

Approved: 4/1/98  
Date

## MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson Phil Kline at 1:30 p.m. on March 17, 1998 in Room 514-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Stuart Little, Shannon Nichols, Rae Anne Davis, Susan Kannarr, Russell Mills, Carolyn Rampey, Legislative Research Department;  
Jim Wilson, Mike Corrigan, Revisor of Statutes Office;  
Helen Abramson, Administrative Aide; Linda Swain, Appropriations Secretary

Conferees appearing before the committee:

Senator David Kerr  
Gloria M. Timmer, Director, Division of the Budget  
Michael Byington, Director, Envision, Governmental Affairs Office

Others attending: See attached list

### Hearing on SB 1 - Biennial budget estimates for state agencies.

Senator David Kerr spoke in support of **SB 1**, noting the bill is a significant departure from current budgetary practice (Attachment 1). He also noted a few additional things need to be considered since the bill is now already a year old. The bill called for start-up dates of years 2000 and 2001 which means the budgets being prepared beginning in September of this year would have to be biennial budgets and that might be too fast to get the change over accomplished. If the start up date changes, it must be changed by two years, not one, since it is advisable to do the budget the year after the House election. There may be problems if some big budgets are not put on the system since the big money is in those budgets, thus rendering the concept less effective. The current computer system probably won't handle a second year and correcting that would require another six or seven million dollars. However, that is probably an expenditure that must be made in the near future anyway. A discussion followed.

Gloria Timmer, Director, Division of the Budget, presented both positive and negative aspects to **SB 1** (Attachment 2). She also noted that the Senate as a whole deleted the revenue estimate section of the bill and she feels it is very important that section remain. A discussion followed.

The hearing on **SB 1** was closed.

### Hearing on SB 394 - Social and Rehabilitation Services transition oversight committee

Michael Byington, Director, Envision, Governmental Affairs Office, noted his testimony was originally prepared to be presented as written testimony for the 3/12/98 Committee meeting, when he would be unable to attend. (Attachment 3). Director Byington's testimony proposed an amendment be made to **SB 394**. The testimony locates the amendment to be made on page 3, line eleven. However, using the most current bill, the amendment should be inserted into line 5 instead.

Testimony was distributed for Tom Laing, Executive Director for InterHab: The Resource Network for Kansans with Disabilities (Attachment 4). Kim Miller, from InterHab, was present for questions.

There were no questions and the hearing on **SB 394** was closed.

### Hearing on SB 400 - Assignment of space and facilities in the state capitol.

Jim Wilson, Revisor of Statutes Office, explained **SB 400**, which was introduced by the Legislative Coordinating Council. The bill would change existing law to make the assignment of Secretary of State to the Capitol on a temporary rather than permanent basis.

Written testimony was distributed on **SB 400** from Ron Thornburgh, Secretary of State (Attachment 5). His office does not take a position on **SB 400** but he believes the Secretary of State should be allowed to maintain the ceremonial office in room 241-N of the Capitol.

There were no questions or conferees and the hearing was closed on **SB 400**.

### Subcommittee Reports

Representative Spangler reported for the House Subcommittee on the Judicial Branch (Attachment 6). The

Subcommittee concurred with the Governor's recommendations for FY 98 with one exception.

A motion was made by Representative Spangler, seconded by Representative Packer to adopt the Subcommittee report on the Judicial Branch for FY 98. A brief discussion followed. The motion carried.

Representative Spangler reported the House Subcommittee concurred with the Governor's Recommendation for FY 99 with seven exceptions.

A motion was made by Representative Spangler, seconded by Representative Packer to adopt the Subcommittee report on the Judicial Branch for FY 99. An extensive discussion followed.

Booklets prepared by the Legislative Research Department, were distributed to the committee highlighting several points in the report: FY 1997 Savings; 50 New Positions; Judicial Salary Increase; Court Reporter Salary Upgrade Issue; and Judicial Center Technology, Building and Grounds Fund (Booklet available in the Legislative Research Department ). A Performance Audit Report reviewing the Kansas Court System's Allocation of Staff Resources to the District Courts was also distributed (Report available in the Legislative Research Department ).

A substitute motion was made by Representative Farmer, seconded by Representative Edmonds to amend the report by deleting #4 on page 6. An extensive discussion followed. The substitute motion failed with 10 in favor and 11 opposed.

Discussion continued on the Subcommittee report.

A substitute motion was made by Representative Farmer, seconded by Representative Pottorff to amend the report by reducing the 4 FTE Attorneys under Agency Staff to 2 FTE Attorneys; under Judicial Personnel, deleting the 2 FTE District Court Judges, reducing the 2 FTE Court Reporters to 1, reducing the 2 FTE Administrative Assistants to 1, and deleting the 6 FTE District Magistrate Judges. A discussion followed. The substitute motion failed with 5 in favor and 11 opposed.

A vote was taken on the original motion made by Representative Spangler, seconded by Representative Packer to adopt the Subcommittee report on the Judicial Branch for FY 99. The motion carried.

Representative Mollenkamp reported for the House Subcommittee on the State Board of Indigents' Defense (Attachment 7). The Subcommittee concurred with the Governor's recommendations for FY 98 with one exception and with the recommendations for FY 99 with five exceptions.

A motion was made by Representative Mollenkamp, seconded by Representative Packer to adopt the Subcommittee report on the State Board of Indigents' Defense for FY 98 and FY 99.

A discussion followed. Representative McKechnie noted concern over the quality of the death penalty defense unit in Kansas; their lack of professionalism; and the lack of performance measures that speak to quality. He stressed that there is a problem and encouraged the Subcommittee continue to pursue performance measures to assure those people who come under the need for capitol defense have an adequate defense.

A vote was taken on the original motion made by Representative Mollenkamp, seconded by Representative Packer to adopt the Subcommittee report on the State Board of Indigents' Defense for FY 98 and FY 99. The motion carried.

Representative Packer reported for the House Subcommittee on the Judicial Council (Attachment 8). The Subcommittee concurred with the Governor's recommendations for FY 98 and with FY 99 with two exceptions.

A motion was made by Representative Packer, seconded by Representative Mollenkamp to adopt the Subcommittee report on the Judicial Council for FY 98 and FY 99. There was no discussion. The motion carried.

Representative Helgerson requested Alan Conroy, Legislative Research Department, provide updates to the Committee of the status of the State General Fund.

A motion was made by Representative Landwehr, seconded by Representative Helgerson to introduce a bill concerning the transportation of hazardous materials; authorizing certain federal exemptions. The motion carried.

A motion was made by Representative Helgerson, seconded by Representative Farmer to approve the minutes for the March 11, 1998 meeting. The motion carried.

The meeting was adjourned at approximately 3:45 p.m. The next meeting is scheduled for March 18, 1998.

# APPROPRIATIONS COMMITTEE GUEST LIST

DATE: 3/17/98

NAME	REPRESENTING
Janna Dunbar	Rep. Feurborn
Gloria Timmer	DOB
Mike Huttles	SRS
Andy M. Hearwell	Judicial Council
Vicki Lynne Helsel	DOB
Michael Byington	Emission
Donna Schneeweis esq	Amnesty International
Jay McClain	Courts
John W. White	Courts
Larry Syson	Kearney Law office
Ken Baker	Ks. Court Reporters Assn.
Ed Groth	DPM
Jack Fowler	Ks Sup CT
Connie Uphaus	Ks Court Reporters Assn
Chuck Motter	Ks Court Reporters Assn
Louise Kentzer	18 <sup>th</sup> Judicial District
Steve Lusk	Legal Service for Business Inc
Kat Jantress	BIDS
Cathy Estes	BIDS



TESTIMONY IN SUPPORT OF SB 1

Senator Dave Kerr

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

SB 1 represents a significant departure from current budgetary practice. Budget preparation and defense is a major, time consuming activity in state government. And, by necessity, the time thus consumed is some of the most highly compensated time in the bureaucracy. Consider what a department head must do each year after the budget has been prepared. Counting reviews by the Division of the Budget and possibly the Governor, there are at least nine points at which changes to the budget are possible and which require monitoring or active participation by department administration.

In addition to time savings, there are several other, perhaps more important, benefits from biennial budgeting. Some of these can be summarized as follows:

- Better long range planning by agencies and legislature.
- More opportunity for major policy review by the appropriation committees, especially in the "off" years.
- Will facilitate greater use of performance measures and perhaps performance based budgeting.

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Attachment 1*

Mr. Chairman, as you know, Kansas has already experimented with two-year budgets and it has worked well. There are other states that have made a change toward biennial budgeting in the past few years. Others never moved away from it as Kansas did in 1956. Some of those have much larger and complex budgets than does Kansas.

In conclusion, there is no doubt there would be start-up difficulties in moving to two-year budgets. After that adjustment period is negotiated, benefits would accrue. I urge your serious consideration of SB 1.



DIVISION OF THE BUDGET  
Room 152-E  
State Capitol Building  
Topeka, Kansas 66612-1575  
(785) 296-2436  
FAX (785) 296-0231

Bill Graves  
Governor

Gloria M. Timmer  
Director

MEMORANDUM

TO: House Appropriations Committee

FROM: Gloria Timmer, Director  
Division of the Budget

DATE: March 12, 1998

SUBJECT: Senate Bill 1--Biennial Budgets

Thank you for the opportunity to speak to you about Senate Bill 1 and the proposed change from annual to biennial budgeting.

As introduced, SB 1 would require all state agencies to submit biennial budget requests beginning for fiscal years 2000 and 2001. Also, the introduced bill required that a joint estimate of revenue be prepared by the Division of Budget and Legislative Research for the current fiscal year and two ensuing years. The Senate Committee of the Whole amended the bill to delete the revenue estimate section.

To provide a nationwide perspective I have attached a page from a publication of the National Association of State Budget Officers. It may be noted that 10 states have both biennial sessions and biennial budgets, another 10 have biennial budgets and annual sessions. Two, Kansas and Arizona, have a mix of biennial budgets and annual budgets with annual sessions. (In Kansas, we have 20 fee funded agencies on a biennial cycle. In Arizona, the agencies are divided into "major" budget units which are treated annually and "other" budget units which are biennial. Over 85 percent of the budget is done annually) One state, Missouri, has an annual operating budget and a biennial capital budget.

On the positive side of the biennial budget proposal, it is often discussed that there would be significant staff savings. As far as preparation of the budget is concerned, I would concur.

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Attachment 2

However, staff in either the agencies or budget office probably would be assigned to policy and management issue studies so actual salary savings would be minimal. (Currently, my staff deal with those issues as an additional assignment or as a significant part of the budget process.) Clearly, more time for in depth analysis and policy development would be a positive. Also, a biennial budget could allow agencies and budget preparers to do more involved long term planning, something that is certainly desirable.

However, there are several areas which I believe an annual budget addresses the state's needs more adequately than a biennial budget. First, an annual budget allows more timely response to economic and fiscal issues. An example would be the state's need to respond to the RESPA issue a few years. The issue arose after the legislature adjourned and affected the current and ensuing fiscal year. Second, an annual budget provides a better ability to deal with federal issues in both a timely manner and in the context of the whole budget. Examples would be the current opportunity for health insurance for uninsured children and the huge Medicaid increases we were required to address when the feds changed the requirements for pregnant women and children under 6 years old in the 90's. These issues can be more easily addressed during a full discussion of the state budget rather than only as a new or revised federal program. Third, we have the opportunity to review and deal with enrollment and caseload issues in a timely manner. In this year's budget recommendations, we were able to address greater than expected K-12 enrollment growth as well as greater than anticipated property valuation growth. Similar adjustments have been necessary to address corrections population increases and SRS caseload adjustments. Major state program changes can also be dealt with in the context of the complete budget picture.

The final issue I would call to your attention is a critical need for a new budget computer system if a biennial budget is to be implemented. The existing system is over ten years old and simply will not accommodate a biennial budget for all state agencies. Several years ago, a needs analysis was done for a new system with cost estimates of \$6.0 to \$7.0 million. Before a biennial budget can be implemented, the existing system must be replaced. That process is projected to take over 12 months, after the final planning is completed. It is only fair to note that new budget computer system will be necessary in the near future regardless of this bill. Passage of a biennial budget law would make the need immediate and critical.

Thank you for the opportunity to speak to this issue. I would be happy to answer any questions.



**Table A**  
**Budget Calendar**

<i>State</i>	<i>Budget Guide- lines Sent to Agencies</i>	<i>Agency Requests Submitted to Governor</i>	<i>Agency Hearings Held</i>	<i>Governor Submits Budget To Legislature</i>	<i>Legislature Adopts Budget</i>	<i>Fiscal Year Begins</i>	<i>Frequency of Legislative Cycle (A, B)</i>	<i>Frequency of Budget Cycle (A, B)</i>
Alabama	September	Nov./Dec.	January	February	Feb./May	Oct.	A	A
Alaska	July	October	November	December	May	July	A	A
Arizona	June 1	September 1	Nov./Dec.	January	Jan./April	July	A	A, B*
Arkansas	March	July	August	Sept./Dec.	Jan./April	July	B	B
California	July/Nov.	Aug./Sept.	Aug./Nov.	January 10	June 15	July	A	A
Colorado	June	August 1-15	Aug./Sept.	January 15	May	July	A	A
Connecticut	July	September	February	February	June/May	July	A	B
Delaware	August	Oct./Nov.	Oct./Nov	January	June 30	July	A	A
Florida	June	September	November	December	March	July	A	A
Georgia	May	September	Nov./Dec.	January	March	July	A	A
Hawaii	July/August	September	November	December	April	July	A	B
Idaho	June	September	-	January	March	July	A	A
Illinois	September	Nov./Dec.	Nov./Dec.	March	June	July	A	A
Indiana	-	-	-	-	-	July	A	B
Iowa	June	September	Nov./Dec.	January	April/May	July	A	A
Kansas	June	September	November	January	May	July	A	A, B*
Kentucky	July	October	-	January	April	July	B	B
Louisiana	September	November	February	February	June	July	A	A
Maine	July	September	Oct./Dec.	January	June	July	B	B
Maryland	June	August 31	Oct./Nov.	January	April	July	A	A
Massachusetts	August	October	October	January	June	July	A	A
Michigan	October	November	December	*	July	Oct.	A	A
Minnesota	May/June	October 15	Sept./Oct.	Jan.(4th Tues.)	May	July	A	B
Mississippi	June	August	-	November 11	-	July	A	A
Missouri	July	October	-	January	April/May	July	A	A, B*
Montana	Dec./August	May/Oct.	May/Oct.	January	April	July	B	B
Nebraska	July	September	Jan./Feb.	January	April	July	A	B
Nevada	May/June	September	Sept./Dec.	January	June	July	B	B
New Hampshire	August	October	November	February	May	July	A	B
New Jersey	July/August	October	-	January	June	July	A	A
New Mexico	July	September	Sept./Dec.	January	Feb./March	July	A	A
New York	July	September	Oct./Nov.	January	March	April	A	A
North Carolina	January	August	Sept./Nov.	February	June	July	B	B
North Dakota	March	June/July	July/Oct.	December	Jan./April	July	B	B
Ohio	July	Sept./Oct.	Oct./Nov.	February*	June	July	A	B
Oklahoma	July	October	Oct./Dec.	Feb.(1st Mon.)	May(last Fri.)	July	A	A
Oregon	Jan./July	September	Sept./Nov.	January	Jan./June	July	B	B
Pennsylvania	August	October	Dec./Jan.	February*	June	July	A	A
Rhode Island	July	October	Nov./Dec.	February	June	July	A	A
South Carolina	August	September	-	January	June	July	A	A
South Dakota	June/July	September	Sept./Oct.	December	March	July	A	A
Tennessee	August	October	November	January*	April/May	July	A	A
Texas	March	July/November	July/Sept.	January	May	Sept.	B	B
Utah	July	September	Oct./Nov.	December	February	July	A	A
Vermont	September	October	Nov./Dec.	January	May	July	A*	A
Virginia	April/August	June/September	Sept./Oct.	December	March/April	July	A	B
Washington	April	September	October	December	May	July	A	B
West Virginia	July	September	Oct./Nov.	January	March	July	A	A
Wisconsin	June	September	N/A	January	June/July	July	B	B
Wyoming	May 15	September	by Nov. 20	December	March	July	A	B
Puerto Rico	August	December	Dec./Jan.	February	May	July	A	A

Codes: A....Annual  
B....Biennial

Choices & resources for people who are blind or low vision



**Envision**<sup>SM</sup>

**PLEASE REPLY TO: Michael Byington, Director  
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P. O. Box 1063  
Topeka, Kansas 66601  
(785) 575-7477 (local office and voice mail)  
(785) 233-2539 (FAX)  
mbyington@delphi.com or mbyingto@ink.org**

March 12, 1998

TO THE HOUSE COMMITTEE APPROPRIATIONS:

RE: S. B. 394

I am expressing support for S. B. 394. I WOULD LIKE TO PROPOSE AN AMENDMENT, HOWEVER:

Page three, line eleven, place the words "including Kansas Industries for the Blind," between the word "services," and the period word "and" on this line.

The influence of the SRS Transition Oversight Committee has been positive, and there is still more work for the Committee to do. It should be continued for the additional years proposed in the bill.

I am sorry I can not be in Topeka today to personally deliver this request. Other duties relating to Envision and its blind clients necessitate my being in Wichita today.

I will not attempt to address all areas where the Committee still may need to exercise oversight functions. I will discuss the subject of my amendment, however. Kansas Industries for the Blind (KIB) is an area where plans to privatize have been announced, but where privatization is certainly not completed.

*Appropriations  
3-17-98  
Attachment 3*

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The Kansas Legislature, as a part of the closure process of Topeka State Hospital, designated all State properties in a certain geographic area of Topeka as being a part of the State Hospital grounds. This was done in Section 62 of the 1996 Omnibus bill. The geographic area designated includes a number of State offices and functions having nothing to do with Topeka State Hospital. The example of this which I will highlight is the fact that all of the functions of the Kansas Division of Services for the Blind and Kansas Industries for the Blind which are located at or near the corner of 6th and Mac Vicar in Topeka are designated as a part of the Topeka State grounds. The future of the use of these buildings and grounds, where the Division of Services for the Blind has had certain functions operating for over 50 years, remains quite uncertain. Also, the Rehabilitation Division of SRS has announced that Kansas Industries for the Blind is to eventually be privatized. It was originally announced that this privatization would be complete by July 1997, and then this date was changed to May 1998. It was most recently announced that the May 1998 date has been abandoned with no future dates being certain because of the uncertainty of the future of the buildings and grounds at 6th and Mac Vicar. It is quite logically the view of SRS officials at this point that privatization of KIB can not move forward until it is known whether we are talking about a program which must move, and sustain the resulting expenses of a move, or whether we are talking about the privatization of a program including building and grounds.

The SRS Transition Oversight Committee has examined briefly the issues surrounding the privatization of Kansas Industries for the Blind and the impact of Topeka State closure on the Kansas Division of Services for the Blind in general at my request. The Committee was willing to listen quite attentively to Rehabilitation Services Commissioner Joyce Cussimano and me discuss the concerns of the State and of the blindness community with regard to these issues. It has been too early in the privatization process, however, for the Committee to provide much oversight.

The fact that the State of Kansas is not done with this issue is further evidenced by the fact that, after hearings held last year in this Committee on House Bill 2271, SRS has let this bill dangle, and has not encourage the Committee or its Chair to move forward. They have not withdrawn from the idea of privatization, but they simply do not know enough about the Topeka State Hospital grounds divestiture at this point to try and move the 2271 concerning the privatization of KIB forward.

The SRS Transition Oversight Committee has done an excellent job of providing useful oversight and guidance in the privatization of foster care programs, and the transition of programs from the Department of SRS to the Department of Aging just to mention a couple of its many issues. These transitions are not fully completed yet, however, and the jury is certainly still out on how well new systems are working. Such massive degrees of change seem to work best when elected officials remain actively involved with the State administrators who are directed to implement Legislative intent.

My organization, which is the only Statewide not for profit agency serving persons who are blind and low vision, and I believe the blindness community in general as well, would be much more comfortable if the Committee's oversight functions are continued so that the moving, transitioning, or privatization of the functions of the Division of Services for the Blind, located at 6th and Mac Vicar, and particularly the announced intent to privatize KIB, can be done with the Committee's assistance.

Although the above issues could probably be handled without the specific amending of the bill, the relocation and privatization of certain other functions of SRS are listed by name. Kansas Industries for the Blind is one of those small programs which does not serve as many people as most other programs of SRS. Its impact, however, on the lives of those it does serve is quite profound. We thus request that the bill specifically mention KIB. In doing so, the relocation of other blind services functions on the Topeka State campus will also no doubt be covered as they are attached to the KIB operations.

Thank you very much for receiving my testimony. Please let me know if I may provide further information.



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interhab@ink.org ~ <http://www.ink.org/public/interhab>

TO: Representative Phil Kline, Chairman  
House Appropriations Committee

FROM: Tom Laing, Executive Director  
InterHab: The Resource Network for Kansans with Disabilities

SUBJ: **Senate Bill 394 – SRS Transition Oversight Committee**

InterHab is proposing additional language to Senate Bill 394 (as amended by the Senate Committee) which would bring managed care initiatives for long-term services to persons with developmental disabilities under the purview of the SRS Transition Oversight Committee. Of all the administrative, programmatic, or policy transitions initiated by SRS for persons with developmental disabilities, the managed care initiative has potential to most dramatically affect all stakeholders in Kansas.

SRS has done a good job seeking alternative administrative approaches for community services delivery. Out of their work, in collaboration with community providers, Kansas has adopted a number of managed care elements in its locally managed support network, e.g., gatekeeping and capitated rates. Further elements of managed care are being explored, as noted in recent testimony provided by the Commissioner of MH&DD and the Department's testimony from last year.

Managed care traditionally has been implemented to limit access, and has reduced the likelihood of consumer-driven services. These principles don't apply when providing long-term supports to persons with developmental disabilities. People who need DD services tend to need them everyday; and the Kansas DD Reform Act requires these needs be met within the context of consumer choice.

We will continue to work closely with officials from SRS to explore further the use of managed care tools in service delivery. **It is our recommendation that the legislature become a participant in this dialogue, and that the SRS Transition Oversight Committee review any further managed care initiatives for long-term DD services and supports.**

Kim Miller, InterHab, will be present for questions at the March 12, 1998, hearing.

Attachment: draft language

Cc: House Appropriations Committee Members

Appropriations  
3-17-98  
Attachment 4

**Senate Bill No. 394**  
As Amended by Senate Committee

InterHab Proposed Amendment:  
Page 3, line 22

ADD:

*(5) The oversight committee shall monitor, review, and make recommendations regarding any proposal to apply managed care principles to the provision of community services to persons with mental retardation and/or developmental disabilities.*

AMEND:

~~(5)~~(6) The oversight committee shall:...

5

Testimony on SB 400  
House Appropriations Committee

By  
Secretary of State Ron Thornburgh

Thursday, March 12, 1998

Chairman Kline and members of the committee:

The secretary of state's office does not take a position on SB 400. The decision to move the secretary of state's office to the Memorial Building has been made, and at the present time we are actively planning that move. However, there are decisions about the use of space in the Capitol that legislators may want to consider as this legislation and our planning progress. The primary issue is whether the secretary of state's office should maintain some presence in the Capitol.

We believe the secretary of state should be allowed to maintain the ceremonial office in room 241-N of the Capitol. The secretary of state has had a presence in this building since it first opened in 1869. The ceremonial office is one of the most historically accurate rooms in the Capitol. Not only has the secretary of state been in the north wing location for approximately 100 years, many of the furnishings are original, including the marble wash basin and fireplace.

By permitting the secretary of state's office to keep its original office, the legislature will maintain the integrity of the Capitol and be consistent with your goal of restoring the historic building to its original grandeur.

In addition to the historical significance, maintaining the ceremonial office will allow the secretary of state's office more flexibility to serve our customers in the Capitol. Some ceremonial functions and administrative duties related to our relationship with the legislature and the governor's office may still be performed in the Capitol.

We hope this information is helpful as the legislature makes future decisions on allocation of space in the Capitol.

Thank you for the opportunity to present this testimony.

*Appropriations  
3-17-98  
Attachment 5*

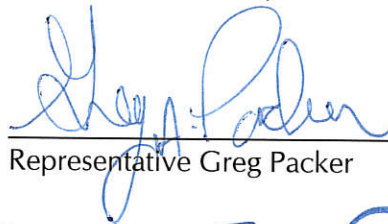
6

**FY 1998 and FY 1999**  
**House Subcommittee Report on**  
**Judicial Branch**



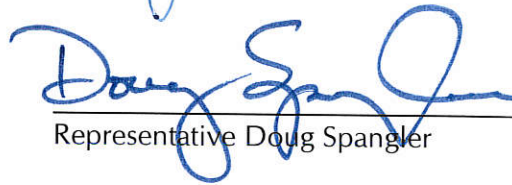
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Representative Gayle Mollenkamp  
Subcommittee Chairperson



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Representative Greg Packer



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Representative Doug Spangler

Appropriations  
3-17-98  
Attachment 6



**SUBCOMMITTEE REPORT**

**Agency:** Judicial Branch

**Bill No.** 643

**Bill Sec.** New

**Analyst:** Rampey

**Analysis Pg. No.** 1050

**Budget Page No.** 299

<u>Expenditure Summary</u>	<u>Agency Estimate FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 73,372,218	\$ 73,372,218	\$ 0
Aid to Local Units	713,000	713,000	0
Other Assistance	<u>885,664</u>	<u>885,664</u>	<u>0</u>
TOTAL	<u>\$ 74,970,882</u>	<u>\$ 74,970,882</u>	<u>\$ 0</u>
State General Fund:			
Operations	\$ 70,053,739	\$ 70,053,739	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 70,053,739</u>	<u>\$ 70,053,739</u>	<u>\$ 0</u>
FTE Positions	1,766.0	1,766.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>1,766.0</u>	<u>1,766.0</u>	<u>0.0</u>

**AGENCY OVERVIEW**

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The Kansas Courts' constitutional and statutory duty is to administer justice in the most equitable manner possible. The Kansas Supreme Court is given general administrative authority over all courts in the state, including the Court of Appeals and the district courts. Appeals from district courts go to the Court of Appeals except for certain exceptions in which appeals go directly to the Kansas Supreme Court. There are 31 judicial districts in the state presided over by a district judges. By far, district court expenses account for most of the costs in the judicial branch budget. In FY 1998, 85 percent of the judicial branch budget funds operations of the district courts. About 93 percent of the funding for the judicial branch is from the State General Fund.

**Agency Estimate/Governor's Recommendation**

Estimated expenditures for the Judicial Branch in FY 1998 from all funding sources total \$74,970,882, an increase of \$307,218 over the approved amount of \$74,663,664. The amount includes funding for 17.0 new FTE nonjudicial positions added by the 1997 Legislature. No change is made to

estimated expenditures from the State General Fund, as approved, (\$70,053,739), but estimates of receipts to several special revenue funds are \$307,218 higher than originally estimated. The number of positions in the current year is 1,766.0 FTE, as approved by the 1997 Legislature. Shrinkage is budgeted at 2.1 percent (\$1,475,199). Actual turnover in FY 1997 was 2.6 percent. (Staff Note: According to the agency, normal turnover is about 1.0 percent for judges and 1.5 percent for nonjudicial personnel.)

**The Governor concurs** with the Judicial Branch's estimate of expenditures in the current year.

### **Senate Subcommittee Recommendation**

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

1. Add a proviso in the appropriations bill to authorize payment for the two legislative members who serve on a commission that is advisory to the Judicial Administrator in connection with expenditures from the Permanent Families Account of the Family and Children Investment Fund. (Expenditures from the Fund are for the Court Appointed Special Advocate (CASA) programs and Citizen Review Boards.) The 1997 Legislature transferred administrative oversight of the Fund from the Corporation for Change to the Judicial Administrator, but authorization to pay legislative members of the advisory commission was inadvertently omitted. The two legislative members would be paid per diem compensation and travel expenses from the Fund. The commission is expected to meet one or two days a year.

### **Senate Committee Recommendation**

The Senate Committee concurs with the recommendations of the Subcommittee.

Agency: Judicial Branch

Bill No. 2895

Bill Sec. New

Expenditure Summary	Agency Estimate FY 98	Gov. Rec. FY 98	House Subcommittee Adjustments
All Funds:			
State Operations	\$ 73,372,218	\$ 73,372,218	\$ 0
Aid to Local Units	713,000	713,000	0
Other Assistance	885,664	885,664	0
TOTAL	<u>\$ 74,970,882</u>	<u>\$ 74,970,882</u>	<u>\$ 0</u>
State General Fund:			
Operations	\$ 70,053,739	\$ 70,053,739	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	<u>\$ 70,053,739</u>	<u>\$ 70,053,739</u>	<u>\$ 0</u>
FTE Positions	1,766.0	1,766.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>1,766.0</u>	<u>1,766.0</u>	<u>0.0</u>

**House Subcommittee Recommendation**

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

1. Add a proviso in the appropriations bill to authorize payment for the two legislative members who serve on a commission that is advisory to the Judicial Administrator in connection with expenditures from the Permanent Families Account of the Family and Children Investment Fund. (Expenditures from the Fund are for the Court Appointed Special Advocate (CASA) programs and Citizen Review Boards.) The 1997 Legislature transferred administrative oversight of the Fund from the Corporation for Change to the Judicial Administrator, but authorization to pay legislative members of the advisory commission was inadvertently omitted. The two legislative members would be paid per diem compensation and travel expenses from the Fund. The commission is expected to meet one or two days a year.

**SUBCOMMITTEE REPORT**

**Agency:** Judicial Branch

**Bill No.** 642

**Bill Sec.** 37

**Analyst:** Rampey

**Analysis Pg. No.** 1050

**Budget Page No.** 299

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 78,023,234	\$ 76,831,551	\$ (2,711,116) *
Aid to Local Units	763,000	763,000	0
Other Assistance	<u>920,437</u>	<u>920,437</u>	<u>0</u>
TOTAL	<u>\$ 79,706,671</u>	<u>\$ 78,514,988</u>	<u>\$ (2,711,116)</u>
State General Fund:			
Operations	\$ 74,838,457	\$ 73,645,877	\$ (2,626,847) *
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 74,838,457</u>	<u>\$ 73,645,877</u>	<u>\$ (2,626,847)</u>
FTE Positions	1,816.0	1,775.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>1,816.0</u>	<u>1,775.0</u>	<u>0.0</u>

\* Includes a reduction of \$3,100,656 (\$3,016,387 from the State General Fund) for the Governor's employee salary adjustments.

**Agency Request/Governor's Recommendation**

The Judicial Branch requests a total of \$79.7 million for FY 1999, of which \$74.8 million is from the State General Fund. The amount is an increase of \$4,735,789 (6.3 percent) from all funds over the revised estimate for the current year.

Part of the increase over FY 1998 is due to the Judicial Branch's enhancement request, which totals \$2,190,414. The enhancements are described below:

- ◆ **50.0 FTE Additional Positions—\$1,896,141.** To address the need for more judges, the agency includes in its FY 1999 budget a request for three new judges and support staff (two per judge) and nine new district magistrate judges, for a total of 18 judicial personnel. The Judicial Branch also is requesting a total of 27.0 FTE nonjudicial personnel. The positions are primarily for the offices of clerks and for court service officers. In addition, the agency requests 4.0 FTE attorneys for the central staff of the Supreme Court to handle increases in workload and 1.0 FTE Information Systems Analyst for the data processing unit.

- ◆ **Court Reporter Upgrade--\$289,540.** According to the agency, court reporters in the Judicial Branch were not given an upgrade when the Comprehensive Classification study of state employees was completed several years ago. As a result, the agency reports that compensation for court reporters has fallen below the market rate. To address the situation, the Judicial Branch is requesting that the salary range for court reporters be raised from Range 23 to Range 25 and that Managing Court Reporters be raised from Range 24 to Range 26.
- ◆ **Reclassification of Positions--\$4,733.** Funding is requested to upgrade two Central Research Attorneys I to Central Research Attorneys II who are on the central research staff of the Court of Appeals.

**The Governor recommends** expenditures of \$78,514,988 for FY 1999, an increase of \$3,544,106 over his recommendation for the current year. The amount the Governor recommends is a reduction of \$1,191,683 from the Judicial Branch's request, of which \$1,142,267 is in the area of salaries. The Governor provides a 4.0 percent merit pool for unclassified employees, but does not approve the upgrade for the court reporters or the upgrade of the two research attorneys. In addition, the Governor increases the shrinkage rate from the 1.3 percent budgeted by the agency (\$968,644) to 1.7 percent (\$1,307,124). The Governor also recommends the addition of 9.0 FTE positions at total of \$351,437: The positions are 3.0 FTE District Magistrate Judges, 1.0 FTE District Court Judge, 1.0 FTE Administrative Assistant, 1.0 FTE Court Reporter, and 3.0 FTE Court Service Officers. Under the Governor's recommendation, it will be up to the Judicial Branch to decide where the new positions will be located.

### **Senate Subcommittee Recommendation**

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

1. Delete \$3,100,656, including \$3,016,387 from the State General Fund, based on the recommendation to delete funding for the 4.0 percent unclassified merit pool (\$634,759) and longevity bonus payments (\$2,465,897) from individual agency budgets.
2. Add \$100,000 from the State General Fund for additional positions to be designated by the agency. The Subcommittee has asked the Judicial Branch to designate the positions that are most needed from among the new judicial and nonjudicial positions that were requested.
3. Add \$289,540 from the State General Fund to upgrade the salaries of court reporters. According to information presented to the Subcommittee, a comparison of beginning, median, and top salaries of Kansas court reporters shows that Kansas ranks well below the national average and among the three lowest states in an eight-state region. Testimony before the Subcommittee indicates that low salaries and the lack of a court reporter training program in Kansas make recruiting and retaining court staff a problem.
4. Add a proviso in the appropriations bill to authorize payment for the two legislative members who serve on a commission that is advisory to the Judicial Administrator

in connection with expenditures from the Permanent Families Account of the Family and Children Investment Fund. (Expenditures from the Fund are for the Court Appointed Special Advocate (CASA) programs and Citizen Review Boards.) The 1997 Legislature transferred administrative oversight of the Fund from the Corporation for Change to the Judicial Administrator, but authorization to pay legislative members of the advisory commission was inadvertently omitted. The two legislative members would be paid per diem compensation and travel expenses from the Fund. The commission is expected to meet one or two days a year.

5. Add a proviso in the appropriations bill stating that the Judicial Branch should report to the 1999 Legislature concerning a performance audit recommendation listing options to improve the efficiency of the district courts. In June, 1997, the Legislative Division of Post Audit identified five options that should be considered by the Judicial Branch to make the district court system more efficient. They include using more computer technology; increasing the use of magistrate, retired, and senior judges; increasing the use of mediation and other dispute resolution measures; ending the hiring freeze; and adding more nonjudicial staff. The Subcommittee believes the options merit serious consideration and asks that the Judicial Branch conduct a study and make a report to the 1999 Legislature.
6. The Judicial Branch, and other state agencies as well, is forced to keep vacant positions open in order to generate salary savings to stay within its appropriation. In the case of the Judicial Branch, 97 percent of its appropriation is for salaries, which means that almost no flexibility exists to shift funding from other operating expenses to make up a salary shortfall. The problem is compounded by the fact that the turnover rate among judicial and nonjudicial staff is low (about 1 percent for judicial personnel and 1.5 percent for nonjudicial personnel). Presently, there is a 45-day wait before nonjudicial personnel vacancies can be filled. The Judicial Branch did not appeal its turnover rate (2.1 percent in FY 1998 and 1.7 percent in FY 1999), but the Subcommittee shares the concerns expressed by the Chief Justice and others that resorting to a hiring freeze exacerbates an already overloaded court system and causes even greater delays and inefficiencies. The Subcommittee believes the Legislature should carefully consider the negative consequences to agencies of imposing shrinkage rates that require needed positions to remain vacant.

### **Senate Committee Recommendations**

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

1. Clarify the intent of the Subcommittee with regard to the addition of \$100,000 for positions to be designated by the Judicial Branch by stating that the money is full-year funding for positions to be added as soon after July 1, 1998, as possible. The Committee does not want the agency to use the money late in the fiscal year to add numerous positions that will be built into the base for full funding in subsequent fiscal years.
2. Stipulate in the proviso to be added in connection with item 5 above that the Commission to implement the Kansas Citizens Justice Initiative should incorporate

a consideration of the recommendations of the Legislative Division of Post Audit into its study. The Commission was appointed by the Chief Justice to consider all aspects of the judicial system and is expected to make its findings and recommendations to the Court late in 1998 or early in 1999. The Committee's recommendation is that the Judicial Branch should not undertake a new study of the post audit recommendations but that consideration of the recommendations should be part of the Kansas Citizens Justice Initiative.

Agency: Judicial Branch

Bill No. 2893

Bill Sec. 37

Expenditure Summary	Agency Request FY 99	Gov. Rec. FY 99	House Subcommittee Adjustments
All Funds:			
State Operations	\$ 78,023,234	\$ 76,831,551	\$ 4,489,184
Aid to Local Units	763,000	763,000	0
Other Assistance	920,437	920,437	0
TOTAL	<u>\$ 79,706,671</u>	<u>\$ 78,514,988</u>	<u>\$ 4,489,184</u>
State General Fund:			
Operations	\$ 74,838,457	\$ 73,645,877	\$ 4,489,184
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	<u>\$ 74,838,457</u>	<u>\$ 73,645,877</u>	<u>\$ 4,489,184</u>
FTE Positions	1,816.0	1,775.0	41.0
Unclassified Temp. Positions	0.0	0.0	-
TOTAL	<u>1,816.0</u>	<u>1,775.0</u>	<u>41.0</u>

### House Subcommittee Recommendation

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

1. Add \$289,540 from the State General Fund to upgrade the salaries of court reporters. According to information presented to the Subcommittee, a comparison of beginning, median, and top salaries of Kansas court reporters shows that Kansas ranks well below the national average and among the three lowest states in an eight-state region. Testimony before the Subcommittee indicates that low salaries and the

lack of a court reporter training program in Kansas make recruiting and retaining court staff a problem.

2. Add a proviso in the appropriations bill to authorize payment for the two legislative members who serve on a commission that is advisory to the Judicial Administrator in connection with expenditures from the Permanent Families Account of the Family and Children Investment Fund. (Expenditures from the Fund are for the Court Appointed Special Advocate (CASA) programs and Citizen Review Boards.) The 1997 Legislature transferred administrative oversight of the Fund from the Corporation for Change to the Judicial Administrator, but authorization to pay legislative members of the advisory commission was inadvertently omitted. The two legislative members would be paid per diem compensation and travel expenses from the Fund. The commission is expected to meet one or two days a year.
3. Add \$1,544,704 from the State General Fund for 41.0 FTE positions. The Subcommittee's recommendation, added to the Governor's recommended 9.0 FTE positions, would fully fund the Judicial Branch's request for 50.0 FTE new positions. The positions that would be added by the Subcommittee are:

Agency Staff

- 2 4.0 FTE Attorneys for the central staff of the Supreme Court
- 1.0 FTE Information System Analyst for the data processing unit
- TOTAL 5.0 FTE Agency Staff
- (Governor did not add agency staff)

Judicial Personnel

- 2.0 FTE District Court Judges
- 1 2.0 FTE Court Reporters
- 1 2.0 FTE Administrative Assistants
- 0 6.0 FTE District Magistrate Judges
- TOTAL 12.0 Judicial Personnel
- (These positions would be in addition to 1.0 0 FTE district court judge, 1.0 FTE court reporter, 1.0 FTE administrative assistant, and 3.0 FTE district magistrate judges added by the Governor)

Nonjudicial Personnel

- 21.0 FTE Trial Court Clerks I
- 2.0 FTE Court Services Officers I
- 1.0 FTE District Court Administrator
- TOTAL 24.0 FTE Nonjudicial Personnel
- (These positions would be in addition to 3.0 FTE Court Services Officers I added by the Governor)

GRAND TOTAL 41.0 FTE Positions



4. Add \$1,273,139 from the State General Fund to reduce the shrinkage rate to 0.0 percent. (The Governor has recommended a 1.7 percent shrinkage rate.) The application of an arbitrary shrinkage rate forces the Judicial Branch to keep vacant positions open in order to generate salary savings to stay within its appropriation. In the case of the Judicial Branch, 97 percent of its appropriation is for salaries, which means that almost no flexibility exists to shift funding from other operating expenses to make up a salary shortfall. Because the normal turnover rate for judicial and nonjudicial personnel is low, there is a 45-day wait before nonjudicial personnel vacancies can be filled. The Subcommittee is concerned that the hiring freeze exacerbates an already overloaded court system and causes even greater delays and inefficiencies.
5. Add \$1,246,358 from the State General Fund for base salary increases of \$5,000, plus fringe benefits, for the seven Justices of the Supreme Court, the ten judges of the appellate court, and the 156 district court judges, and base salary increases of \$2,500, plus fringe benefits, for the 69 district magistrate judges. According to the National Center for State Courts, the median base salary nationwide of judges of general jurisdiction trial courts as of July 1, 1997, was \$91,433. This median is comparable to base salaries of \$83,000 for district court judges in Kansas. The Subcommittee's recommendation would bring the base salary for district court judges up to approximately \$92,200. The last base salary increase for judges was in FY 1990, and the Subcommittee believes another adjustment is due in order to attract, retain, and adequately compensate capable individuals who serve as judges.
6. Add \$135,443 from the State General Fund for a step increase for Judicial Branch employees who have reached the last step of their salary grade. Information provided by the Judicial Branch indicates that there are 155 individuals who would qualify for the increase.
7. Add a proviso to the State General Fund appropriation for Judiciary Operations stipulating that any reappropriated balance from FY 1998 will be credited to the new Judicial Center Technology, Building, and Grounds Fund. In addition, recommend the introduction of legislation that would create the fund statutorily. The purpose of the new fund, which was requested by the Judicial Branch, would be to allow the Judicial Branch to use any savings from FY 1998 to pay for technology equipment and rehabilitation and repairs to the Judicial Center and grounds. Normally, such funding is contained in the budget of the Department of Administration, but there is no money in the Governor's FY 1999 budget for rehabilitation and repairs for the Judicial Center. The Joint Committee on State Building Construction has endorsed the Judicial Branch's request for the fund.

7

# HOUSE SUBCOMMITTEE REPORT


FY 1998-FY 1999

State Board of Indigents' Defense



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Representative Gayle Mollenkamp  
Subcommittee Chairperson



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Representative Greg Packer



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Representative Doug Spangler

Appropriations  
3-17-98  
Attachment 7

**SUBCOMMITTEE REPORT**

**Agency:** State Board of Indigents' Defense

**Bill No.** 642

**Bill Sec.** 35

**Analyst:** Rampey

**Analysis Pg. No.** 1066

**Budget Page No.** 279

Expenditure Summary	Agency Estimate FY 98	Gov. Rec. FY 98	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 13,528,697	\$ 13,289,931	\$ 0
Aid to Local Units	0	0	0
Other Assistance	415,220	415,220	0
TOTAL	\$ 13,943,917	\$ 13,705,151	\$ 0
State General Fund:			
State Operations	\$ 13,370,942	\$ 13,132,176	\$ 0
Aid to Local Units	0	0	0
Other Assistance	415,220	415,220	0
TOTAL	\$ 13,786,162	\$ 13,547,396	\$ 0
FTE Positions	168.0	168.0	0.0
Unclass. Temp. Positions	1.5	1.5	0.0
TOTAL	169.5	169.5	0.0

The statutory mission of the State Board of Indigents' Defense Services (BIDS) is to provide, supervise, and coordinate the constitutionally and statutorily required counsel and related service for indigents accused of felonies. The Board supervises appropriated funds for the defense of accused felons by public defender offices and appointed counsel.

Public defender offices are located in Topeka, Junction City, Salina, Hutchinson, Wichita, Olathe, Garden City, Liberal, and Chanute. An appellate defender office, located in Topeka, handles all indigent felony appeals in Kansas. In response to the 1994 enactment of the death penalty for certain homicides, the Board of Indigents' Defense Services established the Death Penalty Defense Unit in July 1996. The purpose of the office is to defend persons accused of murder or who face potential capital murder charges.

The Board's new director began February 9.

**Agency Estimate/Governor's Recommendation**

The Board estimates expenditures of \$13,786,162 from the State General Fund. The amount includes \$158,486 that was reappropriated from FY 1997 and a requested supplemental appropriation of \$988,645. The additional funding is requested to pay expenses for assigned counsel and would bring the total estimated expenditure for the assigned counsel activity to \$5,404,000.

The Governor recommends expenditures of \$13,705,151 from all funds in FY 1998. The amount includes a supplemental appropriation of \$750,000 for assigned counsel, for a total of \$5,200,297, which is \$238,645 less than requested. The Governor also shifts \$35,063 in savings in salaries and wages to other operating expenditures.

**Senate Subcommittee Recommendation**

The Subcommittee concurs with the recommendations of the Governor.

**Senate Committee Recommendation**

The Senate Committee concurs with the recommendations of the Subcommittee.

**Agency:** State Board of Indigents' Defense

**Bill No.** 2893

**Bill Sec.** 35

<u>Expenditure Summary</u>	<u>Agency Estimate FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 13,528,697	\$ 13,289,931	\$ 238,645
Aid to Local Units	0	0	0
Other Assistance	415,220	415,220	0
TOTAL	<u>\$ 13,943,917</u>	<u>\$ 13,705,151</u>	<u>\$ 238,645</u>
State General Fund:			
State Operations	\$ 13,370,942	\$ 13,132,176	\$ 238,645
Aid to Local Units	0	0	0
Other Assistance	415,220	415,220	0
TOTAL	<u>\$ 13,786,162</u>	<u>\$ 13,547,396</u>	<u>\$ 238,645</u>
FTE Positions	168.0	168.0	0.0
Unclass. Temp. Positions	1.5	1.5	0.0
TOTAL	<u>169.5</u>	<u>169.5</u>	<u>0.0</u>

**House Subcommittee Recommendations**

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

1. Add \$238,645 from the State General Fund for assigned counsel. The Board requested a supplemental appropriation of \$988,645 for assigned counsel, which would have brought the total available in the current year to \$5,404,000. The Governor added \$750,000, which is \$238,645 short of the request.

The state has an obligation to provide counsel for indigents and under funding payments for assigned counsel will not save money in the long run. Private attorneys will not defend indigents if they do not get paid and the Board could be forced to incur even greater expenses by paying start-up costs to open new public defender offices. It is true that adding public defenders sometimes is cost effective, which is why the Legislature has encouraged the Board to add public defenders when needed. But adding public defenders should be done *only* when it is cost effective, not when the appropriate use of assigned counsel is under funded. The Subcommittee notes that estimated payments for assigned counsel are declining, from \$5.6 million in FY 1997 to \$5.4 million in FY 1998 (estimated) and \$5.3 million in FY 1999 (estimated).

**SUBCOMMITTEE REPORT**

**Agency:** State Board of Indigents' Defense

**Bill No.** 642

**Bill Sec.** 35

**Analyst:** Rampey

**Analysis Pg. No.** 1066

**Budget Page No.** 279

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 14,044,642	\$ 13,173,589	\$ (209,406)*
Aid to Local Units	0	0	0
Other Assistance	550,730	415,220	0
<b>TOTAL</b>	<u><u>\$ 14,595,372</u></u>	<u><u>\$ 13,588,809</u></u>	<u><u>\$ (209,406)</u></u>
<b>State General Fund:</b>			
State Operations	\$ 13,939,642	\$ 13,068,589	\$ (209,406)*
Aid to Local Units	0	0	0
Other Assistance	550,730	415,220	0
<b>TOTAL</b>	<u><u>\$ 14,490,372</u></u>	<u><u>\$ 13,483,809</u></u>	<u><u>\$ (209,406)</u></u>
FTE Positions	168.5	168.5	--
Unclass. Temp. Positions	1.0	1.0	--
<b>TOTAL</b>	<u><u>169.5</u></u>	<u><u>169.5</u></u>	<u><u>--</u></u>

\* Includes a reduction of \$209,406, all from the State General Fund, for the Governor's salary adjustments.

**Agency Request/Governor's Recommendation**

For FY 1999, the Board requests a total of \$14,595,372, of which all but \$105,000 would be from the State General Fund. Excluding enhancements that total \$160,297, the increase over the revised estimate for FY 1998 from the State General Fund is \$543,913 (3.9 percent). Several items account for the budget growth over the current year. In addition to expected growth in salaries and wages due to step increases for classified employees and a merit pool for unclassified employees, the Board has reduced its shrinkage rate to 4.2 percent (\$292,850) from the 7.0 percent rate that is budgeted for the current year. (Actual turnover in FY 1997 was 8.0 percent.) Inadvertently left out of the agency's budget is \$39,423 in salary and fringe benefits for an existing unclassified temporary position.

The Board's only FY 1999 enhancement totals \$160,297 and would provide a salary increase for the Board's attorneys. The Board estimates that it will take a total of \$400,743, plus fringe benefits, to upgrade its unclassified attorneys to a salary level that is comparable to other attorneys in state government. The Board's plan is to request one-third of the increase each year beginning in FY 1999.

Another item that accounts for part of the increase over FY 1998 is \$550,730 from the State General Fund requested for Legal Services for Prisoners, Inc., which is \$135,510 more than the current year level of \$415,220. Legal Services for Prisoners, Inc. is a nonprofit corporation organized to provide legal assistance to indigent inmates of Kansas correctional institutions. The Board of Indigents' Defense contracts with Legal Services for Prisoners, Inc. and serves as a pass-through agency for funding purposes. Other items in the Board's FY 1999 request include \$72,936 for capital outlay, a decrease of \$90,612 from the current year. Almost all of the money requested is for computer-related purchases, primarily for offices of public defenders.

**The Governor recommends** expenditures of \$13,588,809 from all funds in FY 1999, a reduction of \$116,342 from his recommendation for the current year. Overall, the Governor increases expenditures for salaries and wages by \$371,739 over the current year to allow for a 1.5 percent base salary increase for classified employees in addition to step increases and a 4.0 percent merit pool for unclassified employees. The Governor does not approve the enhancement for unclassified attorney parity pay. The Governor also recommends that a position limitation be imposed on the Board at its present level of 168.5 FTE positions. The Governor recommends a 7.0 percent shrinkage rate (\$492,140). The difference between the shrinkage rate imposed by the Governor and the rate requested by the agency (4.2 percent) is \$196,856 and accounts for a large portion of the difference between the agency request and the Governor's recommendation.

The reductions made by the Governor are in non-salary areas and total \$488,081 from all funds. The main area of reduction is for the court-appointed attorneys who are paid \$50 per hour to represent indigent defendants. The Governor's FY 1999 recommendation for assigned counsel is \$4,764,565, which is \$435,732 less than his recommendation of \$5,200,297 for the current year. The Board has a history of requesting supplemental appropriations for assigned counsel and in recent years has added public defenders to its staff to handle its workload. The Governor recommends the same amount of money in FY 1999 for Legal Services for Prisoners, Inc. (\$415,220) as in the current year and increases funding for the death penalty defense unit by \$75,405 over the current year, almost all of which is for salaries.

### **Senate Subcommittee Recommendations**

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

1. Delete \$209,406 from the State General Fund based on the recommendation to delete funding for the 4.0 percent unclassified merit pool (\$162,131); classified step movement (\$14,083); longevity bonus payments (\$6,441); and the 1.5 percent classified base salary adjustment (\$102,256) from individual agency budgets.
2. Continue the Legislature's practice since FY 1994 to place no limitation on the Board's positions in order to allow the Board the flexibility to add public defenders within available resources. The reason for the recommendation is that the cost per case for public defenders is less than for assigned counsel (\$378 per case for public defenders in FY 1997 compared to \$524 for assigned counsel). The recent history of the Board has been to increase its use of public defenders, which, according to the Board's staff, is part of the reason the cost for assigned counsel has gone down.

3. Request that the Board ask the Governor for a budget amendment to add \$39,423 in salary and fringe benefits for an existing unclassified temporary position in the death penalty defense unit (a Capital Defense Investigator). The position is filled, but the agency inadvertently left the salary out of its budget. The Subcommittee will consider the issue in the Omnibus Bill when the Governor's response to the request is known.
4. Add to the list of items that will be considered later in the Session the matter of "parity" increases for the Board's unclassified attorneys. Unclassified attorneys in state government were not part of a salary upgrade of classified attorneys that occurred in FY 1995. As a result, agencies that employ unclassified attorneys, most notably the Attorney General, have argued that a similar upgrade should be approved for their attorneys. (The 1996 Legislature added money to the Attorney General's budget for an unclassified attorney upgrade.) The Board of Indigents' Defense Services makes the same argument and requests \$160,297 in FY 1999 for the first year of a three-year plan to upgrade attorneys' salaries. Total cost of the upgrade is estimated to be \$400,743.

### **Senate Committee Recommendation**

The Senate Committee concurs with the recommendations of the Subcommittee.



Agency: State Board of Indigents' Defense

Bill No. 2893

Bill Sec. 35

Expenditure Summary	Agency Request FY 99	Gov. Rec. FY 99	House Subcommittee Adjustments
All Funds:			
State Operations	\$ 14,044,642	\$ 13,173,589	\$ 441,845
Aid to Local Units	0	0	0
Other Assistance	550,730	415,220	135,510
TOTAL	<u>\$ 14,595,372</u>	<u>\$ 13,588,809</u>	<u>\$ 577,355</u>
State General Fund:			
State Operations	\$ 13,939,642	\$ 13,068,589	\$ 441,845
Aid to Local Units	0	0	0
Other Assistance	550,730	415,220	135,510
TOTAL	<u>\$ 14,490,372</u>	<u>\$ 13,483,809</u>	<u>\$ 577,355</u>
FTE Positions	168.5	168.5	--
Unclass. Temp. Positions	1.0	1.0	--
TOTAL	<u>169.5</u>	<u>169.5</u>	<u>--</u>

### House Subcommittee Recommendation

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

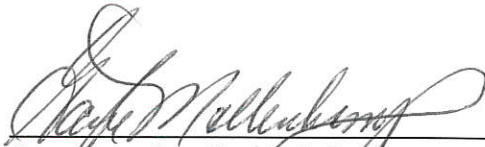
1. Add \$160,297 from the State General Fund for a salary increase for the Board's attorneys. A state employee upgrade occurred in FY 1995 as a part of the Comprehensive Classification and Job Rate Study that resulted in the salaries of classified attorneys in state government being increased by two pay ranges. Attorneys in the unclassified service did not get the salary upgrade. The 1996 Legislature added money to the Attorney General's budget to upgrade the salaries of the General's unclassified employees, but no additional funding was given to the Board of Indigents' Defense, whose attorneys also are unclassified. The Board estimates that it will take \$400,743, plus fringe benefits, to upgrade its unclassified attorneys to a salary level that is comparable to other attorneys in state government. The Board's plan is to request one-third of the increase each year. The Subcommittee's recommendation would fund the first year of the upgrade.
2. Continue the Legislature's practice since FY 1994 to place no limitation on the Board's positions in order to allow the Board the flexibility to add public defenders within available resources. The reason for the recommendation is that the cost per

case for public defenders is less than for assigned counsel (\$378 per case for public defenders in FY 1997 compared to \$524 for assigned counsel). The recent history of the Board has been to increase its use of public defenders, which, according to the Board's staff, is part of the reason the cost for assigned counsel has gone down.

3. Add \$39,423 from the State General Fund for the salary and fringe benefits of an existing unclassified temporary position. The position is filled, but the agency inadvertently left the salary out of the budget.
4. Add \$242,125 from the State General Fund to reduce the Governor's recommended shrinkage rate from 7.0 percent to the 4.2 percent rate requested by the Board. Actual turnover in FY 1997 was 8.0 percent and shrinkage is budgeted at 7.0 percent in the current year, but the last several years have been atypical because of turnover in the director's office. The new Executive Director of the Board began in February of this year and the Subcommittee believes that the organization will become more stable and that the 4.2 percent turnover rate budgeted by the agency is likely to be more accurate than the rate recommended by the Governor.
5. Add \$135,510 for Legal Services for Prisoners, Inc., a nonprofit corporation that provides legal assistance to indigent inmates. The Board of Indigents' Defense contracts with Legal Services for Prisoners and serves as a pass-through agency for funding purposes. Current year funding is \$415,220, which also is the amount the Governor recommends for FY 1999. The Subcommittee's recommendation would fund the Board's request of \$550,730. According to information provided the Subcommittee, the expanding prison population has created a need that cannot be met if the current level of funding is not increased. The Governor's recommendation would cause the organization to have to reduce staff and curtail its present level of services.

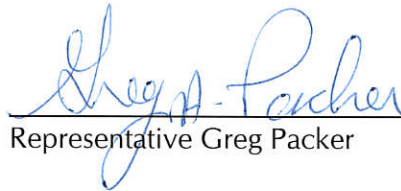
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**FY 1998 and FY 1999**  
**House Subcommittee Report on**  
**Judicial Council**



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Representative Gayle Mollenkamp  
Subcommittee Chairperson



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Representative Greg Packer



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Representative Doug Spangler

Appropriations  
3-17-98  
Attachment 8

**SUBCOMMITTEE REPORT**

**Agency:** Judicial Council

**Bill No. –**

**Bill Sec. –**

**Analyst:** Rampey

**Analysis Pg. No.** 1060

**Budget Page No.** 297

<u>Expenditure Summary</u>	<u>Agency Estimate FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>Senate Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 280,529	\$ 283,374	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u><u>\$ 280,529</u></u></b>	<b><u><u>\$ 283,374</u></u></b>	<b><u><u>\$ 0</u></u></b>
<b>State General Fund:</b>			
State Operations	\$ 236,680	\$ 239,525	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u><u>\$ 236,680</u></u></b>	<b><u><u>\$ 239,525</u></u></b>	<b><u><u>\$ 0</u></u></b>
FTE Positions	4.0	4.0	0.0
Unclassified Temp. Positions	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>
<b>TOTAL</b>	<b><u><u>5.0</u></u></b>	<b><u><u>5.0</u></u></b>	<b><u><u>0.0</u></u></b>

**AGENCY OVERVIEW**

The Judicial Council was created in 1927 to survey and study the judicial branch of government and to recommend to the Legislature and Supreme Court any needed improvements. Studies and projects may be initiated by the Legislature, the Supreme Court, the bench, the bar, the public, or the Judicial Council itself. The Council has 12 advisory committees made up of attorneys, legislators, and other persons who have expertise in the topic being studied. Examples of advisory committees and the subjects that will be studied in FY 1999 are the Civil Code Advisory Committee, which will continue to study the civil code and related areas, including a revision of Kansas laws relating to liens and eminent domain; the Care and Treatment Advisory Committee, which is preparing a recodification of the codes for alcoholism and intoxication treatment and treatment of drug abusers; and the Family Law Advisory Committee, whose study includes the Model Adoption Act. The Judicial Council itself is comprised of the Justice of the Supreme Court, one judge of the Court of Appeals, two district court judges, two legislators, and four attorneys.

**Agency Estimate/Governor's Recommendation**

The Judicial Council estimates total expenditures of \$280,529 in FY 1998, a reduction of \$13,704 from the approved amount of \$294,233. The reduction consists of \$6,699 from the State

General Fund and \$7,005 from the Publications Fee Fund. The current year's budget would fund 45 meetings of the Judicial Council (35 paid for from the State General Fund and 10 paid for from the Publications Fee Fund). All of the expenditures for publications are funded fully by the Publications Fee Fund. The Governor increases the Council's estimate of expenditures in FY 1998 by \$2,845 from the State General Fund due to a recalculation of fringe benefits. The Governor's recommendation is still less than the approved budget by \$10,859.

### **Senate Subcommittee Recommendations**

The Subcommittee concurs with the recommendations of the Governor.

### **Senate Committee Recommendations**

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

1. Delete reference in the table to 1.0 FTE unclassified temporary position, which the Council says it does not have.

### **House Subcommittee Recommendations**

The Subcommittee concurs with the recommendations of the Governor.

**SUBCOMMITTEE REPORT**

**Agency:** Judicial Council

**Bill No.** 642

**Bill Sec.** 34

**Analyst:** Rampey

**Analysis Pg. No.** 1060

**Budget Page No.** 297

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 299,840	\$ 297,504	\$ (9,033)*
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<u><u>\$ 299,840</u></u>	<u><u>\$ 297,504</u></u>	<u><u>\$ (9,033)</u></u>
<b>State General Fund:</b>			
State Operations	\$ 254,024	\$ 246,702	\$ (3,432)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<u><u>\$ 254,024</u></u>	<u><u>\$ 246,702</u></u>	<u><u>\$ (3,432)</u></u>
<b>Other Funds:</b>			
State Operations	\$ 45,816	\$ 50,802	\$ (5,601)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<u><u>\$ 45,816</u></u>	<u><u>\$ 50,802</u></u>	<u><u>\$ (5,601)</u></u>
FTE Positions	4.0	4.0	0.0
Unclassified Temp. Positions	1.0	1.0	0.0
<b>TOTAL</b>	<u><u>5.0</u></u>	<u><u>5.0</u></u>	<u><u>0.0</u></u>

\* Includes a reduction of \$9,033 (\$8,481 from the State General Fund) for the Governor's employee salary adjustments.

**Agency Request/Governor's Recommendation**

The Judicial Council estimates expenditures of \$299,840 in FY 1999, an increase of \$19,311 from its estimate for the current year. The requested amount would allow 50 advisory committee meetings, five more than the current year. The five additional meetings are the Council's enhancement package and would cost \$6,077 from the State General Fund.

Salaries and wages represent a large portion of the Council's budget and amount to \$237,110, a \$15,124 increase over the current year. No shrinkage is budgeted in either FY 1998 or FY 1999. The

request also includes a merit pool of \$3,965 (plus fringe benefits) and longevity pay for eligible employees. Of the amount budgeted for salaries, \$3,584 is attributable to the five additional advisory committee meetings that comprise the enhancement package. Funding for the salaries is \$222,276 from the State General Fund and \$11,250 from the Publications Fee Fund. Non-salary items in the Council's budget request total \$62,730. The single largest component is \$22,463 for travel, primarily for Council and advisory committee meetings.

The Governor recommends expenditures of \$297,504 in FY 1999, an increase of \$14,130 over his recommendation for FY 1998. The recommendation is a reduction of \$2,336 from the Council's request. Basically, the Governor increases salaries by \$3,741 over the request in order to fund a 4.0 percent merit increases for classified employees and does not approve the \$6,077 requested for the five additional meetings, which is the Council's enhancement. The Governor's recommendation would fund 45 meetings in FY 1999, the same number as in the current year.

### **Senate Subcommittee Recommendations**

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

1. Shift \$4,986 in expenditures from the Publications Fee Fund to the State General Fund. While balances in the Fund are adequate to fund the greater reliance on the Publications Fee Fund recommended by the Governor, the Legislature has stipulated by proviso that expenditures from the Fund must be related to the preparation, publication, and distribution of legal publications. (Expenditures from the Publications Fee Fund are about 15 percent of the budget submitted by the Council.) The Council's staff told the Subcommittee that it would be difficult to directly attribute the Governor's recommended increase to expenditures for publications. In addition, the staff said that technological developments over the next few years, such as the electronic transmittal of publications, could reduce the income the Council derives from the sale of books and other published materials, thus making increasing reliance on the Fund for operating expenditures problematic.
2. Delete \$9,033, including \$8,418 from the State General Fund, based on the recommendation to delete funding for the 4.0 percent unclassified merit pool (\$6,890) and longevity bonus payments (\$1,528).

### **Senate Committee Recommendations**

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

1. Delete reference in the table to 1.0 FTE unclassified temporary position, which the Council says it does not have.

Agency: Judicial Council

Bill No. 2893

Bill Sec. 34

Expenditure Summary	Agency Request FY 99	Gov. Rec. FY 99	House Subcommittee Adjustments
All Funds:			
State Operations	\$ 299,840	\$ 297,504	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<b><u>\$ 299,840</u></b>	<b><u>\$ 297,504</u></b>	<b><u>\$ 0</u></b>
State General Fund:			
State Operations	\$ 254,024	\$ 246,702	\$ 4,986
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<b><u>\$ 254,024</u></b>	<b><u>\$ 246,702</u></b>	<b><u>\$ 4,986</u></b>
Other Funds:			
State Operations	\$ 45,816	\$ 50,802	\$ (4,986)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<b><u>\$ 45,816</u></b>	<b><u>\$ 50,802</u></b>	<b><u>\$ (4,986)</u></b>
FTE Positions	4.0	4.0	0.0
Unclassified Temp. Positions	1.0	1.0	0.0
<b>TOTAL</b>	<b><u>5.0</u></b>	<b><u>5.0</u></b>	<b><u>0.0</u></b>

**House Subcommittee Recommendations**

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

1. Shift \$4,986 in expenditures from the Publications Fee Fund to the State General Fund. While balances in the Fund are adequate to fund the greater reliance on the Publications Fee Fund recommended by the Governor, the Legislature has stipulated by proviso that expenditures from the Fund must be related to the preparation, publication, and distribution of legal publications. (Expenditures from the Publications Fee Fund are about 15 percent of the budget submitted by the Council.) The Council's staff told the Subcommittee that it would be difficult to directly attribute the Governor's recommended increase to expenditures for publications. In addition, the staff said that technological developments over the next few years, such as the electronic transmittal of publications, could reduce the income the Council



derives from the sale of books and other published materials, thus making increasing reliance on the Fund for operating expenditures problematic.

2. Delete reference in the table to 1.0 FTE unclassified temporary position, which the Council says it does not have.