

MINUTES OF THE SENATE WAYS AND MEANS.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on February 11, 1999 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Legislative Research Department  
Debra Hollon, Legislative Research Department  
Rae Anne Davis, Legislative Research Department  
Norman Furse, Revisor of Statutes  
Michael Corrigan, Revisor of Statutes  
Judy Bromich, Administrative Assistant  
Ann Deitcher, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list.

The Subcommittee Report on the Kansas Department of Agriculture was read by Senator Morris. (Attachment 1).

The Subcommittee concurred with the Governor's recommendation for Fiscal Year 1999.

For the Fiscal Year 2000, the Subcommittee concurred with the Governor's recommendation with the adjustments, recommendations and observations listed in items 1 through 8 on pages 3 and 4 of their report.

Secretary Alice Devine of the Department of Agriculture gave an explanation of the request for \$26,800. This amount to be transferred to her department from the State Conservation Commission and the Kansas Water Office would cover the cost of their connection and maintenance to the Department of Agriculture's computer network. This computer support was previously provided by them at no charge.

It was moved by Senator Feleciano and seconded by Senator Petty that the Subcommittee Report for 1999 and 2000, on the Kansas Department of Agriculture be amended by adding the phrase *for one year only* in item 5 in regard to the addition of \$100,000. The motion carried on a voice vote.

Senator Morris read from the Subcommittee Report on the Animal Health Department.. (Attachment 2).

The Subcommittee concurred with the Governor's recommendation for Fiscal Year 1999.

For the Fiscal Year 2000, the Subcommittee concurred with the Governor's recommendation with the following adjustments, recommendations and observations listed in items 1, 2 and 3 on pages 2 and 3.

Senator Kerr read from the Subcommittee report on the State Conservation Commission. (Attachment 3).

The Subcommittee concurred with the Governor's recommendation for Fiscal year 1999.

For the Fiscal Year 2000, the Subcommittee concurred with the Governor's recommendation with the following adjustments, recommendations and observations listed in items 1 through 5 on pages 2 and 3.

It was moved by Senator Downey and seconded by Senator Petty that the Subcommittee Report for 1999 and 2000, on the State Conservation Commission be amended to clarify the funding sources of the SGF and State Water Fund, for the coordinating position.

Senator Morris read from the Subcommittee Report on the Kansas State Fair. (Attachment 4).

The Subcommittee concurred with the Governor's recommendation for Fiscal Year 1999 with the observations in items 1 and 2 on pages 2 and 3 of their report.

The Subcommittee concurred with the Governor's recommendation for Fiscal Year 2000, with the adjustments, recommendations and observations in items 1 through 8 on pages 3 and 4.

Senator Kerr read from the Subcommittee Report on the Kansas Water Office. (Attachment 5).

The Subcommittee concurred with the Governor's recommendation for Fiscal Year 1999.

The Subcommittee concurred with the Governor's recommendation for Fiscal Year 2000 with the adjustments, recommendations and observations in items 1 through 5 on pages 2 and 3.

Senator Morris read from the Subcommittee Report on the Kansas Wheat Commission. (Attachment 6).

The Subcommittee concurred with the Governor's recommendation for Fiscal Year 1999.

The Subcommittee concurred with the Governor's recommendation for Fiscal Year 2000 with the adjustments, recommendations and observations in items 1 and 2 on pages 2 and 3.

It was moved by Senator Morris and seconded by Senator Salmans to amend the Subcommittee Reports and to pass as amended. The motion carried on a voice vote.

Senator Kerr read from the Subcommittee Report on the Department of Wildlife and Parks. (Attachment 7).

The Subcommittee concurred with the Governor's recommendation for Fiscal Year 1999.

The Subcommittee concurred with the Governor's recommendation for Fiscal Year 2000 with the adjustments and comments in items 1 through 7 on pages 3, 4 and 5.

It was moved by Senator Ranson and seconded by Senator Petty to approve the Subcommittee Report on the Department of Wildlife and Parks. The motion passed on a voice vote.

**SB 100                      State emergency fund, transfers from state general fund**

Copies of a memo were distributed to the Committee from Robert E. North, Staff Attorney with the Department of Administration to Duane Goossen, Director of the Budget. This was regarding questions raised in the hearing on **SB 100**. (Attachment 8).

The meeting was adjourned at 12:35 p.m. The next meeting is scheduled for Monday, February 15, 1999.

# SENATE WAYS AND MEANS COMMITTEE GUEST LIST

DATE: 2/11/99

| NAME                 | REPRESENTING                |
|----------------------|-----------------------------|
| Ken Behr             | Ks. Governmental Consulting |
| Greg Krissch         | KS Dept Ag                  |
| Patty Clark          | KFB                         |
| Mike Beam            | KS LUSTK ASSN.              |
| STEVE WILLIAMS       | KDWP                        |
| TRACY STREETER       | SCC                         |
| Scott B. Carlson     | SCC                         |
| Bob McDandel         | KWO                         |
| Debra Duncan         | Ks Animal Health            |
| George Teagarden     | ..                          |
| Mary Jane Stattelman | KS Dept of Agriculture      |
| May Foster           | Kansas Dept of Agriculture  |
| Al LeDoux            | KWO                         |
| Allie Dewine         | Ks. Dept. of Agriculture    |
| Bill Henry           | Ks Governmental Consulting  |
|                      |                             |
|                      |                             |
|                      |                             |
|                      |                             |

**SENATE SUBCOMMITTEE REPORT**

**Agency:** Department of Agriculture

**Bill No.**

**Bill Sec.**

**Analyst:** Holwegner

**Analysis Pg. No.** 323

**Budget Page No.** 49

| Expenditure Summary      | Agency<br>Est.<br>FY 99 | Gov. Rec.<br>FY 99   | Senate<br>Adjustments |
|--------------------------|-------------------------|----------------------|-----------------------|
| All Funds:               |                         |                      |                       |
| State Operations         | \$ 22,420,684           | \$ 22,420,684        | \$ 0                  |
| Aid to Local Units       | 0                       | 0                    | 0                     |
| Other Assistance         | 9,150                   | 9,150                | 0                     |
| Subtotal - Operating     | \$ 22,429,834           | \$ 22,429,834        | \$ 0                  |
| Capital Improvements     | 0                       | 0                    | 0                     |
| TOTAL                    | <u>\$ 22,429,834</u>    | <u>\$ 22,429,834</u> | <u>\$ 0</u>           |
| State General Fund:      |                         |                      |                       |
| State Operations         | \$ 10,650,253           | \$ 10,650,253        | \$ 0                  |
| Aid to Local Units       | 0                       | 0                    | 0                     |
| Other Assistance         | 0                       | 0                    | 0                     |
| Subtotal - Operating     | \$ 10,650,253           | \$ 10,650,253        | \$ 0                  |
| Capital Improvements     | 0                       | 0                    | 0                     |
| TOTAL                    | <u>\$ 10,650,253</u>    | <u>\$ 10,650,253</u> | <u>\$ 0</u>           |
| FTE Positions            | 307.0                   | 307.0                | 0.0                   |
| Unclass. Temp. Positions | 23.0                    | 23.0                 | 0.0                   |
| TOTAL                    | <u>330.0</u>            | <u>330.0</u>         | <u>0.0</u>            |

**Agency Est./Governor's Recommendation**

**The Department estimates expenditures of \$22,429,834.** This is an increase of \$1,184,916 (5.6 percent) from the approved budget. This results primarily from increased receipts in other funds, in particular the commodity funds (\$963,084) and federal reimbursement for the Meat and Poultry Inspection Program (\$141,235). The following are revisions for the current year and do not require legislative approval:

- Five unclassified temporary veterinarian positions for the Meat and Poultry Inspection Program.** This includes **\$149,870 for salaries and wages** (including fringe benefits). Approximately half of the cost is financed from the Meat and Poultry Federal Fund and the other half from the State General Fund. The General Fund portion of this revision shall be obtained by reallocating existing funding.
- A large weight-scale cart (\$52,500) for the Weight and Measures Division;** the funding for which is from the Weight and Measures Fee Fund.

Senate Ways and Means Committee

Date *2/10/99*

Attachment # *1-1*

3. **Internally re-allocate \$100,000 from fee funds to be used for the Department's temporary moving costs**, as floors in the Mills Office Building are individually renovated.
4. **Reduce personnel for the seed service laboratory.** Eliminate 1.0 of the 3.0 FTE positions; shift 1.0 FTE position to the dairy laboratory, and maintain 1.0 FTE to perform official seed tests. The number of private seed samples has steadily decreased from 3,728 in FY 1996 to 1,751 in FY 1998 to an estimated 500 in FY 2000.

**The Governor concurs with the Department's estimate** for FY 1999 operating expenditures.

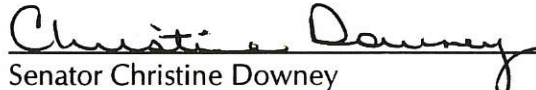
| <b>CHANGE FROM APPROVED BUDGET</b> |                                   |                              |                                   |                                         |                                 |
|------------------------------------|-----------------------------------|------------------------------|-----------------------------------|-----------------------------------------|---------------------------------|
|                                    | Approved<br>1998 Legisla-<br>ture | Agency<br>Request<br>FY 1999 | Agency Change<br>From<br>Approved | Governor's<br>Recommendation<br>FY 1999 | Gov. Change<br>From<br>Approved |
| State General Fund                 | \$ 10,650,253                     | \$ 10,650,253                | \$ 0                              | \$ 10,650,253                           | \$ 0                            |
| All Other Funds                    | 10,594,665                        | 11,779,581                   | 1,184,916                         | 11,779,581                              | 1,184,916                       |
| <b>TOTAL</b>                       | <b>\$ 21,244,918</b>              | <b>\$ 22,429,834</b>         | <b>\$ 1,184,916</b>               | <b>\$ 22,429,834</b>                    | <b>\$ 1,184,916</b>             |
| FTE Positions                      | 308.0                             | 307.0                        | (1.0)                             | 307.0                                   | (1.0)                           |
| Unclass. Temp. Pos.                | 18.5                              | 23.0                         | 4.5                               | 23.0                                    | 4.5                             |
| <b>TOTAL</b>                       | <b>326.5</b>                      | <b>330.0</b>                 | <b>3.5</b>                        | <b>330.0</b>                            | <b>3.5</b>                      |

**Senate Subcommittee Recommendations**

The Subcommittee concurs with the Governor's recommendation.

  
 \_\_\_\_\_  
 Senator Stephen Morris, Chair

  
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 Senator Larry Salmans

  
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 Senator Christine Downey

**SENATE SUBCOMMITTEE REPORT**

**Agency:** Department of Agriculture

**Bill No.**

**Bill Sec.**

**Analyst:** Holwegner

**Analysis Pg. No.** 351

**Budget Page No.** 67

| <u>Expenditure Summary</u>   | <u>Agency<br/>Request<br/>FY 2000</u> | <u>Governor<br/>Recommendation<br/>FY 2000</u> | <u>Senate<br/>Subcommittee<br/>Adjustments</u> |
|------------------------------|---------------------------------------|------------------------------------------------|------------------------------------------------|
| <b>All Funds:</b>            |                                       |                                                |                                                |
| State Operations             | \$ 22,317,492                         | \$ 22,061,894                                  | \$ (250,735)*                                  |
| Aid to Local Units           | 0                                     | 0                                              | 0                                              |
| Other Assistance             | 9,150                                 | 9,150                                          | 0                                              |
| Subtotal - Operating         | <u>\$ 22,326,642</u>                  | <u>\$ 22,071,044</u>                           | <u>\$ (250,735)</u>                            |
| Capital Improvements         | 0                                     | 0                                              | 0                                              |
| <b>TOTAL</b>                 | <b><u><u>\$ 22,326,642</u></u></b>    | <b><u><u>\$ 22,071,044</u></u></b>             | <b><u><u>\$ (250,735)</u></u></b>              |
| <b>State General Fund:</b>   |                                       |                                                |                                                |
| State Operations             | \$ 10,594,705                         | \$ 10,462,259                                  | \$ (184,704)                                   |
| Aid to Local Units           | 0                                     | 0                                              | 0                                              |
| Other Assistance             | 0                                     | 0                                              | 0                                              |
| Subtotal - Operating         | <u>\$ 10,594,705</u>                  | <u>\$ 10,462,259</u>                           | <u>\$ (184,704)</u>                            |
| Capital Improvements         | 0                                     | 0                                              | 0                                              |
| <b>TOTAL</b>                 | <b><u><u>\$ 10,594,705</u></u></b>    | <b><u><u>\$ 10,462,259</u></u></b>             | <b><u><u>\$ (184,704)</u></u></b>              |
| FTE Positions                | 318.0                                 | 315.5                                          | 0.0                                            |
| Unclassified Temp. Positions | 18.0                                  | 18.0                                           | 0.0                                            |
| <b>TOTAL</b>                 | <b><u><u>336.0</u></u></b>            | <b><u><u>333.5</u></u></b>                     | <b><u><u>0.0</u></u></b>                       |

\* Includes a reduction of \$477,535 (with \$304,804 from the State General Fund) for the Governor's employee salary adjustment.

**Agency Request/Governor's Recommendation**

**The Department requests \$22,326,642** for FY 2000 operating expenditures. This is a decrease of \$103,192 (0.5 percent) above the FY 1999 estimate. The agency requests \$10,594,705 from the State General Fund and \$11,731,942 from federal and special revenue funds. **The agency requests \$13,961,022 for the salaries and wages of 336.0 positions** (318.0 FTE positions and 18.0 unclassified temporary positions). This is an increase of \$620,537 (4.7 percent) over the FY 1999 estimate. The Department requests 6.0 FTE positions for the Meat and Poultry Inspection Program. The total salary and wages requested for the new positions is \$241,028 with half of the funds coming from the Federal Meat and Poultry Fund.

**The Governor recommends \$22,071,044** for FY 2000 operating expenditures. This is a decrease of \$358,790 (1.6 percent) from the FY 1999 recommendation and a decrease of \$255,598 (1.1 percent) from the agency's FY 2000 request. The Governor recommends \$10,462,259 from the State General Fund and \$11,608,785 from federal and special revenue funds. The Governor recommends \$13,871,731 for the salaries and wages of 333.5 positions (315.5 FTE positions and 18.0 unclassified temporary positions). This is an increase of \$531,246 (4.0 percent) from the FY 1999 estimate and decrease of \$89,291 (0.6 percent) from the agency's FY 2000 recommendation. The Governor **recommends 2.5 FTE positions be eliminated from the Administration and Statistical Services Program.** The Governor also recommends **6.0 FTE positions be added to the Meat and Poultry Inspections Subprogram.** Finally, the Governor recommends to **increase the turnover rate from 4.0 percent to 5.5 percent** for programs that receive State General Fund financing should increase.

| Enhancement                              | FY 2000 Enhancements |                   |            |                           |                |            |
|------------------------------------------|----------------------|-------------------|------------|---------------------------|----------------|------------|
|                                          | Agency Request       |                   |            | Governor's Recommendation |                |            |
|                                          | SGF                  | All Funds         | FTE        | SGF                       | All Funds      | FTE        |
| Best Management Practices                | \$ 50,000            | \$ 50,000         | 0          | 0                         | \$ 0           | 0.0        |
| Agriculture Inspectors                   | 120,514              | 241,028           | 6.0        | 120,514                   | 241,028        | 6.0        |
| Pesticide Survey                         | 0                    | 100,000           | 0          | 0                         | 0              | 0.0        |
| <b>TOTAL—FY 2000 Enhancement Request</b> | <b>\$ 170,514</b>    | <b>\$ 391,028</b> | <b>6.0</b> | <b>120,514</b>            | <b>241,028</b> | <b>6.0</b> |

**FY 2000 Enhancements**

**Administrative Services.** The agency requests **\$50,000** (from the State General Fund) to continue research into identifying Best Management Practices (BMPs) in farming. Since 1997, the Legislature has approved \$50,000 for the development of BMPs in numerous areas. The primary focus is on fecal coliform bacteria, nutrients (phosphorus and nitrogen), continuance of atrazine BMPs and BMP economics. The Governor does not recommend this enhancement.

**Additional Positions for Meat and Poultry Inspection Subprogram.** Convert **5.0 unclassified temporary veterinarian positions to 5.0 FTE positions.** The Department requests **\$241,028** for **6.0 additional FTE** inspector positions. The request includes \$181,028 for salaries and wages (including fringe benefits) and \$60,000 in other operating expenditures. Approximately half of the cost is paid by the Meat and Poultry Federal Fund and the other half by the State General Fund. **The Governor recommends this enhancement.**

**Pesticide Use Survey.** The Department requests **\$100,000** from the Fertilizer Fee Fund for a pesticide use survey. The survey would determine the types and amounts of pesticides used in the state for agricultural and non-agricultural purposes. The survey is requested because of: (1) requirements of the federal Food Quality Protection Act, (2) U.S. Environmental Protection Agency implementation of pesticide management regulations, and (3) Kansas efforts to improve water quality. To spend these funds on the survey, the current statute creating the Fertilizer Fee Fund will have to be amended. The Governor does not recommend this enhancement.

## Senate Subcommittee Recommendations

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

1. **Add \$50,000** from the State General Fund for the study of sericea lespedeza. The Subcommittee envisions that this will be the first year of a three year initiative to further study this invasive plant. Currently Kansas State University has been granted an appropriation of \$26,000 for FY 1999, and \$24,000 is recommended for FY 2000. The Subcommittee believes that this is an inadequate amount to thoroughly study a weed which poses a major threat to the Kansas agricultural industry. The Department of Agriculture estimates that nearly 250,000 acres are infested in this state, decreasing the value of pasture land by \$1.3 million.

The Department of Agriculture will work with Emporia State University to expand and complement the scientific research being conducted by KSU. This project includes a ranch land survey of infestation and management practices that seem to inhibit sericea lespedeza. Chemical and biological demonstrations will be scheduled in the field to share information. An annual sericea lespedeza symposium is planned to keep the research and ranching communities aware of current control methods.

At the present time, there are no cost effective means, neither chemical, biological, nor a combination of the two, to curb the spread of sericea lespedeza. For example, pasture land in the Flint Hills usually rents for \$15-\$20 per acre. It can cost \$15 per acre to treat pasture land with herbicides, but any positive effect seem to last for only a few years. While sericea lespedeza will not be officially designated as a noxious weed by the State until July 1, 2000, steps must be taken to study, control, and ultimately eradicate this invasive plant.


2. The Subcommittee concurs with the agency's request and **adds \$50,000** from the State General Fund for the study of Best Management Practices (BMPs). Since 1997, the Legislature has approved \$50,000 annually for the development of BMPs in numerous areas. The primary focus is on fecal coliform bacteria. This is the third request for a five year program. Due to a communication problem, the Governor did not formally recommend this enhancement which is part of the Governor's water quality initiative. The Subcommittee anticipates that the Governor will amend his recommendation to include this request.
3. **Add \$20,100** from the State General Fund and **\$6,700** from the Land Reclamation Fee Fund for the Department to contract for a computer technician that will work to connect and maintain the State Conservation Commission and the Kansas Water Office to the Department's computer network. The three agencies have agreed to share the services of a technician. With the demands of upgraded computer technology, the Conservation Commission and the Water Office request dedicated computer support which previously was provided at no charge by the Department of Agriculture. Both of these smaller agencies shall be transferring funds to the Department to cover the total costs of \$26,800.
4. **Delete \$477,535**, including \$304,804 from the State General Fund, based on the recommendation to delete funding for classified step movement (\$173,601), the 1.0




percent classified base salary increase (\$110,359), an unclassified merit pool of 3.5 percent (\$51,021), and the longevity bonus (\$142,554) from individual agency budgets.

5. **Add \$100,000** from the Fertilizer Fee Fund to be used for a survey on pesticide use. S.B. 65, which is currently before the Legislature, authorizes, in part, the Fertilizer Fee Fund to be used for the purpose of surveying pesticide use. According to the Department of Agriculture, the survey would determine the types and amounts of pesticides used in the state for agricultural and non-agricultural purposes. The survey is requested because of: (1) requirements of the federal Food Quality Protection Act, (2) the implementation of pesticide management regulations by the U.S. Environmental Protection Agency, and (3) Kansas' efforts to improve water quality.
6. Last year the Subcommittee expressed concern about the negative effects of 1993 H.B. 2211 (K.S.A. 75-6801) which caps the number of FTE positions due to retirements. The high level of services provided by some agencies, such as the Department of Agriculture, may be eroded some day. Within the next three to four years, one third of the Agriculture Department's workforce will be eligible for retirement. Most of those retirements will be in programs mandated by the Legislature. Since labor laws forbid the Department from asking its employees when they plan to retire, the agency cannot plan for vacancies. It appears that H.B. 2211 has outlived its usefulness and an unmanageable personnel policy has developed.
7. The Pawnee/Buckner Sub-basin Study is part of a state initiative to investigate water quality and depletion. The study is being opposed by local citizens because its scope has been broadened. The Subcommittee recognizes that state initiative is important, however, the Department of Agriculture is encouraged to either re-evaluate or discontinue the study.
8. Finally, the Subcommittee wishes to inform the Ways and Means Committee that the Senate Agriculture Committee is currently reviewing the policies and operations of the Department's Division of Water Resources. The Agriculture Committee may identify, at some future date, additional issues which should be considered at Omnibus.

  
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Senator Stephen Morris, Chair

  
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Senator Larry Salmans

  
\_\_\_\_\_  
Senator Christine Downey

**SENATE SUBCOMMITTEE REPORT**

**Agency:** Animal Health Department

**Bill No. [Bill No.]**

**Bill Sec. [Bill Sec.]**

**Analyst:** Holwegner

**Analysis Pg. No. 351**

**Budget Page No. 67**

| <u>Expenditure Summary</u> | <u>Agency<br/>Request<br/>FY 1999</u> | <u>Governor<br/>Recommendation<br/>FY 1999</u> | <u>Senate<br/>Subcommittee<br/>Adjustments</u> |
|----------------------------|---------------------------------------|------------------------------------------------|------------------------------------------------|
| <b>All Funds:</b>          |                                       |                                                |                                                |
| State Operations           | \$ 1,850,511                          | \$ 1,850,511                                   | \$ 0                                           |
| Aid to Local Units         | 0                                     | 0                                              | 0                                              |
| Other Assistance           | 0                                     | 0                                              | 0                                              |
| Subtotal—Operating         | <u>\$ 1,850,511</u>                   | <u>\$ 1,850,511</u>                            | <u>\$ 0</u>                                    |
| Capital Improvements       | 0                                     | 0                                              | 0                                              |
| <b>TOTAL</b>               | <u><u>\$ 1,850,511</u></u>            | <u><u>\$ 1,850,511</u></u>                     | <u><u>\$ 0</u></u>                             |
| <b>State General Fund:</b> |                                       |                                                |                                                |
| State Operations           | \$ 615,053                            | \$ 615,053                                     | \$ 0                                           |
| Aid to Local Units         | 0                                     | 0                                              | 0                                              |
| Other Assistance           | 0                                     | 0                                              | 0                                              |
| Subtotal—Operating         | <u>\$ 615,053</u>                     | <u>\$ 615,053</u>                              | <u>\$ 0</u>                                    |
| Capital Improvements       | 0                                     | 0                                              | 0                                              |
| <b>TOTAL</b>               | <u><u>\$ 615,053</u></u>              | <u><u>\$ 615,053</u></u>                       | <u><u>\$ 0</u></u>                             |
| FTE Positions              | 30.0                                  | 30.0                                           | 0.0                                            |
| Unclass. Temp. Positions   | 0.0                                   | 0.0                                            | 0.0                                            |
| <b>TOTAL</b>               | <u><u>30.0</u></u>                    | <u><u>30.0</u></u>                             | <u><u>0.0</u></u>                              |

**Agency Request/Governor's Recommendation**

**The Animal Health Department estimates \$1,850,511** for FY 1999 operating expenditures. This is a decrease of \$64,358 (3.4 percent) from the approved budget. The primary reason for this is the decreased revenue to the Veterinary Inspection Fee Fund. This revolving fund supports that part of the Animal Disease Program which pays for veterinary inspection fees at livestock markets.

**The Governor concurs** with the agency's estimate for FY 1999 operating expenditures.

Senate Ways and Means Committee

Date *2/1/99*

Attachment # *2-1*


| CHANGE FROM APPROVED BUDGET |                              |                      |                                      |                     |                                 |  |
|-----------------------------|------------------------------|----------------------|--------------------------------------|---------------------|---------------------------------|--|
|                             | Approved<br>1998 Legislature | Agency<br>Est. FY 99 | Agency<br>Change<br>From<br>Approved | Gov. Rec.<br>FY 99  | Gov. Change<br>From<br>Approved |  |
| State General Fund          | \$ 615,053                   | \$ 615,053           | 0                                    | \$ 615,053          | \$ 0                            |  |
| All Other Funds             | 1,299,816                    | 1,235,458            | (64,358)                             | 1,235,458           | (64,358)                        |  |
| <b>TOTAL</b>                | <b>\$ 1,914,869</b>          | <b>\$ 1,850,511</b>  | <b>\$ (64,358)</b>                   | <b>\$ 1,850,511</b> | <b>\$ (64,358)</b>              |  |
| FTE Positions               | 30.0                         | 30.0                 | 0                                    | 30.0                | 0                               |  |
| Unclass. Temp. Pos.         | 0.0                          | 0.0                  | 0                                    | 0.0                 | 0                               |  |
| <b>TOTAL</b>                | <b>30.0</b>                  | <b>30.0</b>          | <b>0</b>                             | <b>30.0</b>         | <b>0</b>                        |  |

**Senate Subcommittee Recommendations**

The Subcommittee concurs with the Governor's recommendation.

  
 \_\_\_\_\_  
 Senator Stephen Morris, Chair

  
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 Senator Larry Salmans

  
 \_\_\_\_\_  
 Senator Christine Downey

**SENATE SUBCOMMITTEE REPORT**

**Agency:** Animal Health Department

**Bill No. [Bill No.]**

**Bill Sec. [Bill Sec.]**

**Analyst:** Holwegner

**Analysis Pg. No. 351**

**Budget Page No. 67**

| <u>Expenditure Summary</u>   | <u>Agency Request<br/>FY 2000</u> | <u>Governor Recommendation<br/>FY 2000</u> | <u>Senate Subcommittee<br/>Adjustments</u> |
|------------------------------|-----------------------------------|--------------------------------------------|--------------------------------------------|
| <b>All Funds:</b>            |                                   |                                            |                                            |
| State Operations             | \$ 1,884,025                      | \$ 1,885,109                               | \$ (40,454)*                               |
| Aid to Local Units           | 0                                 | 0                                          | 0                                          |
| Other Assistance             | 0                                 | 0                                          | 0                                          |
| Subtotal - Operating         | <u>\$ 1,884,025</u>               | <u>\$ 1,885,109</u>                        | <u>\$ (40,454)</u>                         |
| Capital Improvements         | 0                                 | 0                                          | 0                                          |
| <b>TOTAL</b>                 | <b><u><u>\$ 1,884,025</u></u></b> | <b><u><u>\$ 1,885,109</u></u></b>          | <b><u><u>\$ (40,454)</u></u></b>           |
| <b>State General Fund:</b>   |                                   |                                            |                                            |
| State Operations             | \$ 633,453                        | \$ 633,397                                 | \$ (7,417)                                 |
| Aid to Local Units           | 0                                 | 0                                          | 0                                          |
| Other Assistance             | 0                                 | 0                                          | 0                                          |
| Subtotal - Operating         | <u>\$ 633,453</u>                 | <u>\$ 633,397</u>                          | <u>\$ (7,417)</u>                          |
| Capital Improvements         | 0                                 | 0                                          | 0                                          |
| <b>TOTAL</b>                 | <b><u><u>\$ 633,453</u></u></b>   | <b><u><u>\$ 633,397</u></u></b>            | <b><u><u>\$ (7,417)</u></u></b>            |
| FTE Positions                | 30.0                              | 30.0                                       | 0.0                                        |
| Unclassified Temp. Positions | 0.0                               | 0.0                                        | 0.0                                        |
| <b>TOTAL</b>                 | <b><u><u>30.0</u></u></b>         | <b><u><u>30.0</u></u></b>                  | <b><u><u>0.0</u></u></b>                   |

\* Includes a reduction of \$49,754 (with \$16,717 from the State General Fund) for the Governor's employee salary adjustment.

**Agency Request/Governor's Recommendation**

**The Animal Health Department requests \$1,884,025** for FY 2000 operating expenditures. This is an increase of \$33,514 (1.8 percent) above the FY 1999 estimate. The agency requests \$633,453 from the State General Fund and \$1,250,572 from special revenue funds. The agency requests \$1,128,114 for the salaries and wages of 30.0 FTE positions. This is an increase of \$23,427 (2.1 percent) over the FY 1999 estimate.

**The Governor recommends \$1,885,109 Admissions by Offense** for FY 2000 operating expenditures. This is an increase of \$34,598 (1.9 percent) from the FY 1999 recommendation, and it is an increase of \$1,084 (0.1 percent) from the agency's FY 2000 request. The Governor recommends \$633,397 from the State General Fund and \$1,251,712 from special revenue funds. The Governor

recommends \$1,138,498 for the salaries and wages of 30.0 FTE positions. This is an increase of \$33,811 (3.1 percent) from the FY 1999 recommendation and an increase of \$10,384 (0.9 percent) from the agency's FY 2000 request.

| Enhancement                             | FY 2000 Enhancements |           |     |                           |           |     |
|-----------------------------------------|----------------------|-----------|-----|---------------------------|-----------|-----|
|                                         | Agency Request       |           |     | Governor's Recommendation |           |     |
|                                         | SGF                  | All Funds | FTE | SGF                       | All Funds | FTE |
| Computer hardware and software upgrades | \$ 9,300             | \$ 11,800 | 0.0 | \$ 0                      | 2,500     | 0.0 |

### FY 2000 Enhancement

**Computer Upgrades.** The agency requests \$11,800 for computer hardware and software upgrades. This includes \$9,300 from the State General Fund, and \$2,500 from the Livestock Brand Inspection Fee Fund. The total amount will be used for five computers and three software packages. Most computers are three to four years old. The Department has trouble finding computer-based training programs for new employees. The Department is not compatible with other state agencies. The Governor recommends \$2,500 from the Livestock Brand Inspection Fee Fund for the purchase of a replacement computer.

### Senate Subcommittee Recommendations

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


1. **Add \$9,300** from the State General Fund for the replacement of computers and software. While the Governor only recommended the non-General Fund portion of the agency's request (\$2,500), the Subcommittee finds it reasonable for the State General Fund to finance the necessary tools to keep the animal population healthy. By ensuring that the animals in the state are free from disease, the general public benefits, not just the immediate clients of the Department.
2. **Delete \$49,754**, including \$16,717 from the State General Fund, based on the recommendation to delete funding for classified step movement (\$26,512), the 1.0 percent classified base salary increase (\$9,536), an unclassified merit pool of 3.5 percent (\$2,651), and the longevity bonus (\$11,055) from individual agency budgets.
3. The Subcommittee congratulates the Animal Health Department in its success keeping Kansas livestock free from disease. In the fall of 1993, in cooperation with USDA Veterinary Services, the Animal Health Department launched an intense effort to eradicate brucellosis. Eighteen months ago the Department adopted a brucellosis emergency action plan to speed up the eradication effort. Kansas is currently classified as a Class "A" state, one of seven in the United States. Kansas has been at zero infection since February 1998. Following a twelve month period of zero infection, the state can apply for "free" status if sufficient surveillance is in place to


prove that a reasonable effort has been made to discover brucellosis. This summer the Department plans to apply for free status.

With regard to pseudorabies, Kansas was elevated to stage IV on July 1, 1998. In order for the state to be classified as a pseudorabies-free state (stage V), no infection can occur during the previous 12-month period.

Kansas is classified as a tuberculosis-free state by USDA Veterinary Services.

  
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Senator Stephen Morris, Chair

  
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Senator Larry Salmans

  
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Senator Christine Downey

**SENATE SUBCOMMITTEE REPORT**

**Agency:** State Conservation Commission      **Bill No. –**      **Bill Sec. –**  
**Analyst:** Holwegner      **Analysis Pg. No. 370**      **Budget Page No. 113**

| <u>Expenditure Summary</u> | <u>Agency Request<br/>FY 1999</u> | <u>Governor Rec.<br/>FY 1999</u> | <u>Senate Subcommittee<br/>Adjustments</u> |
|----------------------------|-----------------------------------|----------------------------------|--------------------------------------------|
| <b>All Funds:</b>          |                                   |                                  |                                            |
| State Operations           | \$ 1,747,590                      | \$ 1,738,099                     | \$ 0                                       |
| Aid to Local Units         | 2,083,250                         | 2,083,250                        | 0                                          |
| Other Assistance           | 6,661,444                         | 6,661,444                        | 0                                          |
| Subtotal - Operating       | \$ 10,492,284                     | \$ 10,482,793                    | \$ 0                                       |
| Capital Improvements       | 0                                 | 0                                | 0                                          |
| <b>TOTAL</b>               | <b>\$ 10,492,284</b>              | <b>\$ 10,482,793</b>             | <b>\$ 0</b>                                |
| <b>State General Fund:</b> |                                   |                                  |                                            |
| State Operations           | \$ 655,572                        | \$ 646,081                       | \$ 0                                       |
| Aid to Local Units         | 0                                 | 0                                | 0                                          |
| Other Assistance           | 6,000,000                         | 6,000,000                        | 0                                          |
| Subtotal - Operating       | \$ 6,655,572                      | \$ 6,646,081                     | \$ 0                                       |
| Capital Improvements       | 0                                 | 0                                | 0                                          |
| <b>TOTAL</b>               | <b>\$ 6,655,572</b>               | <b>\$ 6,646,081</b>              | <b>\$ 0</b>                                |
| FTE Positions              | 13.5                              | 13.5                             | 0.0                                        |
| Unclass. Temp. Positions   | 0.0                               | 0.0                              | 0.0                                        |
| <b>TOTAL</b>               | <b>13.5</b>                       | <b>13.5</b>                      | <b>0.0</b>                                 |

**Agency Request/Governor's Recommendation**

**The Commission's estimate for total FY 1999 expenditures of \$10,492,284** is an increase of \$13,003 (0.1 percent) from the approved budget. This results from increased federal funds, specifically federal reimbursement funds for the Riparian Program (\$10,956) and Non-point Source Pollution Control Program (\$2,047). No legislative approval is required for the expenditure of these additional funds.

**The Governor recommends \$10,482,793** for FY 1999 operating expenditures. This is a net \$3,512 more than what the Legislature approved in 1998. The Governor concurs in the expenditure of an additional \$13,003 in federal funds. The Governor also recommends that \$9,491 from the State General Fund be reduced from the agency's budget. This amount reflects a decrease in travel and other operating expenditures.

Senate Ways and Means Committee

Date 2/10/99

Attachment # 3-1

| CHANGE FROM APPROVED BUDGET |                              |                      |                                |                      |                              |
|-----------------------------|------------------------------|----------------------|--------------------------------|----------------------|------------------------------|
|                             | Approved<br>1998 Legislature | Agency<br>Est. FY 99 | Agency Change<br>From Approved | Gov. Rec.<br>FY 99   | Gov. Change<br>From Approved |
| State General Fund          | \$ 6,655,572                 | \$ 6,655,572         | \$ 0                           | \$ 6,646,081         | \$ (9,491)                   |
| All Other Funds             | 3,823,709                    | 3,836,712            | 13,003                         | 3,836,712            | 13,003                       |
| TOTAL                       | <u>\$ 10,479,281</u>         | <u>\$ 10,492,284</u> | <u>\$ 13,003</u>               | <u>\$ 10,482,793</u> | <u>\$ 3,512</u>              |
| FTE Positions               | 13.5                         | 13.5                 | 0.0                            | 13.5                 | 0.0                          |
| Unclass. Temp. Pos.         | 0.0                          | 0.0                  | 0.0                            | 0.0                  | 0.0                          |
| TOTAL                       | <u>13.5</u>                  | <u>13.5</u>          | <u>0.0</u>                     | <u>13.5</u>          | <u>0.0</u>                   |

### Senate Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendation.



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Senator Dave Kerr, Chair



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Senator Pat Ranson



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Senator Christine Downey



**SUBCOMMITTEE REPORT**

**Agency:** State Conservation Commission      **Bill No. –**      **Bill Sec. –**  
**Analyst:** Holwegner      **Analysis Pg. No. 370**      **Budget Page No. 113**

| <u>Expenditure Summary</u> | <u>Agency<br/>Req. FY 2000</u>     | <u>Gov. Rec.<br/>FY 2000</u>       | <u>Senate<br/>Subcommittee<br/>Adjustments</u> |
|----------------------------|------------------------------------|------------------------------------|------------------------------------------------|
| <b>All Funds:</b>          |                                    |                                    |                                                |
| State Operations           | \$ 1,638,325                       | \$ 1,535,293                       | \$ (17,254)*                                   |
| Aid to Local Units         | 3,064,300                          | 2,058,250                          | 9,500                                          |
| Other Assistance           | <u>7,562,000</u>                   | <u>6,840,600</u>                   | <u>(37,536)</u>                                |
| Subtotal - Operating       | \$ 12,264,625                      | \$ 10,434,143                      | \$ (45,290)                                    |
| Capital Improvements       | <u>0</u>                           | <u>0</u>                           | <u>0</u>                                       |
| <b>TOTAL</b>               | <b><u><u>\$ 12,264,625</u></u></b> | <b><u><u>\$ 10,434,143</u></u></b> | <b><u><u>\$ (45,290)</u></u></b>               |
| <b>State General Fund:</b> |                                    |                                    |                                                |
| State Operations           | \$ 624,696                         | \$ 746,082                         | \$ (14,887)                                    |
| Aid to Local Units         | 0                                  | 0                                  | 0                                              |
| Other Assistance           | <u>7,032,750</u>                   | <u>5,866,500</u>                   | <u>0</u>                                       |
| Subtotal - Operating       | \$ 7,657,446                       | \$ 6,612,582                       | \$ (14,887)                                    |
| Capital Improvements       | <u>0</u>                           | <u>0</u>                           | <u>0</u>                                       |
| <b>TOTAL</b>               | <b><u><u>\$ 7,657,446</u></u></b>  | <b><u><u>\$ 6,612,582</u></u></b>  | <b><u><u>\$ (14,887)</u></u></b>               |
| FTE Positions              | 13.5                               | 13.5                               | 0.0                                            |
| Unclass. Temp. Positions   | <u>0.0</u>                         | <u>0.0</u>                         | <u>0.0</u>                                     |
| <b>TOTAL</b>               | <b><u><u>13.5</u></u></b>          | <b><u><u>13.5</u></u></b>          | <b><u><u>0.0</u></u></b>                       |

\* Includes a reduction of \$20,062 (with \$17,695 from the State General Fund) for the Governor's employee salary adjustment.

**Agency Request/Governor's Recommendation**

**The Commission requests \$12,264,625** for total FY 2000 expenditures. This is an increase of \$1,772,341 (16.9 percent) above the FY 1999 estimate. The agency requests \$7,657,446 from the State General Fund, and \$4,607,179 from federal and special revenue funds. The agency requests \$610,590 for the salaries and wages of 13.5 FTE positions. This is an increase of \$9,743 (1.6 percent) from the FY 1999 estimate. The Commission request \$13,319 from the State General Fund and \$10,671 from the Land Reclamation Fund for a part time computer support position in agreement with the Department of Agriculture. Of these amounts, \$21,182 will be a non-expense item (\$10,511 from the State General Fund and \$10,671 from the Land Reclamation Fund).

**The Governor recommends \$10,434,143** for total FY 2000 expenditures. This is a decrease of \$48,650 (0.5 percent) from the FY 1999 recommendation and a decrease of \$1,830,482 (14.9 percent)

from the agency's FY 2000 request. The Governor recommends \$6,612,582 from the State General Fund, and \$3,821,561 from federal and special revenue funds. The Governor recommends \$609,058 for the salaries and wages of 13.5 FTE positions. This is an increase of \$11,127 (1.9 percent) from the FY 1999 recommendation and a decrease of \$1,532 (0.3 percent) from the agency's FY 2000 recommendation. The Governor does not recommend the computer technician position.

| <b>FY 2000 Enhancements</b>              |                  |                     |            |                           |                |            |
|------------------------------------------|------------------|---------------------|------------|---------------------------|----------------|------------|
| Enhancement                              | Agency Request   |                     |            | Governor's Recommendation |                |            |
|                                          | SGF              | All Funds           | FTE        | SGF                       | All Funds      | FTE        |
| Administration*                          | \$ 13,319        | \$ 13,319           | 0.0        | \$ 0                      | 0              | 0.0        |
| State Aid to Conservation Districts      | 9,500            | 9,500               | 0.0        | 0                         | 0              | 0.0        |
| Water Resources                          | 0                | 350,000             | 0.0        | 0                         | 0              | 0.0        |
| State Aid to Watershed Dam Construction  | 0                | 21,000              | 0.0        | 0                         | 0              | 0.0        |
| Multipurpose Small Lakes                 | 0                | 630,550             | 0.0        | 0                         | 0              | 0.0        |
| Non-point Source Pollution Program       | 0                | 198,539             | 0.0        | 0                         | 129,556        | 0.0        |
| Buffer Initiative                        | 0                | 185,000             | 0.0        | 0                         | 0              | 0.0        |
| Riparian & Wetlands Program              | 0                | 89,044              | 0.0        | 0                         | 14,044         | 0.0        |
| Water Right Purchase Program             | 0                | 320,000             | 0.0        | 0                         | 0              | 0.0        |
| Land Reclamation**                       | 0                | 10,671              | 0.0        | 0                         | 0              | 0.0        |
| <b>TOTAL—FY 2000 Enhancement Request</b> | <b>\$ 22,819</b> | <b>\$ 1,827,623</b> | <b>0.0</b> | <b>\$ 0</b>               | <b>143,600</b> | <b>0.0</b> |

\* Includes \$10,511 from the State General Fund as non-expenditures.  
 \*\* Includes \$10,671 from the Land Reclamation Fund as non-expenditures.

### Senate Subcommittee Recommendations

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

1. **Concur with the agency's request for \$9,508 from the State General Fund and \$6,700 from the Land Reclamation Fee Fund** to partially finance a computer technician position which is to be shared with the Department of Agriculture. The Commission, the Kansas Water Office, and the Department of Agriculture have agreed to jointly fund a computer technician. The Commission will transfer \$13,400 of the recommended total of \$16,208 to the Department of Agriculture. The Department will authorize the payment of the salary, and the other two agencies will be connected to the Agriculture Department's computer network. With the demands of upgraded computer technology, the Commission and the Kansas Water Office request dedicated computer support which previously was provided at no charge by the Department of Agriculture.
2. **Delete \$28,036** from the Water Resource Cost-Share Program and return it to the State Water Plan Fund. This action will allow the fund to partially finance the salary of the GIS Coordinator which is located in the Kansas Water Office. **Shift \$9,500** (State Water Plan Fund) from the Water Resource Cost-Share Program to the Aid to Conservation Districts Program. This program provides funding at the county level

to support implementation of the State Water Plan. Each conservation district is allowed by law to receive a maximum of \$10,000 in a dollar-for-dollar match from the state. By giving this program the additional funds, the number of conservation districts that can receive the maximum grant can be increased from 92 to 96.

3. **Delete \$20,062**, including \$17,695 from the State General Fund, based on the recommendation to delete funding for classified step movement (\$2,855), the 1.0 percent classified base salary increase (\$1,989), an unclassified merit pool of 3.5 percent (\$12,359), and the longevity bonus (\$2,859) from individual agency budgets.
4. The Subcommittee commends the State Conservation Commission's activities to increase irrigation efficiency. In FY 1998 the equipment efficiency of 346 irrigation systems was improved by an average of 17 percent. With proper management these irrigation systems, which are primarily located in western Kansas, have the potential to save 27,082 acre-feet of water per year. This is equivalent to a potential reduction of 8.8 billion gallons of water pumped each year.
5. The Subcommittee also commends the Conservation Commission's activities to reduce soil erosion. In FY 1998 the Conservation Commission targeted the Kansas-Lower Republican Basin, Cheney, Hillsdale, and Melvern Reservoirs. A total of 14,831 acres of crop land were treated with grass seeding or by the construction of terraces or waterways. These erosion and sediment control projects saved 325,900 tons of soil from erosion.




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Senator Dave Kerr, Chair




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Senator Pat Ranson




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Senator Christine Downey

**SENATE SUBCOMMITTEE REPORT**

**Agency:** Kansas State Fair      **Bill No. –**      **Bill Sec. –**

**Analyst:** Holwegner      **Analysis Pg. No. 396**      **Budget Page No. 171**

| Expenditure Summary        | Agency<br>Estimate<br>FY 1999 | Governor<br>Rec.<br>FY 1999 | Senate<br>Subcommittee<br>Adjustments |
|----------------------------|-------------------------------|-----------------------------|---------------------------------------|
| <b>All Funds:</b>          |                               |                             |                                       |
| State Operations           | \$ 3,329,387                  | \$ 3,329,387                | \$ 0                                  |
| Aid to Local Units         | 0                             | 0                           | 0                                     |
| Other Assistance           | 0                             | 0                           | 0                                     |
| Subtotal—Operating         | \$ 3,329,387                  | \$ 3,329,387                | \$ 0                                  |
| Capital Improvements       | 1,875,000                     | 1,875,000                   | 0                                     |
| <b>TOTAL</b>               | <b>\$ 5,204,387</b>           | <b>\$ 5,204,387</b>         | <b>\$ 0</b>                           |
| <b>State General Fund:</b> |                               |                             |                                       |
| State Operations           | \$ 131,840                    | \$ 131,840                  | \$ 0                                  |
| Aid to Local Units         | 0                             | 0                           | 0                                     |
| Other Assistance           | 0                             | 0                           | 0                                     |
| Subtotal—Operating         | \$ 131,840                    | \$ 131,840                  | \$ 0                                  |
| Capital Improvements       | 635,000                       | 635,000                     | 0                                     |
| <b>TOTAL</b>               | <b>\$ 766,840</b>             | <b>\$ 766,840</b>           | <b>\$ 0</b>                           |
| FTE Positions              | 18.0                          | 18.0                        | 0.0                                   |
| Unclass. Temp. Positions   | 0.0                           | 0.0                         | 0.0                                   |
| <b>TOTAL</b>               | <b>18.0</b>                   | <b>18.0</b>                 | <b>0.0</b>                            |

**Agency Request/Governor's Recommendation**

The State Fair's estimate for FY 1999 total operating expenditures of \$3,329,387 is an increase of \$144,348 (4.7 percent) from the approved budget. Estimated expenditures were realigned to account for actual expenditures. The change primarily results from a net increase of \$146,283 in the operations program and a net decrease of \$1,935 in the maintenance program. Over half of the increase is attributable to increased contractual services for entertainers (an increase of \$79,676 from the approved amount of \$818,225).

The revised revenues for the State Fair have increased \$303,600 (\$255,700 from the Fair period and \$47,000 in the Non-fair period). Most of this additional revenue is attributable to increased grandstand admissions (\$150,000) which total \$650,000 and increased exhibits and concessions (\$132,000) which total \$1,397,000.

The State Fair shifted \$35,000 from routine paving to be used for electrical improvements in the Poultry Building (\$24,000) and for a wash rack in the Beef Tie Bar (\$11,000). No legislative action is required to approve this action. According to the agency, these adjustments will allow the State Fair to fulfill its three year contract to host the Kansas Beef Expo. This should generate \$12,000 for the Fair annually.

Senate Ways and Means Committee

Date 2/11/99

Attachment # 4-1

The Governor concurs with the agency's revised FY 1999 estimate.

| CHANGE FROM APPROVED OPERATIONS BUDGET |                              |                      |                                |                     |                              |
|----------------------------------------|------------------------------|----------------------|--------------------------------|---------------------|------------------------------|
|                                        | Approved<br>1998 Legislature | Agency<br>Est. FY 99 | Agency Change<br>From Approved | Gov. Rec.<br>FY 99  | Gov. Change<br>From Approved |
| State General Fund*                    | \$ 131,840                   | \$ 131,840           | \$ 0                           | \$ 131,840          | \$ 0                         |
| All Other Funds                        | 3,053,199                    | 3,197,547            | 144,348                        | 3,197,547           | 144,348                      |
| TOTAL                                  | <u>\$ 3,185,039</u>          | <u>\$ 3,329,387</u>  | <u>\$ 144,348</u>              | <u>\$ 3,329,387</u> | <u>\$ 144,348</u>            |
| FTE Positions                          | 18.0                         | 18.0                 | 0.0                            | 18.0                | 0.0                          |
| Unclass. Temp. Pos.                    | 0.0                          | 0.0                  | 0.0                            | 0.0                 | 0.0                          |
| TOTAL                                  | <u>18.0</u>                  | <u>18.0</u>          | <u>0.0</u>                     | <u>18.0</u>         | <u>0.0</u>                   |

\* Includes \$6,840 for an interest payment on the grandstand's renovation.

### Supplemental Requests

**Capital Improvement Request.** The State Fair Board requests \$232,000 from the State Fair Capital Improvement Fund. The request includes: (1) \$72,000 for a professionally developed master plan that will allow the Fair to manage its capital assets for the long-term and (2) \$160,000 for the new Exhibit Building. The original estimate is considered inadequate in regards to air conditioning and a brick facade for the building. **The Governor recommends the supplemental request.**


### Senate Subcommittee Recommendations

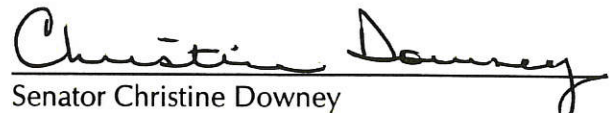
The Subcommittee concurs with the Governor's recommendation with the following observations.

1. Last year the Legislature approved an additional \$10,000 from the State General Fund to cover local banking fees. A proviso was attached to this appropriation requiring the State Fair Board to report to the Legislature the banking fees incurred to date. The Subcommittee wishes to acknowledge receipt of the report and thanks the agency for its cooperation. During the first half of FY 1999, approximately one fourth of the money approved (\$2,500) has been spent. The Subcommittee estimates that about \$5,000 will be returned to the State General Fund at the end of FY 1999. For the future, the State Fair plans to take bids for banking services and no additional state money should be required to cover bank fees.
2. The Subcommittee notes that the State Fair remitted \$104,000 to the State General Fund through collected sales tax. The agency estimates that an additional \$2,000 will be deposited in the State's treasury in FY 1999. When the Subcommittee compares the amount of money the Fair collects in sales tax with the Governor's recommendation of \$125,000 from the State General Fund for the agency's

operations in FY 2000, it is easy to realize that the State's cost for running the State Fair is quite minimal. The Subcommittee commends the agency for its sales tax collections and wishes to congratulate it for its high level of self-sufficiency.

  
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Senator Stephen Morris, Chair

  
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Senator Larry Salmans

  
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Senator Christine Downey

**SENATE SUBCOMMITTEE REPORT**

**Agency:** Kansas State Fair      **Bill No. –**      **Bill Sec. –**  
**Analyst:** Holwegner      **Analysis Pg. No. 396**      **Budget Page No. 171**

| <u>Expenditure Summary</u> | <u>Agency<br/>Req. FY 2000</u> | <u>Gov. Rec.<br/>FY 2000</u> | <u>Senate<br/>Subcommittee<br/>Adjustments</u> |
|----------------------------|--------------------------------|------------------------------|------------------------------------------------|
| All Funds:                 |                                |                              |                                                |
| State Operations           | \$ 3,561,513                   | \$ 3,567,146                 | \$ 13,288 *                                    |
| Aid to Local Units         | 0                              | 0                            | 0                                              |
| Other Assistance           | 0                              | 0                            | 0                                              |
| Subtotal—Operating         | <u>\$ 3,561,513</u>            | <u>\$ 3,567,146</u>          | <u>\$ 13,288</u>                               |
| Capital Improvements       | 3,633,435                      | 804,450                      | 200,000                                        |
| <b>TOTAL</b>               | <u><u>\$ 7,194,948</u></u>     | <u><u>\$ 4,371,596</u></u>   | <u><u>\$ 213,288</u></u>                       |
| State General Fund:        |                                |                              |                                                |
| State Operations           | \$ 175,000                     | \$ 125,000                   | \$ 0                                           |
| Aid to Local Units         | 0                              | 0                            | 0                                              |
| Other Assistance           | 0                              | 0                            | 0                                              |
| Subtotal—Operating         | <u>\$ 175,000</u>              | <u>\$ 125,000</u>            | <u>\$ 0</u>                                    |
| Capital Improvements       | 3,303,985                      | 600,000                      | 200,000                                        |
| <b>TOTAL</b>               | <u><u>\$ 3,478,985</u></u>     | <u><u>\$ 725,000</u></u>     | <u><u>\$ 200,000</u></u>                       |
| FTE Positions              | 21.0                           | 21.0                         | 0.0                                            |
| Unclass. Temp. Positions   | 0.0                            | 0.0                          | 0.0                                            |
| <b>TOTAL</b>               | <u><u>21.0</u></u>             | <u><u>21.0</u></u>           | <u><u>0.0</u></u>                              |

\*Includes a reduction of \$21,712 for the Governor's employee salary adjustment.

**Agency Request/Governor's Recommendation**

**The State Fair Board requests \$3,561,513** for FY 2000 operating expenditures. This is an increase of \$232,126 (7.0 percent) above the FY 1999 estimate. The agency requests \$175,000 from the State General Fund and \$3,386,513 from the State Fair Fee Fund. The agency requests \$1,228,405 for the salaries and wages of 21.0 FTE positions (this includes 3.0 additional positions). This is an increase of \$121,327 (11.0 percent) over the FY 1999 estimate. The State Fair requests an additional 3.0 FTE maintenance and repair technician II positions for the Maintenance Program.

**The Governor recommends \$3,567,146** for FY 2000 operating expenditures. This is an increase of \$237,759 (7.1 percent) from the FY 1999 recommendation and an increase of \$5,633 (0.2 percent) from the agency's FY 2000 request. The Governor recommends \$125,000 from the State General Fund and \$3,442,146 from the State Fair Fee Fund. The Governor recommends \$1,234,038 for the salaries and wages of 21.0 FTE positions. This is an increase of \$126,970 (11.5 percent) from the FY 1999 recommendation and an increase of \$5,633 (0.5 percent) from the agency's FY 2000 request. **The Governor recommends the additional 3.0 FTE** maintenance and repair technician II positions.

| <b>FY 2000 Enhancements<br/>(State Operations)</b> |                |           |     |                           |           |     |  |
|----------------------------------------------------|----------------|-----------|-----|---------------------------|-----------|-----|--|
| Enhancement                                        | Agency Request |           |     | Governor's Recommendation |           |     |  |
|                                                    | SGF            | All Funds | FTE | SGF                       | All Funds | FTE |  |
| General Maintenance & Repair Technicians           | \$ 0           | \$ 65,000 | 3.0 | \$ 0                      | \$ 65,000 | 3.0 |  |

### **FY 2000 Operations Enhancement**

**3.0 FTE General Maintenance & Repair II Positions.** The agency requests \$65,000 from the State Fair Fee Fund for 3.0 additional FTE general maintenance & repair technician II positions. The number of Non-fair events has increased from 24 events in 1986 to over 230 events estimated in 1998. Other skilled staff, such as the plumber and electrician, have had to help meet the demand of these additional events, taking time away from their routine job functions. **The Governor recommends the enhancement.**

### **FY 2000 Capital Improvement Enhancements**

**ADA, EPA & Fire Code Compliance.** The agency requests \$2,157,585 from the State General Fund to completely finance the safety deficiencies assessed during FY 1998. The request includes \$1,410,794 for ADA and EPA compliance and \$1,121,791 for fire code compliance. This is an increase of \$1,782,585 (475.4 percent) from the FY 1999 approved amount of \$375,000. **The Governor recommends \$300,000** from the State General Fund for this enhancement. This is a decrease of \$75,000 (20.0 percent) from the FY 1999 recommendation and a decrease of \$1,857,585 (86.1 percent) from the agency's FY 2000 request.

**Renovation of the Domestic Arts Building.** The agency requests \$846,400 from the State General Fund for both interior and exterior renovation. The estimate is based upon a 1982 construction estimate adjusted for inflation. The Governor does not recommend this enhancement.

### **Senate Subcommittee Recommendations**

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


1. **Add \$35,000** from the Economic Development Initiative Fund to be used for interstate promotion of the State Fair. The Kansas State Fair represents a wealth of economic opportunity. The Subcommittee believes that by advertising the State Fair in surrounding states, tourist dollars will not only be spent at the Fair, but they will also be spent in other Kansas communities along the way.
2. **Delete \$21,712** based on the recommendation to delete funding for classified step movement (\$6,169), the 1.0 percent classified base salary increase (\$5,523), an unclassified merit pool of 3.5 percent (\$2,734), and the longevity bonus (\$7,286) from individual agency budgets.



3. **Add \$200,000** from the State General Fund for code compliance. Representatives from the State Fair explained their efforts to remedy safety deficiencies for ADA, EPA, and fire code compliance. The agency estimates the remaining cost to be \$2,157,585 which is based upon a study that was commissioned last year. While the Governor recommends \$300,000 from the State General Fund, which is a decrease of \$75,000 from what is approved for FY 1999, the Subcommittee feels that this is not enough to expedite the process.
4. Increase the expenditure limitation for official hospitality from \$2,000 to \$5,000. The limitation applies to the State Fair Fee Fund which collects revenue from Fair and Non-fair activities. This should help the State Fair to increase corporate sponsorship of events.
5. The State Fair is an icon of Kansas. With regards to its buildings, especially its older and historic ones, steps must be taken to preserve them. The Subcommittee recommends that the agency's request to renovate the Domestic Arts Building be considered during Omnibus if new cost estimates are available.

  
\_\_\_\_\_  
Senator Stephen Morris, Chair

  
\_\_\_\_\_  
Senator Larry Salmans

  
\_\_\_\_\_  
Senator Christine Downey

**SUBCOMMITTEE REPORT**

**Agency:** Kansas Water Office

**Bill No. –**

**Bill Sec. –**

**Analyst:** Holwegner

**Analysis Pg. No. 413**

**Budget Page No. 475**

| Expenditure Summary      | Agency<br>Request<br>FY 1999 | Governor<br>Recommendation<br>FY 1999 | Senate<br>Subcommittee<br>Adjustments |
|--------------------------|------------------------------|---------------------------------------|---------------------------------------|
| All Funds:               |                              |                                       |                                       |
| State Operations         | \$ 6,263,345                 | \$ 6,209,073                          | \$ 0                                  |
| Aid to Local Units       | 0                            | 0                                     | 0                                     |
| Other Assistance         | 0                            | 0                                     | 0                                     |
| Subtotal—Operating       | <u>\$ 6,263,345</u>          | <u>\$ 6,209,073</u>                   | <u>\$ 0</u>                           |
| Capital Improvements     | 0                            | 0                                     | 0                                     |
| <b>TOTAL</b>             | <u><u>\$ 6,263,345</u></u>   | <u><u>\$ 6,209,073</u></u>            | <u><u>\$ 0</u></u>                    |
| State General Fund:      |                              |                                       |                                       |
| State Operations         | \$ 1,561,670                 | \$ 1,509,304                          | \$ 0                                  |
| Aid to Local Units       | 0                            | 0                                     | 0                                     |
| Other Assistance         | 0                            | 0                                     | 0                                     |
| Subtotal—Operating       | <u>\$ 1,561,670</u>          | <u>\$ 1,509,304</u>                   | <u>\$ 0</u>                           |
| Capital Improvements     | 0                            | 0                                     | 0                                     |
| <b>TOTAL</b>             | <u><u>\$ 1,561,670</u></u>   | <u><u>\$ 1,509,304</u></u>            | <u><u>\$ 0</u></u>                    |
| FTE Positions            | 21.5                         | 21.5                                  | 0.0                                   |
| Unclass. Temp. Positions | 1.0                          | 1.0                                   | 0.0                                   |
| <b>TOTAL</b>             | <u><u>22.5</u></u>           | <u><u>22.5</u></u>                    | <u><u>0.0</u></u>                     |

**Agency Request/Governor's Recommendation**

**The Water Office estimates \$6,263,345** for FY 1999 total operating expenditures. This is an increase of \$208,639 (3.4 percent) from the approved budget. This primarily results from federal funds that were not previously approved (\$217,279), interest income from the Water Supply Storage Fund (\$6,418), and expenditures less than originally anticipated (\$15,058).

**The Governor recommends \$6,209,073** for total operating expenditures in FY 1999. This is a net increase of \$154,367 (2.5 percent) from the approved budget for FY 1999. The Governor concurs with the agency's estimate, with the exception of a net decrease of \$52,366 from the State General Fund for savings in salaries and wages.

Senate Ways and Means Committee

Date 2/11/99


Attachment # 5-1


| CHANGE FROM APPROVED BUDGET |                                            |                                    |                                              |                                  |                                            |
|-----------------------------|--------------------------------------------|------------------------------------|----------------------------------------------|----------------------------------|--------------------------------------------|
|                             | <u>Approved</u><br><u>1998 Legislature</u> | <u>Agency</u><br><u>Est. FY 99</u> | <u>Agency Change</u><br><u>From Approved</u> | <u>Gov. Rec.</u><br><u>FY 99</u> | <u>Gov. Change</u><br><u>From Approved</u> |
| State General Fund          | \$ 1,561,670                               | \$ 1,561,670                       | \$ 0                                         | 1,509,304                        | (52,366)                                   |
| All Other Funds             | 4,493,036                                  | 4,701,675                          | 208,639                                      | 4,699,769                        | 206,733                                    |
| TOTAL                       | <u>\$ 6,054,706</u>                        | <u>\$ 6,263,345</u>                | <u>\$ 208,639</u>                            | <u>\$ 6,209,073</u>              | <u>\$ 154,367</u>                          |
| FTE Positions               | 21.5                                       | 21.5                               | 0.0                                          | 21.5                             | 0.0                                        |
| Unclass. Temp. Pos.         | 1.0                                        | 1.0                                | 0.0                                          | 1.0                              | 0.0                                        |
| TOTAL                       | <u>22.5</u>                                | <u>22.5</u>                        | <u>0.0</u>                                   | <u>22.5</u>                      | <u>0.0</u>                                 |

**Senate Subcommittee Recommendations**

The Subcommittee concurs with the Governor's recommendation.

  
\_\_\_\_\_  
Senator Dave Kerr, Chair

  
\_\_\_\_\_  
Senator Pat Ranson

  
\_\_\_\_\_  
Senator Christine Downey

**SUBCOMMITTEE REPORT**

**Agency:** Kansas Water Office

**Bill No. [Bill No.]**

**Bill Sec. [Bill Sec.]**

**Analyst:** Holwegner

**Analysis Pg. No. 413**

**Budget Page No. 475**

| <u>Expenditure Summary</u> | <u>Agency<br/>Request<br/>FY 2000</u> | <u>Governor<br/>Recommendation<br/>FY 2000</u> | <u>Senate<br/>Subcommittee<br/>Adjustments</u> |
|----------------------------|---------------------------------------|------------------------------------------------|------------------------------------------------|
| <b>All Funds:</b>          |                                       |                                                |                                                |
| State Operations           | \$ 7,982,350                          | \$ 5,875,070                                   | \$ (56,935)*                                   |
| Aid to Local Units         | 0                                     | 0                                              | 0                                              |
| Other Assistance           | 0                                     | 0                                              | 0                                              |
| Subtotal - Operating       | <u>\$ 7,982,350</u>                   | <u>\$ 5,875,070</u>                            | <u>\$ (56,935)</u>                             |
| Capital Improvements       | 0                                     | 0                                              | 0                                              |
| <b>TOTAL</b>               | <b><u><u>\$ 7,982,350</u></u></b>     | <b><u><u>\$ 5,875,070</u></u></b>              | <b><u><u>\$ (56,935)</u></u></b>               |
| <b>State General Fund:</b> |                                       |                                                |                                                |
| State Operations           | \$ 1,578,041                          | \$ 1,516,087                                   | \$ (88,311)                                    |
| Aid to Local Units         | 0                                     | 0                                              | 0                                              |
| Other Assistance           | 0                                     | 0                                              | 0                                              |
| Subtotal - Operating       | <u>\$ 1,578,041</u>                   | <u>\$ 1,516,087</u>                            | <u>\$ (88,311)</u>                             |
| Capital Improvements       | 0                                     | 0                                              | 0                                              |
| <b>TOTAL</b>               | <b><u><u>\$ 1,578,041</u></u></b>     | <b><u><u>\$ 1,516,087</u></u></b>              | <b><u><u>\$ (88,311)</u></u></b>               |
| FTE Positions              | 22.5                                  | 22.5                                           | 0.0                                            |
| Unclass. Temp. Positions   | 1.0                                   | 1.0                                            | 0.0                                            |
| <b>TOTAL</b>               | <b><u><u>23.5</u></u></b>             | <b><u><u>23.5</u></u></b>                      | <b><u><u>0.0</u></u></b>                       |

\* Includes a reduction of \$43,535 (with \$38,875 from the State General Fund) for the Governor's employee salary adjustment.

**Agency Request/Governor's Recommendation**

**The Water Office requests \$7,982,350** for FY 2000 operating expenditures. This is an increase of \$1,719,005 (27.4 percent) above the FY 1999 estimate. The agency's expenditures request includes: \$1,578,041 from the State General Fund, \$4,756,503 from the State Water Plan Fund, \$1,558,011 from the Water Marketing Fund, and \$152,080 from all other revenue funds. The Water Office requests \$1,262,773 for the salaries and wages of 22.5 FTE positions and 1.0 unclassified temporary position. This is an increase of \$26,655 (2.2 percent) over the FY 1999 estimate. The Water Office requests 1.0 FTE Accounting Specialist position for the Water Supply Contracts Program. The Water Office also requests that the funding source for the GIS Coordinator position be shifted from the State Water Plan Fund to the State General Fund.

The Governor recommends \$5,875,070 for operating expenditures in FY 2000. This is a decrease of \$334,003 (5.4 percent) from the FY 1999 recommendation, and a decrease of \$2,107,280 (26.4 percent) from the agency's FY 2000 request. This recommendation is \$414,593 (7.6 percent) more than the actual expenditures incurred by the agency in FY 1998. The Governor recommends \$1,516,087 from the State General Fund, \$2,626,418 from the State Water Plan Fund, \$1,580,485 from the Water Marketing Fund, and \$152,080 from all other revenue funds. The Governor recommends \$1,297,092 for the salaries and wages of 23.5 positions (22.5 FTE positions and 1.0 unclassified temporary position). This is an increase of \$115,246 (9.8 percent) from the FY 1999 recommendation and an increase of \$34,319 (2.7 percent) from the agency's FY 2000 request. **The Governor recommends 1.0 FTE engineer** for the water supply contracts as per the agency's amended enhancement request. The Governor also recommends to shift the funding source for the GIS Coordinator position from the State Water Plan Fund to the State General Fund.

| FY 2000 Enhancements                               |                   |                     |            |                           |                  |            |
|----------------------------------------------------|-------------------|---------------------|------------|---------------------------|------------------|------------|
| Enhancement                                        | Agency Request    |                     |            | Governor's Recommendation |                  |            |
|                                                    | SGF               | All Funds           | FTE        | SGF                       | All Funds        | FTE        |
| GIS Coordinator                                    | \$ 62,285         | \$ 62,285           | 0.0        | \$ 62,285                 | \$ 62,285        | 0.0        |
| Data Access and Support Center (DASC)              | 69,518            | 69,518              | 0.0        | 0                         | 0                | 0.0        |
| Accounting Specialist                              | 0                 | 31,101              | 1.0        | 0                         | 53,575           | 1.0        |
| Water Supply Acquisition                           | 0                 | 1,860,600           | 0.0        | 0                         | 0                | 0.0        |
| PMIB Loan Payment & Annual Operation & Maintenance | 0                 | 15,527              | 0.0        | 0                         | 15,527           | 0.0        |
| <b>TOTAL</b>                                       | <b>\$ 131,803</b> | <b>\$ 2,039,031</b> | <b>1.0</b> | <b>\$ 62,285</b>          | <b>\$131,387</b> | <b>1.0</b> |

### Senate Subcommittee Recommendations

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

1. **Shift the funding source for \$28,036 from the State General Fund to the State Water Plan Fund.** This amount is half of the salary for the Geographic Information Systems (GIS) Coordinator. The GIS Coordinator works for the State of Kansas to develop and integrate geographic information among local, state, and federal governments and the private sector. Currently the Coordinator's salary is paid from the State Water Plan Fund. The Subcommittee recognizes that the Coordinator works with more than the state's water policy and the Kansas Water Office. However, it is the Subcommittee's belief that since the State General Fund is obligated to make a \$6 million demand transfer to the State Water Plan Fund annually, the State General Fund, in essence, has been financing this position already.
2. **Delete \$43,535**, including \$38,875 from the State General Fund, based on the recommendation to delete funding for classified step movement (\$16,299), the 1.0 percent classified base salary increase (\$10,137), an unclassified merit pool of 3.5 percent (\$2,687), and the longevity bonus (\$14,412) from individual agency budgets.

3. **Delete \$13,400** from the State General Fund. The Kansas Water Office, the State Conservation Commission, and the Department of Agriculture have agreed to jointly fund a computer technician. The Water Office's budget will be reduced and the budget for the Department of Agriculture will be increased by the same amount. The Department will authorize the payment of the salary, and the other two agencies will be connected to the Agriculture Department's computer network. With the demands of upgraded computer technology, the Kansas Water Office and the State Conservation Commission request dedicated computer support.
4. The Subcommittee notes the concern regarding the water storage space in the Milford and Perry Lakes. The Corps of Engineers could use a maximum of 6 feet of water from these lakes for navigational purposes so long as the State of Kansas, through the Kansas Water Office, has not called the remaining storage space into service. As a means to remind the Corps of Engineers of the State's potential to exercise its right to this water, the Water Office has requested for the past several years funds to call the water into use in case of drought. Neither the Kansas Water Authority nor the Governor has recommended funding for this water storage space. The Legislature has not authorized this expenditure because the threat of such an action by the Corps of Engineers is not eminent. The Subcommittee is concerned that the agency's annual request is not enough to convince the Corps of the State's interest in this water storage space. Therefore, the Subcommittee wishes to state that should the Corps notify the Kansas Water Office of its intent to use water for navigational purposes on the Missouri River, the agency should take steps to protect the State's interests and, if necessary, notify the Legislature of the need for appropriate action.
5. The Subcommittee notes that the ending balance for the Water Marketing Fund has become larger over time, from \$2.3 million in FY 1998 to an estimated \$2.8 million in FY 2000. While the Subcommittee does not recommend any action now, the Subcommittee requests the Water Office to review the Water Marketing Fund and its growing balance. The Water Office should report during its budget hearing next year possible financial alternatives, such as a cap on funds deposited to the operations and reserve account, which would allow the debt owed to the State General Fund to be paid back more quickly.



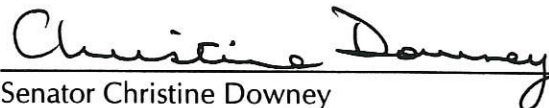
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Senator Dave Kerr, Chair



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Senator Pat Ranson



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Senator Christine Downey

**SENATE SUBCOMMITTEE REPORT**

Agency: Kansas Wheat Commission Bill No. –

Bill Sec. –

Analyst: Holwegner Analysis Pg. No. 438

Budget Page No. 477

| <u>Expenditure Summary</u>   | <u>Agency<br/>Estimate<br/>FY 1999</u> | <u>Governor<br/>Rec.<br/>FY 1999</u> | <u>Senate<br/>Subcommittee<br/>Adjustments</u> |
|------------------------------|----------------------------------------|--------------------------------------|------------------------------------------------|
| All Funds:                   |                                        |                                      |                                                |
| State Operations             | \$ 3,347,691                           | \$ 3,345,664                         | \$ 0                                           |
| Aid to Local Units           | 0                                      | 0                                    | 0                                              |
| Other Assistance             | 0                                      | 0                                    | 0                                              |
| Subtotal—Operating           | \$ 3,347,691                           | \$ 3,345,664                         | \$ 0                                           |
| Capital Improvements         | 0                                      | 0                                    | 0                                              |
| <b>TOTAL</b>                 | <b>\$ 3,347,691</b>                    | <b>\$ 3,345,664</b>                  | <b>\$ 0</b>                                    |
| State General Fund:          |                                        |                                      |                                                |
| State Operations             | \$ 0                                   | \$ 0                                 | \$ 0                                           |
| Aid to Local Units           | 0                                      | 0                                    | 0                                              |
| Other Assistance             | 0                                      | 0                                    | 0                                              |
| Subtotal—Operating           | \$ 0                                   | \$ 0                                 | \$ 0                                           |
| Capital Improvements         | 0                                      | 0                                    | 0                                              |
| <b>TOTAL</b>                 | <b>\$ 0</b>                            | <b>\$ 0</b>                          | <b>\$ 0</b>                                    |
| FTE Positions                | 8.0                                    | 8.0                                  | 0.0                                            |
| Unclassified Temp. Positions | 0.0                                    | 0.0                                  | 0.0                                            |
| <b>TOTAL</b>                 | <b>8.0</b>                             | <b>8.0</b>                           | <b>0.0</b>                                     |

**Agency Estimate/Governor's Recommendation**

The Wheat Commission's estimate of \$3,347,691 for FY 1999 operating expenditures is the same as what the Legislature approved in 1998. The Commission did shift \$3,471 from contractual services to salaries and wages for salary adjustments.

The Governor recommends \$3,345,664 for FY 1999 operating expenditures. This is an adjustment of \$2,027 for decreased fringe benefits.

Senate Ways and Means Committee

Date *4/11/99*

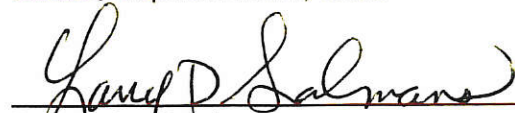
Attachment # *6-1*

| CHANGE FROM APPROVED BUDGET |                              |                      |                                |                    |                              |
|-----------------------------|------------------------------|----------------------|--------------------------------|--------------------|------------------------------|
|                             | Approved<br>1998 Legislature | Agency<br>Est. FY 99 | Agency Change<br>From Approved | Gov. Rec.<br>FY 99 | Gov. Change<br>From Approved |
| State General Fund          | \$ 0                         | \$ 0                 | 0                              | 0                  | 0                            |
| All Other Funds             | 3,347,691                    | 3,347,691            | 0                              | 3,345,664          | (2,027)                      |
| <b>TOTAL</b>                | <b>\$ 3,347,691</b>          | <b>\$ 3,347,691</b>  | <b>\$ 0</b>                    | <b>3,345,664</b>   | <b>(2,027)</b>               |
| FTE Positions               | 8.0                          | 8.0                  | 0.0                            | 8.0                | 8.0                          |
| Unclass. Temp. Pos.         | 0.0                          | 0.0                  | 0.0                            | 0.0                | 0.0                          |
| <b>TOTAL</b>                | <b>8.0</b>                   | <b>8.0</b>           | <b>0.0</b>                     | <b>8.0</b>         | <b>8.0</b>                   |

### Senate Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendation.

  
 Senator Stephen Morris, Chair

  
 Senator Larry Salmans

  
 Senator Christine Downey



**SENATE SUBCOMMITTEE REPORT**

**Agency:** Kansas Wheat Commission **Bill No. –**

**Bill Sec. –**

**Analyst:** Holwegner **Analysis Pg. No. 438**

**Budget Page No. 477**

| <u>Expenditure Summary</u>   | <u>Agency<br/>Request<br/>FY 2000</u> | <u>Governor<br/>Rec.<br/>FY 2000</u> | <u>Senate<br/>Subcommittee<br/>Adjustments</u> |
|------------------------------|---------------------------------------|--------------------------------------|------------------------------------------------|
| <b>All Funds:</b>            |                                       |                                      |                                                |
| State Operations             | \$ 3,206,855                          | \$ 3,194,731                         | \$ 686,732*                                    |
| Aid to Local Units           | 0                                     | 0                                    | 0                                              |
| Other Assistance             | 0                                     | 0                                    | 0                                              |
| Subtotal—Operating           | <u>\$ 3,206,855</u>                   | <u>\$ 3,194,731</u>                  | <u>\$ 686,732</u>                              |
| Capital Improvements         | 0                                     | 0                                    | 0                                              |
| <b>TOTAL</b>                 | <u><u>\$ 3,206,855</u></u>            | <u><u>\$ 3,194,731</u></u>           | <u><u>\$ 686,732</u></u>                       |
| <b>State General Fund:</b>   |                                       |                                      |                                                |
| State Operations             | \$ 0                                  | \$ 0                                 | \$ 0                                           |
| Aid to Local Units           | 0                                     | 0                                    | 0                                              |
| Other Assistance             | 0                                     | 0                                    | 0                                              |
| Subtotal—Operating           | <u>\$ 0</u>                           | <u>\$ 0</u>                          | <u>\$ 0</u>                                    |
| Capital Improvements         | 0                                     | 0                                    | 0                                              |
| <b>TOTAL</b>                 | <u><u>\$ 0</u></u>                    | <u><u>\$ 0</u></u>                   | <u><u>\$ 0</u></u>                             |
| FTE Positions                | 8.0                                   | 8.0                                  | 0.0                                            |
| Unclassified Temp. Positions | 0.0                                   | 0.0                                  | 0.0                                            |
| <b>TOTAL</b>                 | <u><u>8.0</u></u>                     | <u><u>8.0</u></u>                    | <u><u>0.0</u></u>                              |

\*Includes a reduction of \$13,268 for the Governor's employee salary adjustment.

**Agency Request/Governor's Recommendation**

**The Kansas Wheat Commission requests \$3,206,855** from the Wheat Commission Fee Fund for FY 2000 operating expenditures. The amount requested is a decrease of \$140,836 (4.2 percent) from the current year estimate of \$3,347,691. The Commission requests \$2,395,600 for marketing and research contracts and \$411,605 for other operating expenditures. The Commission requests \$399,650 for the salaries and wages for 8.0 FTE positions. This is an increase of \$11,472 (3.0 percent) from the revised FY 1999 estimate.

**The Governor recommends \$3,194,731** from the Wheat Commission Fee Fund for FY 2000 operating expenditures. This amount is a decrease of \$150,933 (4.5 percent) from the FY 1999

recommendation and a decrease of \$12,124 (0.4 percent) from the agency's FY 2000 request. The Governor recommends \$2,395,600 for marketing and research contracts and \$402,230 for other operating expenditures. This is a decrease of \$14,254 (3.4 percent) from the FY 1999 recommendation and a decrease of \$9,375 (2.3 percent) from the agency's FY 2000 request. The Governor recommends \$396,901 for the salaries and wages for 8.0 FTE positions. This is an increase of \$10,750 (2.5 percent) from the FY 1999 recommendation and a decrease of \$2,749 (0.7 percent) from the agency's FY 2000 request.

| Enhancement                 | FY 2000 Enhancements |            |     |                           |          |     |
|-----------------------------|----------------------|------------|-----|---------------------------|----------|-----|
|                             | Agency Request       |            |     | Governor's Recommendation |          |     |
|                             | SGF                  | Fee Fund   | FTE | SGF                       | Fee Fund | FTE |
| Wheat Research Reserve Fund | \$ 0                 | \$ 700,000 | 0.0 | \$ 0                      | \$ 0     | 0.0 |

### FY 2000 Enhancement

**Wheat Research Reserve Fund.** The Wheat Commission requests \$700,000 from the Wheat Commission Fund be transferred to the Wheat Research Reserve Fund. This amount, including retained interest, would help fund market development if there was a funding shortfall in the Wheat Commission Fund due to a poor harvest. The Commission maintains that the \$650,000 transferred into the fund last year is enough only to cover research shortfalls. The Governor does not recommend this enhancement.

### Senate Subcommittee Recommendations

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

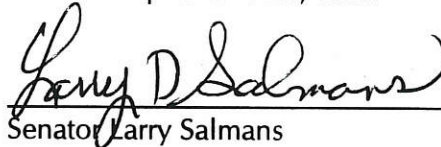
1. **Add \$700,000** from the Wheat Commission Fee Fund for additional promotion and market development. While the Wheat Commission requested that this additional amount of money be placed in an interest-bearing reserve fund, the Subcommittee believes that it would be better utilized to more aggressively market Kansas wheat as the price has become quite low. This recommendation is for a one-time expenditure in FY 2000, and it should not be considered as an increase to base operations in future years.

Since the Commission has had little time to prepare an action plan in response to this initiative, the Subcommittee also recommends that the State Finance Council be delegated the authority to oversee the disbursement of these funds. The Wheat Commission is required to present a new promotion and market plan to the State Finance Council before it releases the funds. The Subcommittee strongly urges the Wheat Commission to think ingeniously as it develops a strategy to increase the market share of Kansas wheat.

2. **Delete \$13,268** based on the recommendation to delete funding for classified step movement (\$3,505), the 1.0 percent classified base salary increase (\$2,164), an unclassified merit pool of 3.5 percent (\$4,198), and the longevity bonus (\$3,401) from individual agency budgets.



Senator Stephen Morris, Chair



Senator Larry Salmans



Senator Christine Downey

## Senate Subcommittee Report

Agency: Department of Wildlife and Parks

Bill No. –

Bill Sec. –

Analyst: Little

Analysis Pg. No. 453

Budget Page No. 481

| Expenditure Summary          | Agency<br>Estimate<br>FY 99 | Gov. Rec.<br>FY 99          | Subcommittee<br>Adjustments |
|------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>All Funds:</b>            |                             |                             |                             |
| State Operations             | \$ 29,436,348               | \$ 29,412,564               | \$ 0                        |
| Aid to Local Units           | 955,000                     | 955,000                     | 0                           |
| Other Assistance             | 60,000                      | 60,000                      | 0                           |
| Subtotal—Operating           | <u>\$ 30,451,348</u>        | <u>\$ 30,427,564</u>        | <u>\$ 0</u>                 |
| Capital Improvements         | 15,062,432                  | 14,912,432                  | 0                           |
| TOTAL                        | <u><u>\$ 45,513,780</u></u> | <u><u>\$ 45,339,996</u></u> | <u><u>\$ 0</u></u>          |
| <b>State General Fund:</b>   |                             |                             |                             |
| State Operations             | \$ 4,048,527                | \$ 4,024,743                | \$ 0                        |
| Aid to Local Units           | 0                           | 0                           | 0                           |
| Other Assistance             | 25,000                      | 25,000                      | 0                           |
| Subtotal—Operating           | <u>\$ 4,073,527</u>         | <u>\$ 4,049,743</u>         | <u>\$ 0</u>                 |
| Capital Improvements         | 733,523                     | 733,523                     | 0                           |
| TOTAL                        | <u><u>\$ 4,807,050</u></u>  | <u><u>\$ 4,783,266</u></u>  | <u><u>\$ 0</u></u>          |
| <b>Other Funds:</b>          |                             |                             |                             |
| State Operations             | \$ 25,387,821               | \$ 25,387,821               | \$ 0                        |
| Aid to Local Units           | 955,000                     | 955,000                     | 0                           |
| Other Assistance             | 35,000                      | 35,000                      | 0                           |
| Subtotal—Operating           | <u>\$ 26,377,821</u>        | <u>\$ 26,377,821</u>        | <u>\$ 0</u>                 |
| Capital Improvements         | 14,328,909                  | 14,178,909                  | 0                           |
| TOTAL                        | <u><u>\$ 40,706,730</u></u> | <u><u>\$ 40,556,730</u></u> | <u><u>\$ 0</u></u>          |
| FTE Positions                | 392.3                       | 392.5                       | 0.0                         |
| Unclassified Temp. Positions | 3.0                         | 3.0                         | 0.0                         |
| TOTAL                        | <u><u>395.3</u></u>         | <u><u>395.5</u></u>         | <u><u>0.0</u></u>           |

### Agency Estimate/Governor's Recommendation

The agency's revised FY 1999 estimate is \$30,451,348, or \$59,016 (0.0 percent) over the amount approved by the 1998 Legislature.

Senate Ways and Means Committee

Date: 5/11/99

Attachment # 1

**Current Year Funding Request**

- State General Fund increase of \$10,000 from Kansas Savings Incentive Program for training
- Special revenue funding increased \$49,016

**Governor's Recommended FY 1999 Adjustments**

- Operating budget of \$30,427,564 (\$4,049,743 SGF and \$5,216,321 special revenue funds), is \$35,232 more than the approved amount
  - State General Fund reduction for unfilled attorney position
  - Special revenue funds adjustment of \$49,016
- Capital Improvements reduction
  - Governor recommends reducing \$150,000 Wildlife Fee Fund for local shooting ranges, leaving \$49,501 WFF in FY 1999.
  - The \$150,000 was unexpended funds approved by the 1997 Legislature and carried forward to FY 1999
- Agency does have \$200,000 in the Administration program for local shooting range development.

**Senate Subcommittee Recommendation**

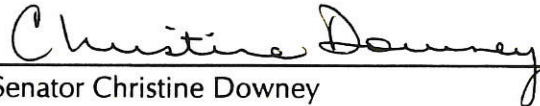
The subcommittee concurs with the Governor's recommendation for FY 1999.



\_\_\_\_\_  
Senator Dave Kerr, Chair



\_\_\_\_\_  
Senator Pat Ranson



\_\_\_\_\_  
Senator Christine Downey

**SENATE SUBCOMMITTEE REPORT**

Agency: Department of Wildlife and Parks

Bill No. –

Bill Sec. –

Analyst: Little

Analysis Pg. No. 453

Budget Page No. 481

| Expenditure Summary          | Agency<br>Request<br>FY 00 | Gov. Rec.<br>FY 00   | Subcommittee<br>Adjustments* |
|------------------------------|----------------------------|----------------------|------------------------------|
| <b>All Funds:</b>            |                            |                      |                              |
| State Operations             | \$ 30,849,170              | \$ 30,596,064        | \$ (693,843)                 |
| Aid to Local Units           | 1,410,000                  | 1,410,000            | (500,000)                    |
| Other Assistance             | 35,000                     | 35,000               | 0                            |
| Subtotal—Operating           | \$ 32,294,170              | \$ 32,041,064        | \$ (1,193,843)               |
| Capital Improvements         | 11,288,702                 | 11,755,794           | 0                            |
| <b>TOTAL</b>                 | <b>\$ 43,582,872</b>       | <b>\$ 43,796,858</b> | <b>\$ (1,193,843)</b>        |
| <b>State General Fund:</b>   |                            |                      |                              |
| State Operations             | \$ 4,575,702               | \$ 4,216,321         | \$ (106,141)                 |
| Aid to Local Units           | 1,000,000                  | 1,000,000            | (1,000,000)                  |
| Other Assistance             | 0                          | 0                    | 0                            |
| Subtotal—Operating           | \$ 5,575,702               | \$ 5,216,321         | \$ (1,106,141)               |
| Capital Improvements         | 297,700                    | 196,200              | 0                            |
| <b>TOTAL</b>                 | <b>\$ 5,873,402</b>        | <b>\$ 5,412,521</b>  | <b>\$ (1,106,141)</b>        |
| <b>Other Funds:</b>          |                            |                      |                              |
| State Operations             | \$ 26,273,468              | \$ 26,379,743        | \$ (587,702)                 |
| Aid to Local Units           | 410,000                    | 410,000              | 500,000                      |
| Other Assistance             | 35,000                     | 35,000               | 0                            |
| Subtotal—Operating           | \$ 26,718,468              | \$ 26,824,743        | \$ (87,702)                  |
| Capital Improvements         | 10,991,002                 | 11,559,594           | 0                            |
| <b>TOTAL</b>                 | <b>\$ 37,709,470</b>       | <b>\$ 38,384,337</b> | <b>\$ (87,702)</b>           |
| FTE Positions                | 392.3                      | 395.0                | (2.5)                        |
| Unclassified Temp. Positions | 3.0                        | 3.0                  | 0.0                          |
| <b>TOTAL</b>                 | <b>395.3</b>               | <b>398.0</b>         | <b>(2.5)</b>                 |

\* Includes deletion of \$693,843 (\$106,141 SGF) to remove the Governor's pay plan

## Agency Request/Governor's Recommendation

The agency requests FY 2000 operating expenditures of \$32,294,170, an increase of \$1,842,822 or 6.1 percent above the revised FY 1999 estimate. The FY 2000 request includes the following:

### Agency Request

- **All Funds**
  - \$32,294,170, an increase of 6.1 percent over FY 1999 request
- **State General Fund**
  - \$5,575,702 or 36.9 percent increase over FY 1999
  - Includes \$1,000,000 SGF for Local Government Outdoor Recreation Grants at current services level

**Staff Note:** In FY 1999, \$500,000 funded for Local Government Outdoor Recreation Grants from the Economic Development Initiative Fund

- **Federal and Special Revenue Funds**
  - \$26,718,468 all other funds. Increase of \$340,647 or 1.3 percent over FY 1999
- **Salaries and Wages**
  - \$17,918,667 (including \$3,312,113 SGF) for 392.3 FTE and 3.0 unclassified temporary
  - Includes \$1,750,436 for temporary and seasonal employees
- **Excluding Enhanced Requests**
  - Excluding the FY 2000 enhancement requests totaling \$1,499,120, an increase of \$343,702, or 1.1 percent

### Governor's Recommendation

- **All Funds**
  - \$32,041,064, an increase of \$1,613,500 or 5.3 over FY 1999
  - \$253,106 below the agency's enhanced request
- **State General Fund**
  - \$5,216,321, a 28.8 percent increase over FY 1999
- **Federal and Special Revenue Funds**
  - \$26,824,743, a 1.7 percent increase over FY 1999
- **Salaries and Wages**
  - \$17,940,561 (including \$3,227,732 SGF) for 395.0 FTE
  - \$1,763,892 for temporary and seasonal employees
  - Adds 2.5 classified temporary FTE to law enforcement program and \$90,000 (\$35,000 Boating Fee Fund and \$55,000 Wildlife Fee Fund)

**Staff Note:** The agency had requested salaries and wages for five part-time temporary seasonal positions.

- **The Governor's pay plan for the FY 2000 recommends:** All Funds
  - \$318,599 for 2.5 percent classified step movement
  - \$220,590 for longevity bonus payments
  - \$142,401 for a 1.0 percent classified base salary adjustment
  - \$12,253 for a 3.5 percent unclassified merit pool

| Enhancement                                        | Agency Request      |                     |            | Governor's Recommendation |                     |            |
|----------------------------------------------------|---------------------|---------------------|------------|---------------------------|---------------------|------------|
|                                                    | SGF                 | All Funds           | FTE        | SGF                       | All Funds           | FTE        |
| <b>State Park Operations</b>                       |                     |                     |            |                           |                     |            |
| Seasonal/Temporary Salaries                        | \$ 100,000          | \$ 100,000          | 0.0        | \$ 0                      | \$ 0                | 0.0        |
| Service Contracts                                  | 100,000             | 100,000             | 0.0        | 0                         | 0                   | 0.0        |
| Materials and Supplies                             | 100,000             | 100,000             | 0.0        | 0                         | 0                   | 0.0        |
| Capital Outlay                                     | 50,000              | 50,000              | 0.0        | 0                         | 0                   | 0.0        |
| Subtotal                                           | \$ 350,000          | \$ 350,000          | 0.0        | \$ 0                      | \$ 0                | 0.0        |
| Law Enforcement-Seasonal/Temporary Salaries        | \$ 0                | \$ 90,000           | 0.0        | \$ 0                      | \$ 90,000           | 2.5        |
| Local Outdoor Recreation Grant Program             | 1,000,000           | 1,000,000           | 0.0        | 1,000,000                 | 1,000,000           | 0.0        |
| Threatened and Endangered Species Recovery Studies | 25,000              | 25,000              | 0.0        | 0                         | 0                   | 0.0        |
| Fisheries-Fish Culture Capital Outlay              | 0                   | 24,120              | 0.0        | 0                         | 24,120              | 0.0        |
| Youth in Outdoor Program                           | 0                   | 10,000              | 0.0        | 0                         | 10,000              | 0.0        |
| <b>TOTAL-FY 2000 Enhancement Request</b>           | <b>\$ 1,375,000</b> | <b>\$ 1,499,120</b> | <b>0.0</b> | <b>\$ 1,000,000</b>       | <b>\$ 1,124,120</b> | <b>2.5</b> |

### Senate Subcommittee Recommendation

The subcommittee concurs with the Governor's recommendation with the following adjustments and comments:

1. Delete \$693,843 all funds, including \$106,141 SGF, from the Governor's recommendation for state operations to remove funding for classified step movement, longevity payments, a 3.5 percent unclassified merit pool, and a 1.0 percent classified base salary adjustment.
2. The subcommittee removes \$1,000,000 SGF for the Local Outdoor Recreation Grant program. The subcommittee adds \$500,000 from the Economic Development Initiatives Fund for Local Outdoor Recreation Grants because the projects are local economic development and tourism projects.
3. The subcommittee deletes 2.5 FTE from the Governor's recommendation. The agency had requested additional funding for temporary and seasonal salaries, but no FTE. The Governor inadvertently included the FTE with his recommendation for the seasonal and temporary salaries.
4. The subcommittee was assigned two bills for review, S.B. 156 and S.B. 157, which would place in statute provisos which are added currently to the appropriations bills allowing the agency to deposit and adjust funding from restricted accounts (boating, wildlife, and park fee funds) in order to avoid diversion of funds, thereby forcing the agency out of compliance with federal funding requirements. Additionally, the proviso, and the bill, allow the agency to make expenditures from the Park Fee Fund account to make end-of-the-year adjustments. S.B. 157, recommended by Legislative Post Audit, would establish a non-restricted fund for the deposit non-restricted revenue. The subcommittee recommends favorable consideration of both bills by the full Committee.



- The subcommittee reviewed the current status of a recommendation from last session to make adjustments to the state park vehicle permits and hunting and fishing licenses exemptions for senior citizens (over 65) and individuals with disabilities. The Legislative Budget Committee reviewed the issue during the 1998 interim. In January 1999, the Wildlife and Parks Commission submitted a proposal which would charge fees for those 65 years of age or older or handicapped at one-half the current fee. The fee for an annual state park vehicle permit would become \$14.75 (one-half of \$29.50), and motor vehicle entrance fee would increase to \$2.50 (one-half of \$5.00). The fee for an annual hunting and fishing license would become \$7.50 (one-half of \$15.00).

The Wildlife and Parks Commission's recommendation expresses the concern that revenue generated from fee increases be used to increase operating expenditures for wildlife, fisheries, and state parks. The Commission reports it would oppose any change to the exemption status if other funds, particularly State General Fund, were reduced.

The subcommittee endorses the Commission's fee change plan and the intention to maintain State General Fund expenditures. A bill modifying exemptions is being drafted and the Ways and Means Committee will hold hearings on the bill. The subcommittee endorses the conceptual bill.

The fiscal impact of modifying the exemptions would provide additional parks and hunting and fishing revenues, as well as increased federal revenue. These revenue are represented in the following table. The table also estimates the impact of attrition if currently exempt individuals do not buy the licenses or permits.

|                                                                                  | <u>Value of Current<br/>Exemption</u> | <u>Est. Revenue<br/>w/o Attrition</u> | <u>Est. Revenue<br/>w/ 10%<br/>Attrition</u> | <u>Est. Revenue<br/>w/ 20%<br/>Attrition</u> |
|----------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|----------------------------------------------|----------------------------------------------|
| <b>State Revenue</b>                                                             |                                       |                                       |                                              |                                              |
| Annual Park Vehicle (\$14.75 annual;<br>\$2.50 daily)**<br>24,907 annual permits | \$ 735,510                            | \$ 367,755                            | \$ 330,980                                   | \$ 294,204                                   |
| Fish and Hunting Licenses (\$7.50)**<br>41,108 licenses                          | 616,635                               | 308,318                               | 277,486                                      | 246,654                                      |
| <b>Federal Funds</b>                                                             |                                       |                                       |                                              |                                              |
| Wildlife Restoration                                                             |                                       | \$ 86,126                             | \$ 77,513                                    | \$ 68,901                                    |
| Sportfishing Restoration                                                         |                                       | 129,349                               | 116,414                                      | 103,479                                      |
| <b>Total</b>                                                                     | <u>\$ 1,352,145</u>                   | <u>\$ 891,548</u>                     | <u>\$ 802,393</u>                            | <u>\$ 713,238</u>                            |

\* Value of exemption means if exempted groups had to pay full fees.

\*\* Fees are listed at one-half the current agency rates, \$29.50 for annual vehicles, \$5.00 for daily vehicles, and fishing and hunting licenses at \$15.00

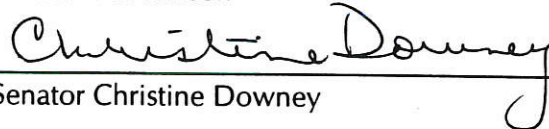
6. The subcommittee discussed concerns about the deer population and deer management practices. The subcommittee expressed concern about increasing numbers of deer-vehicle accidents and crop damage caused by deer. The Secretary of Wildlife and Parks reports the agency is doing many things to address the problems. The agency has enhanced its deer management program to reduce the size of the deer herd, including: increasing the number of permits (80,000 permits issued in 1994, 135,000 issued in 1998), extended seasons for does, increased game tags, and the Walk in Hunting Area program, are only a few examples. The agency reports they are taking an aggressive approach to reducing the deer herd to reduce crop and vehicle damage.
7. The subcommittee notes the agency's FY 2000 budget includes the third year for funding of local shooting range development. A total of \$150,000 Wildlife Fee Fund is included, but the agency reports they are facing several challenges limiting the establishment of local shooting ranges. The agency reports local shooting clubs are reluctant to accept state grants for ranges because the local group or local unit of government assumes liability for the range as well as responsibility for potential environmental issues, particularly lead clean up and groundwater contamination. The subcommittee reports the agency's efforts to establish local shooting ranges and agrees with the agency's careful review of the issues shooting ranges raise. The agency reports they will continue to explore methods to expand local shooting range opportunities.
8. The subcommittee notes this is the second year of the Upland Game Bird Habitat program designed to expand acreage and habitat for upland game bird, particularly pheasants. The FY 2000 budget includes \$100,000 Wildlife Fee Fund for the project. The agency assures the subcommittee it will return with an assessment of the program as soon as date is available.



\_\_\_\_\_  
Senator Dave Kerr, Chair



\_\_\_\_\_  
Senator Pat Ranson



\_\_\_\_\_  
Senator Christine Downey

STATE OF KANSAS



DIVISION OF THE BUDGET

Room 152-E

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Bill Graves  
Governor

Duane A. Goossen  
Director

TO: Senator Kerr

FROM: Duane Goossen

DATE: February 10, 1999

RE: Senate Bill 100

Attached is a memo discussing the constitutionality questions which were raised in the hearing on Senate Bill 100. As proposed, the bill would function much as the Tort Claims Act now does.

You were correct in assessing at the hearing that if SB 100 were passed a \$2 million appropriation to replenish the State Emergency Fund would not be necessary. However, the Governor does have authority to offer rewards from that fund for the arrest of criminals. Any individual reward is limited to \$5000. Enough money should remain in the fund to make rewards possible.

Please let me know if you have questions.

Senate Ways and Means Committee

Date 2/11/99

Attachment # 8-1



**BILL GRAVES**  
*Governor*

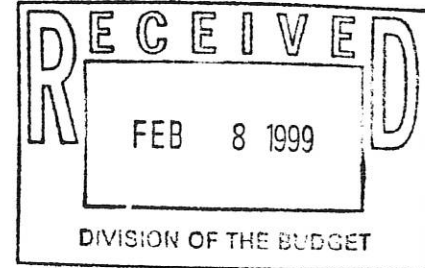
**DAN STANLEY**  
*Secretary of Administration*

**ART GRIGGS**  
*Chief Attorney*  
900 S.W. Jackson, Room 107  
Landon State Office Building  
Topeka, KS 66612-1214  
(785) 296-6000  
FAX (785) 296-0043

**DEPARTMENT OF ADMINISTRATION**  
Legal Division

**MEMORANDUM**

TO: Duane Goossen, Director of the Budget  
FROM: <sup>REN</sup> Robert E. North, Staff Attorney  
DATE: February 8, 1999  
RE: Senate Bill No. 100



You requested an opinion on the constitutionality of Senate Bill No. 100. More specifically, an issue arose regarding whether subsection (b) is lawful. This allows the Director of the Budget to certify to Accounts and Reports that there are insufficient unencumbered balances in the State Emergency Fund to pay an amount approved by the State Finance Council. Then the Director of Accounts and Reports may transfer that amount from the General Fund to the State Emergency Fund. This type of "transfer" language has been commonly used for a number of years and is constitutional.

Language similar to that in SB 100 is found in other statutes, including the Tort Claims Act, K.S.A. 75-6117(c) and the Health Care Stabilization Fund, K.S.A. 40-3403(j)(4), as a method of ensuring availability of funds for authorized purposes. As you know, K.S.A. 75-3712 establishes the State Emergency Fund and it is a "no limit" fund per SB 495, Sec. 104(b), 1998 Session Laws. Consequently, all expenditures out of the fund have already been appropriated. The issue then becomes the transfer of monies into the fund. K.S.A. 75-3713 authorizes the State Finance Council, by unanimous vote, to allocate and authorize expenditures from the State Emergency Fund. Such action has been declared to be a "matter characterized as a legislative delegation" by K.S.A. 75-3711c(3). Consequently, assuming that SB 100 is approved by the Legislature and enacted into law, then the Finance Council would have legislatively delegated authority to certify to the Director of Accounts and Reports the necessity for additional funds in the State Emergency Fund. Authority for the transfer would be inherent in the language in SB 100(b).

Appropriate safeguards are in place to avoid any potential abuse. First, the Finance

Duane Goossen  
February 8, 1999  
Page 2

Council must approve the expenditure from the State Emergency Fund. Secondly, the Director of the Budget must certify to Accounts and Reports that the unencumbered balance in the Fund is insufficient and to transfer funds. This process is virtually identical to that under which the "Tort Claims Fund" is currently operated and is presumed to be constitutional. Hopefully this is responsive to your inquiry. If you have any questions, please let me know.

REN:bw

cc: Louis Chabira  
Art Griggs

Document Number: 15661