the classification of the Office Specialist to a Public Service Administrator.

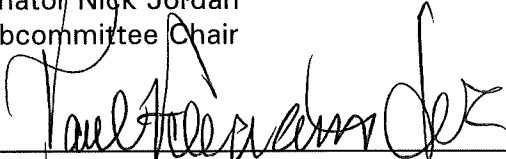
Current Status Comparison

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 1998</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Subcommittee Change from House FY 1998</u>
State Operations:				
Special Revenue	\$ 157,166	\$ 176,949	\$ 174,146 *	\$ (2,803)
FTE Positions	2.0	3.0	3.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>2.0</u>	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

* Includes the deletion of \$2,803 for the Governor's salary plan adjustments.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Real Estate Appraisal Board

Bill No. 2160

Bill Sec. 17

Analyst: Rampey

Analysis Pg. No. 1432

Budget Page No. 555

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 195,739 *	\$ 157,966	\$ 14,524
FTE Positions	3.0	2.0	1.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>2.0</u>	<u>1.0</u>

* Excludes \$22,000 for temporary employees and professional services that would be needed only if the request for a new position is not approved.

Agency Request/Governor's Recommendation

The request for FY 1999 totals \$195,739. (The amount excludes \$22,000 for temporary employees and professional services that would be needed if the new position requested for FY 1998 is not approved.) The increase in salaries of \$4,561 over FY 1998, which includes a step increase for the classified employee and a 2.5 percent merit increase for the Executive Director, is partially offset by a reduction in capital outlay from \$5,411 to \$3,500. All other items remain at the FY 1998 level.

The Governor recommends expenditures of \$157,966 in FY 1999, an increase of \$800 over his recommendation for FY 1998.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor, with the following exception:

1. Add \$14,524, which is the net increase of continuing the new position added in FY 1998, upgrading the classification of the Office Specialist, and deleting \$20,000 added by the Governor for professional services, which will not be needed if the new position is approved.

Fee Fund Analysis

The Board generates most of its fee income from the annual renewal of licenses and certificates, for which it assesses a charge of \$175 (the maximum is \$300). Revenues also are generated from application and examination fees and from fees to provide for approval of continuing education courses. The table below summarizes estimated receipts, expenditures, and balances based on the Board's request and the Subcommittee's recommendation:

	<u>Actual FY 1996</u>	<u>Agency Estimate FY 1997</u>	<u>House Sub. Rec. FY 1997</u>	<u>Agency Request FY 1998</u>	<u>House Sub. Rec. FY 1998</u>	<u>Agency Request FY 1999</u>	<u>House Sub. Rec. FY 1999</u>
Beginning Balance	\$325,099	\$327,518	\$327,518	\$334,021	\$343,332	\$297,732	\$323,183
Net Receipts	<u>128,727</u>	<u>160,108</u>	<u>160,108</u>	<u>156,800</u>	<u>156,800</u>	<u>156,800</u>	<u>156,800</u>
Total Funds Avail.	\$453,826	\$487,626	\$487,626	\$490,821	\$500,132	\$454,532	\$479,983
Less: Expenditures	<u>126,308</u>	<u>153,605</u>	<u>144,294</u>	<u>193,089</u>	<u>176,949</u>	<u>195,739</u>	<u>172,490</u>
Ending Balance	<u>\$327,518</u>	<u>\$334,021</u>	<u>\$343,332</u>	<u>\$297,732</u>	<u>\$323,183</u>	<u>\$258,793</u>	<u>\$307,493</u>
Ending Balance as a Percentage of Expenditures	259.3%	217.5%	237.9%	154.2%	182.6%	132.2%	178.3%

House Committee Recommendation

The House Committee concurs with the Subcommittee.

House Committee of the Whole Recommendation

The House Committee of the Whole has not considered this budget.

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 195,739 *	\$ 157,966	\$ 11,731 **
FTE Positions	3.0	2.0	1.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>3.0</u></u>	<u><u>2.0</u></u>	<u><u>1.0</u></u>

* Excludes \$22,000 for temporary employees and professional services that would be needed only if the request for a new position is not approved.

** Includes the deletion of \$2,793 for the Governor's salary plan adjustments.

Senate Subcommittee Recommendation

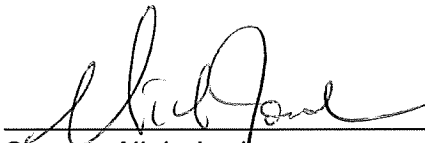
The Senate Subcommittee concurs with the recommendations of the Governor, with the following exceptions:

1. Delete \$2,793, based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$1,308) and classified step movement (\$1,485) from individual agency budgets.
2. Add \$14,524, which is the net increase of continuing the new position added in FY 1998, upgrading the classification of the Office Specialist, and deleting \$20,000 added by the Governor for professional services, which will not be needed if the new position is approved.


Current Status Comparison

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 1999</u>	<u>House Committee Action FY 1999</u>	<u>Senate Subcommittee Action FY 1999</u>	<u>Senate Subcommittee Change from House FY 1999</u>
State Operations:				
Special Revenue	\$ 157,166	\$ 172,490	\$ 169,697 *	\$ (2,793)
FTE Positions	2.0	3.0	3.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>2.0</u>	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

* Includes the deletion of \$2,793 for the Governor's salary plan adjustments.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Technical Professions

Bill No. –

Bill Sec. –

Analyst: Rampey

Analysis Pg. No. 1454

Budget Page No. 561

<u>Expenditure Summary</u>	<u>Agency Est. FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 375,370	\$ 370,977	–
FTE Positions	4.0	4.0	–
Unclassified Temp. Positions	0.0	0.0	–
TOTAL	<u>4.0</u>	<u>4.0</u>	<u>–</u>

Agency Overview

The Board of Technical Professions is a 13-member board that currently licenses approximately 2,600 architects, 8,500 engineers, 870 land surveyors, and 400 landscape architects (for a total of approximately 12,400 individuals) and 600 corporations. The number of individuals licensed is expected to grow by about 10 percent over the next two years, but, according to the Board, the number of corporations licensed could almost double if requested enhancements are approved that would allow the staff to identify all of the corporations that should be licensed. The Board is authorized 4.0 FTE positions—the unclassified Executive Director and three clerical employees—and is requesting two more positions in FY 1998. Legislation enacted in 1995 made it permissive for the Board to establish, by rules and regulations, continuing education requirements for the professions it regulates. Subsequently, the Board adopted rules and regulations making continuing education mandatory, which is one reason for its request for additional staff.

Agency Est./Governor's Recommendation

The Board of Technical Professions estimates expenditures of \$375,270 in the current year, which is the amount approved by the 1996 Legislature.

The Governor recommends expenditures of \$370,977, a reduction of \$4,293 from the agency's estimate. The reduction is in the area of fees for professional services.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

Senate Ways and Means Committee

Date *3-13-97*

Attachment # *8*

House Committee Recommendation

The House Committee concurs with the Subcommittee.

House Committee of the Whole Recommendation


The House Committee of the Whole has not taken action on this budget.

Agency: Board of Technical Professions **Bill No. –** **Bill Sec. –**

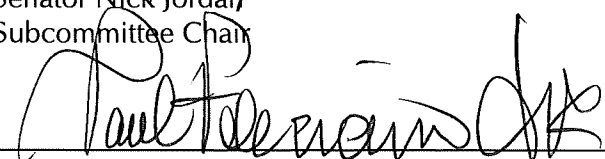
<u>Expenditure Summary</u>	<u>Agency Est. FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 375,370	\$ 370,977	–
FTE Positions	4.0	4.0	–
Unclassified Temp. Positions	0.0	0.0	–
TOTAL	<u>4.0</u>	<u>4.0</u>	<u>–</u>

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor.



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Technical Professions

Bill No. 2160

Bill Sec. 20

Analyst: Rampey

Analysis Pg. No. 1454

Budget Page No. 561

<u>Expenditure Summary</u>	<u>Agency Req. FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 494,259	\$ 402,145	--
FTE Positions	6.0	5.0	--
Unclassified Temp. Positions	0.0	0.0	--
TOTAL	<u>6.0</u>	<u>5.0</u>	<u>--</u>

Agency Req./Governor's Recommendation

The request for FY 1998 totals \$494,259, an increase of \$118,989 over the current year. The increase is accounted for by the Board's requested enhancements, which primarily consist of two new positions and other unspecified expenditures that total \$50,000. In order to finance most of these enhancements, the Board would need to increase its fees, for which statutory authorization would be necessary since the Board already is at its statutory maximum.

The Governor recommends expenditures of \$402,145 for FY 1998, an increase of \$31,168 over the recommendation for the current year. The Governor's recommendation includes funding for 1.0 FTE new position. Otherwise, the Governor's recommendation would generally maintain the Board's budget at its current level of service and would require no increase in fees to finance.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Governor, with the following comment:

1. The Board of Technical Professions informed the Subcommittee of a number of initiatives it has undertaken or has planned that could affect its budget. For example, it has mandated a continuing education requirement for licensees that will be phased in over the next several years. Although the Governor has approved the addition of one new position for FY 1998 to help handle the increased workload, the Board had asked for two. Furthermore, according to the Board, its need for additional staff could increase if proposed legislation, such as the licensure of geologists and interior designers, is enacted. Another initiative is the Board's desire to become more active in national and regional organizations by attending meetings and serving as officers in the organizations. The Board also informed the Subcommittee that members are visiting university campuses in Kansas that graduate engineers, architects, landscape

architects, and land surveyors to make students aware of the Board's activities and of state licensure requirements.

Financing the requested enhancements (the second new position and \$50,000 requested for new initiatives) would require an increase in the Board's fees. Because the Board presently is at the statutory maximum on its fees, an increase would require a change in the statutes. The Subcommittee understands that this legislation will be introduced this session.

It is the Subcommittee's opinion that, if legislation is enacted during the 1997 Session to expand the Board's authority to new licensees, raise the statutory maximum on the Board's fees, or otherwise affect the operations of the Board, the Legislature should revisit the Board's budget during consideration of the Omnibus Bill.

House Committee Recommendation

The House Committee concurs with the Subcommittee.

House Committee of the Whole Recommendation

The House Committee of the Whole has not taken action on this budget.

Agency: Board of Technical Professions	Bill No. 178		Bill Sec. 20
<u>Expenditure Summary</u>	<u>Agency Req. FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 494,259	\$ 402,145	\$ (4,475)*
FTE Positions	6.0	5.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>6.0</u></u>	<u><u>5.0</u></u>	<u><u>0.0</u></u>

* Reflects the deletion of the Governor's salary plan adjustments.

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the recommendations of the Governor, with the following exceptions:

8-4

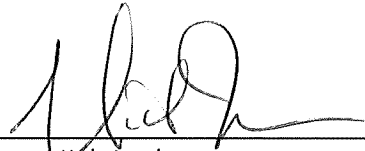
1. Delete \$4,475, based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$1,379); classified step movement (\$1,639); longevity bonus payments (\$727); and the 1.0 percent classified base salary adjustment (\$730) from individual agency budgets.
2. The Subcommittee calls attention to legislation that would bring geologists under the licensure authority of the Board of Technical Professions (H.B. 2490). If enacted, this legislation and other proposals being discussed would increase the Board's workload and the demands on its staff. (The graph at the end of this report shows the increase in the number of current and inactive licensees from 1980 through 1996.) The Subcommittee also notes that the Board had requested two additional positions to handle its current workload and that the number being recommended by the Governor and the Legislature is one. According to testimony by the Chairman of the Board, the Board plans to become more active in national and regional organizations by attending meetings and serving as officers in the organizations. These initiatives, added to the enactment of proposed legislation during the 1997 Session, would require an increase in the Board's fees in order to finance. Legislation that would increase the fees has been introduced in the House (H.B. 2509). The Subcommittee notes that some fees of the Board have not changed since 1949.

It is the Subcommittee's opinion that, if legislation is enacted during the 1997 Session to expand the Board's authority to new licensees, raise the statutory maximum on the Board's fees, or otherwise affect the operations of the Board, the Legislature should revisit the Board's budget during consideration of the Omnibus Bill.

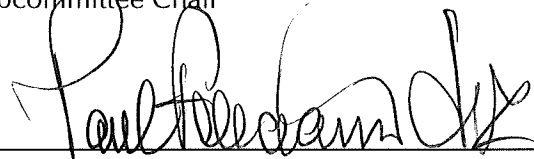
Current Status Comparison

	<u>Gov. Rec. FY 1998</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Subcommittee Change from House FY 1998</u>
State Operations:				
Special Revenue	\$ 402,145	\$ 402,145	\$ 397,670*	\$ (4,475)
FTE Positions	5.0	5.0	5.0	0.0
Unclass. Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>0.0</u>

* Reflects the deletion of the Governor's salary plan adjustments.



Senator Nick Jordan
Subcommittee Chair



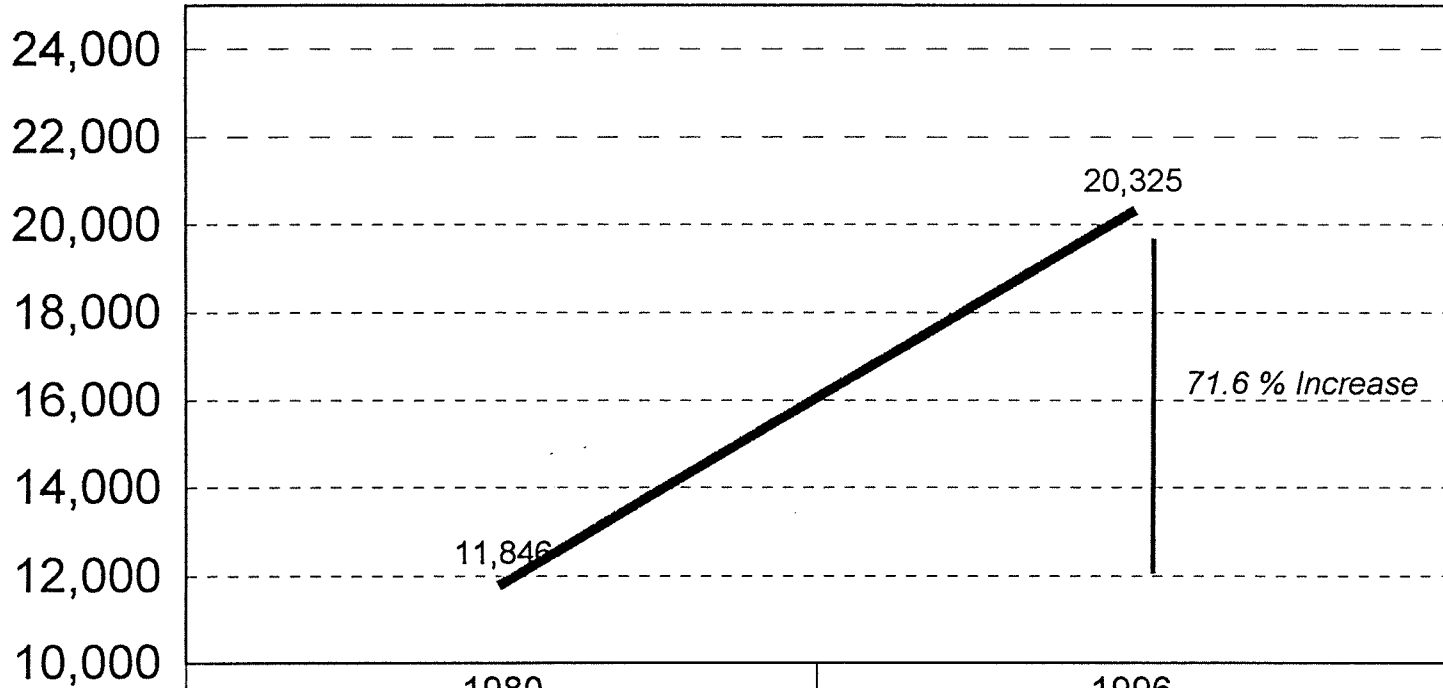
Senator Paul Feleciano, Jr.

Board of Technical Professions Licensees

Current and Inactive

1980 to 1996

6-9
8-9



	1980	1996
Engineers	8,444	14,322
Architects	2,394	4,163
Land Surveyors	737	1,245
Landscape Architect	271	595
Total Licensees	11,846	20,325

SUBCOMMITTEE REPORT

Agency: Board of Technical Professions

Bill No. 2160

Bill Sec. 20

Analyst: Rampey

Analysis Pg. No. 1454

Budget Page No. 561

<u>Expenditure Summary</u>	<u>Agency Req. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 501,484	\$ 412,803	-
FTE Positions	6.0	5.0	-
Unclassified Temp. Positions	0.0	0.0	-
TOTAL	<u>6.0</u>	<u>5.0</u>	<u>-</u>

Agency Req./Governor's Recommendation

The request for FY 1999 totals \$501,484, an increase of \$7,225 (1.5 percent) over FY 1998.

The Governor recommends expenditures of \$412,803 in FY 1999, an increase of \$10,658 (2.7 percent) over his recommendation for FY 1998 and a reduction of \$88,681 from the request.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis

The Board's main source of revenue is a \$50 biennial license renewal fee, which it wants to raise to \$65 in order to finance the enhancements requested for FY 1998 and FY 1999. Because the Board is at the statutory maximum on all of its fees, legislation would have to be enacted if the fees are to go up. The table below shows an estimate of Board expenditures and receipts through FY 1999. The estimates for the agency requests in FY 1998 and FY 1999 assume both the fee increase for the renewal of licenses (estimated to be \$153,102 each year) and additional revenue due to more vigorous identification of corporations that should be licensed (estimated to be \$35,100 each year). The Governor's recommendations for FY 1998 and FY 1999 assume that no new fee income will be generated due to fee increases.

<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Agency Estimate FY 1997</u>	<u>Gov. Rec. FY 1997</u>	<u>Agency Request FY 1998</u>	<u>Gov. Rec. FY 1998</u>	<u>Agency Request FY 1999</u>	<u>Gov. Rec. FY 1999</u>
Beginning Balance	\$ 236,824	\$ 266,117	\$ 266,117	\$ 283,913	\$ 288,206	\$ 316,458	\$ 262,303
Net Receipts	<u>388,951</u>	<u>393,066</u>	<u>393,066</u>	<u>526,804</u>	<u>376,242</u>	<u>553,348</u>	<u>402,786</u>
Total Funds Available	\$ 625,775	\$ 659,183	\$ 659,183	\$ 810,717	\$ 664,448	\$ 869,806	\$ 665,089
Less: Expenditures	<u>359,657</u>	<u>375,270</u>	<u>370,977</u>	<u>494,259</u>	<u>402,145</u>	<u>501,484</u>	<u>412,803</u>
Ending Balance	\$ 266,117	\$ 283,913	\$ 288,206	\$ 316,458	\$ 262,303	\$ 368,322	\$ 252,286
Ending Balance as Percentage of Expenditures	74.0%	75.7%	77.7%	64.0%	65.2%	73.4%	61.1%

House Committee Recommendation

The House Committee concurs with the Subcommittee.

House Committee of the Whole Recommendation

The House Committee of the has not considered this budget.

Agency: Board of Technical Professions

Bill No. 178

Bill Sec. 20

<u>Expenditure Summary</u>	<u>Agency Req. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 501,484	\$ 412,803	\$(7,448)*
FTE Positions	6.0	5.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>6.0</u>	<u>5.0</u>	<u>0.0</u>

* Reflects the deletion of the Governor's salary plan adjustments.

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the recommendations of the Governor, with the following exception:

1. Delete \$7,448, based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$2,792); classified step movement (\$3,429); and longevity bonus payments (\$1,229) from individual agency budgets.


Current Status Comparison

	<u>Gov. Rec. FY 1999</u>	<u>House Committee Action FY 1999</u>	<u>Senate Subcommittee Action FY 1999</u>	<u>Senate Subcommittee Change from House FY 1999</u>
State Operations:				
Special Revenue	\$ 412,803	\$ 412,803	\$ 405,355*	\$ (7,448)
FTE Positions	5.0	5.0	5.0	0.0
Unclass. Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>5.0</u></u>	<u><u>5.0</u></u>	<u><u>5.0</u></u>	<u><u>0.0</u></u>

* Reflects the deletion of the Governor's salary plan adjustments.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Examiners for Hearing Aids Bill No. –

Bill Sec. –

Analyst: Rampey

Analysis Pg. No. 1402

Budget Page No. 545

<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 14,266	\$ 14,266	--
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0

Agency Overview

The Board of Examiners for Hearing Aids regulates hearing aid dispensers. The Board consists of three licensed hearing aid dispensers and two public members who are appointed by the Governor. One of the Board members serves as Executive Secretary.

During the 1996 Session, the Board requested legislation that would have made a number of changes in statutes under which the Board operates. The bill passed the Senate but died in the House Committee on Health and Human Services. One reason the bill did not pass was that some legislators wanted the Board to consider a merger between the Board and the regulators of the practices of speech and language pathology and audiology. The practices of speech and language pathology and audiology have been regulated since 1991 by the Secretary of Health and Environment, with the advice of the Speech-Language Pathology and Audiology Board. Representatives of the Board of Examiners for Hearing Aids, the Department of Health and Environment, and of professional associations representing hearing aid examiners, speech and language pathologists, and audiologists have been meeting during the year to develop a consensus as to how the two regulatory functions can be combined. According to the Executive Secretary of the Board of Examiners for Hearing Aids, the group is making progress toward developing legislation that will address issues such as the composition of a merged board and the development of the licensure examination for hearing aid dispensers. However, that legislation probably will not be ready until the 1998 Session. One impetus for the merger is that the Board is at its statutory maximum for fees and, without a fee increase, could experience a revenue shortfall in the next three or four years.

Agency Estimate/Governor's Recommendation

The Board estimates expenditures of \$14,266, which are \$3,850 less than the \$18,116 approved for the current year. By condensing its testing schedule into two days twice a year instead of three days twice a year, the Board has been able to save on Board per diem

Senate Ways and Means Committee

Date 3-13-97

Attachment # 9

compensation and subsistence expenses. The Governor concurs with the Board's estimate for FY 1997.

House Subcommittee Recommendation

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

1. The Subcommittee understands that discussions of a merged regulatory function between the Board of Examiners for Hearing Aids and the Department of Health and Environment have been productive and that a merger proposal should be ready to present to the 1998 Legislature. The Subcommittee supports the merger efforts and encourages the parties involved to continue the discussion.

House Committee Recommendation

The House Committee concurs with the Subcommittee.

House Committee of the Whole

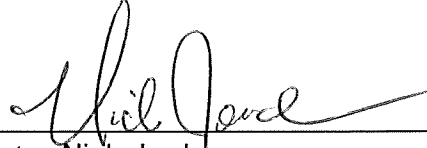
The House Committee of the Whole has not considered this budget.

Agency: Board of Examiners for Hearing Aids **Bill No. --** **Bill Sec. --**

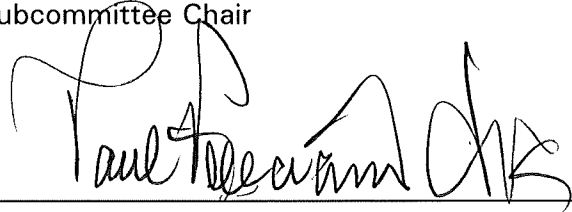
<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue	\$ 14,266	\$ 14,266	--
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Examiners for Hearing Aids **Bill No.** 2160

Bill Sec. 12

Analyst: Rampey

Analysis Pg. No. 1402

Budget Page No. 545

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 15,237	\$ 15,514	--
FTE Positions	0.0	0.0	--
Unclassified Temp. Positions	0.0	0.0	--

Agency Request/Governor's Recommendation

The Board estimates expenditures of \$15,237 for FY 1998, an increase of \$971 over the current year. The increase consists of \$581 in salaries and \$390 for other operating expenses. The Governor recommends expenditures of \$15,514 for FY 1998, an increase of \$277 over the Board's request. The increase is in the area of salaries.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor.

House Committee Recommendation

The House Committee concurs with the Subcommittee.

House Committee of the Whole

The House Committee of the Whole has not acted on this budget.

9-4
-9-5

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 15,237	\$ 15,514	\$ (25) *
FTE Positions	0.0	0.0	-
Unclassified Temp. Positions	0.0	0.0	-

* Reflects the deletion of the Governor's salary plan adjustments.

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the recommendation of the Governor, with the following exceptions:

1. Delete \$25 based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$25) from individual agency budgets.
2. The Subcommittee wishes to note that the Board of Examiners for Hearing Aids is engaged in discussions with the Department of Health and Environment concerning a merger of the regulatory functions performed by the Board and by the Department with regard to the practices of speech and language pathology and audiology. According to the Executive Secretary of the Board, the parties involved hope to have a proposal to make to the 1998 Legislature to implement the merger.

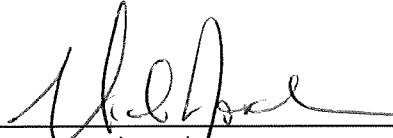
The Subcommittee wishes to call particular attention to the fact that since 1994 the Board has been spending more each year than it receives in new revenues. A relatively high ending balance has enabled the Board to operate without a fee increase, but at its present level of operations the Board will experience a shortfall in three to four years. Because the Board presently is at the statutory maximum on its fees, a fee increase soon will be necessary if the merger is not accomplished.

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Current Status Comparison

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 98</u>	<u>House Committee Recommendation FY 1998</u>	<u>Senate Subcommittee Recommendation FY 1998</u>	<u>Senate Subcommittee Change from House</u>
State Operations:				
Special Revenue Fund	\$ 15,514	\$ 15,514	\$ 15,489 *	\$ (25)
FTE Positions	2.0	-	-	-
Unclassified Temp. Positions	0.0	0.0	0.0	-

* Reflects the deletion of the Governor's salary plan adjustments.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

9-6
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SUBCOMMITTEE REPORT

Agency: Board of Examiners for Hearing Aids **Bill No.** 2160

Bill Sec. 12

Analyst: Rampey

Analysis Pg. No. 1402

Budget Page No. 545

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 15,237	\$ 14,428	-
FTE Positions	0.0	0.0	-
Unclassified Temp. Positions	0.0	0.0	-

Agency Request/Governor's Recommendation

The Board's estimate of expenditures of \$15,237 in FY 1999 is the same as for FY 1998. The Governor recommends an expenditure limitation of \$14,428 in FY 1999, a reduction of \$1,086 from his recommendation for FY 1998. The reduction is in the areas of salaries (\$846) and contractual services (\$240).

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis

The major source of revenue for the Board is the \$50 fee charged licensees annually to renew their licenses and a \$50 fee charged applicants to take the licensure examination. The Board currently is at its statutory maximum on all of its fees.

The table below shows projected receipts and expenditures through FY 1999, based on the Board's request and the Governor's recommendation, with which the House Subcommittee concurs:

<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Agency Estimate FY 1997</u>	<u>Gov. Rec. FY 1997</u>	<u>Agency Req. FY 1998</u>	<u>Gov. Rec. FY 1998</u>	<u>Agency Req. FY 1999</u>	<u>Gov. Rec. FY 1999</u>
Beginning Balance	\$ 17,572	\$ 12,458	\$ 12,458	\$ 13,192	\$ 13,192	\$ 10,455	\$ 10,182
Net Receipts	<u>10,322</u>	<u>15,000*</u>	<u>15,000</u>	<u>12,500</u>	<u>12,504</u>	<u>12,500</u>	<u>12,504</u>
Total Funds Available	\$ 27,894	\$ 27,458	\$ 27,458	\$ 25,692	\$ 25,696	\$ 22,955	\$ 22,686
Less: Expenditures	<u>15,436</u>	<u>14,266</u>	<u>14,266</u>	<u>15,237</u>	<u>15,514</u>	<u>15,237</u>	<u>14,428</u>
Ending Balance	<u>\$ 12,458</u>	<u>\$ 13,192</u>	<u>\$ 13,192</u>	<u>\$ 10,455</u>	<u>\$ 10,182</u>	<u>\$ 7,718</u>	<u>\$ 8,258</u>
Ending Balance as Percentage of Expend.	80.7%	92.5%	92.5%	68.6%	65.6%	50.7%	57.2%

* The Board says that receipts for FY 1997 are disproportionately high because some fees for licenses renewed in FY 1996 were not deposited until FY 1997.

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House Committee Recommendation

The House Committee concurs with the Subcommittee.

House Committee of the Whole

The House Committee of the Whole has not taken action on this budget.

Agency: Board of Examiners for Hearing Aids **Bill No.**178

Bill Sec. 12

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 15,237	\$ 14,428	\$ (36)*
FTE Positions	0.0	0.0	--
Unclassified Temp. Positions	0.0	0.0	--

* Reflects the deletion of the Governor's salary plan adjustments.

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the recommendation of the Governor, with the following exception:

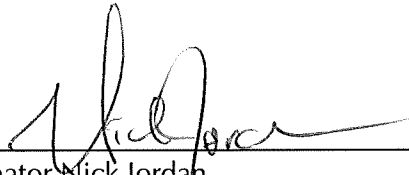
1. Delete \$36 based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$36) from individual agency budgets.

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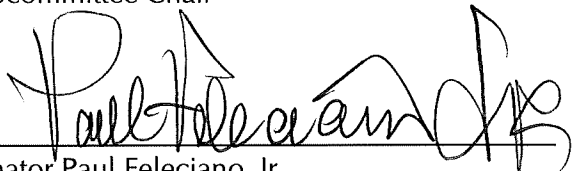
Current Status Comparison

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 1999</u>	<u>House Committee Recommendation FY 1999</u>	<u>Senate Subcommittee Recommendation FY 1999</u>	<u>Senate Subcommittee Change from House</u>
State Operations:				
Special Revenue Fund	\$ 14,428	\$ 14,428	\$ 14,392*	\$ (36)
FTE Positions	2.0	-	-	-
Unclassified Temp. Positions	0.0	0.0	0.0	-

* Reflects the deletion of the Governor's salary plan adjustments.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Behavioral Sciences Regulatory Board

Bill No. –

Bill Sec. –

Analyst: Milstead

Analysis Pg. No. 1361

Budget Page No. 533

<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 360,861	\$ 360,861	\$ 0
FTE Positions	6.5	6.5	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>6.5</u></u>	<u><u>6.5</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The Board's FY 1997 estimate of expenditures totals \$360,861, the same amount approved by the 1996 Legislature. The Governor recommends no change to the approved budget of \$360,861.

House Subcommittee Recommendation

The Subcommittee concurs with the recommendation of the Governor.

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

House Committee of the Whole Recommendation

The House has not acted on this agency's budget.

Senate Ways and Means Committee

Date *3-13-97*

Attachment # *10*

Agency: Behavioral Sciences Regulatory Board

Bill No. --

Bill Sec. --

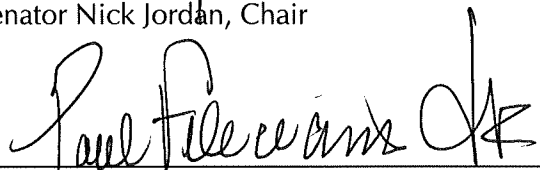
<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 360,861	\$ 360,861	\$ 0
FTE Positions	6.5	6.5	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>6.5</u>	<u>6.5</u>	<u>0.0</u>

Senate Subcommittee Recommendation

For FY 1997, the Subcommittee concurs with the Governor's recommendation.



Senator Nick Jordan, Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Behavioral Sciences Regulatory Board **Bill No. 2160**

Bill Sec. 6

Analyst: Milstead

Analysis Pg. No. 1361

Budget Page No. 533

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 402,614	\$ 363,342	\$ 0
FTE Positions	7.5	6.5	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>7.5</u></u>	<u><u>6.5</u></u>	<u><u>0.0</u></u>

Agency Request/Governor's Recommendation

The Board's FY 1998 budget request totals \$402,614, an increase of \$41,753, or 11.6 percent, above the revised FY 1997 estimate. The increase is attributable to an **enhancement** request for FY 1998. The request includes funding for the addition of a 0.5 FTE Attorney III position (\$23,563 including fringe benefits) and a 0.5 FTE Secretary III position (\$12,756 including fringe benefits). In addition, \$5,614 in capital outlay is requested for furniture and equipment for the new positions.

The Governor recommends FY 1998 expenditures of \$363,342, which is \$39,272 or 9.8 percent, less than the agency's request of \$402,614. The Governor's funding recommendation will allow the Board to continue activities at the current level. The agency's request for a new 1.0 FTE position is not recommended. The Governor's funding recommendation includes a 1.0 percent base salary adjustment.

House Subcommittee Recommendation

The Subcommittee concurs with the recommendation of the Governor with the following observations:

1. The Subcommittee requests the Board develop and submit to the Subcommittee a comprehensive long-range plan regarding the Board's computer system.

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

Expenditure Summary	Agency Request FY 98	Gov. Rec. FY 98	Senate Subcommittee Adjustments
State Operations:			
Special Revenue Fund	\$ 402,614	\$ 363,342	\$(5,681)
FTE Positions	7.5	6.5	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>7.5</u>	<u>6.5</u>	<u>0.0</u>

Senate Subcommittee Recommendation

For FY 1998, the Subcommittee concurs with the Governor’s recommendation with the following observation:

1. The Subcommittee is deeply concerned with the daily operations of the Board. A letter of complaint against the Board alleged undue delay regarding a psychologist’s request for licensure. In short, from the filing of the request for licensure until final action by the Board, 11 months passed. The letter of complaint alleged that the delay stemmed from the Board’s failure to timely schedule a hearing on an application, failure to communicate decisions in a timely manner and failure to schedule an appeal in a timely fashion.

The Subcommittee believes that such delays are inexcusable.

A second reason for concern stems from the agency’s hesitancy or refusal to work with the Attorney General’s Office regarding the Board’s complaints of inefficient counsel services provided by the Attorney General’s Office. Although the Subcommittee notes that the Board is now pleased with the individual currently assigned to Board cases by the Attorney General, the fact remains that the process of assigning Board cases remains problematic.

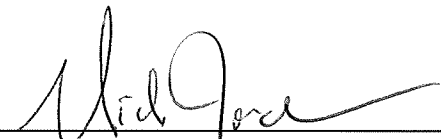
In light of the foregoing, the Subcommittee recommends that the Legislative Division of Post Audit conduct a review of the daily operations of the Board of Behavioral Sciences. It is hoped that such an audit will provide constructive criticism to improve the Board’s operations.

2. Delete \$5,681 based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$1,752); classified step movement (\$2,379); and the 1.0 classified base salary adjustment (\$1,550).

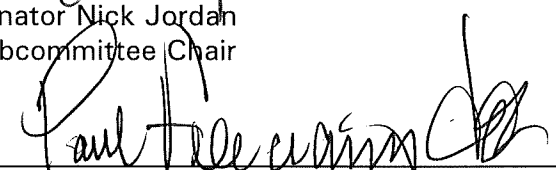
Current Status Comparison

	<u>Gov. Rec. FY 1998</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Subcommittee Change from House FY 1998</u>
State Operations:				
Special Revenue Fund	\$ 363,342	\$ 363,342	\$ 357,661	\$ (5,681)*
FTE	7.5	7.5	7.5	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>7.5</u>	<u>7.5</u>	<u>7.5</u>	<u>0.0</u>

* Reflects deletion of pay plan.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Behavioral Sciences Regulatory Board

Bill No. 2160

Bill Sec. 6

Analyst: Milstead

Analysis Pg. No. 1361

Budget Page No. 533

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 405,537	\$ 371,612	\$ 0
FTE Positions	7.5	6.5	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>7.5</u>	<u>6.5</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The Board's FY 1999 budget request totals \$405,537, an increase of \$2,923, or 0.7 percent, above the FY 1998 request. The request includes the **enhancement** request discussed for FY 1998 (absent the request for furniture and equipment). The request includes \$36,658 for the two new 0.5 FTE positions requested initially for FY 1998 and continued for FY 1999.

The Governor recommends funding of \$371,612 which is \$33,925, or 8.4 percent, less than the agency's request. The Governor's recommendation allows the Board to continue at current service levels.

House Subcommittee Recommendation

The Subcommittee concurs with the recommendation of the Governor.

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

House Committee of the Whole Recommendation

The House has not yet acted upon this agency's budget.

Agency: Behavioral Sciences Regulatory Board

Bill No. 178

Bill Sec. 6

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 405,537	\$ 371,612	\$ (5,171) *
FTE Positions	7.5	6.5	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>7.5</u></u>	<u><u>6.5</u></u>	<u><u>0.0</u></u>

* Reflects deletion of pay plan.

Senate Subcommittee Recommendation

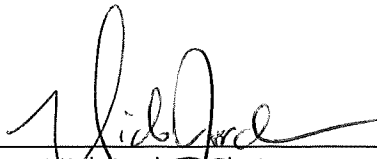
The Subcommittee concurs with the Governor's recommendation with the following adjustment:

1. Delete \$5,171 based on the recommendation to delete funding for unclassified merit pool (\$1,296) and classified step movement (\$3,875).

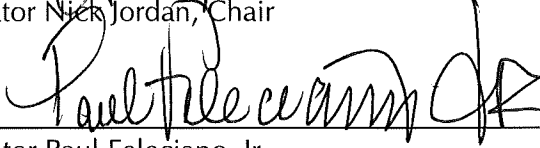
Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 1999</u>	<u>House Committee Action FY 1999</u>	<u>Senate Committee Action FY 1999</u>	<u>Senate Change from House</u>
All Funds:				
State Operations	\$ 371,612	\$ 371,612	\$ 366,441	\$ (5,171)*
FTE Positions	7.5	7.5	7.5	0.0
Unclass. Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>7.5</u></u>	<u><u>7.5</u></u>	<u><u>7.5</u></u>	<u><u>0.0</u></u>

* Reflects deletion of pay plan.



 Senator Nick Jordan, Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. 2272

Bill Sec. 5

Analyst: Milstead

Analysis Pg. No. 1414

Budget Page No. 549

<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Board of Nursing Fee Fund	\$ 914,136	\$ 891,763	\$ 0
Education Conf. Fund	500	500	0
	<u>\$ 914,636</u>	<u>\$ 892,263</u>	<u>\$ 0</u>
FTE Positions	16.5	16.5	0.0
Unclassified Temp. Positions	1.5	0.0	0.0
TOTAL	<u>18.0</u>	<u>16.5</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The Board of Nursing estimates FY 1997 expenditures from the Board of Nursing Fee Fund of \$914,136, which is \$26,490 more than was approved by the 1996 Legislature. The estimated higher than approved expenditures are based on the following agency requests for supplemental authorization.

- Salary and Wage Adjustment.** The Board seeks authorization for a \$5,669 expenditure increase due to a recalculation of salary schedules for FY 1997. Of the requested expenditure limitation increase \$2,689 is needed because of personnel shifts in four positions and consequent recalculation of salaries and \$2,108 is needed because more employees are using the state's family health insurance plan.
- Temporary Help.** The agency requests an expenditure limitation increase of \$11,994 for 3.0 part-time positions for the Disciplinary Department for three months for FY 1997. The agency states that the new positions are needed to increase the number of cases investigated and the number of cases taken for disciplinary action. The agency states that over the last two years there has been a 20 percent increase in the backlog of cases for investigation and hearing. The three positions would be used to reduce the backlog. The three positions are as follows: 0.5 Registered Nurse III(Investigator); 0.5 Assistant Attorney General; and, 0.5 Secretary II. (NOTE: The agency is requesting these positions become permanent 1.5 FTE positions for FY 1998 and FY 1999.)
- Commodities.** The agency requests an expenditure limitation increase of \$5,000 for commodities (expenditures for commodities would increase from \$27,500 to

Senate Ways and Means Committee

Date *2-13-97*

Attachment # *11*

\$32,500). The agency bases its request on actual FY 1996 costs which were \$6,000 higher than what was budgeted. The bulk of expenditures for commodities is for paper supplies for copying and distribution.

- 4. **Capital Outlay.** The agency requests an expenditure limitation increase of \$7,000 for capital outlay. The FY 1997 approved amount is \$1,000. The request is for the purchase of a new printer to replace a printer that has been used since 1987. The agency states that not only is the older printer becoming idiosyncratic and often in need of repair (the agency states that repairs on the printer have cost \$2,500 over the last two years), but that it is not fast enough to efficiently keep up with a new computer the agency purchased in FY 1995.

The Governor recommends for FY 1997 funding of \$892,263, which is \$22,373, or 2.4 percent less than the agency's request. The Governor recommends funding two of the foregoing requests: \$5,669 requested due to recalculation of salaries and \$7,000 for capital outlay.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.


House Committee of the Whole Recommendation

The House has not yet considered this agency's budget.

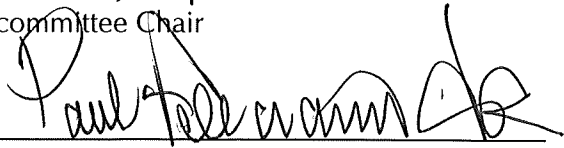
Agency:	Board of Nursing	Bill No. 2272	Bill Sec. 5
	<u>Expenditure Summary</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
	State Operations:		
	Board of Nursing Fee Fund	\$ 891,763	\$ 0
	Education Conf. Fund	500	0
		<u>\$ 892,263</u>	<u>\$ 0</u>
	FTE Positions	16.5	0.0
	Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>
	TOTAL	<u>16.5</u>	<u>0.0</u>

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. 2160

Bill Sec. 14

Analyst: Milstead

Analysis Pg. No. 1414 **Budget Page No.** 549

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Board of Nursing Fee Fund	\$ 1,007,708	\$ 917,128	\$ 0
Education Conf. Fund	500	500	0
	<u>\$ 1,008,208</u>	<u>\$ 917,628</u>	<u>\$ 0</u>
FTE Positions	18.0	16.5	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>18.0</u>	<u>16.5</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The Board of Nursing requests an FY 1998 expenditure limitation on the Board of Nursing Fee Fund of \$1,008,208. This represents an increase of 10.2 percent (\$93,572) above the agency's FY 1997 revised estimate. The requested increase is attributable primarily to a request for 1.5 new FTE positions. That request is discussed below.

Enhancement Request. The Board requests \$88,729 (\$57,215 in salaries and wages (including fringe benefits)) for three new half-time positions (1.5 FTE positions) for the Disciplinary Department in order to increase the number of cases investigated and the number of cases taken for disciplinary action. The agency states that the new positions are needed to increase the number of cases investigated and the number of cases taken for disciplinary action. The agency states that over the last two years there has been a 20 percent increase in the backlog of cases for investigation and hearing. The three positions would be used to reduce the backlog. The requested positions include a 0.5 FTE Registered Nurse position (\$18,657 including fringe benefits), a 0.5 Assistant Attorney General (\$23,253 including fringe benefits) and a 0.5 Secretary (\$11,940 including fringe benefits).

The Governor recommends FY 1998 funding of \$917,628 which is \$90,580, or 9.0 percent less than the Board's request. The Governor's recommendation provides funding to maintain current service levels. The Governor does not recommend the enhancement request.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor.

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

House Committee of the Whole Recommendation

The House has not yet considered this agency's budget.

Agency: Board of Nursing

Bill No. 178

Bill Sec. 14

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Board of Nursing Fee Fund	\$ 917,128	\$ 17,354*
Education Conf. Fund	500	0
	<u>\$ 917,628</u>	<u>\$ 17,354</u>
FTE Positions	16.5	1.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>16.5</u>	<u>1.0</u>

* Includes deletion of Governor's pay plan— \$24,318.

Senate Subcommittee Recommendation

For FY 1998, the Subcommittee concurs with the Governor's recommendation with the following adjustments and observations:

1. Delete \$24,318 based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$3,756); classified step movement (\$10,697); longevity bonus payment (\$5,285); and the 1.0 percent classified base salary adjustment (\$4,580).
2. Add \$41,672 for a 1.0 FTE Registered Nurse III Investigator for the disciplinary department. The Subcommittee makes this recommendation in the strongest terms possible. The Subcommittee notes that the Board faces a continuing backlog of cases for investigation with some cases languishing for over two years. The addition of this new FTE position will slow the increase in the number of cases pending for investigation. The Subcommittee notes that the Kansas State Nurses Association (KSNA) testified that the state's nurses and nursing administrators have grown indifferent toward filing

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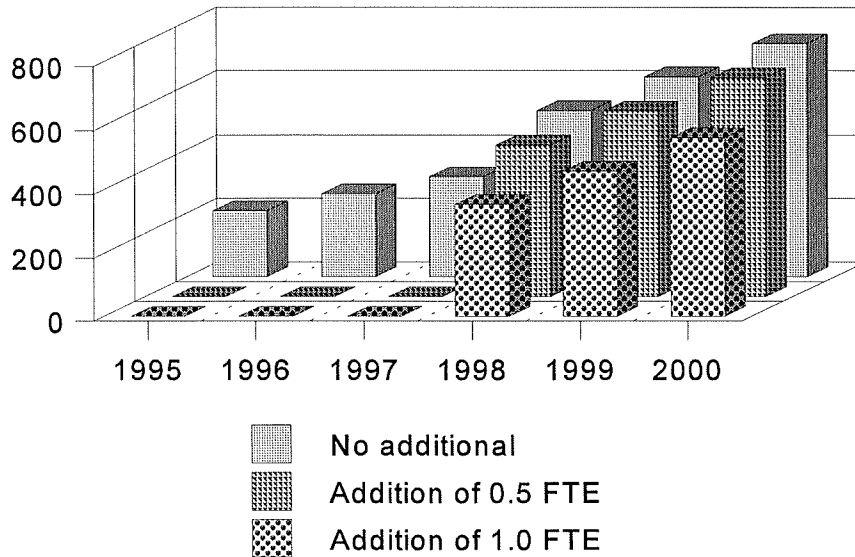
complaints about licensees with the Board because of a growing perception that such filings will be met with inaction. KSNA stated that the inability of the Board, under current staffing, to timely complete investigations, has undermined the Board's credibility within the nursing community. KSNA stated that funding the new FTE would serve to remedy both that perception and the case backlog.

The Subcommittee notes that without this recommended increase in staffing, the number of cases pending investigation would be 523 in FY 1998, 628 in FY 1999 and 733 in FY 2000. By contrast, with the additional staffing recommended, the number of cases pending investigation is projected to be 353 in FY 1998, 458 in FY 1999, and 563 in FY 2000. The Subcommittee notes that the types of cases investigated by the Board include those alleging professional incompetence, gross negligence, unlicensed practice, unprofessional conduct, verbal or physical abuse, alcoholism, drug addiction, falsifying or altering records, and other transgressions.

The Subcommittee provides the following graph which illustrates the growth in pending cases for the Committee's review:

Number of Investigations Pending

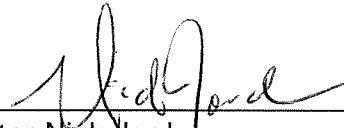
1997-2000 Projected



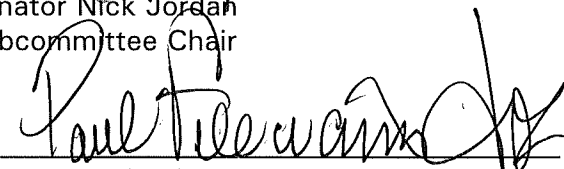
Current Status Comparison

	<u>Gov. Rec. FY 1998</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Subcommittee Change from House FY 1998</u>
State Operations:				
Board of Nursing Fee Fund	\$ 917,128	\$ 917,128	\$ 934,482	\$ 17,354*
Education Conf. Fund	<u>500</u>	<u>500</u>	<u>500</u>	<u>0</u>
TOTAL	<u>\$ 917,628</u>	<u>\$ 917,128</u>	<u>\$ 934,482</u>	<u>\$ 17,354</u>
FTE Positions	16.5	16.5	17.5	1.0
Unclass. Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>16.5</u>	<u>16.5</u>	<u>17.5</u>	<u>1.0</u>

* Senate action includes a reduction of \$24,318 from the pay plan.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. 2160

Bill Sec. 14

Analyst: Milstead

Analysis Pg. No. 1414

Budget Page No. 549

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Board of Nursing Fee Fund	\$ 1,019,016	\$ 945,177	\$ 0
Education Conf. Fund	500	500	0
	<u>\$ 1,019,516</u>	<u>\$ 945,677</u>	<u>\$ 0</u>
FTE Positions	18.0	16.5	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>18.0</u>	<u>16.5</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The Board of Nursing requests an FY 1999 expenditure limitation on the Board of Nursing Fee Fund in the amount of \$1,019,016. This is an increase of \$11,308 (1.1 percent) over the FY 1998 request and an increase of \$104,880, or 11.4 percent, over the agency's FY 1997 revised estimate. The Board continues its enhancement request for 1.5 new FTE positions for FY 1999. The enhancement request for FY 1999 is \$73,656, of which \$58,973 is for salaries and wages.

The Governor recommends FY 1999 funding of \$945,177 from the Board of Nursing Fee Fund, which is \$73,839, or 7.2 percent, less than the agency's request. The Governor's recommendation will provide funding to continue current service levels. The recommendation includes \$645,186 for salaries and wages, a reduction of \$54,359, or 7.8 percent, from the agency's request. The Governor does not recommend the requested enhancement.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor.

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

House Committee of the Whole Recommendation

The full House has not yet considered this budget.

Agency: Board of Nursing

Bill No. 178

Bill Sec. 14

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Board of Nursing Fee Fund	\$ 945,177	\$21,959 *
Education Conf. Fund	500	0
	<u>\$ 945,677</u>	<u>\$ 21,959</u>
FTE Positions	16.5	1.0
Unclassified Temp. Positions	0.0	0.0
TOTAL	<u>16.5</u>	<u>1.0</u>

* Includes \$18,555 deleted for pay plan.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments:

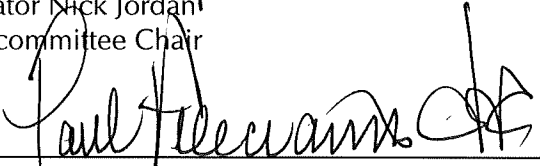
1. Delete \$18,555 based on the recommendation to delete funding for unclassified step movement (\$2,777); classified step movement (\$10,209); and longevity pay (\$5,569).
2. Add \$40,514 for a 1.0 FTE Nurse Investigator III. (See discussion of this issue in FY 1998 report.)

Current Status Comparison

	<u>Gov. Rec. FY 1999</u>	<u>House Committee Action FY 1999</u>	<u>Senate Subcommittee Action FY 1999</u>	<u>Senate Subcommittee Change from House FY 1999</u>
State Operations:				
Board of Nursing Fee Fund	\$ 945,177	\$ 945,177	\$ 967,136	\$ 21,959
Education Conf. Fund	<u>500</u>	<u>500</u>	<u>500</u>	<u>0</u>
TOTAL	<u>\$ 945,677</u>	<u>\$ 945,677</u>	<u>\$ 967,636</u>	<u>\$ 21,959</u>
FTE Positions	16.5	16.5	17.5	1.0
Unclass. Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>16.5</u>	<u>16.5</u>	<u>17.5</u>	<u>1.0</u>



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Optometry Examiners

Bill No. 2160

Bill Sec. 15

Analyst: Milstead

Analysis Pg. No. 1421

Budget Page No. 551

<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 61,583	\$ 61,583	\$ 0
FTE Positions	0.3	0.3	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>0.3</u>	<u>0.3</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency requests current year expenditures of \$61,583. This is the same as was approved by the 1996 Legislature.

The Governor recommends \$61,583 for the current year, the same as the agency's request.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

Senate Ways and Means Committee

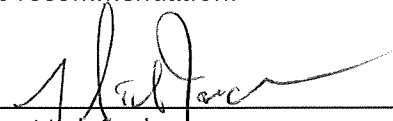
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Attachment # 12

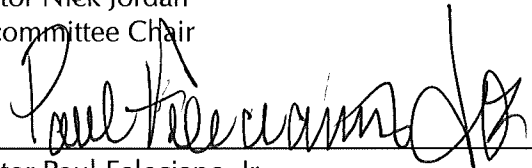
<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 61,583	\$ 61,583	\$ 0
FTE Positions	0.3	0.3	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>0.3</u></u>	<u><u>0.3</u></u>	<u><u>0.0</u></u>

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Optometry Examiners

Bill No. 2160

Bill Sec. 15

Analyst: Milstead

Analysis Pg. No. 1421

Budget Page No. 551

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 89,071	\$ 81,244	\$ 0
FTE Positions	1.0	1.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency requests FY 1998 expenditures of \$89,071. This is an increase of \$27,488, or 44.6 percent, over the amount estimated for FY 1997. Part of the increase is due to a requested additional 0.7 FTE position (\$20,692, including fringe benefits) resulting in an increase from 0.3 FTE positions to 1.0 FTE position. The Board states this requested **enhancement** is necessary due to 1996 S.B. 684. The agency states that due to the statutory change regarding adult open-angle glaucoma, the Secretary-Treasurer is receiving approximately three times the mail received in the past. The licensees are required to file glaucoma co-management reports to the Board in a timely manner. The Board states that this will result in up to 21 more letters from each of up to 500 licensees each year, a total increase of 10,500 items annually. Consequently, the Board requests that the part-time position (0.3 FTE) be changed to a full-time position.

The agency's request includes an **enhancement** of \$6,000 for contractual services for FY 1998. (The total contractual services request is \$44,250). The enhancement would allow the agency to enter into a contract for a part-time investigator in FY 1998. The agency states that as more complicated investigations are required for enforcement, the Board believes that an independent investigator will be cost-effective.

The Governor, for FY 1998, recommends fee fund expenditures of \$81,244. The recommendation is a reduction of \$7,827 (8.8 percent) from the agency's request.

The Governor concurs with the agency's request to increase staffing for the Board from a 0.3 FTE position to a 1.0 FTE (Secretary I) position. The Governor recommends funding of \$2,400 for capital outlay in FY 1998. The Governor does not recommend the enhancement request for contractual services.

House Subcommittee Recommendation

The Subcommittee concurs with the recommendation of the Governor with the following observation:

In light of the Board's request for funding to finance a contract for a part-time investigator, the Subcommittee requests that the Board itemize costs incurred for investigative services and present that information to the Subcommittee. The Subcommittee notes that such information is needed in order to better assess the cost-effectiveness of the Board's request for funding for an investigator contract.

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

Agency: Board of Optometry Examiners

Bill No. 178

Bill Sec. 15

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 89,071	\$ 81,244	\$ (362) *
FTE Positions	1.0	1.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>

* Reflects deletion of Governor's pay plan.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following observations:

1. Delete \$362 based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$177) and the 1.0 percent classified base salary adjustment (\$185) from individual agency budgets.
2. The Subcommittee concurs with the Governor's recommended new 0.7 FTE position. The Subcommittee notes that the new position is necessitated by 1996 S.B. 684 which allows optometrists to diagnose and treat adult open-angle glaucoma.

The bill also requires all optometrists treating patients afflicted with the disease to file with the Board glaucoma management reports. These newly required reports could result in up to 10,500 new written reports handled by the Board annually. That increase warrants the additional 0.7 FTE position.

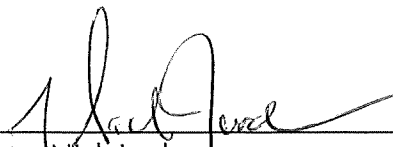
- 3. In light of the Board's request for funding of \$6,000 to finance a contract for a part-time investigator, the Subcommittee requests that the Board itemize costs incurred for investigative services and present that information to the Subcommittee. The Subcommittee notes that such information is needed in order to better assess the cost-effectiveness of the Board's request for funding for an investigator contract. Pending receipt of that information, the Subcommittee concurs with the Governor's recommendation to not fund this request.

The Subcommittee recommends that the Committee revisit this item during the 1997 Omnibus Session to review the Board's itemized costs for investigative services..

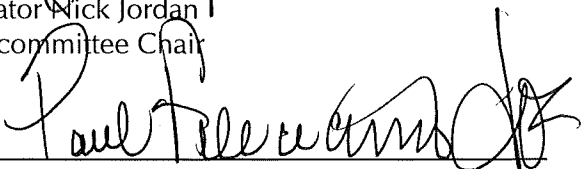
Current Status Comparison

	Gov. Rec. FY 1998	House Committee Action FY 1998	Senate Subcommittee Action FY 1998	Senate Subcommittee Change from House FY 1998
Special Rev. Fund	\$ 81,244	\$ 81,244	\$ 80,882	(362) *
FTE Positions	1.0	1.0	1.0	0.0

* Reflects deletion of Governor's pay plan.



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Optometry Examiners

Bill No. 2160

Bill Sec. 15

Analyst: Milstead

Analysis Pg. No. 1421

Budget Page No. 551

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 88,959	\$ 82,686	\$ 0
FTE Positions	1.0	1.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency requests FY 1999 expenditures in the amount of \$88,959. This is a decrease of \$112, or 0.1 percent, below the requested expenditures for FY 1998. The request would allow the Board to continue service levels at the FY 1998 request level (including the requested enhancement of 0.7 FTE position and the investigation contract from FY 1998.)

The Governor recommends fee fund expenditures of \$82,686, a reduction of \$6,273 (7.1 percent) from the agency's request and an increase of \$1,442 (1.8 percent) above the Governor's FY 1998 recommendation. The Governor's recommendation provides continued funding for the 1.0 FTE position (\$21,440).

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The Committee concurs with the Subcommittee's recommendation.

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 88,959	\$ 82,686	\$ (690) *
FTE Positions	1.0	1.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>

* Reflects deletion of Governor's pay plan.

Senate Subcommittee Recommendation

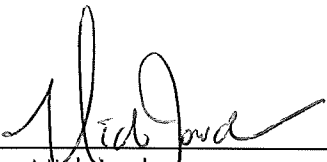
The Subcommittee concurs with the Governor's recommendation with the following modification:

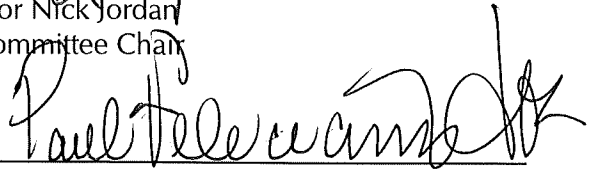
1. Delete \$690 based on the recommendation to delete funding for the unclassified merit pool (\$131) and classified step movement (\$559).

Current Status Comparison

	<u>Gov. Rec. FY 1999</u>	<u>House Committee Action FY 1999</u>	<u>Senate Subcommittee Action FY 1999</u>	<u>Senate Subcommittee Change from House FY 1999</u>
Special Rev. Fund	\$ 82,686	\$ 82,686	\$ 81,996	(690) *
FTE Positions	1.0	1.0	1.0	1.0

* Reflects deletion of Governor's pay plan.



 Senator Nick Jordan
 Subcommittee Chair


 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Dental Board

Bill No. --

Bill Sec. --

Analyst: Pierron

Analysis Pg. No. 1388

Budget Page No. 541

<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 191,830	\$ 191,773	\$ 0
FTE Positions	2.4	2.4	0.0

Agency Estimate/Governor's Recommendation

The Board requests FY 1997 expenditures of \$191,830, a decrease of \$14,913 from the limitation approved by the 1996 Legislature. The revised estimate reflects a savings in printing and communication due to a switch from annual to biennial licensing for dentists and hygienists. The agency also reports an increase in fees for professional services to secure outside counsel for litigation of Dental Board cases. The Governor recommends FY 1997 expenditures of \$191,773, \$57 less than the agency estimate and \$14,970 less than the approved budget. This funding will provide for the Board's anticipated level of service and will maintain the Board's 2.4 FTE.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendations.

House Committee Recommendation

The House Committee concurs with the House Subcommittee.

House Recommendation

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

Senate Ways and Means Committee

Date 3-13-97

Attachment # 13

Agency: Dental Board

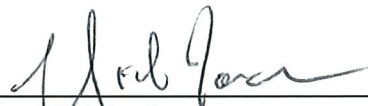
Bill No. --

Bill Sec. --

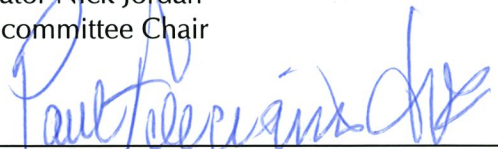
<u>Expenditure Summary</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 191,773	\$ 0
FTE Positions	2.4	0.0

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Dental Board

Bill No. 2160

Bill Sec. 10

Analyst: Pierron

Analysis Pg. No. 1388

Budget Page No. 541

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 193,511	\$ 194,248	\$ 0
FTE Positions	2.4	2.4	0.0

Agency Request/Governor's Recommendation

The Board requests an expenditure limitation of \$193,511 for FY 1998, an increase of \$1,681 or 0.9 percent over FY 1997. The request includes a rise in fees for office space rental and for repair and servicing of the office copying machine. The agency requests \$86,411 for salaries and wages in FY 1998. The request includes \$506 for unclassified merit, \$537 for holiday pay, \$1,000 for longevity, and a 0.0 percent shrinkage rate.

The Governor recommends an expenditure limitation of \$194,248 for FY 1998, an increase of \$2,475 or 1.3 percent over FY 1997. The Governor concurs with the agency's request of \$107,100 for other operating expenditures in FY 1998. The recommendation in FY 1998 is \$262 less than the FY 1997 recommendation for other operating expenditures. It appears that the Governor's recommendation for other operating expenditures in FY 1998 reflects an 8.3 percent increase (\$5,000) over the FY 1997 recommendation in professional services. The increase would provide for additional legal expertise to resolve serious complaints and also for computer software updates.

The Governor recommends \$87,148 for salaries and wages in FY 1998, which includes a 1.0 percent base salary adjustment, a 3.5 percent unclassified merit pool (\$711), holiday pay (\$537), longevity (\$1,000), and a 0.0 percent shrinkage rate.

House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendations.

House Committee Recommendation

The House Committee concurs with the House Subcommittee.

House Recommendation

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



Agency:	Dental Board	Bill No. 178	Bill Sec. 10
	<u>Expenditure Summary</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
	State Operations:		
	Special Revenue Fund	\$ 194,248	\$ (2,605)*
	FTE Positions	2.4	0.0

* The entire reduction reflects removal of the Governor's recommended employee pay plan.

Senate Subcommittee Recommendations

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

1. Delete \$2,605 based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$808); classified step movement (\$92); longevity bonus payments (\$1,137); and the 1.0 percent classified base salary adjustments (\$568).

Fee Fund Analysis—Dental Board Fee Fund

	Actual FY 96	Senate Subcommittee Recommendation FY 97	Senate Subcommittee Recommendation FY 98
Balance Forward	\$ 178,694	\$ 186,262	\$ 272,089 *
Add: Receipts	<u>180,592</u>	<u>270,600</u>	<u>96,740</u>
Total Funds Available	\$ 359,286	\$ 456,862	\$ 368,829
Less: Expenditures	<u>173,024</u>	<u>191,830</u>	<u>191,643</u>
Ending Balance	<u>\$ 186,262</u>	<u>\$ 265,032</u>	<u>\$ 177,186</u>


Ending Balance as a Percentage of Expenditures 107.6% 138.2% 92.4%

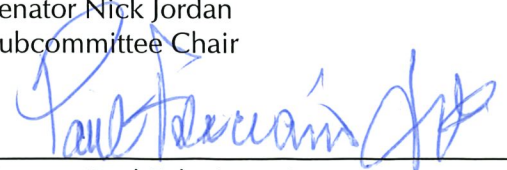
* This number includes \$7,000 of Kansas Quality Management Funds reappropriated from FY 1997 for computer and printer upgrades.

Current Status Comparison

Expenditure	Gov. Rec. FY 1998	House Committee Action FY 1998	Senate Subcommittee Action FY 1998	Senate Subcommittee Change from House Committee
State Operations:				
Special Revenue Fund	\$ 194,248	\$ 194,248	\$ 191,643	\$(2,605)*
FTE Positions	2.4	2.4	2.4	0.0
Unclass. Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>2.4</u>	<u>2.4</u>	<u>2.4</u>	<u>0.0</u>

* The entire reduction relates to the deletion of the Governor's recommended employee pay plan.



 Senator Nick Jordan
 Subcommittee Chair


 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Dental Board

Bill No. 2160

Bill Sec. 10

Analyst: Pierron

Analysis Pg. No. 1388

Budget Page No. 541

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 194,750	\$ 195,495	\$ 0
FTE Positions	2.4	2.4	0.0

Agency Request/Governor's Recommendation

For FY 1999, the Board requests an expenditure limitation of \$194,750, an increase of \$1,239 or 0.6 percent above FY 1998. The agency requests \$88,350 for salaries and wages in FY 1999. The request includes \$518 for unclassified merit, \$537 for holiday pay, \$1,000 for longevity, and 0.0 percent shrinkage. The agency reports an increase for rental office space and for the office copying machine.

The Governor recommends an expenditure limitation of \$195,495 for FY 1999, an increase of \$1,247 or 0.6 percent above the FY 1998 recommendation. The Governor's FY 1999 recommendation includes \$106,400 for other operating expenditures in FY 1999. The recommendation represents a 0.7 percent or \$700 reduction below the Governor's FY 1998 recommendation. The recommendation includes \$89,095 for salaries and wages in FY 1999, which includes \$526 for unclassified merit, \$537 for holiday pay, \$1,000 for longevity, and 0.0 percent shrinkage.

House Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendations.

House Committee Recommendation

The House Committee concurs with the House Subcommittee.

House Recommendation

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

Agency: Dental Board

Bill No. 178

Bill Sec. 10

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 195,495	\$(1,828)*
FTE Positions	2.4	0.0

* The entire adjustment reflects the removal of the Governor's recommended employee pay plan.

Senate Subcommittee Recommendation

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

1. Delete \$1,828 based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$598); classified step movement (\$93); and the longevity bonus payments (\$1,137).

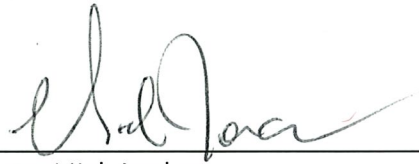
Fee Fund Analysis—Dental Board Fee Fund

	<u>Actual FY 96</u>	<u>Senate Subcom. Rec. FY 97</u>	<u>Senate Subcom. Rec. FY 98</u>	<u>Senate Subcom. Rec. FY 99</u>
Balance Forward	\$ 178,694	\$ 186,262	\$ 272,089	\$ 174,581
Add: Receipts	<u>180,592</u>	<u>270,600</u>	<u>96,740</u>	<u>270,500</u>
Total Funds Available	\$ 359,286	\$ 456,862	\$ 368,829	\$ 445,081
Less: Expenditures	<u>73,024</u>	<u>191,830</u>	<u>194,248</u>	<u>193,667</u>
Ending Balance	<u>\$ 286,262</u>	<u>\$ 265,032</u>	<u>\$ 174,581</u>	<u>\$ 251,414</u>
Ending Balance as a Percentage of Expenditures	107.6%	138.2%	89.9%	129.8%

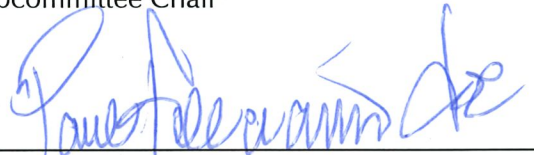
Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 1999</u>	<u>House Committee Action FY 1999</u>	<u>Senate Subcommittee Action FY 1999</u>	<u>Senate Subcommittee Change from House Committee</u>
State Operations:				
Special Revenue Fund	\$ 195,495	\$ 195,495	\$ 193,667	\$(1,828)*
FTE Positions	2.4	2.4	2.4	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>2.4</u>	<u>2.4</u>	<u>2.4</u>	<u>0.0</u>

* The entire adjustment reflects removal of the Governor's recommended employee pay plan.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Pharmacy

Bill No. –

Bill Sec. –

Analyst: Pierron

Analysis Pg. No. 1426

Budget Page No. 553

<u>Expenditure Summary</u>	<u>Agency Est. FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 447,606	\$ 447,606	\$ 0
FTE Positions	6.0	6.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>6.0</u>	<u>6.0</u>	<u>0.0</u>

Agency Est./Governor's Recommendation

The Board of Pharmacy estimates current year expenditures of \$447,606, which is the amount approved by the 1996 Legislature. **The Governor recommends** an expenditure limitation of \$447,607 for FY 1997, the same amount requested by the agency and approved by the 1996 Legislature.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the House Subcommittee.

House Recommendation

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

Senate Ways and Means Committee

Date *3-13-97*

Attachment # *14*

Agency: Board of Pharmacy

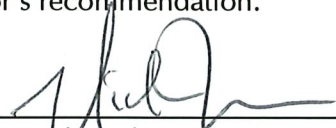
Bill No. -

Bill Sec. -

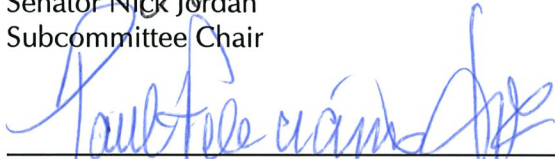
<u>Expenditure Summary</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 447,606	\$ 0
FTE Positions	6.0	0.0
Unclassified Temp. Positions	0.0	0.0
TOTAL	<u>6.0</u>	<u>0.0</u>

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Pharmacy

Bill No. 2160

Bill Sec. 16

Analyst: Pierron

Analysis Pg. No. 1426

Budget Page No. 553

<u>Expenditure Summary</u>	<u>Agency Req. FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 474,496	\$ 463,017	\$ 0
FTE Positions	6.0	6.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>6.0</u>	<u>6.0</u>	<u>0.0</u>

Agency Req./Governor's Recommendation

The Board of Pharmacy requests FY 1998 expenditures from the Board of Pharmacy Fee Fund of \$474,496; an increase of \$26,890 (6.0 percent) from the FY 1997 estimate. Within the FY 1998 request is an increase of \$9,400 in travel and subsistence that allows one additional Board member or agency personnel to attend six regional and national conferences. The Board believes to continue its efforts to be up-to-date with current activities and maintaining interaction and cohesion with regional and national agencies, board members and agency personnel should attend and participate in the meetings and conferences of the National Association of Boards of Pharmacy - 6th District Annual Meeting, the National Association of Pharmacy Annual Conference, the Law Officers Conference, the American Pharmacists Association Annual Meeting, Kansas Pharmacists' Annual Conference and the International Boards of Pharmacy Annual Conference.

The Governor recommends an expenditure limitation of \$463,017 for FY 1998. This is a decrease of \$11,479 (2.4 percent) below the agency request and \$15,411 (3.4 percent) above the FY 1997 recommendation. The Governor does not recommend an increase of \$9,400 for travel and subsistence in FY 1998. The Governor recommends an increase of \$2,494 in salary and wages over the agency request. This amount represents a 1.0 percent base salary adjustment at \$2,476, a 3.5 percent unclassified merit pool (\$1,961), longevity payment (\$500), and an \$18 increase for a slight underestimation of sick and annual leave and unemployment expenditures made by the agency.

The Pharmacy Board Fee Fund follows:

Resource Estimate	Actual FY 1996	Agency Estimate FY 1997	Gov. Rec. FY 1997	Agency Request FY 1998	Gov. Rec. FY 1998	Agency Request FY 1999	Gov. Rec. FY 1999
Beginning Balance	\$ 351,651	\$ 498,888	\$ 498,888	\$ 693,297	\$ 693,297	\$ 883,361	\$ 894,840
Projected Receipts	590,009	642,015	642,015	664,560	664,560	687,705	687,705
Total Available	\$ 941,660	\$ 1,140,903	\$ 1,140,903	\$ 1,357,857	\$ 1,357,857	\$ 1,571,066	\$ 1,582,545
Less: Expenditures	442,772	447,606	447,606	474,496	463,017	488,326	474,077
Ending Balance	<u>\$ 498,888</u>	<u>\$ 693,297</u>	<u>\$ 693,297</u>	<u>\$ 883,361</u>	<u>\$ 894,840</u>	<u>\$ 1,082,740</u>	<u>\$ 1,108,468</u>
Ending Balance as a % of Expend.	112.7%	154.9%	154.9%	186.2%	193.3%	221.7%	233.8%

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the House Subcommittee.

House Recommendation

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

Agency:	Board of Pharmacy	Bill No. 178	Bill Sec. 16
	<u>Expenditure Summary</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund		\$ 463,017	\$ (11,832)
FTE Positions		6.0	0.0
Unclassified Temp. Positions		0.0	0.0
TOTAL		<u>6.0</u>	<u>0.0</u>

Senate Subcommittee Recommendation

The Senate Subcommittee makes the following recommendations:

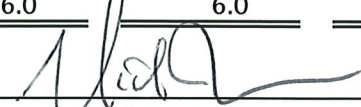
1. Delete \$11,832 based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$1,960); classified step movement (\$7,454); longevity bonus payments (\$500); and the 1.0 percent classified base salary adjustment (\$1,918).
2. Request that the agency review options to reduce its fee fund balance. The Subcommittee recognizes the fact that the agency has increased its fines in order to effectively penalize pharmaceutical companies doing business in Kansas but suggests the agency examine its increasing ending balance.

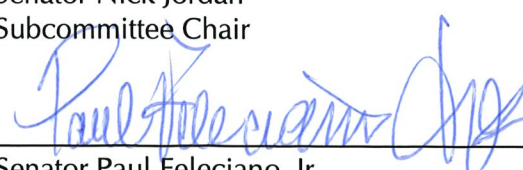
Fee Fund Analysis. The Pharmacy Board Fee Fund follows:

	Actual FY 1996	Senate Subcommittee Rec. FY 1997	Senate Subcommittee Rec. FY 1998
Balance Forward	\$ 351,651	\$ 498,888	\$ 693,297
Projected Receipts	590,009	642,015	664,560
Total Funds Available	\$ 941,660	\$ 1,140,903	\$ 1,357,857
Less: Expenditures	442,772	447,606	463,017
Ending Balance	\$ 498,888	\$ 693,297	\$ 894,840
 Ending Balance as a % of Expend.	 112.7%	 154.9%	 193.3%

Current Status Comparison

	Gov. Rec. FY 1998	House Committee Action FY 1998	Senate Subcommittee Action FY 1998	Senate Subcommittee Change from House FY 1998
State Operations:				
Special Revenue Fund	\$ 463,017	\$ 463,017	\$ 451,185	\$ (11,832)
FTE Positions	6.0	6.0	6.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	6.0	6.0	6.0	0.0



 Senator Nick Jordan
 Subcommittee Chair


 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Pharmacy

Bill No. 2160

Bill Sec. 16

Analyst: Pierron

Analysis Pg. No. 1426

Budget Page No. 553

<u>Expenditure Summary</u>	<u>Agency Req. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 488,326	\$ 474,077	\$ 0
FTE Positions	6.0	6.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>6.0</u>	<u>6.0</u>	<u>0.0</u>

Agency Req./Governor's Recommendation

The Board of Pharmacy requests FY 1999 expenditures from the Board of Pharmacy Fee Fund of \$488,326, an increase of \$40,720 from the FY 1997 estimate (9.1 percent), and an increase of \$13,830 (2.9 percent) from the FY 1998 expenditure request. The request repeats the \$9,400 increase for travel and subsistence to send one additional Board member or agency personnel to attend six regional and national conferences. The annual meetings generally range from four to six days depending on the location and time needed for travel.

The Governor recommends an expenditure limitation of \$474,077 for FY 1999. This is a decrease of \$14,249 (3.0 percent) below the agency request but an increase of \$11,060 (2.4 percent) above the FY 1998 recommendation. The Governor recommends a 3.5 percent unclassified merit pool (\$1,450), classified step movement (\$4,844), and longevity bonus payment (\$546) in FY 1999. The Governor does not recommend the \$9,400 increase for travel and subsistence.

<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Agency Estimate FY 1997</u>	<u>Gov. Rec. FY 1997</u>	<u>Agency Request FY 1998</u>	<u>Gov. Rec. FY 1998</u>	<u>Agency Request FY 1999</u>	<u>Gov. Rec. FY 1999</u>
Beginning Balance	\$ 351,651	\$ 498,888	\$ 498,888	\$ 693,297	\$ 693,297	\$ 883,361	\$ 894,840
Projected Receipts	590,009	642,015	642,015	664,560	664,560	687,705	687,705
Total Available	\$ 941,660	\$ 1,140,903	\$ 1,140,903	\$ 1,357,857	\$ 1,357,857	\$ 1,571,066	\$ 1,582,545
Less: Expenditures	442,772	447,606	447,606	474,496	463,017	488,326	474,077
Ending Balance	<u>\$ 498,888</u>	<u>\$ 693,297</u>	<u>\$ 693,297</u>	<u>\$ 883,361</u>	<u>\$ 894,840</u>	<u>\$ 1,082,740</u>	<u>\$ 1,108,468</u>
Ending Balance as a % of Expend.	112.7%	154.9%	154.9%	186.2%	193.3%	221.7%	233.8%

14-6

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation and requests that the Board give consideration to the rising growth of their fee fund. The status of the fee fund, reflecting the Governor's recommendations is shown in the following table:

House Committee Recommendation

The House Committee concurs with the House Subcommittee.

House Recommendation

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

Agency:	Board of Pharmacy	Bill No. 178	Bill Sec. 16
	<u>Expenditure Summary</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
	State Operations:		
	Special Revenue Fund	\$ 474,077	\$ (9,706)
	FTE Positions	6.0	0.0
	Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>
	TOTAL	<u><u>6.0</u></u>	<u><u>0.0</u></u>

Senate Subcommittee Recommendation

The Senate Subcommittee makes the following recommendation:

1. Delete \$9,706 based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$1,450); classified step movement (\$7,710); and longevity bonus payments (\$546).

Fee Fund Analysis.

	Actual FY 1996	Senate Subcommittee Rec. 1997	Senate Subcommittee Rec. FY 1998	Senate Rec. FY 1999
Balance Forward	\$ 351,651	\$ 498,888	\$ 693,297	\$ 894,840
Projected Receipts	590,009	642,015	664,560	687,705
Total Funds Available	\$ 941,660	\$ 1,140,903	\$ 1,357,857	\$ 1,582,545
Less: Expenditures	442,772	447,606	463,017	474,077
Ending Balance	<u>\$ 498,888</u>	<u>\$ 693,297</u>	<u>\$ 894,840</u>	<u>\$ 1,108,468</u>
Ending Balance as a % of Expend.	112.7%	154.9%	193.3%	233.8%

Current Status Comparison

	Gov. Rec. FY 1999	House Committee Action FY 1999	Senate Subcommittee Action FY 1999	Senate Subcommittee Change from House FY 1999
State Operations:				
Special Revenue Fund	\$ 474,077	\$ 474,077	\$ 464,371	\$(9,706)
FTE Positions	6.0	6.0	6.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>0.0</u>



 Senator Nick Jordan
 Subcommittee Chair


 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Healing Arts

Bill No. 2272

Bill Sec. 2

Analyst: Pierron

Analysis Pg. No. 1394

Budget Page No. 544

<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 1,577,418	\$ 1,577,418	\$ 0
FTE Positions	27.0	27.0	0.0

Agency Estimate/Governor's Recommendation

The agency's revised FY 1997 expenditure limitation request is \$1,577,418 which is \$154,560 less than the limitation approved by the 1996 Legislature. The agency reports savings by privatization of the Universal Standard Medical Licensure Exams for M.D.s and D.O.s given by the American Medical Association (USMLE), the Special Exams for Competency for doctors (SPEX), and the Professional Exams for Physical Therapists given by the Professional Exam Service (PES). Related savings in rents also result from privatization of these exams as the Board will no longer be required to secure rooms for the examinations. The agency reports that the projected balance for the end of FY 1997 is expected to be the minimum for the Board to continue current operations during FY 1998 and subsequent years. This is because the Board receives approximately one-half of its receipts during the last two months of each fiscal year from the renewal of the four professions it licenses: M.D. (Doctor of Medicine), D.O. (Doctor of Osteopathy), D.C. (Doctor of Chiropractic), and D.P.M. (Doctor of Podiatric Medicine).

The Governor concurs with the agency's request of \$1,577,418 for an expenditure limitation in FY 1997.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor.

House Committee Recommendation

The House Committee concurs with the House Subcommittee.

House Recommendation

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

Senate Ways and Means Committee

Date *3-13-97*

Attachment # *15*

Agency: Board of Healing Arts

Bill No. 228

Bill Sec. 2

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 1,577,418	\$ 0
FTE Positions	27.0	0.0

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendations.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Board of Healing Arts

Bill No. 2160

Bill Sec. 7

Analyst: Pierron

Analysis Pg. No. 1394

Budget Page No. 544

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 1,704,256	\$ 1,634,945	\$ 0
FTE Positions	29.0	27.0	0.0

Agency Request/Governor's Recommendation

The Board requests an expenditure limitation of \$1,704,256 for FY 1998, an increase of \$126,838 or 8.0 percent over FY 1997. The Board requests \$50,514 for 2.0 additional FTE positions. The request includes \$14,685, plus fringe benefits, and a step increase of \$176, for an Office Assistant II; and \$25,128, plus fringe benefits, and a step increase of \$300, for a Special Investigator I. The Board's enhancement request also includes \$13,550 to purchase computer interface software for the agency's AS400.

The Governor recommends an expenditure limitation of \$1,634,945 in FY 1998, an increase of \$57,527 or 3.6 percent above FY 1997. The recommendation includes \$13,550 to purchase computer interface software for the agency's AS400 and \$8,921 to finance a 1.0 percent base salary adjustment for classified employees and a 3.5 percent merit pool for unclassified employees. The Governor does not recommend the addition of 2.0 FTE positions, a Special Investigator and an Office Assistant I, in FY 1998.

House Subcommittee Recommendation

The Subcommittee concurs with the recommendation of the Governor. The Subcommittee notes that the Board's proposed License Renewal for Medicine and Surgery form includes a section requesting demographic information that the Department of Health and Environment requires them to collect. The Subcommittee further notes that no mention is made on the form stating that demographic information is requested only on a voluntary basis. The Subcommittee requests that the Board review the wording of the demographic section of its License Renewal for Medicine and Surgery form and include language which indicates such demographic information is not mandatory but rather voluntary.

House Committee Recommendation

FY 1998. The House Committee concurs with the House Subcommittee.

House Recommendation

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

Agency: Board of Healing Arts

Bill No. 178

Bill Sec. 7

Analyst: Pierron

Analysis Pg. No. 1394

Budget Page No. 544

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 1,634,945	\$ (33,979) *
FTE Positions	27.0	0.0

* The entire reduction relates to removal of the Governor's recommended employee pay plan.

Senate Subcommittee Recommendation

The Senate Subcommittee makes the following recommendations:

1. Delete \$33,979 based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$10,571); classified step movement (\$9,147); longevity bonus payments (\$8,197); and the 1.0 percent classified base salary adjustment (\$6,064).
2. During the Omnibus session review the agency's request for enhancements for the Kansas Chiropractic Association (\$1,000), the Kansas Association of Osteopathic Medicine (\$1,850); and the agency's request to increase the Kansas Medical Society's Impaired Provider Program's Medical Director position from that of consultant to 50 percent time. In the intervening time, the Subcommittee requests that the agency provide statistics for the past ten years which illustrate the effectiveness of the Impaired Provider Programs and also requests that the agency detail the additional services that would be provided by upgrading the Medical Director's position.


Fee Fund Analysis.

Resource Estimate	Actual FY 1996	Senate Subcommittee Rec. FY 1997	Senate Subcommittee Rec. FY 1998
Balance Forward	\$ 1,064,371	\$ 911,175	\$ 804,622
Add. Receipts	<u>1,453,747</u>	<u>1,470,865</u>	<u>1,561,800</u>
Total Funds Available	\$ 2,518,118	\$ 2,382,040	\$ 2,366,422
Less: Expenditures	<u>1,606,943</u>	<u>1,577,418</u>	<u>1,600,966</u>
Ending Balance	<u>\$ 911,175</u>	<u>\$ 804,622</u>	<u>\$ 765,456</u>
 Ending Balance as a Percentage of Expend.	 56.7%	 51.0%	 47.8%

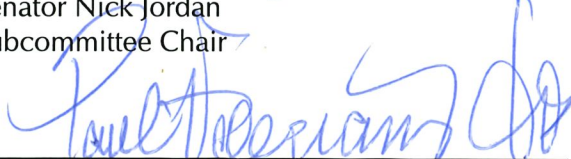
Current Status Comparison

	Gov. Rec. FY 1998	House Committee Action FY 1998	Senate Subcommittee Action FY 1998	Senate Subcommittee Change from House Comm. FY 1998
State Operations:				
Special Revenue Fund	\$ 1,634,945	\$ 1,634,945	\$ 1,600,966	\$ (33,979) *
 FTE Positions	 27.0	 27.0	 27.0	 0.0
Unclass. Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>27.0</u>	<u>27.0</u>	<u>27.0</u>	<u>0.0</u>

* The entire reduction relates to the removal of the Governor's recommended employee pay plan.



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

KMS-MEDICAL ADVOCACY PROGRAM

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
1. Total number of inquires for information.	123	110	130	165	122
2. Total number of physicians referred to MAP.	40	52	53	72	53
3. Sex					
Male	35	46	44	58	38
Female	5	6	9	14	15
4. Ages:					
20-29	2	4	4	2	2
30-39	11	16	3	32	18
40-49	10	14	12	17	21
50-59	15	10	23	12	8
60-69	2	4	10	4	2
70+	0	2	1	5	2
Unknown	0	2	0	0	0
5. Number from each source:					
Colleagues	10	11	7	12	14
Courts	1	2	0	0	0
Hospital	7	2	6	3	1
KS Bd of Healing Arts	19	22	22	33	31
Other Health Professions	3	4	10	7	3
Patients	0	0	2	3	0
Relatives	0	1	6	11	0
Self	0	10	0	3	4
6. Reported Problem:					
Aging	0	3	0	2	0
Alcohol/Chemical Dependency	31	29	23	24	16
Disruptive Behavior	0	3	4	18	10
Licensure	0	0	1	0	0
Physical	0	1	9	1	1
Prescribing Practices	2	0	2	3	3
Psychiatric/Depression	4	13	8	20	15
Relapse	3	3	2 (2 deaths)	1	5
Sexual	0	0	4	3	3
7. Specialty types:					
Anesthesiology	0	3	3	4	0
Dermatology	0	0	0	0	1
Emergency Medicine	0	2	1	3	3
ENT	4	1	2	0	0
Family Practice	17	18	20	30	18
Internal Medicine	7	12	2	12	10
Nephrology	0	0	1	0	0
OB/GYN	4	2	0	3	3
Occupational medicine	0	2	0	0	0
Ophthalmology	0	0	1	0	0
Orthopedic	0	0	2	0	0
Pathology	1	1	0	2	0
Pediatrics	0	0	4	1	5
Psychiatry	3	5	10	15	11
Radiology	1	1	2	0	1
Surgery	3	4	5	2	1
Urology	0	1	0	0	0
8. Intervention Recommendations:					
Alcohol/Drug Treatment	15	12	5	11	4
Behavior Change	5	10	5	15	17
Evaluation/Assessment	15	4	10	20	17
Medical treatment	0	0	2	0	0
None to date	2	22	19	20	13
Psychiatric Treatment	3	4	12	6	2
9. Number of physicians currently being monitored	45	49	65	65	102

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SUBCOMMITTEE REPORT

Agency: Board of Healing Arts

Bill No. 2160

Bill Sec. 7

Analyst: Pierron

Analysis Pg. No. 1394

Budget Page No. 544

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 1,907,608	\$ 1,658,279	\$ 0
FTE Positions	27.0	27.0	0.0

Agency Request/Governor's Recommendation

For FY 1999, the agency requests an expenditure limitation of \$1,907,608, an increase of \$203,352 or 11.9 percent above FY 1998. The request includes an enhancement package of \$217,299 and 4.0 FTE positions. Of this enhancement total, \$106,923 is requested for funding the 4.0 FTE positions. The request for 1.0 FTE Special Investigator I (\$25,128) and 1.0 FTE Office Assistant II (\$14,685) made for FY 1998 is repeated. Step increases of \$948 and \$464, respectively, are added with fringe benefits to the cost of these positions in FY 1999. An additional 2.0 FTE are requested under this enhancement package for a 1.0 Special Investigator II (\$27,696 plus fringe benefits and \$348 step increase) and 1.0 Office Assistant II (\$14,685 plus fringe benefits and a \$463 step increase).

The agency requests \$28,718 to increase the role of the Kansas Medical Society's Impaired Provider Program Medical Director from 50 percent to 75 percent time and to enhance other impairment programs assuming the enhancements were not granted for FY 1998. If the enhancements were granted in FY 1998, the Kansas Medical Society would request \$13,000 to upgrade the Director's position to 75 percent time and no increase would be requested for the other impairment programs in FY 1999.

The agency requests a total of \$81,658 in capital outlay: \$64,658 for computer upgrade parts and additional \$17,000 to install these parts. The agency reports that the upgrades will allow for increased performance and extended expansion of the AS400 over the next several years.

The Governor recommends an expenditure limitation of \$1,658,279 for FY 1999, an increase of \$23,334 or 1.4 percent above FY 1998. The recommendation includes \$1,290 to adjust for the pay matrix change resulting from the base salary adjustment granted in FY 1998. The Governor does not recommend the addition of a 1.0 Special Investigator II position or a 1.0 Office Assistant I position. In addition, the Governor does not recommend expenditures for a comprehensive hardware upgrade on the agency's AS400 or expenditures to increase the Kansas Medical Society Impaired Provider Program's Medical Director from half-time to three-quarter time.

House Subcommittee Recommendation

The Subcommittee concurs with the recommendation of the Governor.

House Committee Recommendation

The House Committee concurs with the House Subcommittee.

House Recommendation

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

Agency: Board of Healing Arts	Bill No. 178	Bill Sec. 7
<u>Expenditure Summary</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 1,658,279	\$ (38,772) *
FTE Positions	27.0	0.0

* The entire reduction relates to the removal of the Governor's recommended employee pay plan.

Senate Subcommittee Recommendation

The Senate Subcommittee makes the following recommendations:

1. Delete \$38,772 based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$10,571), classified step movement (\$18,845); and longevity bonus payments (\$9,356).
2. During the Omnibus session review the agency's request for enhancements for impaired provider programs for the Kansas Chiropractic Association (\$1,000); the Kansas Association of Osteopathic Medicine (\$1,850); and the agency's request to increase the Kansas Medical Society's Impaired Provider Program's Medical Director position from that of 50 percent time to 75 percent time. In the intervening time, the Subcommittee requests that the agency provide statistics for the past ten years which illustrate the effectiveness of the Impaired Provider Programs and also requests that the agency detail the additional services that would be provided by upgrading the Medical Director's position.


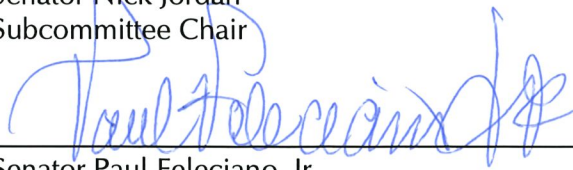
Fee Fund Analysis

Resource Estimate	Actual FY 1996	Senate Subcommittee Rec. FY 1997	Senate Subcommittee Rec. FY 1998	Senate Subcommittee Rec. FY 1999
Beginning Balance	\$ 1,064,371	\$ 911,175	\$ 804,622	\$ 765,456
Projected Receipts	1,453,747	1,470,865	1,561,800	1,643,745
Total Available	\$ 2,518,118	\$ 2,382,040	\$ 2,366,422	\$ 2,409,201
Less: Expenditures	1,606,943	1,577,418	1,600,966	1,619,507
Ending Balance	\$ 911,175	\$ 804,622	\$ 765,456	\$ 789,694
Ending Balance as a Percentage of Expend.	56.7%	51.0%	47.8%	48.8%

Current Status Comparison

	Gov. Rec. FY 1999	House Committee Action FY 1999	Senate Subcommittee Action FY 1999	Senate Subcommittee Change from House Comm. FY 1999
State Operations:				
Special Revenue Fund	\$ 1,658,279	\$ 1,658,279	\$ 1,619,507	\$ (38,772) *
FTE Positions	27.0	27.0	27.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	27.0	27.0	27.0	0.0

* The entire reduction relates to the removal of the Governor's recommended employee pay plan.


 Senator Nick Jordan
 Subcommittee Chair

 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Abstracters' Board of Examiners

Bill No. –

Bill Sec. –

Analyst: Burenheide

Analysis Pg. No. 1333

Budget Page No. 525

<u>Expenditure Summary</u>	<u>Agency Est. FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 18,352	\$ 18,352	\$ 0
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
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 Board estimates FY 1997 estimates of \$18,352. This is the amount approved by the 1996 Legislature. The current year revised estimate is a reduction from actual FY 1996 expenditures of \$1,203.

The Governor recommends FY 1997 expenditures of \$18,352. This is the amount requested by the Board and approved by the 1996 Legislature.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendation.

House Recommendation

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

Senate Ways and Means Committee

Date 3-13-97

Attachment # 16

Agency: Abstracters' Board of Examiners

Bill No. -

Bill Sec. -

<u>Expenditure Summary</u>	<u>Agency Est. FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 18,352	\$ 18,352	\$ 0
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>0.0</u></u>	<u><u>0.0</u></u>	<u><u>0.0</u></u>

Senate Subcommittee Recommendation

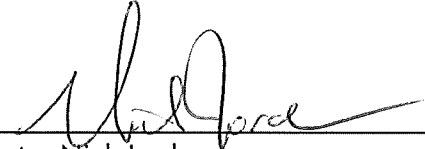
The Senate Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis. The status of the fee fund, based on the Senate Subcommittee recommendation, is as follows:

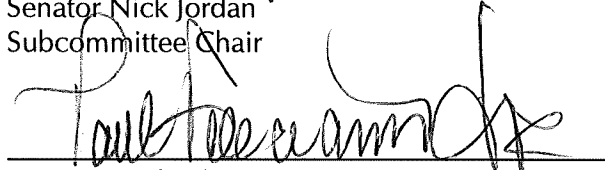
<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Estimated FY 1997</u>
Beginning Balance	\$ 24,247	\$ 27,014
Projected Receipts	<u>19,876</u>	<u>19,876</u>
Total Available	\$ 44,123	\$ 46,890
Less: Expenditures	<u>17,109</u>	<u>18,352</u>
Ending Balance	<u><u>\$ 27,014</u></u>	<u><u>\$ 28,538</u></u>
 Ending Balance as a Percentage of Expend.	 157.9%	 155.5%

Current Status Comparison

	<u>Gov. Rec. FY 1997</u>	<u>House Committee Action FY 1997</u>	<u>Senate Subcommittee Action FY 1997</u>	<u>Senate Subcommittee Change from House Committee</u>
All Funds:				
State Operations	\$ 18,352	\$ 18,352	\$ 18,352	\$ 0
FTE Positions	0.0	0.0	0.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Abstracters Board of Examiners

Bill No. 2160

Bill Sec. 2

Analyst: Burenheide

Analysis Pg. No. 1333

Budget Page No. 525

<u>Expenditure Summary</u>	<u>Agency Req. FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 18,933	\$ 19,007	\$ 0
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

Based on estimates by the Division of Budget, the Board requests expenditures of \$18,933 in FY 1998. The estimate provides for \$581 or a 3.2 percent increase over FY 1997, of which \$532 is for salaries and wages and \$49 is for other operating expenses. The salary estimate provides for a 2.5 percent unclassified merit increase for the Board's part-time Executive Director. Last year the Legislature approved moneys for a six-month 2.5 percent increase for FY 1997. The FY 1998 estimate includes moneys to cover the annualized cost of last year's increase. In regard to other operating expenses, most is for travel which is adjusted to provide for anticipated inflation.

The Governor recommends expenditures of \$19,007, an increase of \$74 from the Board's request. The additional moneys provide for 1.0 percent base salary adjustment.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendation.

House Recommendation

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

Agency: Abstracters Board of Examiners

Bill No. 178

Bill Sec. 2

<u>Expenditure Summary</u>	<u>Agency Req. FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 18,933	\$ 19,007	\$ (503)
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

Senate Subcommittee Recommendation

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

1. Delete \$255 (fee fund) based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$255) from individual agency budgets.
2. Delete \$248 as a technical adjustment in salaries and wages. The Division of the Budget included the cost of retirement benefits for which neither staff are eligible. Neither staff are employed the minimum number of hours to be eligible for retirement benefits..

Fee Fund Analysis. The status of the fee fund, based on the Senate Subcommittee recommendation, is as follows:

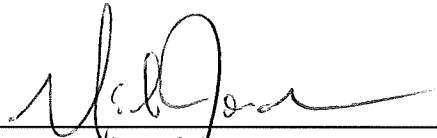
<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Estimated FY 1997</u>	<u>Estimated FY 1998</u>
Beginning Balance	\$ 24,247	\$ 27,014	\$ 28,538
Projected Receipts	<u>19,876</u>	<u>19,876</u>	<u>19,876</u>
Total Available	\$ 44,123	\$ 46,890	\$ 48,414
Less: Expenditures	<u>17,109</u>	<u>18,352</u>	<u>18,504</u>
Ending Balance	<u>\$ 27,014</u>	<u>\$ 28,538</u>	<u>\$ 29,910</u>
Ending Balance as a Percentage of Expend.	157.9%	155.5%	161.6%

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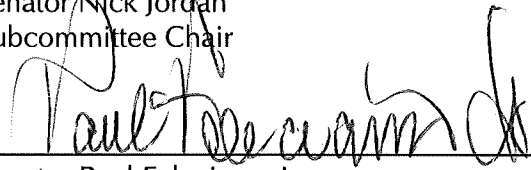
Current Status Comparison

	<u>Gov. Rec. FY 1998</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Subcommittee Change from House Committee</u>
All Funds:				
State Operations	\$ 19,007	\$ 19,007	\$ 18,504	\$ (503)*
FTE Positions	0.0	0.0	0.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

* A total decrease of \$255 is due to removal of the Governor's recommended pay plan adjustments.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Abstracters Board of Examiners

Bill No. 2160

Bill Sec. 2

Analyst: Burenheide

Analysis Pg. No. 1333

Budget Page No. 525

<u>Expenditure Summary</u>	<u>Agency Req. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 19,207	\$ 19,281	\$ 0
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

Based on estimates by the Division of Budget, the Board requests expenditures of \$19,207 in FY 1999. The estimate provides for \$274 or a 1.4 percent increase over FY 1998, of which \$212 is for salaries and wages and \$62 is for other operating expenses. The salary estimate provides for a 2.5 percent unclassified merit increase for the Board's part-time Executive Director. Other adjustments are due to anticipated inflation.

The Governor recommends expenditures of \$19,281, an increase of \$74 from the Board's request. The additional moneys provide for a 1.0 percent base salary adjustment.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendation.

House Recommendation

The full House has not taken action of this agency's budget.

<u>Expenditure Summary</u>	<u>Agency Req. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 19,207	\$ 19,281	\$ (456)
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

Senate Subcommittee Recommendation

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

1. Delete \$188 (fee fund) based on the recommendation to delete funding for the 2.5 percent unclassified merit pool (\$188) from individual agency budgets.
2. Delete \$268 as a technical adjustment in salaries and wages. The Division of Budget included the cost of retirement benefits for which neither staff are eligible. Neither staff are employed the minimum number of hours to be eligible for retirement benefits.


Fee Fund Analysis. The status of the fee fund, based on the Senate Subcommittee recommendation, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Estimated FY 1997</u>	<u>Estimated FY 1998</u>	<u>Estimated FY 1999</u>
Beginning Balance	\$ 24,247	\$ 27,014	\$ 28,538	\$ 29,910
Projected Receipts	<u>19,876</u>	<u>19,876</u>	<u>19,876</u>	<u>19,876</u>
Total Available	\$ 44,123	\$ 46,890	\$ 48,414	\$ 49,786
Less: Expenditures	<u>17,109</u>	<u>18,352</u>	<u>18,504</u>	<u>18,825</u>
Ending Balance	<u>\$ 27,014</u>	<u>\$ 28,538</u>	<u>\$ 29,910</u>	<u>\$ 30,961</u>
 Ending Balance as a Percentage of Expend.	 157.9%	 155.5%	 161.6%	 164.5%

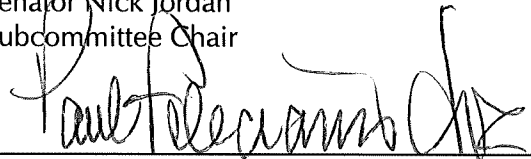
Current Status Comparison

	<u>Gov. Rec. FY 1997</u>	<u>House Committee Action FY 1999</u>	<u>Senate Subcommittee Action FY 1999</u>	<u>Senate Subcommittee Change from House Committee</u>
All Funds:				
State Operations	\$ 19,281	\$ 19,281	\$ 18,825	\$ (456)*
FTE Positions	0.0	0.0	0.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

* A total decrease of \$188 is due to removal of the Governor's recommended plan adjustments.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Consumer Credit Commissioner

Bill No. 2272

Bill Sec. 9

Analyst: Burenheide

Analysis Pg. No. 1380

Budget Page No. 535

<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 370,990	\$ 368,097	\$ 0
Nonexpense Items	70,000	70,000	0
TOTAL	<u>\$ 440,990</u>	<u>\$ 438,097</u>	<u>\$ 0</u>
 FTE Positions	 7.0	 7.0	 0.0

Agency Estimate/Governor's Recommendation

The Commissioner's FY 1997 estimated expenditures are an increase of \$8,512, or 2.3 percent over the approved expenditure limitation of \$362,478 for a total estimate of \$370,990. This is a decrease of \$10,080 or 2.6 percent from the actual expenditures of \$381,070 in FY 1996. The additional funding for FY 1997 is requested for four items:

1. **Health Insurance Adjustment:** The Commissioner requests additional expenditures of \$1,756 for salaries and wages due to two full-time employees adjusting their health insurance coverage toward the end of FY 1996 to include health insurance. Also, an employee, who previously had obtained health insurance coverage elsewhere, began utilizing the State coverage in FY 1997.
2. **Travel Expenses:** The Commissioner requests additional expenditures of \$4,093 for contractual services due to in-state travel expenses increasing due to travel costs of new financial examiner position.
3. **Commodities:** The agency requests \$263 for promotional items, stationery and office supplies.
4. **Computer Equipment:** Additional expenditures of \$2,400 is requested for capital outlay requests. The expenditure is to purchase a notebook computer and portable printer to be used by the new financial examiner in performing examination duties.

With the above changes in FY 1997, \$290,184 is for salaries and wages; and \$70,806 is for other operating expenditures.

In the area of other assistance, grants and benefits, \$10,000, which was the approved amount, will be expended to promote consumer education on consumer credit and finance by providing

Senate Ways and Means Committee

Date *3-13-97*

Attachment # *17*

educational services through Housing and Credit Counseling, Inc. (HCCI). HCCI is a non-profit organization that provides financial counseling services to consumers by providing family budget counseling, as well as educational seminars on consumer credit and finance. The request will provide grants for households that are unable to pay the \$20 one-time counseling fee. It is estimated that 3,000 persons were served through this grant. This expenditure will further the responsibility of this agency to meet consumer credit educational needs and will be directed at households that are experiencing severe difficulties in their finances.

Further, \$70,000, as a non-reportable expenditure, is transferred to the Kansas Council on Economic Education (KCEE) of Wichita State University to conduct a consumer credit education program. This grant enables the Council to educate primary and secondary teachers on how to teach consumer economics to their students.

The agency estimates that approximately 1,320 to 1,595 teachers will attend KCEE programs. It is estimated that in FY 1997 49,600 students are served by the program.

The Governor recommends FY 1997 operating expenditures of \$368,097 a decrease of \$2,893 from the Board's request. This would allow for the funding of the \$1,756 health insurance adjustment, \$263 in commodities and the \$2,400 requested in the area of capital outlay for the new notebook computer and printer. Only \$1,200 was recommended for increased travel expenses instead of the requested \$4,093.

Therefore, the Governor recommends \$290,184 for salaries and \$67,913 for other operating expenditures.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

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

House Recommendation

The full House has not taken action on this budget.

Agency: Consumer Credit Commissioner

Bill No. 228

Bill Sec. 9

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 368,097	\$ 0
Nonexpense Items	<u>70,000</u>	<u>0</u>
TOTAL	<u>\$ 438,097</u>	<u>\$ 0</u>
 FTE Positions	 7.0	 0.0

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis

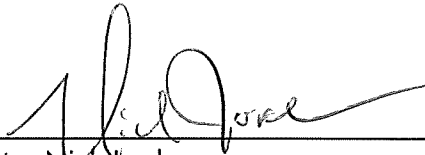
The status of the fee fund based on the Senate Subcommittee recommendations is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Estimated FY 1997</u>
Beginning Balance	\$ 279,920	\$ 269,814
Net Receipts	<u>440,964</u>	<u>455,380</u>
Total Funds Available	\$ 720,884	\$ 725,194
Less: Expenditures*	<u>451,070</u>	<u>438,097</u>
Ending Balance	<u>\$ 269,814</u>	<u>\$ 287,097</u>
 Ending Balance as Percentage of Expenditures	 59.8%	 65.5%

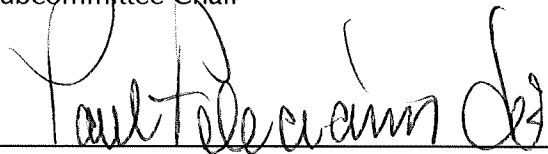
* Includes nonreportable expenditures of \$70,000 for the Kansas Council on Economic Education at Wichita State University.

Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 1998</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Subcommittee Change from House Committee</u>
All Funds:				
State Operations	\$ 438,097	\$ 438,097	\$ 438,097	0
FTE Positions	7.0	7.0	7.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>	<u>0.0</u>



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Consumer Credit Commissioner **Bill No.** 2160 **Bill Sec.** 13
Analyst: Burenheide **Analysis Pg. No.** 1380 **Budget Page No.** 535

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 389,278	\$ 392,064	\$ 0
Nonexpense Items	<u>70,000</u>	<u>70,000</u>	<u>0</u>
TOTAL	<u><u>\$ 459,278</u></u>	<u><u>\$ 462,064</u></u>	<u><u>\$ 0</u></u>
 FTE Positions	 7.0	 7.0	 0.0

Agency Request/Governor's Recommendation

The Consumer Credit Commissioner requests \$389,278 for operating expenditures in FY 1998, an increase of \$18,288, or 4.9 percent over the revised FY 1997 estimate of \$370,990. In this request, \$303,685 is for salaries and wages, \$69,374 is for contractual services, \$2,611 is for commodities, \$1,108 is for capital outlay, and \$12,500 for other assistance.

The Consumer Credit Commissioner is requesting \$4,464 as an enhancement. This request represents the estimated cost of a fax machine for \$1,108 plus \$556 to cover the costs to install and maintain monthly telephone line charges. The request also includes \$300 for official hospitality to host a luncheon meeting for the executive board of the Kansas Council on Economic Education and an additional request of \$2,500 to increase assistance to HCCI. HCCI advised that of the 2,391 families that were counseled in FY 1996, only 804 were able to pay the \$20 fee. Of the remaining 1,587 families, the Commissioner's assistance of \$10,000 only paid the fees for 500 families.

The Governor recommends in FY 1998 operating expenditures of \$392,064, an increase of \$2,786 from the Board's request. The Governor's FY 1998 recommendation is an increase of \$23,967 or 6.5 percent above the Governor's revised FY 1997 recommendation. This increase represents funding of a 1.0 percent base salary adjustment and a 3.5 percent unclassified merit pool. Under the Governor's recommendation, \$306,471 is provided for salaries and wages. The Governor concurs with the agency's request for contractual services, commodities, and capital outlay.

The Governor also recommends the entire enhancement package of \$4,464 discussed above.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

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

House Recommendation

The full House has not taken action on this budget.

Agency: Consumer Credit Commissioner **Bill No.** 178 **Bill Sec.** 13

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 392,064	\$ (12,436)
Nonexpense Items	<u>70,000</u>	<u>0</u>
TOTAL	<u>\$ 462,064</u>	<u>\$ (12,436)</u>
 FTE Positions	 7.0	 0.0

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendations with the following changes:

1. Delete \$12,436 (fee fund) based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$1,900); classified step movement (\$4,350); longevity bonus payments (\$3,910); and the 1.0 percent classified base salary adjustment (\$2,276) from individual agency budgets.

Fee Fund Analysis

The status of the fee fund, based on the Senate Subcommittee recommendations, is as follows:

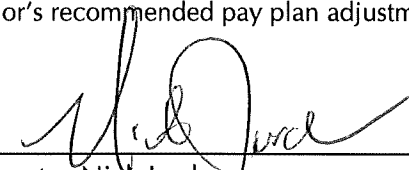
<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Estimated FY 1997</u>	<u>Estimated FY 1998</u>
Beginning Balance	\$ 279,920	\$ 269,814	\$ 287,097
Net Receipts	440,964	455,380	455,380
Total Funds Available	\$ 720,884	\$ 725,194	\$ 742,477
Less: Expenditures*	451,070	438,097	449,628
Ending Balance	<u>\$ 269,814</u>	<u>\$ 287,097</u>	<u>\$ 292,849</u>
 Ending Balance as Percentage of Expenditures	 59.8%	 65.5%	 65.1%

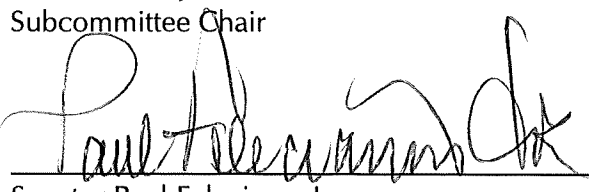
* Includes nonreportable expenditures of \$70,000 for the Kansas Council on Economic Education at Wichita State University.

Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 1998</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Subcommittee Change from House Committee</u>
All Funds:				
State Operations	\$ 462,064	\$ 462,064	\$ 449,628	\$ (12,436)*
FTE Positions	7.0	7.0	7.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>	<u>0.0</u>

* Entire reduction is due to the removal of the Governor's recommended pay plan adjustments.



 Senator Nick Jordan
 Subcommittee Chair


 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Consumer Credit Commissioner **Bill No.** 2160 **Bill Sec.** 13
Analyst: Burenheide **Analysis Pg. No.** 1380 **Budget Page No.** 535

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 401,066	\$ 398,566	\$ 0
Nonexpense Items	<u>70,000</u>	<u>70,000</u>	<u>0</u>
TOTAL	<u><u>\$ 471,066</u></u>	<u><u>\$ 468,566</u></u>	<u><u>\$ 0</u></u>
 FTE Positions	 7.0	 7.0	 0.0

Agency Request/Governor's Recommendation

The Consumer Credit Commissioner requests \$401,066 for operating expenditures in FY 1999, an increase of \$11,788, or 3.0 percent over the requested FY 1998 expenditure limitation of \$389,278. In this request, \$312,700 is for salaries and wages, \$73,175 is for contractual services, \$2,691 is for commodities, and \$12,500 for other assistance.

The Consumer Credit Commissioner is requesting \$5,075 as an enhancement. The request represents the estimated costs of paying the monthly charges on the fax machine of \$425. The request also includes \$300 for official hospitality to host a luncheon meeting for the executive board of the Kansas Council on Economic Education. An additional request of \$2,500 is to increase assistance to Housing and Credit Counseling, Inc. (HCCI). There is also a request to provide \$1,850 to replace the current key telephone system with a Plexar system. According to the agency, the current telephone system is approximately 11 years old and does not provide the Commissioner with capabilities such as direct stations with individual voice mailboxes, speaker phones, and speed dial, which are included in a Plexar system. Five new phones will cost \$1,039 plus a \$475 installation charge for DISC and Southwestern Bell Telephone.

The Governor recommends operating expenditures of \$398,566 an increase of \$6,502 or 1.7 percent above the Governor's FY 1998 recommendation. The Governor's recommendation concurs with the agency's FY 1999 request for salaries and wages which includes classified step movement (2.5 percent), longevity bonus payments, and a 2.5 percent unclassified merit pool. The Governor also concurs with the agency request for contractual services and commodities. The Governor's recommendation is a decrease of \$2,500 from the Board's FY 1999 request. The decrease is due to the Governor not recommending the \$2,500 enhancement to increase assistance to HCCI. However, the Governor concurs with the balance of the agency's enhancement package requests in FY 1999.

House Subcommittee Recommendation

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

1. On page 1384 of the Budget Analysis, the \$425 for charges on the fax machine is an annual fee, instead of a monthly fee.

House Committee Recommendation

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

House Recommendation

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

Agency: Consumer Credit Commissioner **Bill No.** 178 **Bill Sec.** 13

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Fund	\$ 398,566	\$ (9,988)
Nonexpense Items	<u>70,000</u>	<u>0</u>
TOTAL	<u>\$ 468,566</u>	<u>\$ (9,988)</u>
 FTE Positions	 7.0	 0.0

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendations with the following changes:

1. Delete \$9,988 (fee funds) based on the recommendation to delete funding for the 2.5 percent unclassified merit pool (\$1,391); classified step movement (\$4,597); and longevity bonus payments (\$4,000) from individual agency budgets.

Fee Fund Analysis

The status of the fee fund, based on the Senate Subcommittee recommendation, is as follows:

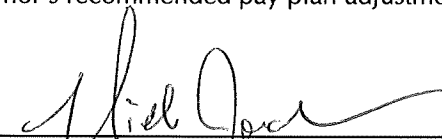
Resource Estimate	Actual FY 1996	Estimated FY 1997	Estimated FY 1998	Estimated FY 1999
Beginning Balance	\$ 279,920	\$ 269,814	\$ 287,097	\$ 292,849
Net Receipts	440,964	455,380	455,380	455,380
Total Funds Available	\$ 720,884	\$ 725,194	\$ 742,477	\$ 748,229
Less: Expenditures*	451,070	438,097	449,628	458,578
Ending Balance	\$ 269,814	\$ 287,097	\$ 292,849	\$ 289,651
Ending Balance as Percentage of Expenditures	59.8%	65.5%	65.1%	63.2%

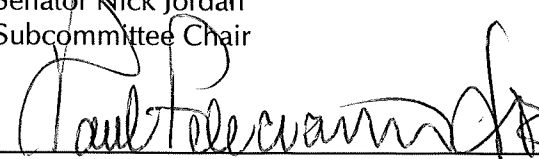
* Includes nonreportable expenditures of \$70,000 for the Kansas Council on Economic Education at Wichita State University.

Current Status Comparison

Expenditure	Gov. Rec. FY 1999	House Committee Action FY 1999	Senate Subcommittee Action FY 1999	Senate Subcommittee Change from House Committee
All Funds:				
State Operations	\$ 468,566	\$ 468,566	\$ 458,578	\$(9,988)*
FTE Positions	7.0	7.0	7.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	7.0	7.0	7.0	0.0

* Entire reduction is due to the removal of the Governor's recommended pay plan adjustments.


 Senator Nick Jordan
 Subcommittee Chair


 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Department of Credit Unions

Bill No. 2272

Bill Sec. 7

Analyst: Burenheide

Analysis Pg. No. 1373

Budget Page No. 539

<u>Expenditure Summary</u>	<u>Agency Est. FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 723,187	\$ 723,185	\$ 0
FTE Positions	12.0	12.0	0.0

Agency Estimate/Governor's Recommendation

The Department of Credit Unions is requesting an increase in the expenditure limit in the amount of \$9,970 for a total request of \$723,187 for FY 1997. The revised FY 1997 estimate is an increase of \$36,064, or 5.2%, above the actual expenditures of \$687,123 in FY 1996. The revised FY 1997 expenditure limitation also includes \$7,358 of Kansas Quality Management (KQM) funds carried over from FY 1996 which the agency is allowed to spend. The requested increase would finance an upgrade for one financial examiner from an Examiner IV to an Examiner V. According to the agency, the upgrade has already been approved by the Division of Personnel Services and initiated. In addition, the agency requests \$5,000 to fully fund the longevity bonus payment in FY 1997.

For FY 1997, \$580,449 is for salaries and wages and \$142,738 is for other operating expenditures.

The Governor recommends FY 1997 expenditures of \$723,185. This is the amount requested by the Department and \$9,968 above the amount approved by the 1996 Legislature, (minus a \$2 technical adjustment in the salaries and wages area).

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Governor.

House Committee Recommendation

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

House Recommendation

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

Senate Ways and Means Committee

Date *3-13-97*

Attachment # *18*

Agency: Department of Credit Unions

Bill No.: 228

Bill Sec.: 7

<u>Expenditure Summary</u>	<u>Agency Est. FY 197</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 723,187	\$ 723,185	\$ 0
FTE Positions	12.0	12.0	0.0

Senate Subcommittee Recommendation

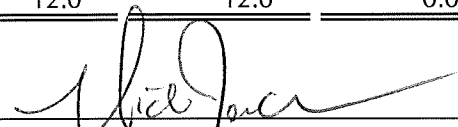
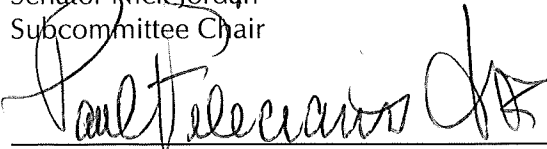
The Senate Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis. The status of the fee fund, based on the Senate Subcommittee recommendation, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Estimated FY 1997</u>
Beginning Balance	\$ 183,761	\$ 148,407
Receipts	651,769	727,604
Total Available	\$ 835,530	\$ 876,011
Less: Expenditures	687,123	723,185
Ending Balance	<u>\$ 148,407</u>	<u>\$ 152,826</u>
Ending Balance as a Percentage of Expenditures	21.6%	21.1%

Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 1998</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Subcommittee Change from House Committee</u>
All Funds:				
State Operations	\$ 723,185	\$ 723,185	\$ 723,185	\$ 0
FTE Positions	12.0	12.0	12.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>12.0</u>	<u>12.0</u>	<u>12.0</u>	<u>0.0</u>


 Senator Nick Jordan
 Subcommittee Chair

 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Department of Credit Unions

Bill No. 2160

Bill Sec. 9

Analyst: Burenheide

Analysis Pg. No. 1373

Budget Page No. 539

<u>Expenditure Summary</u>	<u>Agency Req. FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 737,498	\$ 740,054	\$ 0
FTE Positions	12.0	12.0	0.0

Agency Request/Governor's Recommendation

The Department of Credit Unions requests \$737,498 for state operations in FY 1998, an increase of \$14,311 or 2.0% above the revised and requested FY 1997 estimate of \$723,187.

For FY 1998, \$597,973 is for salaries and wages and \$138,925 is for other operating expenditures. In the area of capital outlay, the Department is requesting \$600 to purchase a new facsimile machine.

The Department of Credit Unions is requesting \$3,000 as an enhancement in FY 1998. The request is to provide for a move from Wichita to the Kansas City area for one Financial Examiner V. This examiner is the examiner - in - charge for corporate credit union examinations. The Department has placed a heightened emphasis on corporate credit union examinations and oversight, and for U.S. Central Credit Union in particular (U.S. Central is located in Overland Park, KS and is a Kansas state chartered credit union). It will require the presence of a financial examiner for an average of two weeks per month. According to the Department, by relocating the examiner to the Kansas City area, it will reduce the travel and subsistence requirement by an estimated \$7,500 for FY 1998 with additional savings for each future year. **(Staff Note:** The agency's FY 1998 request reflects a reduction of \$3,040 in travel and subsistence.)

The Governor recommends expenditures of \$740,054, an increase of \$2,556 from the Board's request. The Governor's FY 1998 recommendation is \$16,689 or 2.3% above the Governor's FY 1997 recommendation. The increase represents funding of a 1.0 percent base salary adjustment (\$5,556) for FY 1998 for a total of \$603,529 for salaries and wages.

The Governor did not recommend the \$3,000 in the area of contractual services to relocate an examiner from Wichita to Kansas City. Therefore, \$130,925 is provided for contractual services.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Governor.

House Committee Recommendation

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

House Recommendation

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

Agency: Department of Credit Unions

Bill No. 178

Bill Sec. 9

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Funds	\$ 740,054	\$ (23,269)
FTE Positions	12.0	0.0

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor, with the following modifications and observations:

1. Delete \$23,269 (fee fund) based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$2,196); classified step movement (\$9,824); longevity bonus payments (\$6,319); and the 1.0 percent classified base salary adjustment (\$4,930) from individual agency budgets.
2. The Subcommittee recommends that at Omnibus the full Committee revisit the issue of providing \$3,000 to finance the move from Wichita to the Kansas City area for a financial examiner. This examiner is the examiner-in-charge for corporate credit union examinations. The Department has placed a heightened emphasis on corporate credit union examinations and oversight, including the U.S. Central Credit Union (U.S. Central is located in Overland Park, Kansas and is a Kansas state-chartered credited union). The Department is waiting to see if the National Credit Union Administration (NCUA) moves an examiner to Overland Park. If the federal government moves an examiner to Overland Park, the Department would also need one examiner in Overland Park an average of two weeks per month. If this occurs, the Subcommittee believes the move is cost-effective and that there will be significant cost savings by moving the examiner. According to the Department, by relocating the examiner to the Kansas City area, it will reduce the travel and subsistence requirement by an estimated \$7,500 for FY 1998 with additional savings in future years.

The Subcommittee also notes the good public policy in the Committee's approval of S.B. 104 which allows agencies to provide funding for moving employees if they deem it appropriate and beneficial to the agency and the state.

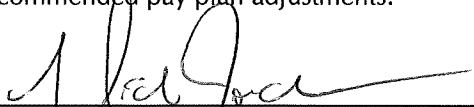
Fee Fund Analysis. The status of the fee fund, based on the Senate Subcommittee recommendation, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Estimated FY 1997</u>	<u>Estimated FY 1998</u>
Beginning Balance	\$ 183,761	\$ 148,407	\$ 152,826
Receipts	651,769	727,604	734,498
Total Available	\$ 835,530	\$ 876,011	\$ 887,324
Less: Expenditures	687,123	723,185	716,785
Ending Balance	<u>\$ 148,407</u>	<u>\$ 152,826</u>	<u>\$ 170,539</u>
Ending Balance as a Percentage of Expenditures	21.6%	21.1%	23.8%

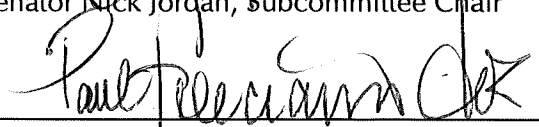
Current Status Comparison

	<u>Gov. Rec. FY 1998</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Subcommittee Change from House Committee</u>
All Funds:				
State Operations	\$ 740,054	\$ 740,054	\$ 716,785	\$ (23,269)*
FTE Positions	12.0	12.0	12.0	12.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>12.0</u>	<u>12.0</u>	<u>12.0</u>	<u>12.0</u>

* Entire reduction is due to the removal of the Governor's recommended pay plan adjustments.



 Senator Nick Jordan, Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Department of Credit Unions

Bill No. 2160

Bill Sec. 9

Analyst: Burenheide

Analysis Pg. No. 1373

Budget Page No. 539

<u>Expenditure Summary</u>	<u>Agency Req. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 761,848	\$ 768,491	\$ 0
FTE Positions	12.0	12.0	0.0

Agency Request/Governor's Recommendation

The Department of Credit Unions requests \$761,848 for state operations in FY 1999, an increase of \$24,350, or 3.3 percent over the agency's request for FY 1998 of \$737,498. For FY 1999, \$615,313 is for salaries and wages and \$146,535 is for other operating expenditures. In the area of Capital Outlay, the Department is requesting \$7,500 to purchase a three new computers. According to the Department the current computers are nearing capacity.

Pursuant to the section in the FY 1998 budget discussion, the Department feels that by relocating an examiner to the Kansas City area, it will reduce the travel and subsistence requirement by an estimated \$7,500 for FY 1998 with additional savings for each future year. (**Staff Note:** The agency's FY 1999 travel and subsistence request reflects a reduction of \$1,040 from the FY 1997 level and an increase of \$2,000 from the requested FY 1998 level.) For FY 1999, a reduction of only \$1,040 from FY 1997 is shown in the Department's requested budget.

The Governor recommends expenditures of \$768,491, an increase of \$6,643 from the Board's request for FY 1997. The Governor's FY 1999 recommendation is \$28,437 or 3.8% above the Governor's FY 1998 recommendation.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Governor.

House Committee Recommendation

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

House Recommendation

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

Agency: Department of Credit Unions

Bill No. 178

Bill Sec. 9

<u>Expenditure Summary</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:		
Special Revenue Funds	\$ 768,491	\$ (18,625)
FTE Positions	12.0	0.0

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, and adds the following:

1. Delete \$18,625 (fee fund) based on the recommendation to delete funding for the 2.5 percent unclassified merit pool (\$1,623); classified step movement (\$10,024); and longevity bonus payments (\$6,978) from individual agency budgets.

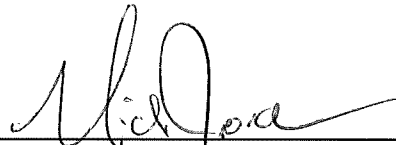
Fee Fund Analysis. The status of the fee fund, based on the House Subcommittee recommendation, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Estimated FY 1997</u>	<u>Estimated FY 1998</u>	<u>Estimated FY 1999</u>
Beginning Balance	\$ 183,761	\$ 148,407	\$ 152,826	\$ 170,539
Receipts	<u>651,769</u>	<u>727,604</u>	<u>734,498</u>	<u>761,848</u>
Total Available	\$ 835,530	\$ 876,011	\$ 887,324	\$ 932,387
Less: Expenditures	<u>687,123</u>	<u>723,185</u>	<u>716,785</u>	<u>749,866</u>
Ending Balance	<u>\$ 148,407</u>	<u>\$ 152,826</u>	<u>\$ 170,539</u>	<u>\$ 182,521</u>
Ending Balance as a Percentage of Expenditures	21.6%	21.1%	23.8%	24.3%

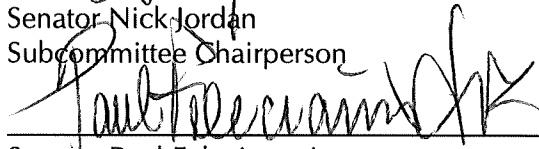
Current Status Comparison

	<u>Gov. Rec. FY 1999</u>	<u>House Committee Action FY 1999</u>	<u>Senate Subcommittee Action FY 1999</u>	<u>Senate Subcommittee Change from House Committee</u>
All Funds:				
State Operations	\$ 768,491	\$ 768,492	\$ 749,866	\$ (18,625)*
FTE Positions	12.0	12.0	12.0	12.0
Unclass. Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>12.0</u>	<u>12.0</u>	<u>12.0</u>	<u>12.0</u>

* Entire reduction is due to the removal of the Governor's recommended pay plan adjustments.



Senator Nick Jordan
Subcommittee Chairperson



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Office of the Securities Commissioner

Bill No. 2272

Bill Sec. 10

Analyst: Burenheide

Analysis Pg. No. 1445

Budget Page No. 559

<u>Expenditure Summary</u>	<u>Agency Estimated FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
Securities Act Fee Fund			
State Operations	\$ 1,619,178	\$ 1,637,813	\$ 0
FTE Positions	26.0	26.0	0.0

Agency Estimate/Governor's Recommendation

The Securities Commissioner revised FY 1997 state operations budget estimate totals \$1,619,178 or \$708 (.04 percent) less than the approved expenditure limitation of \$1,619,886. This is an increase of \$59,991 or 3.9 percent over the actual expenditures of FY 1996 of \$1,559,895.

For FY 1997, \$1,328,418 is for salaries and wages; \$276,104 is for contractual services and \$14,656 is for commodities. This is a current service level request with minimal growth.

The Governor concurs with the agency's FY 1997 request for salaries and wages, commodities and capital outlay. The Governor adds \$18,635 or 1.2 percent to contractual services to upgrade computers to accommodate technology for the year 2000 for a total recommendation of \$1,637,813 for FY 1997. The Governor's FY 1997 recommendation is a 5.0 percent increase above the actual FY 1996 expenditures.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendation.

House Recommendation

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

Senate Ways and Means Committee

Date 3-13-97

Attachment # 19

<u>Expenditure Summary</u>	<u>Agency Estimated FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>Senate Subcommittee Adjustments</u>
Securities Act Fee Fund State Operations	\$ 1,619,178	\$ 1,637,813	\$ 0
FTE Positions	26.0	26.0	0.0

Senate Subcommittee Recommendation

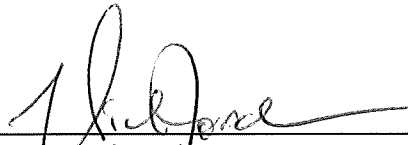
The Senate Subcommittee concurs with the Governor's recommendations.

Fee Fund Status: The status of the fee fund, based on the recommendation of the Senate Subcommittee, is as follows:

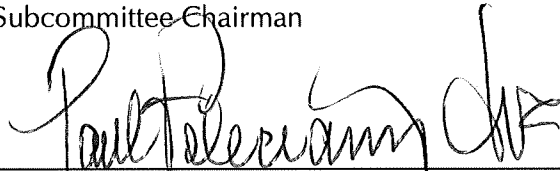
<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Estimated FY 1997</u>
Beginning Balance	\$ 521,013	\$ 50,000
Projected Receipts	<u>5,294,086</u>	<u>5,253,819</u>
Total Available	\$ 5,815,099	\$ 5,303,819
Less: Expenditures	1,578,365	1,657,813
Transfers to General Fund	<u>4,186,734</u>	<u>3,596,006</u>
Ending Balance	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Ending Balance as a Percent. of Expend.	3.2%	3.0%

Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 1997</u>	<u>House Committee Action FY 1997</u>	<u>Senate Subcommittee Action FY 1997</u>	<u>Senate Subcommittee Change from House Committee</u>
All Funds:				
State Operations	\$ 1,637,813	\$ 1,637,813	\$ 1,637,813	0
FTE Positions	26.0	26.0	26.0	0.0
Unclas. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>26.0</u>	<u>26.0</u>	<u>26.0</u>	<u>0.0</u>



Senator Nick Jordan
Subcommittee Chairman



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Office of the Securities Commissioner

Bill No. 2160

Bill Sec. 19

Analyst: Burenheide

Analysis Pg. No. 1445

Budget Page No. 559

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
Securities Act Fee Fund:			
State Operations	\$ 1,735,213	\$ 1,683,059	\$ 0
FTE Positions	26.0	26.0	0.0

Agency Request/Governor's Recommendation

The Securities Commissioner requests \$1,735,213 for state operations in FY 1998, an increase of \$116,035, or 7.2 percent over the revised FY 1997 estimate of \$1,619,178. For FY 1998, \$1,368,029 is for salaries and wages; \$292,119 is for contractual services, \$15,081 is for commodities and \$59,984 is for capital outlay.

Out of the requested increase the Securities Commissioner is requesting \$70,984 as an enhancement package for FY 1998. An amount of \$11,000 is requested for contractual services, \$6,000 of which is for a computer systems consultant to design and install a PC-based Local Area Network and Wide Area Network and \$5,000 for a leased T-1 line to connect computer systems of the Topeka and Wichita offices. The agency is also requesting \$18,635 to upgrade the agency's AS/400 hardware and software. A total of \$41,349 is requested for hardware and software to install the PC-based LAN and WAN which would also connect to the AS/400 system.

The Governor recommends \$1,683,059 for state operations in FY 1998, a decrease of \$52,154 or 3.0 percent from the Commissioner's request. The recommendation includes a 1.0 percent base salary adjustment, for a total of \$287,119 or \$12,830 more than the Commissioner's request for salaries and wages.

The Governor's FY 1998 recommendation is an increase of \$45,246 or 2.8 percent above the Governor's FY 1997 revised recommendation.

The Governor recommends \$6,000, of the \$70,984 enhancement request for contractual services for a computer consultant. **The Governor** concurs with the Commissioner and recommends \$15,081 for commodities.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendation.

House Recommendation

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

Agency: Office of the Securities Commissioner **Bill No.** 178

Bill Sec. 19

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
Securities Act Fee Fund:			
State Operations	\$ 1,735,213	\$ 1,683,059	\$ (45,158)
FTE Positions	26.0	26.0	0.0

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendations with the following modifications and observations:

1. Delete \$45,158, including \$0 from the State General Fund, based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$9,631); classified step movement (\$14,624); longevity bonus payments (\$10,812); and the 1.0 percent classified base salary adjustment (\$10,091) from individual agency budgets.

Fee Fund Status: The status of the fee fund, based on the Subcommittee recommendation, is as follows:

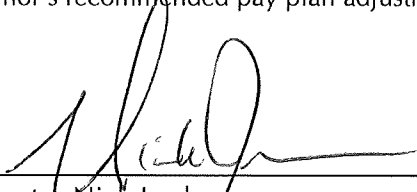
19-5

Resource Estimate	Actual FY 1996	Estimated FY 1997	Estimated FY 1998
Beginning Balance	\$ 521,013	\$ 50,000	\$ 50,000
Projected Receipts	5,294,086	5,253,819	5,295,866
Total Available	\$ 5,815,099	\$ 5,303,819	\$ 5,345,866
Less: Expenditures	1,578,365	1,637,813	1,637,901
Transfers to General Fund	4,186,734	3,616,006	3,657,965
Ending Balance	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Ending Balance as a Percent. of Expend.	3.2%	3.0%	3.1%

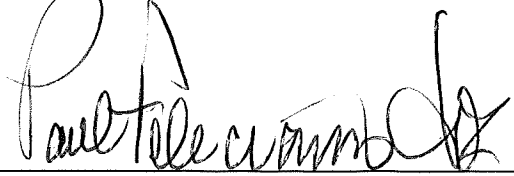
Current Status Comparison

Expenditure	Gov. Rec. FY 1998	House Committee Action FY 1998	Senate Committee Action FY 1998	Senate Subcommittee Change from House Committee
All Funds:				
State Operations	\$ 1,683,059	\$ 1,683,059	\$ 1,637,901	\$ (45,158)*
FTE Positions	26.0	26.0	26.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>26.0</u>	<u>26.0</u>	<u>26.0</u>	<u>0.0</u>

* The total decrease is due to removal of the Governor's recommended pay plan adjustments.



 Senator Nick Jordan
 Subcommittee Chair



 Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Office of Securities Commissioner

Bill No. 2160

Bill Sec. 19

Analyst: Burenheide

Analysis Pg. No. 1445

Budget Page No. 559

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
Securities Act Fee Fund:			
State Operations	\$ 1,705,453	\$ 1,703,069	\$ 0
FTE Positions	26.0	26.0	0.0

Agency Request/Governor's Recommendation

The Securities Commissioner requests \$1,705,453 for state operations in FY 1999, a decrease of \$29,760, or (1.7) percent from the agency's request of \$1,735,213 for FY 1998. For FY 1999, \$1,399,771 is for salaries and wages; \$290,133 is for contractual services, and \$15,549 is for commodities. All are at current service levels.

In the area of contractual services, the agency is requesting \$5,000, as an enhancement, to continue the leased T-1 line to connect computer systems of the T-1 line to connect the Topeka and Wichita offices.

The Governor recommends \$1,703,069 for state operations, a decrease of \$2,384 from the Commissioner's request. The Governor's FY 1999 recommendation is an increase of \$20,010 or 1.2 percent above the Governor's revised FY 1998 recommendation. The Governor's recommendation includes an additional \$2,616 for longevity in FY 1999 due to an agency miscalculation. Therefore, the Governor recommends \$1,402,387 for salaries and wages.

Since **the Governor** did not recommend the computer enhancement package in FY 1998, the FY 1999 \$5,000 enhancement package was also not recommended, but concurs with the rest of the requested amount in contractual services.

The Governor concurred with the agency's request of \$15,549 for commodities.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendations.

House Recommendation

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

Agency: Office of Securities Commissioner

Bill No. 178

Bill Sec. 19

Expenditure Summary	Agency Request FY 99	Gov. Rec. FY 99	Senate Subcommittee Adjustments
Securities Act Fee Fund:			
State Operations	\$ 1,705,453	\$ 1,703,069	\$ (31,969)
FTE Positions	26.0	26.0	0.0

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendations with the following changes:

1. Delete \$31,969, based on the recommendation to delete funding for the 2.5 percent unclassified merit pool (\$7,044); classified step movement (\$13,044); and longevity bonus payments (\$11,881) from individual agency budgets.

Fee Fund Analysis


The status of the fee fund, based on the Subcommittee recommendation, is as follows:

Resource Estimate	Actual FY 1996	Estimated FY 1997	Estimated FY 1998	Estimated FY 1999
Beginning Balance	\$ 521,013	\$ 50,000	\$ 50,000	\$ 50,000
Projected Receipts	<u>5,294,086</u>	<u>5,253,819</u>	<u>5,295,866</u>	<u>5,351,748</u>
Total Available	\$ 5,815,099	\$ 5,303,819	\$ 5,345,866	\$ 5,401,748
Less: Expenditures	1,578,365	1,637,813	1,637,901	1,671,100
Transfers to General Fund	<u>4,186,734</u>	<u>3,616,006</u>	<u>3,657,965</u>	<u>3,680,648</u>
Ending Balance	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Ending Balance as a Percent. of Expend.	3.2%	3.0%	3.1%	3.0%

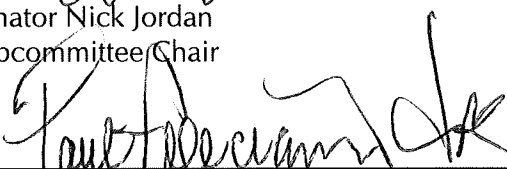
Current Status Comparison

<u>Expenditure</u>	<u>Gov. Rec. FY 1999</u>	<u>House Committee Action FY 1999</u>	<u>Senate Subcommittee Action FY 1999</u>	<u>Senate Subcommittee Change from House</u>
All Funds:				
State Operations	\$ 1,703,069	\$ 1,703,069	\$ 1,671,100	\$ (31,969)*
FTE Positions	26.0	26.0	26.0	26.0
Unclas. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>26.0</u>	<u>26.0</u>	<u>26.0</u>	<u>26.0</u>

* The total decrease is due to removal of the Governor's recommended pay plan adjustments.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Bank Commissioner

Bill No. 2272

Bill Sec. 8

Analyst: Burenheide

Analysis Pg. No. 1344

Budget Page No. 530

<u>Expenditure Summary</u>	<u>Agency Estimate FY 97</u>	<u>Gov. Rec. FY 97</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Bank Commissioner Fee Fund	\$ 3,509,944	\$ 3,509,944	\$ 0
Bank Commissioner Investigation Fund	598	598	0
TOTAL	<u>\$ 3,510,542</u>	<u>\$ 3,510,542</u>	<u>\$ 0</u>
 FTE Positions	 72.0	 72.0	 0.0

Agency Estimate/Governor's Recommendation

The agency estimates \$3,510,542 in expenditures for FY 1997, an increase of \$11,106 over the actual FY 1996 expenditures. The agency's planned expenditures for FY 1995 continue salaries for 72.0 FTE positions.

The Governor recommends \$3,510,542 in FY 1997 for 72.0 FTE positions. The recommendation is the same as the agency estimate. The recommendation includes \$2,934,243 for salaries and wages, \$486,655 for contractual services, \$20,224 for commodities, and \$69,420 for capital outlay.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendation.

House Recommendation

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

Senate Ways and Means Committee

Date *3-13-97*

Attachment # *20*

Agency: Bank Commissioner

Bill No. 228

Bill Sec. 8

Expenditure Summary	Agency Est. FY 97	Gov. Rec. FY 97	Senate Subcommittee Adjustments
State Operations:			
Bank Commissioner Fee Fund	\$ 3,509,944	\$ 3,509,944	\$ 0
Bank Commissioner Investigation Fund	598	598	0
TOTAL	\$ 3,510,542	\$ 3,510,542	\$ 0
 FTE Positions	 72.0	 72.0	 0.0

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendations.

Fee Fund Analysis. The status of the Bank Commissioner Fee Fund, based on the recommendations of the Subcommittee, is as follows:

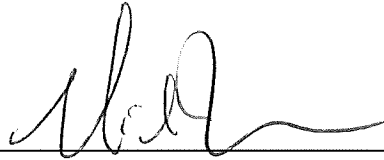
Resource Estimate	Actual FY 1996	Estimate FY 1997
Beginning Balance	\$ 306,826	\$ 536,350
Net Receipts	3,728,802	3,682,216
Total Funds Available	\$ 4,035,628	\$ 4,218,566
Less Expenditures	3,499,278	3,509,944
Ending Balance	<u>\$ 536,350</u>	<u>\$ 708,622</u>
 Ending Balance as a Percentage of Expend.	 15.3%	 20.2%

The status of the Bank Examination and Investigation Fund, based on the Subcommittee recommendation, is as follows:

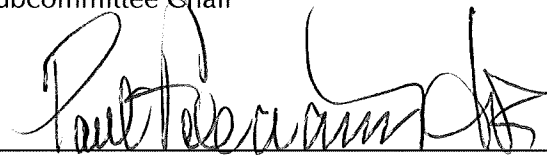
Resource Estimate	Actual FY 1996	Estimate FY 1997
Beginning Balance	\$ 21,750	\$ 24,500
Net Receipts	134,250	83,000
Total Funds Available	\$ 156,000	\$ 107,500
Less Expenditures	158	598
Transfer Out	131,342	106,902
Ending Balance	<u>\$ 24,500</u>	<u>\$ 0</u>

Current Status Comparison

	<u>Gov. Rec. FY 1997</u>	<u>House Committee Action FY 1997</u>	<u>Senate Subcommit- tee Action FY 1997</u>	<u>Senate Subcommittee Change from House Committee FY 1997</u>
All Funds:				
State Operations	\$ 3,510,542	\$ 3,510,542	\$ 3,510,542	\$ 0
FTE Positions	72.0	72.0	72.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>72.0</u>	<u>72.0</u>	<u>72.0</u>	<u>0.0</u>



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Bank Commissioner

Bill No. 2160

Bill Sec. 4

Analyst: Burenheide

Analysis Pg. No. 1344

Budget Page No. 530

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Bank Commissioner Fee Fund	\$ 3,682,499	\$ 3,684,553	\$ 0
Bank Commissioner Investigation Fund	0	600	0
TOTAL	<u>\$ 3,682,499</u>	<u>\$ 3,685,153</u>	<u>\$ 0</u>
 FTE Positions	72.0	72.0	0.0

Agency Request/Governor's Recommendation

The agency requests \$3,682,499 in FY 1998, an increase of \$171,957 over the current year estimate. This request would fund 72.0 FTE positions. The request includes \$3,121,548 for salaries and wages, \$511,272 for contractual services, \$20,810 for commodities and \$28,867 for capital outlay.

The Governor recommends \$3,685,153 in FY 1998 for 72.0 FTE positions, an increase of \$2,654 above the agency request. The recommendation includes \$3,313,519 for salaries and wages \$503,957 and concurs with the agency request for commodities and capital outlay. The recommendation also reflects a 1.0 percent base salary increase and a 3.5 percent unclassified merit pool.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendations.

House Recommendation

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

<u>Expenditure Summary</u>	<u>Agency Request FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Bank Commissioner Fee Fund	\$ 3,682,499	\$ 3,684,553	\$ (90,205)
Bank Commissioner Investigation Fund	<u>0</u>	<u>600</u>	<u>0</u>
TOTAL	<u>\$ 3,682,499</u>	<u>\$ 3,685,153</u>	<u>\$ (90,205)</u>
FTE Positions	72.0	72.0	0.0

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendations with the following modifications and observations:

1. Delete \$90,205, based on the recommendation to delete funding for the 3.5 percent unclassified merit pool (\$7,836); classified step movement (\$40,511); longevity bonus payments (\$14,943); and the 1.0 percent classified base salary adjustment (\$26,915) from individual agency budgets.
2. The Subcommittee recommends that the Bank Commissioner and the Division of Personnel Services (DPS) conduct a joint classification and pay study of financial examiners during the interim and report the results back to the Subcommittee during the 1998 Legislative Session. The Bank Commissioner provided the Subcommittee with the following:
 - a. The Bank Commissioner has suffered 19 resignations of financial examiners since July 1, 1993, representing nearly one-third of our examining staff. The typical examiner who resigned during this time period was a Financial Examiner IV with an average salary of \$36,495 and a length of service of almost five years. This average former employee represents a fully trained examiner, one who is able to act competently as Examiner-in-Charge at our most difficult examinations.
 - b. The overwhelming reason for these resignations is the lack of competitive salaries with the banking industry and other banking regulators.
 - c. The Bank Commissioner has been working with the Division of Personnel Services (DPS) to upgrade various Financial Examiner III positions to the Financial Examiner IV level. DPS is currently proposing that the Bank Commissioner change from the current five-tier Financial Examiner system to three tiers consisting of a Principal Financial Examiner (range 31), Senior Financial Examiner (range 28), and Financial Examiner (range 23).

- d. To date, DPS and the Bank Commissioner have not been able to resolve differences over the results of a 1996 classification and pay study of financial examiners.
3. The Bank Commissioner has had one bank (Mercantile Bank of Kansas City) switch from a Missouri bank to a Kansas bank and another bank (Mercantile Bank of Topeka) switch from a national bank to a state bank. This lowers assessments on all banks in the state. The banks list the following reasons for switching:
 - a. Considerably lower bank/trust assessments for most banks.
 - b. A state bank has a higher legal lending limit (25 percent/35 percent), compared to a national bank (15 percent/25 percent).
 - c. Easier to contact head of agency with the state authority than on the national scale. Review examiners and field examiners are also generally more accessible.
 - d. State authority knows state and local economy better. The state authority will also be aware of the Governor's plans for future state economic growth and how banks can better fit into that plan.
 - e. State chartered banks are generally more community oriented, as opposed to the general regional orientation of national banks.
 - f. Maintenance of the dual banking system. A dual banking system is good for state and national banks, as it provides a "checks and balance" system for both.
 - g. Quicker response time to questions. Most questions can be answered within a day, if not at the time the question is asked.
 - h. Easier to lobby State Legislature for changes, as opposed to trying to lobby the national congress.
 - i. Easier to lobby State Bank Commissioner for policy changes, as he is only concerned with the state and not the effect on the entire country.
 - j. State bank regulators evaluate the needs of a local community without having to decide whether an activity is appropriate for the entire country.
 - k. Easier for state authority to make decisions on a case-by-case basis.

Fee Fund Analysis. The status of the Bank Commissioner Fee Fund, based on the recommendations of the Subcommittee, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Estimated FY 1997</u>	<u>Estimated FY 1998</u>
Beginning Balance	\$ 306,826	\$ 536,350	\$ 708,622
Net Receipts	<u>3,728,802</u>	<u>3,682,216</u>	<u>3,475,931</u>
Total Funds Available	\$ 4,035,628	\$ 4,218,566	\$ 4,184,553
Less: Expenditures	<u>3,499,278</u>	<u>3,509,944</u>	<u>3,594,348</u>
Ending Balance	<u>\$ 536,350</u>	<u>\$ 708,622</u>	<u>\$ 590,205</u>
Ending Balance as Percentage of Expenditures	15.3%	20.2%	16.4%

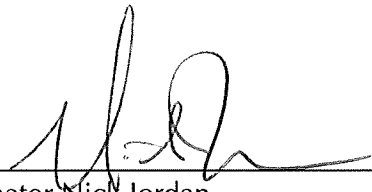
The status of the Bank Examination and Investigation Fund, based on the Subcommittee recommendation, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Estimated FY 1997</u>	<u>Estimated FY 1998</u>
Beginning Balance	\$ 21,750	\$ 24,500	\$ 0
Net Receipts	<u>134,250</u>	<u>83,000</u>	<u>83,000</u>
Total Funds Available	\$ 156,000	\$ 107,500	\$ 83,000
Less: Expenditures	131,342	598	600
Transfer Out	<u>158</u>	<u>106,902</u>	<u>82,400</u>
Ending Balance	<u>\$ 24,500</u>	<u>\$ 0</u>	<u>\$ 0</u>

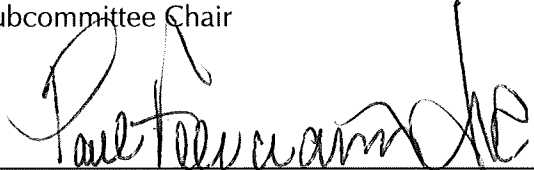
Current Status Comparison

	<u>Gov. Rec. FY 1998</u>	<u>House Committee Action FY 1998</u>	<u>Senate Subcommittee Action FY 1998</u>	<u>Senate Subcommittee Change from House Committee FY 1998</u>
All Funds:				
State Operations	\$ 3,842,798	\$ 3,842,798	\$ 594,348	\$ (90,205)*
FTE Positions	72.0	72.0	72.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0	0.0
TOTAL	<u>72.0</u>	<u>72.0</u>	<u>72.0</u>	<u>0.0</u>

* Entire reduction is due to the removal of the Governor's recommended pay plan adjustments.



Senator Nick Jordan
Subcommittee Chair



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Bank Commissioner

Bill No. 2160

Bill Sec. 4

Analyst: Burenheide

Analysis Pg. No. 1344

Budget Page No. 530

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
Bank Commissioner Fee Fund	\$ 3,836,300	\$ 3,842,198	\$ 0
Bank Commissioner Investigation Fund	<u>0</u>	<u>600</u>	<u>0</u>
TOTAL	<u><u>\$ 3,836,300</u></u>	<u><u>\$ 3,842,798</u></u>	<u><u>\$ 0</u></u>
FTE Positions	72.0	72.0	0.0

Agency Request/Governor's Recommendation

The agency requests \$836,300 in FY 1999, an increase of \$153,801 over the agency request for FY 1998. The request includes \$3,235,926 for salaries and wages, \$542,053 for contractual services, \$21,455 for commodities, and \$36,866 for capital outlay.

The Governor recommends \$3,842,198 for FY 1999 to fund 72.0 FTE positions, an increase of \$5,898 above the agency request. The recommendation includes \$3,248,242 for salaries and wages, \$536,235 for contractual services, and concurs with the agency request for commodities and capital outlay.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the Subcommittee's recommendations.

House Recommendation

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

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Bank Commissioner Fee Fund	\$ 3,836,300	\$ 3,842,198	\$ (88,366)
Bank Commissioner Investigation Fund	<u>0</u>	<u>600</u>	<u>0</u>
TOTAL	<u>\$ 3,836,300</u>	<u>\$ 3,842,798</u>	<u>\$ (88,366)</u>
FTE Positions	72.0	72.0	0.0

Senate Subcommittee Recommendation

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

1. Delete \$88,366, based on the recommendation to delete funding for the 2.5 percent unclassified merit pool (\$5,794); classified step movement (\$38,116); longevity bonus payments (\$15,763); and the 1.0 percent classified base salary adjustment (\$28,693) from individual agency budgets.

Fee Fund Analysis. The status of the Bank Commissioner Fee Fund, based on the recommendations of the Subcommittee, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1996</u>	<u>Estimated FY 1997</u>	<u>Estimated FY 1998</u>	<u>Estimated FY 1999</u>
Beginning Balance	\$ 306,826	\$ 536,350	\$ 708,622	\$ 590,205
Net Receipts	<u>3,728,802</u>	<u>3,682,216</u>	<u>3,475,931</u>	<u>3,842,198</u>
Total Funds Available	\$ 4,035,628	\$ 4,218,566	\$ 4,184,553	\$ 4,432,403
Less: Expenditures	<u>3,499,278</u>	<u>3,509,944</u>	<u>3,594,348</u>	<u>3,753,832</u>
Ending Balance	<u>\$ 536,350</u>	<u>\$ 708,622</u>	<u>\$ 590,205</u>	<u>\$ 678,571</u>
Ending Balance as Percentage of Expenditures	15.3%	20.2%	16.4%	18.1%

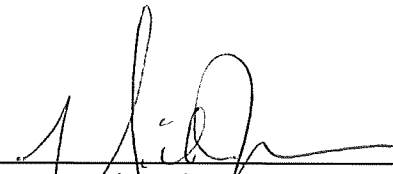
The status of the Bank Examination and Investigation Fund, based on the Subcommittee recommendation, is as follows:

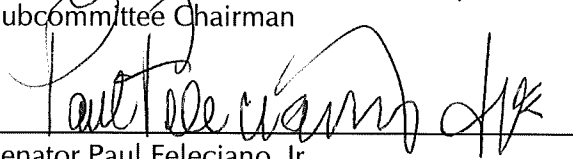
Resource Estimate	Actual FY 1996	Estimated FY 1997	Estimated FY 1998	Estimated FY 1999
Beginning Balance	\$ 21,750	\$ 24,500	\$ 0	\$ 0
Net Receipts	134,250	83,000	83,000	83,000
Total Funds Available	\$ 156,000	\$ 107,500	\$ 83,000	\$ 83,000
Less: Expenditures	131,342	598	600	600
Transfer Out	158	106,902	82,400	82,400
Ending Balance	<u>\$ 24,500</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Current Status Comparison

Expenditure	Gov. Rec. FY 1999	House Committee Action FY 1999	Senate Subcommittee Action FY 1999	Senate Subcommittee Change from House Committee
All Funds:				
State Operations	\$ 3,842,198	\$ 3,842,198	\$ 3,753,832	(88,366)*
FTE Positions	72.0	72.0	72.0	0.0
Unclass. Temp. Pos.	0.0	0.0	0.0	0.0
TOTAL	<u>72.0</u>	<u>72.0</u>	<u>72.0</u>	<u>0.0</u>

* Entire reduction is due to the removal of the Governor's recommended pay plan adjustments.


 Senator Nick Jordan
 Subcommittee Chairman


 Senator Paul Feleciano, Jr.