

MINUTES OF THE SENATE WAYS AND MEANS.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on March 5, 1999 in Room 123S 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.

It was pointed out that since fee agencies are on a biannual budget, there are three years, 1999, 2000 and 2001 included in the Subcommittee Report.

Senator Jordan read from the Subcommittee Report on the Abstractor's Board of Examiners. (Attach. 1).

The Subcommittee concurred with the Governor for Fiscal Year 1999 with the one observation in item 1 on page 1-1.

For Fiscal Year 2000, the Subcommittee concurred with the Governor on with the adjustments and observations in items 1 and 2 on page 1-2.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the adjustments and observations in items 1 and 2 on page 1-4.

Senator Jordan read from the Subcommittee Report on the Board of Accountancy. (Attach 2).

The Subcommittee concurred with the Governor for Fiscal Year 1999.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the adjustment in item 1 on page 2-3.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the adjustment in item 1 on page 2-5.

Senator Jordan read from the Subcommittee Report on the Board of Mortuary Arts. (Attach. 3).

The Subcommittee concurred with the Governor for Fiscal Year 1999.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the adjustments in item 1, page 3-2.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the adjustments in item 1 on page 3-4

Senator Jordan read from the Subcommittee Report on the Board of Pharmacy. (Attach. 4).

The Subcommittee concurred with the Governor for Fiscal Year 1999 with the adjustments in item 1 on page 4-1.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the adjustments in item 1 on page 4-4.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the adjustments in item 1 on page 4-6.

Senator Jordan read from the Subcommittee Report on the Board of Barbering. (Attach. 5).

The Subcommittee concurred with the Governor for Fiscal Year 1999.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the adjustments in item 1, 2 and 3 on pages 5-3 and 5-4.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the adjustments in item 1 on page 5-5.

Senator Jordan read from the Subcommittee Report on the Board of Cosmetology. (Attach. 6).

The Subcommittee concurred with the Governor for Fiscal Year 1999 with the notation in item 1 on page 6-1.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the notations in items 1, 2 and 3 on page 6-3.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the adjustment in item 1 on page 6-5.

Senator Morris asked if the major problems that existed on the Cosmetology had been straightened out.

Senator Jordan said they had been.

Senator Jordan read from the Subcommittee Report on the Board of Veterinary Examiners. (Attach. 7).

The Subcommittee concurred with the Governor for Fiscal Year 1999.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the adjustment in item 1 on page 7-2.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the adjustment in item 1 on page 7-3.

Senator Jordan read from the Subcommittee Report on the Dental Board. (Attach. 8).

The Subcommittee concurred with the Governor for Fiscal Year 1999 with the one comment in item 1 on page 8-1.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the adjustment in item 1 on page 8-4.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the adjustment in item 1 on page 8-3.

Senator Jordan read from the Subcommittee Report on the Board of Nursing. (Attach. 9).

The Subcommittee concurred with the Governor for Fiscal Year 1999.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the adjustments in item 1 on page 9-3.

It was moved by Senator Jordan and seconded by Senator Salmans to amend the Subcommittee Report on the Board of Nursing by removing the Governor's pay plan for the Fiscal Year 2000. The motion carried on a voice vote.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the adjustments in item 1 on page 9-5.

Senator Jordan read from the Subcommittee Report on the Board of Optometry Examiners. (Attach. 10).

The Subcommittee concurred with the Governor for Fiscal Year 1999 with the comments in item 1 and 2 on pages 10-1 and 10-2.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the adjustment in item 1 on page 10-4.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the comment and adjustment in item 1 and 2 on page 10-6.

Senator Jordan read from the Subcommittee Report on the Real Estate Commission. (Attachment 11).

The Subcommittee concurred with the Governor for Fiscal Year 1999 with the observation in item 1 on page 11-3.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the exception and observation in item 1, 2 and 3 on pages 11-7 and 11-8.

For Fiscal Year 2001, the Subcommittee concurred with the Governor.

Senator Jordan read from the Subcommittee Report on the Real Estate Appraisal Board. (Attach. 12).

The Subcommittee concurred with the Governor for Fiscal Year 1999.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the one adjustment in item 1 on page 12-6.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the one adjustment in item 1 on page 12-10.

Senator Jordan read from the Subcommittee Report on the Consumer Credit Commissioner. (Attach. 13).

The Subcommittee concurred with the Governor for Fiscal Year 1999.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the adjustments and observations in item 1, 2 and 3 on pages 13-3 and 13-4.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the adjustments and observations in item 1, 2 and 3 on pages 13-5 and 13-6.

Senator Jordan read from the Subcommittee Report on the Office of the State Bank Commissioner. (Attach. 14).

The Subcommittee concurred with the Governor for Fiscal Year 1999.

For Fiscal year 2000, the Subcommittee concurred with the Governor with the exceptions and observations in item 1 through 4 on page 14-2.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the exception and observations in items 1-4 on page 14-4.

Senator Jordan read from the Subcommittee Report on the Department of Credit Unions. (Attach. 15).

The Subcommittee concurred with the Governor for Fiscal Year 1999.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the exception in item 1 on page 15-2.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the one exception in item 1 on page 15-3.

Senator Jordan read from the Subcommittee Report on the Office of the Securities Commissioner. (Attach. 16).

The Subcommittee concurred with the Governor for Fiscal Year 1999.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the exception and observation in items 1 and 2 on page 16-2.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the exception and observation in items 1 and 2 on page 16-4.

It was moved by Senator Jordan and seconded by Senator Salmans that the Subcommittee Report on the Office of the Securities Commissioner be amended to have a specific Omnibus review for Fiscal Years 2000 and 2001. The motion carried on a voice vote.

Senator Jordan read from the Subcommittee Report on the Board of Technical Professions. (Attach. 17).

The Subcommittee concurred with the Governor for Fiscal Year 1999.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the notations and adjustments in items 1 and 2 on page 17-3.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the notations and adjustments in item 1 on page 17-5.

Senator Jordan read from the Subcommittee Report on the Behavioral Sciences Regulatory Board. (Attach. 18).

The Subcommittee concurred with the Governor for Fiscal Year 1999.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the adjustments and observations in items 1 through 5 on pages 18-2 and 18-3.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the adjustments and observations in item 1 on page 18-4.

It was moved by Senator Salmans and seconded by Senator Jordan that a technical change be made in the wording in item 4 on page 18-2 be changed to 25 hours every two years. The motion carried on a voice vote.

Senator Jordan read from the Subcommittee Report on the Board of Hearing Aid Examiners. (Attach. 19).

The Subcommittee concurred with the Governor for Fiscal Year 1999 with the notation in item 1 on page 19-6.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the notations and adjustments in items 1 and 2 on page 19-8.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the notations and adjustments in items 1 and 2 on page 19-10.

Senator Jordan read from the Subcommittee Report on the Board of Healing Arts. (Attachment 20).

The Subcommittee concurred with the Governor for Fiscal Year 1999 with the comments and adjustments in items 1 and 2 on pages 20-1 and 20-2.

It was moved by Senator Jordan and seconded by Senator Salmans to amend item 2 by the deletion of the last line. The motion to amend carried by a voice vote.

For Fiscal Year 2000, the Subcommittee concurred with the Governor with the adjustments in items 1, 2 and 3 on page 20-4.

For Fiscal Year 2001, the Subcommittee concurred with the Governor with the recommendation with the adjustments in item 1 on page 20-6.

Chairman Kerr suggested language for the joint amendment. The last sentence in item 3 of the Subcommittee Report of FY 2000 would then read, "As the bill authorizes additional meeting time for the Board's review committee to analyze disciplinary cases, it also provides more compensation for those meetings".

It was moved by Senator Salmans and seconded by Senator Feleciano that the amendment to the Subcommittee Report be approved. The motion carried by a voice vote.

It was moved by Senator Jordan and seconded by Senator Salmans to adopt the Subcommittee Reports as amended. The motion carried by a voice vote.

The meeting adjourned at 12:05 p.m. The next meeting is scheduled for Monday, March 8, 1999.

Senate Subcommittee Report

Agency: Abstracter's Board of Examiners

Bill No. -

Bill Sec. -

Analyst: Severn

Analysis Pg. No. 1642

Budget Page No. 501

Expenditure Summary	Agency Estimate FY 99	Gov. Rec. FY 99	Senate Subcommittee Adjustments
Fee Fund:			
State Operations	\$ 19,119	\$ 19,119	\$ 0
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The Board estimates FY 1999 expenditures of \$19,119, which is the amount approved by the 1998 Legislature and an increase of \$1,084 or 6.0 percent over the FY 1998 expenditures. The Governor concurs with the agency estimate.

Senate Subcommittee Recommendation

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

1. The agency's participation in the Subcommittee's review was by telephone conference call.

Fee Fund Analysis

Following is an analysis of the agency's fee fund under the Subcommittee's recommendation:

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee and Gov. Rec. FY 1999
Beginning Balance	\$ 24,110	\$ 25,348	\$ 25,348
Projected Receipts	<u>19,273</u>	<u>19,280</u>	<u>19,280</u>
Total Available	\$ 43,383	\$ 44,628	\$ 44,628
Less: Expenditures	<u>18,035</u>	<u>19,119</u>	<u>19,119</u>
Ending Balance	<u>\$ 25,348</u>	<u>\$ 25,509</u>	<u>\$ 25,509</u>

Ending Balance as a
Percentage of Expend. 140.5% 133.4%

Senate Ways and Means Committee

Date 1/5/99

Attachment # 1/1

Senate Subcommittee Report

Agency: Abstracter's Board of Examiners

Bill No. 326

Bill Sec. 2

Analyst: Severn

Analysis Pg. No. 1642

Budget Page No. 501

<u>Expenditure Summary</u>	<u>Agency Request FY 00</u>	<u>Gov. Rec. FY 00</u>	<u>Senate Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 19,501	\$ 19,573	\$ (273) *
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

* The reduction of \$273 from the agency's fee fund is entirely for the Governor's employee salary adjustment.

Agency Request/Governor's Recommendation

The FY 2000 request is for expenditures of \$19,501, which is an increase of \$382 (2.0 percent) over the FY 1999 estimate.

The Governor concurs with the agency estimate and adds \$78 to increase the unclassified merit pool from the 2.5 percent requested by the agency to 3.5 percent.

Senate Subcommittee Recommendation

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

1. Remove \$273 (special revenue fund) for the Governor's FY 2000 employee pay plan adjustment. All of this \$273 is for an unclassified merit pool.
2. The agency participated in its review by telephone conference call.

Fee Fund Analysis

The following table reflects the status of the Board's Fee Fund under the Subcommittee's recommendation.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee and Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Subcommittee Rec. FY 2000
Beginning Balance	\$ 24,110	\$ 25,348	\$ 25,348	\$ 25,509	\$ 25,509	\$ 25,209
Projected Receipts	19,273	19,280	19,280	19,280	19,280	19,280
Total Available	\$ 43,383	\$ 44,628	\$ 44,628	\$ 44,789	\$ 44,789	\$ 44,789
Less: Expenditures	18,035	19,119	19,119	19,501	19,579	19,306
Ending Balance	<u>\$ 25,348</u>	<u>\$ 25,509</u>	<u>\$ 25,509</u>	<u>\$ 25,288</u>	<u>\$ 25,210</u>	<u>\$ 25,483</u>
Ending Balance as a Percentage of Expend.	140.5%	133.4%	133.4%	129.7%	128.8%	132.0%

Senate Subcommittee Report

Agency: Abstracter's Board of Examiners

Bill No. 326

Bill Sec. 2

Analyst: Severn

Analysis Pg. No. 1642

Budget Page No. 501

<u>Expenditure Summary</u>	<u>Agency Request FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>Senate Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 19,734	\$ 19,867	\$ (282) *
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

* The reduction of \$282 from the agency's fee fund is entirely for the Governor's employee salary adjustment.

Agency Request/Governor's Recommendation

The FY 2001 request is for expenditures of \$19,734, which is an increase of \$233 or 1.2 percent over the FY 2000 expenditures.

The Governor concurs with the agency estimate and adds \$133 to reflect the addition of 1.0 percent to the unclassified merit pool in FY 2000.

Senate Subcommittee Recommendation

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

1. Remove \$282 (special revenue fund) for the Governor's pay plan. All of this \$282 is for an unclassified merit pool.
2. The agency participated in its review by telephone conference call.

Fee Fund Analysis

The following table reflects the status of the Board's fee fund under the Subcommittee's recommendation.

Resource Estimate	Agency Request FY 2000	Gov. Rec. FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 25,509	\$ 25,509	\$ 25,509	\$ 25,288	\$ 25,210	\$ 25,483
Projected Receipts	19,280	19,280	19,280	19,280	19,280	19,280
Total Available	\$ 44,789	\$ 44,789	\$ 44,789	\$ 44,568	\$ 44,490	\$ 44,763
Less: Expenditures	19,501	19,579	19,306	19,734	19,867	19,585
Ending Balance	<u>\$ 25,288</u>	<u>\$ 25,210</u>	<u>\$ 25,483</u>	<u>\$ 24,834</u>	<u>\$ 24,623</u>	<u>\$ 25,178</u>
Ending Balance as a Percent of Expend.	129.7%	128.8%	132.0%	125.8%	123.9%	128.6%

1-5

SENATE SUBCOMMITTEE REPORT

Agency: Board of Accountancy **Bill No. –** **Bill Sec. –**
Analyst: Holwegner **Analysis Pg. No. 1651** **Budget Page No. 503**

<u>Expenditure Summary</u>	<u>Agency Estimate FY 1999</u>	<u>Governor Rec. FY 1999</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue	\$ 168,383	\$ 168,383	0
FTE Positions	3.0	3.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency estimates \$168,383 for FY 1999 operating expenditures which is \$10,581 (5.9 percent) less than the approved expenditure limitation. The decrease is due to savings achieved from contracting examination services. **The Governor concurs** with the agency's revised FY 1999 request.

CHANGE FROM APPROVED BUDGET					
	<u>Approved 1998 Legislature</u>	<u>Agency Est. FY 99</u>	<u>Agency Change From Approved</u>	<u>Gov. Rec. FY 99</u>	<u>Gov. Change From Approved</u>
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	178,964	168,383	(10,581)	168,383	(10,581)
TOTAL	<u>\$ 178,964</u>	<u>\$ 168,383</u>	<u>\$ (10,581)</u>	<u>\$ 168,383</u>	<u>\$ (10,581)</u>
FTE Positions	3.0	3.0	0.0	3.0	0.0

Senate Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

Agency: Board of Accountancy **Bill No.** 326 **Bill Sec.** 3
Analyst: Holwegner **Analysis Pg. No.** 1651 **Budget Page No.** 503

Expenditure Summary	Agency Request FY 2000	Governor Rec. FY 2000	Senate Subcommittee Adjustments
State Operations			
Special Revenue	\$ 177,121	\$ 177,646	(\$4,506)*
FTE Positions	3.0	3.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	3.0	3.0	0.0

*Includes a reduction of \$4,506 for the Governor's employee salary adjustment.

Agency Request/Governor's Recommendation

The agency requests \$177,121 for FY 2000 operating expenditures. This is an increase of \$8,738 (5.2 percent) from the revised FY 1999 estimate. The agency requests \$113,268 for the salaries and wages of 3.0 FTE positions. This is an increase of \$4,346 (4.0 percent) from the revised FY 1999 estimate. The agency requests \$58,497 for contractual services. This includes an enhancement of \$500 for inflation which is described below. The agency requests \$2,289 for commodities and \$3,068 for capital outlay which includes an enhancement of \$3,068 for a computer which is described below. The Board plans to increase the biennial permit rate of \$110 be increased by \$10 to \$120.

The Governor recommends \$177,646 for FY 2000 operating expenditures. This is an increase of \$9,263 (5.5 percent) from the FY 1999 recommendation and an increase of \$525 (0.3 percent) from the agency's FY 2000 request. The Governor recommends \$114,292 for the salaries and wages of 3.0 FTE positions. This is an increase of \$5,370 (4.9 percent) from the FY 1999 recommendation and an increase of \$1,025 (0.9 percent) from the agency's FY 2000 request. The Governor recommends \$57,997 for contractual services. The Governor does not recommend the \$500 enhancement for inflation. The Governor recommends \$2,289 for commodities and \$3,068 for capital outlay. **The Governor recommends the agency's computer enhancement. The Governor also concurs with the Accountancy Board's intention to raise the biennial permit rate from \$110 to \$120.**

Enhancement	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Inflation Adjustment	\$ 0	\$ 500	0.0	\$ 0	0	0.0
Computer and printer	0	3,068	0.0	0	3,068	0.0
TOTAL	\$ 0	\$ 3,568	0.0	\$ 0	3,068	0.0

FY 2000 Enhancements

Inflation Adjustment. The Board requests \$500 as an inflationary adjustment for contractual services to allow the agency to maintain its current level of service delivery. The Governor does not recommend this enhancement.

Computer and Printer. The Board requests \$3,068 to replace an existing computer and acquire a new printer. The Governor concurs.

Senate Subcommittee Recommendations

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

1. **Delete \$4,506** based on the recommendation to delete funding for classified step movement (\$1,503), the 1.0 percent classified base salary increase (\$509), an unclassified merit pool of 3.5 percent (\$1,315), and the longevity bonus (\$1,179) from individual agency budgets.

SENATE SUBCOMMITTEE REPORT

Agency: Board of Accountancy

Bill No. 326

Bill Sec. 3

Analyst: Holwegner

Analysis Pg. No. 1651

Budget Page No. 503

<u>Expenditure Summary</u>	<u>Agency Request FY 2001</u>	<u>Governor Rec. FY 2001</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue	\$ 192,772	\$ 184,836	(4,496)*
FTE Positions	3.0	3.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	3.0	3.0	0.0

*Includes a reduction of \$4,496 for the Governor's employee salary adjustment.

Agency Request/Governor's Recommendation

The agency requests \$192,772 for FY 2001 operating expenditures. This is an increase of \$15,650 (8.8 percent) from the revised FY 2000 estimate. The agency requests \$119,823 for the salaries and wages of 3.0 FTE positions. This is an increase of \$6,555 (5.8 percent) from the revised FY 2000 estimate. The agency requests \$66,008 for contractual services. This includes an enhancement of \$500 for inflation and \$5,500 enhancement for publishing a CPA directory which is described below. The agency requests \$2,403 for commodities and \$4,538 for capital outlay which includes an enhancement of \$4,538 for a computer which is described below.

The Board plans to request that the registration requirements for firms be strengthened, especially for out-of-state firms. The Board estimates the additional revenue to be \$13,940 with 20.0 percent of that amount (\$2,788) going to the State General Fund. This request is done to streamline and ease the reporting process of peer review for CPAs who perform attest functions by shifting the requirement to the firms.

The Governor recommends \$184,836 for FY 2001 operating expenditures. This is an increase of \$7,190 (4.0 percent) from the Governor's FY 2000 recommendation and a decrease of \$7,936 (4.1 percent) from the agency's FY 2001 request. The Governor recommends \$117,887 for the salaries and wages of 3.0 FTE positions. This is an increase of \$3,595 (3.1 percent) from the FY 2000 recommendation and a decrease of \$1,936 (1.6 percent) from the agency's FY 2001 request. The Governor recommends \$60,008 for contractual services. The Governor does not recommend the \$500 enhancement for inflation nor the \$5,500 enhancement for publishing a CPA directory. The Governor recommends \$2,403 for commodities and \$4,538 for capital outlay. **The Governor recommends the agency's computer enhancement.**

The Governor does not concur with the agency's request to create registration fees for accounting firms.

FY 2001 Enhancements

Enhancement	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Inflation adjustment	\$ 0	\$ 500	0.0	\$ 0	\$ 0	0.0
CPA directory	0	5,500	0.0	0	0	0.0
Computer and printer replacement	0	4,538	0.0	0	4,538	0.0
TOTAL	\$ 0	\$ 10,538	0.0	\$ 0	\$ 4,538	0.0

FY 2001 Enhancements

Inflation Adjustment. The Board requests \$500 as an inflationary adjustment for contractual services to allow the agency to maintain its current level of service delivery. The Governor does not recommend this enhancement.

CPA Directory. The Board requests \$5,500 to publish a directory of permit- holding CPAs and firms. The Governor does not recommend this enhancement.

Computer and Printer Replacements. The Board requests \$4,538 to replace an existing computer and an existing printer. The Governor concurs.

Senate Subcommittee Recommendations

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

1. **Delete \$4,496** based on the recommendation to delete funding for the Governor's pay plan adjustment.

SENATE SUBCOMMITTEE REPORT

Agency: Board of Mortuary Arts

Bill No. --

Bill Sec. --

Analyst: Waller

Analysis Pg. No. 1736

Budget Page No. 65

<u>Expenditure Summary</u>	<u>Agency Estimate FY 1999</u>	<u>Gov. Rec. FY 1999</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue Fund	\$ 188,566	\$ 188,566	\$ 0
FTE Positions	3.0	3.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	3.0	3.0	0.0

Agency Estimate/Governor's Recommendation

The agency's estimated FY 1999 expenditures are the same as approved figures by the 1998 Legislature.

The Governor concurs.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendations.

The status of the agency's fee fund, based upon the recommendation of the Subcommittee, is reflected in the table below.

	<u>Actual FY 1989</u>	<u>Agency Estimate FY 1999</u>	<u>Subcommittee Rec. FY 1999</u>	<u>Agency Request FY 2000</u>	<u>Subcommittee Rec. FY 2000</u>	<u>Agency Request FY 2001</u>	<u>Subcommittee Rec. FY 2001</u>
Balance Forward	\$ 97,457	\$ 95,306	\$ 95,306	\$ 77,806	\$ 77,806	\$ 58,630	\$ 57,451
Net Receipts	172,791	171,066	171,066	169,347	169,347	171,066	171,066
Total Funds Available	\$ 270,248	\$ 266,372	\$ 266,372	\$ 247,153	\$ 247,153	\$ 229,696	\$ 228,517
Less: Expenditures	174,942	188,566	188,566	188,523	183,420	195,686	196,899
Discretionary Transfer Out	0	0	0	0	0	0	0
Ending Balance	\$ 95,306	\$ 77,806	\$ 77,806	\$ 58,630	\$ 63,733	\$ 34,010	\$ 31,618
Ending Balance as a Percentage of Expenditures	54.5%	41.3%	41.3%	31.1%	34.7%	17.4%	19.9%

#27028.01(3/3/99(10:26AM))

Senate Ways and Means Committee

Date

Attachment #

SENATE SUBCOMMITTEE REPORT

Agency: Board of Mortuary Arts

Bill No. 326

Bill Sec. 11

Analyst: Waller

Analysis Pg. No. 1736

Budget Page No. 65

<u>Expenditure Summary</u>	<u>Agency Request FY 2000</u>	<u>Gov. Rec. FY 2000</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue Fund	\$ 188,523	\$ 189,702	\$ (6,282)
FTE Positions	3.0	3.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

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

Agency Request/Governor's Recommendation

The Board of Mortuary Arts FY 2000 request is \$43 less than the FY 1999 revised estimate. Although salaries and wages increase by \$2,769 (2.1 percent) from FY 1999 to FY 2000, that was offset by decreases in contractual services of \$537 and a decrease in capital outlay expenditures of \$2,375 (91.0 percent).

The Governor recommends an increase of \$1,136 over the revised FY 1999 recommendation to maintain the current level of services, including the inspection of approximately 700 funeral establishments.

The agency requests no enhancements.

Senate Subcommittee Recommendation

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

1. Delete \$6,282 based on the recommendation to delete funding for the 2.5 percent classified step movement (\$2,451); longevity bonus payments (\$1,270); a 1.0 percent classified base salary adjustment (\$624); and the 3.5 percent unclassified merit pool (\$1,937) from individual agency budgets.

The status of the agency's fee fund, based upon the recommendation of the Subcommittee, is reflected in the table below.

	<u>Actual</u> <u>FY 1989</u>	<u>Agency</u> <u>Estimate</u> <u>FY 1999</u>	<u>Subcommittee</u> <u>Rec.</u> <u>FY 1999</u>	<u>Agency</u> <u>Request</u> <u>FY 2000</u>	<u>Subcommittee</u> <u>Rec.</u> <u>FY 2000</u>	<u>Agency</u> <u>Request</u> <u>FY 2001</u>	<u>Subcommittee</u> <u>Rec.</u> <u>FY 2001</u>
Balance Forward	\$ 97,457	\$ 95,306	\$ 95,306	\$ 77,806	\$ 77,806	\$ 58,630	\$ 57,451
Net Receipts	172,791	171,066	171,066	169,347	169,347	171,066	171,066
Total Funds Available	\$ 270,248	\$ 266,372	\$ 266,372	\$ 247,153	\$ 247,153	\$ 229,696	\$ 228,517
Less: Expenditures	174,942	188,566	188,566	188,523	183,420	195,686	196,899
Discretionary Transfer Out	0	0	0	0	0	0	0
Ending Balance	<u>\$ 95,306</u>	<u>\$ 77,806</u>	<u>\$ 77,806</u>	<u>\$ 58,630</u>	<u>\$ 63,733</u>	<u>\$ 34,010</u>	<u>\$ 31,618</u>
Ending Balance as a Percentage of Expenditures	54.5%	41.3%	41.3%	31.1%	34.7%	17.4%	19.9%

SENATE SUBCOMMITTEE REPORT

Agency: Board of Mortuary Arts

Bill No. 326

Bill Sec. 11

Analyst: Waller

Analysis Pg. No. 1736

Budget Page No. 65

<u>Expenditure Summary</u>	<u>Agency Request FY 2001</u>	<u>Gov. Rec. FY 2001</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue Fund	\$ 195,686	\$ 196,899	\$ (6,391)
FTE Positions	3.0	3.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

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

Agency Request/Governor's Recommendation

The Board of Mortuary Arts request for FY 2001 increases by \$7,163 (3.8 percent) over the FY 2000 amount of \$188,523. This can be attributed to an increase in salaries and wages, contractual services for travel, inspections, hearings, and lease/rent agreements. Also, requested capital outlay expenditures have increased due to the requested purchase of additional computer and office related equipment

The Governor recommends an increase of \$7,197 over the FY 2000 recommendation to maintain current the current level of services, including the inspection of approximately 700 funeral establishments.

The agency requests no enhancements.

Senate Subcommittee Recommendation

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

1. Delete \$6,391 based on the recommendation to delete funding for the 2.5 percent classified step movement (\$2,454); longevity bonus payments (\$1,361); a 1.0 percent classified base salary adjustment (\$639); and a 3.5 percent unclassified merit pool (\$1,937) from individual agency budgets.

The status of the agency's fee fund, based upon the recommendation of the Subcommittee, is reflected in the table below.

	<u>Actual</u> <u>FY 1989</u>	<u>Agency</u> <u>Estimate</u> <u>FY 1999</u>	<u>Subcommittee</u> <u>Rec.</u> <u>FY 1999</u>	<u>Agency</u> <u>Request</u> <u>FY 2000</u>	<u>Subcommittee</u> <u>Rec.</u> <u>FY 2000</u>	<u>Agency</u> <u>Request</u> <u>FY 2001</u>	<u>Subcommittee</u> <u>Rec.</u> <u>FY 2001</u>
Balance Forward	\$ 97,457	\$ 95,306	\$ 95,306	\$ 77,806	\$ 77,806	\$ 58,630	\$ 57,451
Net Receipts	172,791	171,066	171,066	169,347	169,347	171,066	171,066
Total Funds Available	\$ 270,248	\$ 266,372	\$ 266,372	\$ 247,153	\$ 247,153	\$ 229,696	\$ 228,517
Less: Expenditures	174,942	188,566	188,566	188,523	183,420	195,686	196,899
Discretionary Transfer Out	0	0	0	0	0	0	0
Ending Balance	<u>\$ 95,306</u>	<u>\$ 77,806</u>	<u>\$ 77,806</u>	<u>\$ 58,630</u>	<u>\$ 63,733</u>	<u>\$ 34,010</u>	<u>\$ 31,618</u>
Ending Balance as a Percentage of Expenditures	54.5%	41.3%	41.3%	31.1%	34.7%	17.4%	19.9%

SENATE SUBCOMMITTEE REPORT

Agency: Board of Pharmacy

Bill No. --

Bill Sec. --

Analyst: Waller

Analysis Pg. No. 1767

Budget Page No. 66

<u>Expenditure Summary</u>	<u>Agency Estimate FY 1999</u>	<u>Gov. Rec. FY 1999</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue Fund	\$ 477,029	\$ 474,370	\$ 0
FTE Positions	6.0	6.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>6.0</u>	<u>6.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The Board of Pharmacy estimates current year expenditures of \$477,029, which is \$15,247 less than the amount approved by the 1998 Legislature. The reduction is due to the reclassification of a Public Administrator Service II position to an Office Specialist resulting in the agency's overall salary amount decreasing.

The Governor recommends a decrease of \$17,906 from FY 1999 approved expenditures, while concurring with the current number of FTE positions

Senate Subcommittee Recommendation

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

1. The Subcommittee expresses its concern relating to the long hours some pharmacists are working. There is no Kansas or Federal law that requires an employer to give employees a break or lunch hour. Both Kansas and Federal law state that IF a break is given the break must be at least 30 minutes in duration before it can be an unpaid time period. The Subcommittee considers this a significant issue due to possible health and safety issues relating to length of working hours. Therefore, the subcommittee recommends referral of this issue to the Healthcare Oversight Committee to review this issue during the 1999 Legislative Session and make recommendations to the 2000 Legislature.

Senate Ways and Means Committee

Date -

Attachment #

Fee Fund Analysis

The status of the agency's fee fund, based upon the recommendation of the Subcommittee, is reflected in the table below.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee Rec. FY 1999	Agency Request FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 573,819	\$ 705,754	\$ 705,754	\$ 844,038	\$ 846,697	\$ 865,726	\$ 848,786
Projected Receipts	607,224	615,313	615,313	510,538	510,538	516,188	516,188
Total Available	\$ 1,181,043	\$ 1,321,067	\$ 1,321,067	\$ 1,354,576	\$ 1,357,235	\$ 1,381,914	\$ 1,364,974
Less: Expenditures	475,290	477,029	474,370	488,850	508,449	502,448	521,865
Ending Balance	<u>\$ 705,754</u>	<u>\$ 844,038</u>	<u>\$ 846,697</u>	<u>\$ 865,726</u>	<u>\$ 848,786</u>	<u>\$ 879,466</u>	<u>\$ 843,109</u>
Ending Balance as a % of Expend.	148.5%	176.9%	178.5%	147.1%	167.0%	136.3%	162.0%

SENATE SUBCOMMITTEE REPORT

Agency: Board of Pharmacy

Bill No. 326

Bill Sec. 16

Analyst: Waller

Analysis Pg. No. 1767

Budget Page No. 66

<u>Expenditure Summary</u>	<u>Agency Request FY 2000</u>	<u>Gov. Rec. FY 2000</u>	<u>Senate Subcommittee Adjustments*</u>
State Operations			
Special Revenue Fund	\$ 548,259	\$ 508,449	\$ (5,567)
FTE Positions	7.0	6.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>7.0</u>	<u>6.0</u>	<u>0.0</u>

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

Agency Request/Governor's Recommendation

The Board of Pharmacy requests FY 2000 expenditures from the Board of Pharmacy Fee Fund of \$548,259 an increase of \$71,230 (14.9 percent) above the FY 1999 estimate. The increase in the FY 2000 request is in part due to an enhancement request made by the Board of Pharmacy concerning an additional FTE position and employee pay raise upgrades. The budget also reflects a 25 percent decrease in pharmacist licensing fees, because of an increasing surplus in the fee fund in previous years.

Absent requested FY 2000 enhancement package the agency's request represents an increase of \$11,822 (2.5 percent) over FY 1999 estimated expenditures

The Governor recommends expenditures of \$508,449 for FY 2000. Included within that amount, the Governor adds \$20,182 in FY 2000 to increase the Pharmacy Inspector class pay level from pay grade 30 to pay grade 33 and adds \$2,676 to finance a 1.0 percent base salary increase.

FY 2000 Enhancements						
<u>Enhancement</u>	<u>Agency Request</u>			<u>Governor's Recommendation</u>		
	<u>SGF</u>	<u>All Funds</u>	<u>FTE</u>	<u>SGF</u>	<u>All Funds</u>	<u>FTE</u>
Pay Grade Increase	\$0	\$40,568	0.0	0	20,182	0.0
Office Assistant I position	\$ 0	\$ 13,322	1.0	\$ 0	0	0.0
Salary Increase	0	5,519	0.0	0	0	0.0
TOTAL - FY 2000 Enhancement Request	<u>0</u>	<u>59,409</u>	<u>1.0</u>	<u>0</u>	<u>20,182</u>	<u>0.0</u>

Enhancement Request:

1. Upgrade the salary range of three inspectors from pay grade 30 to 35 (\$33,795 not including fringe benefits)

2. Convert "summer" temporary position to a permanent Office Assistant I FTE position (\$14,603, not including fringe benefits)
3. Increase the salary of the executive secretary position by 8.5 percent (\$4,597, not including fringe benefits associated with increase in salary)

The Governor recommends adding \$20,182 in FY 2000 to increase the Pharmacy Inspector class pay level from pay grade 30 to pay grade 33 and an additional \$2,676 to finance a 1.0 percent base salary increase.

Senate Subcommittee Recommendation

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

1. Delete \$5,567 based on the recommendation to delete funding for the 2.5 percent classified step movement (\$769); longevity bonus payments (\$590); a 1.0 percent classified base salary adjustment (\$2,062); and the 3.5 percent unclassified merit pool (\$2,146) from individual agency budgets.

Fee Fund Analysis

The status of the agency's fee fund, based upon the recommendation of the Subcommittee, is reflected in the table below.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee Rec. FY 1999	Agency Request FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 573,819	\$ 705,754	\$ 705,754	\$ 844,038	\$ 846,697	\$ 865,726	\$ 848,786
Projected Receipts	607,224	615,313	615,313	510,538	510,538	516,188	516,188
Total Available	\$ 1,181,043	\$ 1,321,067	\$ 1,321,067	\$ 1,354,576	\$ 1,357,235	\$ 1,381,914	\$ 1,364,974
Less: Expenditures	475,290	477,029	474,370	488,850	502,882	502,448	512,471
Ending Balance	\$ 705,754	\$ 844,038	\$ 846,697	\$ 865,726	\$ 854,353	\$ 879,466	\$ 852,503
Ending Balance as a % of Expend.	148.5%	176.9%	178.5%	147.1%	169.8%	136.3%	166.3%

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SENATE SUBCOMMITTEE REPORT

Agency: Board of Pharmacy

Bill No. 326

Bill Sec. 16

Analyst: Waller

Analysis Pg. No. 1767

Budget Page No. 66

<u>Expenditure Summary</u>	<u>Agency Request FY 2001</u>	<u>Gov. Rec. FY 2001</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue Fund	\$ 565,337	\$ 521,865	\$ (9,394)
FTE Positions	7.0	6.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>7.0</u>	<u>6.0</u>	<u>0.0</u>

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

Agency Request/Governor's Recommendation

The Board of Pharmacy FY 2001 request is \$17,078 (3.1 percent) above the FY2000 requested budget. As in FY 2000, this is due to the continuation of enhancement requests concerning additional personnel and employee pay grade increases. The budget reflects a 25 percent decrease, as with the FY 2000 request, in pharmacist licensing fees because of an increasing surplus in the fee fund in previous years.

Absent requested FY 2001 enhancement package the agency's request represents an increase of \$13,597 (2.8 percent) above FY 2000 requested expenditures

The Governor recommends expenditures of \$521,865 for FY 2001. Included within that amount, the Governor adds \$20,642 in FY 2001 to increase the Pharmacy Inspector class pay level from pay grade 30 to pay grade 33 and adds \$2,692 to finance a 1.0 percent base salary increase.

<u>Enhancement</u>	<u>Agency Request</u>			<u>Governor's Recommendation</u>		
	<u>SGF</u>	<u>All Funds</u>	<u>FTE</u>	<u>SGF</u>	<u>All Funds</u>	<u>FTE</u>
Pay Grade Increase	\$0	\$41,570	0.0	0	20,642	0.0
Office Assistant I position	\$ 0	\$ 17,956	1.0	\$ 0	0	0.0
Salary Increase	0	3,363	0.0	0	0	0.0
TOTAL - FY 2001 Enhancement Request	<u>0</u>	<u>62,889</u>	<u>1.0</u>	<u>0</u>	<u>20,642</u>	<u>0.0</u>

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Enhancement Request

- Upgrade the salary range of three inspectors from pay grade 30 to 35 (\$33,795 not including fringe benefits)
- Convert "summer" temporary position to a permanent Office Assistant I FTE position (\$14,603, not including fringe benefits)
- Increase the salary of the executive secretary position by 10 percent (\$4,597, not including fringe benefits associated with increase in salary)

The Governor recommends adding \$20,642 in FY 2000 to increase the Pharmacy Inspector class pay level from pay grade 30 to pay grade 33 and an additional \$2,692 to finance a 1.0 percent base salary increase.

Senate Subcommittee Recommendation

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

1. Delete (\$9,394) based on the recommendation to delete funding for the 2.5 percent classified step movement (\$5,040); longevity bonus payments (\$638); a 1.0 percent classified base salary adjustment (\$2,122); and the 3.5 percent unclassified merit pool (\$1,594) from individual agency budgets. The Governor does not recommend funding for classified step movements.

The status of the agency's fee fund, based up the recommendation of the Subcommittee, is reflected in the table below.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee Rec. FY 1999	Agency Request FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 573,819	\$ 705,754	\$ 705,754	\$ 844,038	\$ 846,697	\$ 865,726	\$ 848,786
Projected Receipts	607,224	615,313	615,313	510,538	510,538	516,188	516,188
Total Available	\$ 1,181,043	\$ 1,321,067	\$ 1,321,067	\$ 1,354,576	\$ 1,357,235	\$ 1,381,914	\$ 1,364,974
Less: Expenditures	475,290	477,029	474,370	488,850	502,882	502,448	512,471
Ending Balance	\$ 705,754	\$ 844,038	\$ 846,697	\$ 865,726	\$ 854,353	\$ 879,466	\$ 852,503
Ending Balance as a % of Expend.	148.5%	176.9%	178.5%	147.1%	169.8%	136.3%	166.3%

4-6

SUBCOMMITTEE REPORT

Agency: Board of Barbering

Bill No. –

Bill Sec. –

Analyst: Hollon

Analysis Pg. No. 1665

Budget Page No. 507

<u>Expenditure Summary</u>	<u>Agency Est. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 106,371	\$ 106,371	\$ 0
FTE Positions	1.5	1.5	0.0
TOTAL			

Agency Est./Governor's Recommendation

The agency estimates expenditures of \$106,371 for FY 1999 which is the same as the amount approved by the 1998 Legislature. Of the estimate, \$68,523 is for salaries and wages, \$34,010 for contractual services, \$2,200 for commodities, and \$1,638 for capital outlay. The estimated expenditures represent the continuation of current services.

The Governor concurs with the agency's estimate.

Senate Subcommittee Recommendation

The Budget Committee concurs with the Governor's recommendation.

The status of the agency's fee fund, based on the recommendation of the Subcommittee, is reflected in the table below.

Senate Ways and Means Committee

Date 9/26/98

Attachment # 507

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Budget Comm. Rec. FY 1999	Agency Request FY 2000	Budget Comm. Rec. FY 2000	Agency Request FY 2001	Budget Comm. Rec. FY 2001
Beginning Balance	\$ 105,671	\$ 94,965	\$ 94,965	\$ 87,382	\$ 87,382	\$ 59,280	\$ 68,327
Net Receipts	<u>97,156</u>	<u>98,788</u>	<u>98,788</u>	<u>99,816</u>	<u>99,816</u>	<u>101,892</u>	<u>101,892</u>
Total Funds Available	\$ 202,827	\$ 193,753	\$ 193,753	\$ 187,198	\$ 187,198	\$ 161,172	\$ 170,219
Less: Expenditures	<u>107,862</u>	<u>106,371</u>	<u>106,371</u>	<u>127,918</u>	<u>118,871</u>	<u>127,430</u>	<u>117,520</u>
Ending Balance	<u>\$ 94,965</u>	<u>\$ 87,382</u>	<u>\$ 87,382</u>	<u>\$ 59,280</u>	<u>\$ 68,327</u>	<u>\$ 33,742</u>	<u>\$ 52,699</u>
Ending Balance as Percentage of Expend.	88.0%	82.1%	82.1%	46.3%	53.4%	26.5%	40.4%

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SUBCOMMITTEE REPORT

Agency: Board of Barbering

Bill No. 2519

Bill Sec. 5

Analyst: Hollon

Analysis Pg. No. 1665

Budget Page No. 507

<u>Expenditure Summary</u>	<u>Agency Est. FY 2000</u>	<u>Gov. Rec. FY 2000*</u>	<u>Senate Subcommittee Adjustments**</u>
State Operations:			
Special Revenue Fund	\$ 127,918	\$ 122,049	\$ 0
FTE Positions	1.5	1.5	0.0

* Includes Governor's Budget Amendment No. 1, Item 1

** Entire reduction for Governor's employee salary adjustment.

Agency Est./Governor's Recommendation

The agency requests an expenditure limitation of \$127,918 in FY 2000 which is an increase of \$21,547 (20.3 percent) above the FY1999 estimate and includes an enhancement package of \$15,539. The enhancement package includes \$4,094 in salaries and wages, \$7,045 in contractual services, and \$4,400 in capital outlay. The requested enhancements would provide funding for an increase the salary of the Administrative Officer, an increase in postage expenses, the attendance of three Board members at a national convention, an extension of each quarterly meeting by one day, the conducting of one disciplinary hearing, and the purchase of computer equipment.

The Governor recommends an expenditure limitation of \$122,049 in FY 2000 which is an increase of \$14,226 (13.4 percent) above the FY 1999 recommendation. The recommendation includes \$73,485 for salaries and wages and \$48,564 for other operating expenditures. The Governor recommends the enhancements concerning the increase for the Administrative Officer; the increases for postage expense; the fees for an attorney, court reporter, and temporary help; and the purchase of computer equipment.

Senate Subcommittee Recommendation

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

1. Delete \$3,178 (all from the agency's fee fund) for the Governor's employee salary adjustment.
2. Concur with Governor's Budget Amendment No. 1, Item 1, which adds \$1,452 from Other Funds to correct an error in salaries and wages.

3. The Subcommittee expresses concern over the decreasing balance of the agency's fee fund and the fact that the fees are at the statutory maximum. According to the Board's Administrative Officer, much of the decreased balance is due to accreditation sanctions placed on two barber schools by the U.S. Department of Education. During the sanction period, receipts for student licenses and barber examination fees were drastically reduced. The sanctions have been lifted and, according to the agency, receipts should return to normal levels during FY 2000. The Subcommittee recommends that the fee structure be reviewed during the 2000 Legislative Session to determine if the statutory maximums should be increased.

The status of the agency's fee fund, based on the recommendation of the Subcommittee, is reflected in the table below:

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Budget Comm. Rec. FY 1999	Agency Request FY 2000	Budget Comm. Rec. FY 2000	Agency Request FY 2001	Budget Comm. Rec. FY 2001
Beginning Balance	\$ 105,671	\$ 94,965	\$ 94,965	\$ 87,382	\$ 87,382	\$ 59,280	\$ 68,327
Net Receipts	97,156	98,788	98,788	99,816	99,816	101,892	101,892
Total Funds Available	\$ 202,827	\$ 193,753	\$ 193,753	\$ 187,198	\$ 187,198	\$ 161,172	\$ 170,219
Less: Expenditures	107,862	106,371	106,371	127,918	118,871	127,430	117,520
Ending Balance	<u>\$ 94,965</u>	<u>\$ 87,382</u>	<u>\$ 87,382</u>	<u>\$ 59,280</u>	<u>\$ 68,327</u>	<u>\$ 33,742</u>	<u>\$ 52,699</u>
Ending Balance as Percentage of Expend.	88.0%	82.1%	82.1%	46.3%	57.5%	26.5%	44.8%

SUBCOMMITTEE REPORT

Agency: Board of Barbering

Bill No. 2519

Bill Sec. 5

Analyst: Hollon

Analysis Pg. No. 1665

Budget Page No. 507

<u>Expenditure Summary</u>	<u>Agency Est. FY 2001</u>	<u>Gov. Rec. FY 2001</u>	<u>Senate Subcommittee Adjustments*</u>
State Operations:			
Special Revenue Fund	\$ 127,430	\$ 119,012	\$ 0
FTE Positions	1.5	1.5	0.0

* Entire reduction for Governor's employee salary adjustment.

Agency Est./Governor's Recommendation

The agency requests an expenditure limitation of \$127,430 in FY 2001 which is a decrease of \$488 (0.4 percent) from the FY 2000 request and includes an enhancement package of \$13,291. The enhancement package includes \$4,104 in salaries and wages and \$9,187 in contractual services. The requested enhancements would provide funding for an increase the salary of the Administrative Officer, an increase in postage expenses, the attendance of three Board members at a national convention, an extension of each quarterly meeting by one day, and the conducting of one disciplinary hearing.

The Governor recommends an expenditure limitation of \$119,012 in FY 2001 which is a decrease of \$1,585 (1.3 percent) from the FY 2000 recommendation. The recommendation includes \$74,614 for salaries and wages and \$44,398 for other operating expenditures. The Governor recommends the enhancements concerning the increase for the Administrative Officer; the increases for postage expense; and the fees for an attorney, court reporter, and temporary help.

Senate Subcommittee Recommendation

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

1. Delete \$1,492 in Other Funds for the Governor's employee salary adjustment.

The status of the agency's fee fund, based on the recommendation of the Subcommittee, is reflected in the table below.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Budget Comm. Rec. FY 1999	Agency Request FY 2000	Budget Comm. Rec. FY 2000	Agency Request FY 2001	Budget Comm. Rec. FY 2001
Beginning Balance	\$ 105,671	\$ 94,965	\$ 94,965	\$ 87,382	\$ 87,382	\$ 59,280	\$ 68,327
Net Receipts	<u>97,156</u>	<u>98,788</u>	<u>98,788</u>	<u>99,816</u>	<u>99,816</u>	<u>101,892</u>	<u>101,892</u>
Total Funds Available	\$ 202,827	\$ 193,753	\$ 193,753	\$ 187,198	\$ 187,198	\$ 161,172	\$ 170,219
Less: Expenditures	<u>107,862</u>	<u>106,371</u>	<u>106,371</u>	<u>127,918</u>	<u>118,871</u>	<u>127,430</u>	<u>117,520</u>
Ending Balance	<u>\$ 94,965</u>	<u>\$ 87,382</u>	<u>\$ 87,382</u>	<u>\$ 59,280</u>	<u>\$ 68,327</u>	<u>\$ 33,742</u>	<u>\$ 52,699</u>
Ending Balance as Percentage of Expend.	88.0%	82.1%	82.1%	46.3%	57.5%	26.5%	44.8%

SENATE SUBCOMMITTEE REPORT

Agency: Board of Cosmetology

Bill No. –

Bill Sec. –

Analyst: Hollon

Analysis Pg. No. 1691

Budget Page No. 513

<u>Expenditure Summary</u>	<u>Agency Est. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 715,596	\$ 715,596	\$ 0
FTE Positions	12.0	12.0	0.0

Agency Est./Governor's Recommendation

For FY 1999, the agency estimates expenditures of \$715,596 which is the same as the amount approved by the 1998 Legislature. Of the estimate, \$398,406 is for salaries and wages, \$169,415 for contractual services, \$47,775 for commodities, and \$100,000 for capital outlay. The capital outlay estimate includes funding for computer equipment and software approved by the 1998 Legislature with funding to be released by the State Finance Council following review by the Joint Committee on Information Technology (OJCIT). Although JCIT reviewed the project, the item was not included on the State Finance Council's agenda. The funding is still included in the agency's budget, but the proviso would need to be modified to allow expenditure of the funding.

The Governor concurs with the agency's estimate.

Senate Subcommittee Recommendation

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

1. The 1998 Legislature approved FY 1999 funding for a new computer system with the proviso that the funding be released by the State Finance Council following review by the Joint Committee on Information Technology (JCIT). Funding for this computer system was requested based upon recommendations by the Legislative Division of Post Audit. Although JCIT reviewed the project, the item was not included on the State Finance Council's agenda. The Subcommittee recommends the removal of the proviso so that the funds may be released.

The status of the agency's fee fund, based on the recommendation of the Subcommittee, is reflected in the table below.

Senate Ways and Means Committee

Date

Attachment #

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee Rec.. FY 1999	Agency Request FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 145,037	\$ 123,663	\$ 123,663	\$ 12,778	\$ 12,778	\$ 41,188	\$ 84,884
Net Receipts	483,492	604,711	604,711	750,267	750,267	719,408	719,408
Total Funds Available	\$ 628,529	\$ 728,374	\$ 728,374	\$ 763,045	\$ 763,045	\$ 760,596	\$ 804,292
Less: Expenditures	504,866	715,596	715,596	721,857	678,161	722,579	683,477
Ending Balance	<u>\$ 123,663</u>	<u>\$ 12,778</u>	<u>\$ 12,778</u>	<u>\$ 41,188</u>	<u>\$ 84,884</u>	<u>\$ 38,017</u>	<u>\$ 120,815</u>
Ending Balance as Percentage of Expend.	24.5%	1.8%	1.8%	5.7%	12.5%	5.3%	17.7%

6-2

SENATE SUBCOMMITTEE REPORT

Agency: Board of Cosmetology

Bill No. 326

Bill Sec. 8

Analyst: Hollon

Analysis Pg. No. 1691

Budget Page No. 513

<u>Expenditure Summary</u>	<u>Agency Req. FY 2000</u>	<u>Gov. Rec. FY 2000</u>	<u>Senate Subcommittee Adjustments*</u>
State Operations:			
Special Revenue Fund	\$ 721,857	\$ 693,879	\$ (15,718)
FTE Positions	13.0	12.0	0.0

* Entire reduction for Governor's employee salary adjustment.

Agency Req./Governor's Recommendation

For FY 2000, the agency requests an expenditure limitation of \$721,857 which is an increase of \$6,261 (0.9 percent) above the FY 1999 estimate. Of the request, \$425,611 is for salaries and wages, \$221,627 for contractual services, \$67,050 for commodities, and \$7,569 for capital outlay. The request includes an enhancement package of \$29,236 which consists of \$25,911 to fund 1.0 FTE Office Specialist position and \$3,325 to purchase furniture and computer equipment for that additional FTE.

The Governor recommends an expenditure limitation of \$693,879 which is a decrease of \$21,717 (3.0 percent) below the FY 1999 recommendation. The recommendation includes \$400,958 for salaries and wages, \$221,627 for contractual services, \$67,050 for commodities, and \$4,244 for capital outlay. The Governor does not recommend the enhancement package.

Senate Subcommittee Recommendation

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

1. The Subcommittee recommends that technical adjustments be made to the bill to more accurately reflect the Governor's recommendation.
2. Delete \$15,718 in Other Funds for the Governor's employee salary adjustments.
3. The Subcommittee expresses concern that several licensing and regulatory boards are negotiating for software individually rather than utilizing potential cost savings by negotiating and purchasing as one unit. The Subcommittee requests a report from the Director of Purchasing, Department of Administration, on the progress made in this area.

The status of the agency's fee fund, based on the recommendation of the Subcommittee, is reflected in the table below.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee Rec.. FY 1999	Agency Request FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 145,037	\$ 123,663	\$ 123,663	\$ 12,778	\$ 12,778	\$ 41,188	\$ 84,884
Net Receipts	483,492	604,711	604,711	750,267	750,267	719,408	719,408
Total Funds Available	\$ 628,529	\$ 728,374	\$ 728,374	\$ 763,045	\$ 763,045	\$ 760,596	\$ 804,292
Less: Expenditures	504,866	715,596	715,596	721,857	678,161	722,579	683,477
Ending Balance	<u>\$ 123,663</u>	<u>\$ 12,778</u>	<u>\$ 12,778</u>	<u>\$ 41,188</u>	<u>\$ 84,884</u>	<u>\$ 38,017</u>	<u>\$ 120,815</u>
Ending Balance as Percentage of Expend.	24.5%	1.8%	1.8%	5.7%	12.5%	5.3%	17.7%

6-4

SENATE SUBCOMMITTEE REPORT

Agency: Board of Cosmetology

Bill No. 326

Bill Sec. 8

Analyst: Hollon

Analysis Pg. No. 1691

Budget Page No. 513

<u>Expenditure Summary</u>	<u>Agency Req. FY 2001</u>	<u>Gov. Rec. FY 2001</u>	<u>Senate Subcommittee Adjustments*</u>
State Operations:			
Special Revenue Fund	\$ 722,579	\$ 697,772	\$ (14,295)
FTE Positions	13.0	12.0	0.0

* Entire reduction for Governor's employee salary adjustments.

Agency Req./Governor's Recommendation

For FY 2001, the agency requests an expenditure limitation of \$722,579 which is an increase of \$722 (0.1 percent) above the FY 2000 estimate. Of the request, \$427,202 is for salaries and wages, \$227,603 for contractual services, \$67,250 for commodities, and \$524 for capital outlay. The request includes an enhancement package of \$27,710 to continue funding for 1.0 FTE Office Specialist position.

The Governor recommends an expenditure limitation of \$697,772 which is an increase of \$3,893 (0.6 percent) above the FY 2000 recommendation. The recommendation includes \$402,395 for salaries and wages, \$227,603 for contractual services, \$67,250 for commodities, and \$524 for capital outlay. The Governor does not recommend the enhancement package.

Senate Subcommittee Recommendation

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

1. Delete \$14,295 in Other Funds for the governor's employee salary adjustments.

The status of the agency's fee fund, based on the recommendation of the Subcommittee, is reflected in the table below.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee Rec.. FY 1999	Agency Request FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 145,037	\$ 123,663	\$ 123,663	\$ 12,778	\$ 12,778	\$ 41,188	\$ 84,884
Net Receipts	483,492	604,711	604,711	750,267	750,267	719,408	719,408
Total Funds Available	\$ 628,529	\$ 728,374	\$ 728,374	\$ 763,045	\$ 763,045	\$ 760,596	\$ 804,292
Less: Expenditures	504,866	715,596	715,596	721,857	678,161	722,579	683,477
Ending Balance	<u>\$ 123,663</u>	<u>\$ 12,778</u>	<u>\$ 12,778</u>	<u>\$ 41,188</u>	<u>\$ 84,884</u>	<u>\$ 38,017</u>	<u>\$ 120,815</u>
Ending Balance as Percentage of Expend.	24.5%	1.8%	1.8%	5.7%	12.5%	5.3%	17.7%

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Senate Subcommittee Report

Agency: Board of Veterinary Examiners **Bill No.323** **Bill Sec. 8**
Analyst: Holwegner **Analysis Pg. No. 1809** **Budget Page No. 539**

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Governor Recommendation FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue	\$ 222,600	\$ 218,315	0
FTE Positions	3.0	3.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	3.0	3.0	0.0

Agency Request/Governor's Recommendation

CHANGE FROM APPROVED BUDGET					
	<u>Approved 1998 Legislature</u>	<u>Agency Est. FY 99</u>	<u>Agency Change From Approved</u>	<u>Gov. Rec. FY 99</u>	<u>Gov. Change From Approved</u>
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	244,153	222,600	(21,553)	218,315	(25,838)
TOTAL	\$ 244,153	\$ 222,600	\$ (21,553)	\$ 218,315	\$ (25,838)
FTE Positions	3.0	3.0	0.0	3.0	0.0

The agency requests \$222,600 for FY 1999 operating expenditures. This is a decrease of \$21,553 (8.8 percent) from the approved FY 1999 budget. This is due to less than anticipated expenditures for salaries and wages.

The Governor recommends \$218,315 for FY 1999 operating expenditures. This is a decrease of \$25,838 (10.5 percent) from the approved FY 1999 budget and a decrease of \$4,285 (1.9 percent) from the agency's revised FY 1999 request. Salaries and wages were further reduced because anticipated expenditures are expected to be lower.

Senate Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Board of Veterinary Examiners **Bill No.** 326 **Bill Sec.** 21
Analyst: Holwegner **Analysis Pg. No.** 1809 **Budget Page No.** 539

<u>Expenditure Summary</u>	<u>Agency Request FY 00</u>	<u>Governor Recommendation FY 00</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue	\$ 242,079	\$ 225,660	\$ (4,022)*
FTE Positions	3.0	3.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	3.0	3.0	0.0

* Includes a reduction of \$4,022 for the Governor's employee salary adjustment.

Agency Request/Governor's Recommendation

The agency requests **\$242,079** for FY 2000 operating expenditures. This is an increase of \$19,479 (8.8 percent) from the revised FY 1999 request. The request includes \$137,341 for salaries and wages and \$104,738 for other operating expenditures.

The Governor recommends **\$225,660** for FY 2000 operating expenditures. This is an increase of \$7,345 (3.4 percent) from the FY 1999 recommendation and a decrease of \$16,419 (6.8 percent) from the agency's FY 2000 request. The Governor does not recommend \$10,300 in expenditures for computer equipment. The recommendation includes \$131,222 for salaries and wages and \$94,438 for other operating expenditures.

FY 2000 Enhancements						
Enhancement	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
The agency requests no enhancements.						

Senate Subcommittee Recommendations

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

1. **Delete \$4,022** based on the recommendation to delete funding for an unclassified merit pool of 3.5 percent.

Senate Subcommittee Report

Agency: Board of Veterinary Examiners **Bill No.** 326 **Bill Sec.** 21
Analyst: Holwegner **Analysis Pg. No.** 1809 **Budget Page No.** 539

<u>Expenditure Summary</u>	<u>Agency Request FY 01</u>	<u>Governor Recommendation FY 01</u>	<u>Senate Subcommittee Adjustments</u>
State Operations			
Special Revenue	\$ 237,165	\$ 229,065	(2,986)*
FTE Positions	3.0	3.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

* Includes a reduction of \$2,986 for the Governor's employee salary adjustment.

Agency Request/Governor's Recommendation

The agency requests \$237,165 for FY 2001 operating expenditures. This is a decrease of \$4,914 (2.0 percent) from the agency's FY 2000 request. The request includes \$142,727 for salaries and wages and \$94,438 for other operating expenditures.

The Governor recommends \$229,065 for FY 2001 operating expenditures. This is an increase of \$3,405 (1.5 percent) from the FY 2000 recommendation and a decrease of \$8,100 (3.5 percent) from the agency's FY 2001 request. The Governor recommends \$134,627 for salaries and wages and \$94,438 for other operating expenditures.

FY 2001 Enhancements						
Enhancement	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
The agency requests no enhancements.						

Senate Subcommittee Recommendations

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

1. **Delete \$2,986** based on the recommendation to delete funding for an unclassified merit pool of 3.5 percent.

SENATE SUBCOMMITTEE REPORT

Agency: Dental Board

Bill No. 323

Bill Sec. 5

Analyst: Chapman

Analysis Pg. No. 1703

Budget Page No. 517

<u>Expenditure Summary</u>	<u>Agency Estimate FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 228,533	\$ 288,533	\$ 0
FTE Positions	1.6	1.6	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>1.6</u>	<u>1.6</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency's revised FY 1999 expenditure limitation request is \$228,533 which is \$5,596 more than the limitation approved by the 1998 Legislature, which was \$222,937. The revised estimate reflects the increase in the number of board members, from five to nine as added by the 1998 Legislature. As a result, the agency anticipates increases in communication, travel and subsistence, and professional services. The agency requests an expenditure limitation increase of \$5,596 due to new costs associated with four new board members. The Governor concurs.

Senate Subcommittee Recommendation

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

1. The Subcommittee compliments the Dental Board's retiring Administrative Secretary, Carol MacDonald, for an outstanding job, and appreciates her service from 1991 to June, 1999.

Senate Ways and Means Committee
 Date 3/5/99
 Attachment # 8-1

Fee Fund Analysis

<u>Resource Estimate</u>	<u>Actual FY 99</u>	<u>Agency Estimate FY 99</u>	<u>Subcommittee Rec. FY 99</u>
Beginning Balance	\$ 280,500	\$ 181,084	\$ 181,084
Projected Receipts	<u>127,750</u>	<u>401,300</u>	<u>401,300</u>
Total Available	\$ 408,250	\$ 582,384	\$ 582,384
Less: Expenditures	<u>227,166</u>	<u>228,533</u>	<u>228,533</u>
Ending Balance	<u>\$ 181,084</u>	<u>\$ 353,851</u>	<u>\$ 353,851</u>
Ending Balance as a Percentage of Expenditures	79.7%	154.8%	154.8%

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SENATE SUBCOMMITTEE REPORT

Agency: Dental Board

Bill No. 326

Bill Sec.10

Analyst: Chapman

Analysis Pg. No. 1703

Budget Page No. 517

Expenditure Summary	Agency Req. FY 00	Gov. Rec. FY 00	Senate Subcommittee Adjustments
State Operations:			
Special Revenue Fund	\$ 249,844	\$ 251,527	\$(3,166)*
FTE Positions	2.0	2.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>2.0</u>	<u>2.0</u>	<u>0.0</u>

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

Agency Req./Governor's Recommendation

The agency requests an expenditure limitation of \$249,844 for FY 2000, an increase of \$21,311 or 9.3 percent over FY 1999. The request includes slight increases in travel, communication, the annual increase in building rental, and employee benefits, as well as an enhancement package of \$10,706. The enhancement package includes an increase in salaries and wages to fund a 0.6 FTE Administrative Secretary to work full-time.

The Governor recommends an expenditure limitation of \$251,527, including \$75,245 for salaries and wages and \$176,282 for other operating expenditures. The Governor's recommendation includes the agency's enhancement request to increase the 0.6 FTE Administrative Secretary position to 1.0 FTE. The Governor adds a 1.0 percent classified base salary adjustment in FY 2000.

Requested Enhancements

FY 2000 Enhancements							
Enhancement	Agency Request			Governor's Recommendation			
	SGF	All Funds	FTE	SGF	All Funds	FTE	
FY 2000: Administrative Secretary	\$ 10,706	\$ 10,706	0.4	\$ 10,706	\$ 10,706	0.4	

Senate Subcommittee Recommendation

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

1. Delete \$3,166 (no SGF in the Dental Board) based on the recommendation to delete funding for the Governor's recommended employee pay plan adjustments (3.5 percent unclassified merit pool, 2.5 percent classified step movement, 1.0 percent base salary adjustment, and longevity bonus payments).

Fee Fund Analysis

<u>Resource Estimate</u>	<u>Actual FY 99</u>	<u>Agency Estimate FY 99</u>	<u>Subcommittee Rec. FY 99</u>	<u>Agency Rec. FY 00</u>	<u>Subcommittee Rec. FY 00</u>
Beginning Balance	\$ 280,500	\$ 181,084	\$ 181,084	\$ 353,851	\$ 353,851
Projected Receipts	<u>127,750</u>	<u>401,300</u>	<u>401,300</u>	<u>158,900</u>	<u>158,900</u>
Total Available	\$ 408,250	\$ 582,384	\$ 582,384	\$ 512,751	\$ 512,751
Less: Expenditures	<u>227,166</u>	<u>228,533</u>	<u>228,533</u>	<u>249,844</u>	<u>248,361</u>
Ending Balance	<u>\$ 181,084</u>	<u>\$ 353,851</u>	<u>\$ 353,851</u>	<u>\$ 262,907</u>	<u>\$ 264,390</u>
Ending Balance as a Percentage of Expenditures	79.7%	154.8%	154.8%	105.2%	106.5%

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SENATE SUBCOMMITTEE REPORT

Agency: Dental Board

Bill No. 326

Bill Sec. 10

Analyst: Chapman

Analysis Pg. No. 1703

Budget Page No. 517

Expenditure Summary	Agency Req. FY 01	Gov. Rec. FY 01	Senate Subcommittee Adjustments
State Operations:			
Special Revenue Fund	\$ 261,473	\$ 258,179	\$ (2,877)*
FTE Positions	2.0	2.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>2.0</u>	<u>2.0</u>	<u>0.0</u>

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

Agency Req./Governor's Recommendation

For FY 2001, the agency requests an expenditure limitation of \$261,473, an increase of \$11,629 or 4.7 percent above FY 2000. The agency's enhancement package allows for the continuation of a full-time Administrative Secretary requested in FY 2000.

The Governor recommends an expenditure limitation of \$258,179 for FY 2001. Included in the recommendation is the continuation of a full-time Administrative Secretary requested in FY 2000.

Requested Enhancements

FY 2001 Enhancements							
Enhancement	Agency Request			Governor's Recommendation			
	SGF	All Funds	FTE	SGF	All Funds	FTE	
FY 2001:							
Administrative Secretary	\$ 10,977	\$ 10,977	0.0	10,977	10,977	0.0	

Senate Subcommittee Recommendation

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

1. Delete \$2,877 based on the recommendation to delete funding for the Governor's recommended employee pay plan adjustments (3.5 percent unclassified merit pool and longevity bonus payments).

Fee Fund Analysis

<u>Resource Estimate</u>	<u>Actual FY 99</u>	<u>Agency Estimate FY 99</u>	<u>Subcomm. Rec. FY 99</u>	<u>Agency Rec. FY 00</u>	<u>Subcomm. Rec. FY 00</u>	<u>Agency Rec. FY 01</u>	<u>Subcomm. Rec. FY 01</u>
Beginning Balance	\$ 280,500	\$ 181,084	\$ 181,084	\$ 353,851	\$ 353,851	\$ 262,907	\$ 264,390
Projected Receipts	<u>127,750</u>	<u>401,300</u>	<u>401,300</u>	<u>158,900</u>	<u>158,900</u>	<u>399,200</u>	<u>399,200</u>
Total Available	\$ 408,250	\$ 582,384	\$ 582,384	\$ 512,751	\$ 512,751	\$ 662,107	\$ 663,590
Less: Expenditures	<u>227,166</u>	<u>228,533</u>	<u>228,533</u>	<u>249,844</u>	<u>248,361</u>	<u>261,473</u>	<u>255,302</u>
Ending Balance	<u>\$ 181,084</u>	<u>\$ 353,851</u>	<u>\$ 353,851</u>	<u>\$ 262,907</u>	<u>\$ 264,390</u>	<u>\$ 400,634</u>	<u>\$ 408,288</u>
Ending Balance as a Percentage of Expenditures	79.7%	154.8%	154.8%	105.2%	106.5%	153.2%	159.9%

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SENATE SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. –

Bill Sec. –

Analyst: Nogle

Analysis Pg. No. 1746

Budget Page No. 525

<u>Expenditure Summary</u>	<u>Agency Estimate FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Board of Nursing Fee Fund	\$ 1,171,391	\$ 1,171,391	\$ 0
Education Conf. Fund	<u>250</u>	<u>250</u>	<u>0</u>
TOTAL	<u><u>\$ 1,171,641</u></u>	<u><u>\$ 1,171,641</u></u>	<u><u>\$ 0</u></u>
FTE Positions	16.5	16.5	0.0
Unclassified Temp. Positions	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>
TOTAL	<u><u>17.5</u></u>	<u><u>17.5</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency estimates FY 1999 expenditures from the Board of Nursing Fee Fund of \$1,171,391, the same amount approved by the 1998 Legislature.

The Governor concurs with the agency estimate.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

Senate Ways and Means Committee

Date 5/2/99

Attachment # 1

Fee Fund Analysis

<u>Resource Estimate</u>	<u>Agency Estimate FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Rec. FY 99</u>
Beginning Balance	\$ 765,347	\$ 765,347	\$ 765,347
Net Receipts	<u>1,006,125</u>	<u>1,006,125</u>	<u>1,006,125</u>
Total Available	\$ 1,771,472	\$ 1,771,472	\$ 1,771,472
Less: Expenditures	<u>1,171,391</u>	<u>1,171,391</u>	<u>1,171,391</u>
Ending Balance	<u>\$ 60,081</u>	<u>\$ 60,081</u>	<u>\$ 60,081</u>

SENATE SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. 326

Bill Sec. 14

Analyst: Nogle

Analysis Pg. No. 1746

Budget Page No. 525

<u>Expenditure Summary</u>	<u>Agency Request FY 00</u>	<u>Gov. Rec. FY 00</u>	<u>Senate Subcommittee Adjustments*</u>
State Operations:			
Board of Nursing Fee Fund	\$ 1,082,225	\$ 1,059,625	\$ (27,126)
Education Conf. Fund	<u>600</u>	<u>600</u>	<u>0</u>
TOTAL	<u><u>\$ 1,082,825</u></u>	<u><u>\$ 1,060,225</u></u>	<u><u>\$ (27,126)</u></u>
FTE Positions	18.5	17.5	(1.0)
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>
TOTAL	<u><u>18.5</u></u>	<u><u>17.5</u></u>	<u><u>0.0</u></u>

* Includes a reduction of \$27,126 (all fee fund money) for the Governor's employee salary adjustment. Excluding the recommendation to omit the Governor's employee salary adjustment, the Subcommittee recommends the 1.0 FTE position recommended by the Governor remain as an unclassified temporary position. This does not change the amount requested to fund the position.

Agency Request/Governor's Recommendation

The agency requests FY 2000 expenditures from the Board of Nursing Fee Fund of \$1,082,825, \$88,816 less than the agency FY 1999 request. The request includes funding of \$68,015 for 2.0 new FTE positions, a Registered Professional Nurse III Investigator (\$39,133) and a Legal Assistant (\$28,882).

The Governor recommends \$1,060,225, \$22,600 less than the agency request. The Governor does not recommend funding the enhancement for a 1.0 FTE legal assistant position (\$28,882), but does recommend the addition of 1.0 FTE Professional Nurse III Investigator position.

Senate Subcommittee Recommendation

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

1. The Subcommittee does not recommend the 1.0 FTE position for a Professional Nurse III Investigator and instead recommends that the position remain an unclassified temporary position.

Fee Fund Analysis

<u>Resource Estimate</u>	<u>Agency Estimate FY 00</u>	<u>Gov. Rec. FY 00</u>	<u>Senate Subcommittee Rec. FY 00</u>
Beginning Balance	\$ 600,081	\$ 600,081	\$ 600,081
Net Receipts	<u>952,825</u>	<u>952,825</u>	<u>952,825</u>
Total Available	\$ 1,552,906	\$ 1,552,906	\$ 1,552,906
Less: Expenditures	<u>1,082,225</u>	<u>1,059,625</u>	<u>1,032,499</u>
Ending Balance	<u>\$ 470,681</u>	<u>\$ 493,281</u>	<u>\$ 520,407</u>

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SENATE SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. 326

Bill Sec. 14

Analyst: Nogle

Analysis Pg. No. 1746

Budget Page No. 525

<u>Expenditure Summary</u>	<u>Agency Request FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>Senate Subcommittee Adjustments*</u>
State Operations:			
Board of Nursing Fee Fund	\$ 1,113,302	\$ 1,087,944	\$ (27,153)
Education Conf. Fund	<u>250</u>	<u>250</u>	<u>0</u>
TOTAL	<u><u>\$ 1,113,552</u></u>	<u><u>\$ 1,088,194</u></u>	<u><u>\$ (27,153)</u></u>
FTE Positions	18.5	17.5	(1.0)
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>
TOTAL	<u><u>18.5</u></u>	<u><u>17.5</u></u>	<u><u>0.0</u></u>

* Includes a reduction of \$27,153 (all fee fund money) for the Governor's employee salary adjustment. The Subcommittee recommends that the 1.0 FTE position recommended by the Governor remain as an unclassified temporary position. This does not change the amount requested to fund the position.

Agency Request/Governor's Recommendation

The agency requests FY 2001 expenditures from the Board of Nursing Fee Fund of \$1,113,552, \$30,727 more than the agency FY 2000 request.

The Governor recommends \$1,088,194, \$25,358 less than the agency request. The Governor does not recommend continued funding the enhancement for a 1.0 FTE legal assistant position (\$31,977).

Senate Subcommittee Recommendation

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

1. The Subcommittee does not recommend the continuation of 1.0 FTE position for a Professional Nurse III Investigator and instead recommends that the position remain an unclassified temporary position.

Fee Fund Analysis

<u>Resource Estimate</u>	<u>Agency Estimate FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>Senate Subcommittee Rec. FY 01</u>
Beginning Balance	\$ 470,681	\$ 493,281	\$ 493,281
Net Receipts	<u>976,675</u>	<u>976,675</u>	<u>976,675</u>
Total Available	\$ 1,447,356	\$ 1,469,956	\$ 1,469,956
Less: Expenditures	<u>1,113,302</u>	<u>1,087,944</u>	<u>1,059,859</u>
Ending Balance	<u>\$ 334,054</u>	<u>\$ 382,012</u>	<u>\$ 410,097</u>

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Senate Subcommittee Report

Agency: Board of Optometry Examiners

Bill No. –

Bill Sec.–

Analyst: Chapman

Analysis Pg. No. 1757

Budget Page No. 527

Expenditure Summary	Agency Estimate FY 99	Gov. Rec. FY 99	Senate Subcommittee Adjustments
State Operations:			
Special Revenue Fund	\$ 41,634	\$ 70,564	\$ 0
FTE Positions	1.0	1.0	0.0
Unclassified Temp. Positions	1.0	1.0	0.0
TOTAL	<u>2.0</u>	<u>2.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency requests current year expenditures of \$41,634. (**Staff Note:** The agency is most likely under-reporting the amount for contractual services. This was the first year a new Secretary-Treasurer was responsible for producing a budget.) The 1998 Legislature approved an expenditure limitation of \$83,020 for the year ending June 30, 1999. This is a decrease of \$41,665 from the authorized limitation.

The Governor recommends \$70,564 for current year expenditures. This is a decrease of \$12,456 from the approved limitation and an increase of \$28,930 over the agency's request for FY 1999. The recommended amount should allow the agency to maintain current services. The agency's request would have been inadequate to allow the agency to operate.

Senate Subcommittee Recommendation

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

1. The Subcommittee complements the Board on the drop in the number of days taken to respond to complaints. In FY 1997 an average of 45 days were needed to respond to complaints. In FY 1998, 14 days were needed, and in FY 1999, the Board estimates it will take seven days.
2. The Subcommittee notes the jump in salaries and wages from \$13,849 for FY 1999 to \$28,132 in FY 2000. The increase of \$14,283 is due to the Secretary position going from a 0.3 position to a 1.0 FTE position, as authorized by the 1997 Legislature. The change in that position was necessitated by 1996 S.B. 684 which allowed optometrists to diagnose and treat adult open-angle

Senate Ways and Means Committee

Date

Attachment #

required all optometrists treating patients afflicted with the disease to file with the agency glaucoma management reports. These newly required reports resulted in over 10,500 new written reports handled by the agency annually.

The status of the agency's fee fund, based on the recommendation of the Budget Committee, is reflected in the table below.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee Rec. FY 1999
Beginning Balance	\$ 107,040	\$ 116,273	\$ 116,273
Net Receipts	69,273	83,013	71,000
Total Funds Available	\$ 176,313	\$ 199,286	\$ 187,273
Less: Expenditures	60,040	41,634	70,564
Ending Balance	<u>\$ 116,273</u>	<u>\$ 157,652</u>	<u>\$ 116,709</u>
Ending Balance as Percentage of Expend.	193.7%	378.7%	165.4%

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Senate Subcommittee Report

Agency: Board of Optometry Examiners

Bill No. 326

Bill Sec. 15

Analyst: Chapman

Analysis Pg. No. 1757

Budget Page No. 527

Expenditure Summary	Agency Req. FY 00	Gov. Rec. FY 00	Senate Subcommittee Adjustments*
State Operations:			
Special Revenue Fund	\$ 42,781	\$ 72,705	\$ (917)
FTE Positions	1.0	1.0	0.0
Unclassified Temp. Positions	1.0	1.0	0.0
TOTAL	<u>2.0</u>	<u>2.0</u>	<u>0.0</u>

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

Agency Req./Governor's Recommendation

The agency requests FY 2000 expenditures of \$42,781. This is an increase of \$1,147, or 2.8 percent, over the amount estimated for FY 1999.

The Governor recommends fee fund expenditures of \$72,705, which includes \$197 for a 1.0 percent classified base salary increase.

Requested Enhancements

Enhancement	FY 2000 Enhancements					
	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
There are no enhancements requested by this agency.						

Senate Subcommittee Recommendation

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

1. Delete \$917 based on the recommendation to delete funding for the Governor's recommended employee pay plan adjustments (3.5 percent unclassified merit pool, 2.5 percent classified step movement, 1.0 percent classified base salary adjustment, and longevity bonus payments).

The status of the agency's fee fund, based on the recommendation of the Budget Committee, is reflected in the table below.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee Rec. FY 1999	Agency Request FY 2000	Subcommittee Rec. FY 2000
Beginning Balance	\$ 107,040	\$ 116,273	\$ 116,273	\$ 157,652	\$ 116,709
Net Receipts	69,273	83,013	71,000	86,779	72,000
Total Funds Available	\$ 176,313	\$ 199,286	\$ 187,273	\$ 244,431	\$ 188,709
Less: Expenditures	60,040	41,634	70,564	42,781	71,788
Ending Balance	<u>\$ 116,273</u>	<u>\$ 157,652</u>	<u>\$ 116,709</u>	<u>\$ 201,650</u>	<u>\$ 116,921</u>
Ending Balance as Percentage of Expend.	193.7%	378.7%	165.4%	471.4%	162.9%

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Senate Subcommittee Report

Agency: Board of Optometry Examiners

Bill No. 326

Bill Sec. 15

Analyst: Chapman

Analysis Pg. No. 1757

Budget Page No. 527

Expenditure Summary	Agency Req. FY 01	Gov. Rec. FY 01	Senate Subcommittee Adjustments*
State Operations:			
Special Revenue Fund	\$ 40,380	\$ 74,510	\$ (852)
FTE Positions	1.0	1.0	0.0
Unclassified Temp. Positions	1.0	1.0	0.0
TOTAL	<u>2.0</u>	<u>2.0</u>	<u>0.0</u>

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

Agency Req./Governor's Recommendation

The agency requests FY 2001 expenditures in the amount of \$40,380, which is a decrease of \$2,401, or 5.6 percent, below the prior year's requested expenditures.

The Governor recommends fee fund expenditures of \$74,510, which includes \$200 for a 1.0 percent classified base salary increase.

Requested Enhancements

FY 2001 Enhancements						
Enhancement	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
There are no enhancements requested by this agency.						

Senate Subcommittee Recommendation

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

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1. The Subcommittee notes the difference in the ending fee fund balance in FY 2001 for both the agency's request of \$250,966 and the Governor's recommendation of \$114,494. The difference of \$136,472 is due to a combination of higher projected receipts forecasted by the agency (\$12,013 over the Governor's recommended projected receipts in FY 1999, \$14,779 in FY 2000, and \$16,696 in FY 2001) and lower requested expenditure requests by the agency (\$28,930 below the Governor's recommendation in FY 1999, \$29,924 in FY 2000, and \$34,130 in FY 2001).
2. Delete \$852 based on the recommendation to delete funding for the Governor's recommended employee pay plan adjustments (3.5 percent unclassified merit pool, 2.5 percent classified step movement, 1.0 percent classified base salary adjustment, and longevity bonus payments).

The status of the agency's fee fund, based on the recommendation of the Budget Committee, is reflected in the table below.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcom- mittee Rec. FY 1999	Agency Request FY 2000	Subcommit- tee Rec. FY 2000	Agency Request FY 2000	Subcommittee Rec. FY 2000
Beginning Balance	\$ 107,040	\$ 116,273	\$ 116,273	\$ 157,652	\$ 116,709	\$ 201,650	\$ 116,921
Net Receipts	69,273	83,013	71,000	86,779	72,000	89,696	73,000
Total Funds Available	\$ 176,313	\$ 199,286	\$ 187,273	\$ 244,431	\$ 188,709	\$ 291,346	\$ 189,921
Less: Expenditures	60,040	41,634	70,564	42,781	71,788	40,380	73,658
Ending Balance	<u>\$ 116,273</u>	<u>\$ 157,652</u>	<u>\$ 116,709</u>	<u>\$ 201,650</u>	<u>\$ 116,921</u>	<u>\$ 250,966</u>	<u>\$ 116,263</u>
Ending Balance as Percentage of Expend.	193.7%	378.7%	165.4%	471.4%	162.9%	621.5%	157.8%

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HOUSE BUDGET COMMITTEE REPORT

Agency: Real Estate Commission

Bill No. -

Bill Sec. -

Analyst: Severn

Analysis Pg. No. 1788

Budget Page No. 533

<u>Expenditure Summary</u>	<u>Agency Estimate FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Budget Committee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 615,104	\$ 614,833	\$ 0
Other Assistance	17,000	17,000	0
TOTAL	<u>\$ 632,104</u>	<u>\$ 631,833</u>	<u>\$ 0</u>
FTE Positions	14.0	14.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>14.0</u>	<u>14.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency's estimate of \$632,104 for FY 1999 is a decrease of \$5,822 from the approved budget. The agency experienced two vacancies for part of the current fiscal year.

The Governor concurs in the agency estimate but makes a minor reduction (\$271) due to recalculating fringe benefits.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor.

Senate Ways and Means Committee

Date 1/2/99

Attachment #

Fee Fund Analysis

The following table reflects the status of the agency's Real Estate Fee Fund under the Budget Committee's recommendation and excludes data for the Real Estate Recovery Revolving Fund.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001
Beginning Balance	\$ 405,562	\$ 477,395	\$ 477,395	\$ 490,983	\$ 491,254	\$ 631,042	\$ 527,476
Projected Receipts	628,234	628,692	628,692	775,148*	675,148	574,764	574,764
Total Available	\$ 1,033,796	\$ 1,106,087	\$ 1,106,087	\$ 1,266,131	\$ 1,166,402	\$ 1,205,806	\$ 1,102,240
Less: Expenditures	556,402	615,104	614,833	635,089	638,926	649,394	653,293
Ending Balance	<u>\$ 477,395</u>	<u>\$ 490,983</u>	<u>\$ 491,254</u>	<u>\$ 631,042</u>	<u>\$ 527,476</u>	<u>\$ 556,411</u>	<u>\$ 448,947</u>
Ending Balance as a Percentage of Expend.	85.8%	79.8%	79.9%	99.4%	82.6%	85.7%	68.7%

* FY 2000 receipts reflect the requested transfer of \$100,000 from the Real Estate Recovery Revolving Fund, which the Governor has not recommended.

House Appropriations Committee Recommendation

The House Appropriations Committee concurs with the Budget Committee recommendation.

House Committee of the Whole Recommendation

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

11-2

Senate Subcommittee Report

Agency: Real Estate Commission

Bill No. -

Bill Sec. -

Analyst: Severn

Analysis Pg. No. 1777

Budget Page No. 531

<u>Expenditure Summary</u>	<u>Agency Estimate FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
Special Revenue Funds			
State Operations	\$ 615,104	\$ 614,833	\$ 0
Other Assistance	17,000	17,000	0
TOTAL	<u>\$ 632,104</u>	<u>\$ 631,833</u>	<u>\$ 0</u>
FTE Positions	14.0	14.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>14.0</u>	<u>14.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 1999 expenditures of \$632,104 is a decrease of \$5,822 from the approved budget. The agency experienced two vacancies for part of the current fiscal year.

The Governor concurs in the agency estimate but makes a minor reduction (\$271) due to recalculating fringe benefits.

Senate Subcommittee Recommendation

The Subcommittee concurs in the Governor's recommendation with the following observation:

1. The Subcommittee notes that the current Director, Ms. Jean Duncan, is retiring at the end of the current fiscal year after 22 years of service to the agency. Ms. Duncan began her service to the agency as an investigator, served for several years as administrative officer, and has served as Director for the past five years. The Subcommittee expressly thanks Ms. Duncan for her many years of service.

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Fee Fund Analysis

The following table reflects the status of the agency's Real Estate Fee Fund under the Subcommittee's recommendation and excludes data for the Real Estate Recovery Revolving Fund.

<u>Resource Estimate</u>	<u>Actual FY 1998</u>	<u>Agency Estimate FY 1999</u>	<u>Subcommittee and Gov. Rec. FY 1999</u>
Beginning Balance	\$ 405,562	\$ 477,394	\$ 477,395
Projected Receipts	<u>628,234</u>	<u>628,692</u>	<u>628,292</u>
Total Available	\$ 1,033,796	\$ 1,106,086	\$ 1,106,086
Less: Expenditures	<u>556,402</u>	<u>615,104</u>	<u>614,833</u>
Ending Balance	<u>\$ 477,395</u>	<u>\$ 490,982</u>	<u>\$ 491,254</u>
 Ending Balance as a Percentage of Expend.	 85.8%	 79.8%	 79.9%

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HOUSE BUDGET COMMITTEE REPORT

Agency: Real Estate Commission

Bill No. -

Bill Sec. -

Analyst: Severn

Analysis Pg. No. 1788

Budget Page No. 533

<u>Expenditure Summary</u>	<u>Agency Req. FY 00</u>	<u>Gov. Rec. FY 00</u>	<u>House Budget Committee Adjustments</u>
Special Revenue Fund:			
State Operations	\$ 635,089	\$ 638,926	\$ 0
Other Assistance	17,000	17,000	0
TOTAL	<u>\$ 652,089</u>	<u>\$ 655,926</u>	<u>\$ 0</u>
FTE Positions	14.0	14.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>14.0</u>	<u>14.0</u>	<u>0.0</u>

Agency Req./Governor's Recommendation

The agency's request of \$652,089 for FY 2000 would maintain its operations at the current level. An increase over the estimate for salaries and wages for FY 1999 of \$796 would allow for normal step movement, longevity bonus payments, and an unclassified merit pool. The agency experienced two vacancies for part of FY 1999.

The Governor recommends expenditures of \$655,926 for FY 2000, an increase of \$3,837 from the agency request. The Governor includes \$14,364 for his employee salary adjustment, partially offset by a minor reduction due to recalculating fringe benefits.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor.

11-5

Fee Fund Analysis

The following table reflects the status of the agency's Real Estate Fee Fund under the Budget Committee's recommendation and excludes data for the Real Estate Recovery Revolving Fund.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001
Beginning Balance	\$ 405,562	\$ 477,395	\$ 477,395	\$ 490,983	\$ 491,254	\$ 631,042	\$ 527,476
Projected Receipts	628,234	628,692	628,692	775,148*	675,148	574,764	574,764
Total Available	\$ 1,033,796	\$ 1,106,087	\$ 1,106,087	\$ 1,266,131	\$ 1,166,402	\$ 1,205,806	\$ 1,102,240
Less: Expenditures	556,402	615,104	614,833	635,089	638,926	649,394	653,293
Ending Balance	<u>\$ 477,395</u>	<u>\$ 490,983</u>	<u>\$ 491,254</u>	<u>\$ 631,042</u>	<u>\$ 527,476</u>	<u>\$ 556,411</u>	<u>\$ 448,947</u>

Ending Balance as a							
Percentage of Expend.	85.8%	79.8%	79.9%	99.4%	82.6%	85.7%	68.7%

* FY 2000 receipts reflect the requested transfer of \$100,000 from the Real Estate Recovery Revolving Fund, which the Governor has not recommended.

House Appropriations Committee Recommendation

The House Appropriations Committee concurs with the Budget Committee recommendation.

House Committee of the Whole Recommendation

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



11-6

Senate Subcommittee Report

Agency: Real Estate Commission

Bill No. 326

Bill Sec. 18

Analyst: Severn

Analysis Pg. No. 1777

Budget Page No. 531

Expenditure Summary	Agency Request FY 00	Gov. Rec. FY 00	Subcommittee Adjustments
Special Revenue Funds			
State Operations	\$ 635,089	\$ 638,926	\$ (14,364)
Other Assistance	17,000	17,000	0
TOTAL	<u>\$ 652,089</u>	<u>\$ 655,926</u>	<u>\$ (14,364)</u>
FTE Positions	14.0	14.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>14.0</u>	<u>14.0</u>	<u>0.0</u>

Agency Req./Governor's Recommendation

The agency's request for FY 2000 expenditures of \$652,089 would maintain its operations at the current level. The agency requests a \$100,000 revenue transfer from the Real Estate Recovery Revolving Fund to the Real Estate Fee Fund to prevent a possible cash flow problem in that fund.

The Governor recommends expenditures of \$655,926 for FY 2000, an increase of \$3,837 from the agency request. The Governor's recommendation includes \$14,364 for his FY 2000 employee pay plan adjustment, partially offset by a minor adjustment due to recalculating fringe benefits. The Governor does not recommend the \$100,000 transfer from the Real Estate Recovery Revolving Fund to the Real Estate Fee Fund.

Senate Subcommittee Recommendation

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

1. The Subcommittee notes that the current Director, Ms. Jean Duncan, is retiring at the end of the current fiscal year after 22 years of service to the agency. Ms. Duncan began her service to the agency as an investigator, served for several years as administrative officer, and has served as Director for the past five years. The Subcommittee thanks Ms. Duncan for her many years of service.
2. The Subcommittee notes that Senate Bill 115, which has passed the Senate, would permit the Real Estate Commission to increase its fees and presents a better long-term solution to the agency's cash flow problem than the revenue transfer; however, this

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issue should be revisited at omnibus time when the final status of that bill is better known.

3. Remove \$14,364 for the Governor's FY 2000 employee pay plan adjustment.

Fee Fund Analysis

The following table reflects the status of the agency's Real Estate Fee Fund under the Subcommittee's recommendation and excludes data for the Real Estate Recovery Revolving Fund.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee and Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Subcommittee Rec. FY 2000
Beginning Balance	\$ 405,562	\$ 477,394	\$ 477,395	\$ 490,983	\$ 491,254	\$ 491,254
Projected Receipts	<u>628,234</u>	<u>628,692</u>	<u>628,692</u>	<u>775,148*</u>	<u>675,148</u>	<u>675,148</u>
Total Available	\$ 1,033,796	\$ 1,106,086	\$ 1,106,087	\$ 1,266,131	\$ 1,166,402	\$ 1,166,402
Less: Expenditures	<u>556,402</u>	<u>615,104</u>	<u>614,833</u>	<u>635,089</u>	<u>638,926</u>	<u>624,562</u>
Ending Balance	<u>\$ 477,394</u>	<u>\$ 490,982</u>	<u>\$ 491,254</u>	<u>\$ 631,042</u>	<u>\$ 527,476</u>	<u>\$ 541,840</u>
Ending Balance as a Percentage of Expend.	85.8%	79.8%	79.8%	99.4%	82.6%	86.8%

* FY 2000 receipts reflect the requested transfer of \$100,000 from the Real Estate Recovery Revolving Fund, which the Governor has not recommended.

HOUSE BUDGET COMMITTEE REPORT

Agency: Real Estate Commission

Bill No. -

Bill Sec. -

Analyst: Severn

Analysis Pg. No. 1788

Budget Page No. 533

<u>Expenditure Summary</u>	<u>Agency Req. FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>House Budget Committee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 649,395	\$ 653,293	\$ 0
Other Assistance	17,000	17,000	0
TOTAL	<u>\$ 666,395</u>	<u>\$ 670,293</u>	<u>\$ 0</u>
FTE Positions	14.0	14.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>14.0</u>	<u>14.0</u>	<u>0.0</u>

Agency Req./Governor's Recommendation

The agency's request of \$666,395 for FY 2001 would maintain its operations at the current level. An increase of \$11,653 over the FY 2000 request for salaries and wages allow for normal step movement, longevity bonus payments, and 2.5 percent unclassified merit pool.

The Governor recommends expenditures of \$670,293, an increase of \$3,898 from the agency request. The Governor includes \$12,909 for his employee salary adjustment, partially offset by a minor reduction due to recalculating fringe benefits.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor.

Fee Fund Analysis

The following table reflects the status of the agency's Real Estate Fee Fund under the Budget Committee's recommendation and excludes data for the Real Estate Recovery Revolving Fund.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001
Beginning Balance	\$ 405,562	\$ 477,395	\$ 477,395	\$ 490,983	\$ 491,254	\$ 631,042	\$ 527,476
Projected Receipts	628,234	628,692	628,692	775,148*	675,148	574,764	574,764
Total Available	\$ 1,033,796	\$ 1,106,087	\$ 1,106,087	\$ 1,266,131	\$ 1,166,402	\$ 1,205,806	\$ 1,102,240
Less: Expenditures	556,402	615,104	614,833	635,089	638,926	649,394	653,293
Ending Balance	<u>\$ 477,395</u>	<u>\$ 490,983</u>	<u>\$ 491,254</u>	<u>\$ 631,042</u>	<u>\$ 527,476</u>	<u>\$ 556,411</u>	<u>\$ 448,947</u>

Ending Balance as a Percentage of Expend.	85.8%	79.8%	79.9%	99.4%	82.6%	85.7%	68.7%
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* FY 2000 receipts reflect the requested transfer of \$100,000 from the Real Estate Recovery Revolving Fund, which the Governor has not recommended.

House Appropriations Committee Recommendation

The House Appropriations Committee concurs with the Budget Committee recommendation.

House Committee of the Whole Recommendation

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

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Senate Subcommittee Report

Agency: Real Estate Commission

Bill No. 326

Bill Sec. 18

Analyst: Severn

Analysis Pg. No. 1777

Budget Page No. 531

Expenditure Summary	Agency Request FY 01	Gov. Rec. FY 01	Senate Subcommittee Adjustments
Special Revenue Funds			
State Operations	\$ 649,395	\$ 653,293	\$ (14,983)
Other Assistance	17,000	17,000	0
TOTAL	\$ 666,395	\$ 670,293	\$ (14,983)
FTE Positions	14.0	14.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	14.0	14.0	0.0

Agency Request/Governor's Recommendation

The agency's request for FY 2000 expenditures of \$666,395 would maintain its operations at the current level.

The Governor recommends expenditures of \$670,293, an increase of \$3,898 from the agency request. The Governor includes \$14,983 for his employee salary plan adjustment, partially offset by a minor reduction due to recalculating fringe benefits.

Senate Subcommittee Recommendation

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

1. The Subcommittee notes that the current Director, Ms. Jean Duncan, is retiring at the end of the current fiscal year after 22 years of service to the agency. Ms. Duncan began her service to the agency as an investigator, served for several years as administrative officer, and has served as Director for the past five years. The Subcommittee thanks Ms. Duncan for her many years of service.
2. The Subcommittee notes that Senate Bill 115, which has passed the Senate, would permit the Real Estate Commission to increase its fees and presents a better long-term solution to the agency's cash flow problem than the revenue transfer; however, this issue should be revisited at omnibus time when the final status of that bill is better known.

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- 3. Remove \$14,983 for the Governor's employee pay plan adjustment.

Fee Fund Analysis

The following table reflects the status of the agency's Real Estate Fee Fund under the Subcommittee's recommendation and excludes data for the Real Estate Recovery Revolving Fund.

Resource Estimate	Agency Request FY 2000	Gov. Rec. FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 490,983	\$ 491,254	\$ 491,254	\$ 631,042	\$ 527,476	\$ 541,840
Projected Receipts	775,148*	675,148	675,148	574,764	574,764	574,764
Total Available	\$ 1,266,131	\$ 1,166,402	\$ 1,166,402	\$ 1,205,806	\$ 1,102,240	\$ 1,116,604
Less: Expenditures	635,090	638,926	624,562	649,395	653,293	638,310
Ending Balance	<u>\$ 631,042</u>	<u>\$ 527,476</u>	<u>\$ 541,840</u>	<u>\$ 556,411</u>	<u>\$ 448,947</u>	<u>\$ 468,294</u>
Ending Balance as a Percentage of Expend.	99.4%	82.6%	86.8%	85.7%	68.7%	73.4%

* FY 2000 receipts reflect the requested transfer of \$100,000 from the Real Estate Recovery Revolving Fund, which the Governor has not recommended.

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HOUSE BUDGET COMMITTEE REPORT

Agency: Real Estate Appraisal Board

Bill No. -

Bill Sec. -

Analyst: Severn

Analysis Pg. No. 1777

Budget Page No. 531

<u>Expenditure Summary</u>	<u>Agency Estimate FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Budget Committee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 184,323	\$ 184,197	\$ 0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 184,323</u>	<u>\$ 184,197</u>	<u>\$ 0</u>
FTE Positions	3.0	3.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency's estimate of \$184,323 for FY 1999 is an increase of \$9,630 from the approved budget. The salary for a new position and fringe benefits were higher than previously estimated, and the agency is having its newsletter professionally printed.

The Governor concurs with the estimated expenditures but reduces the amount slightly, to \$184,197, after recalculating fringe benefits.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor.

Senate Ways and Means Committee

Date *2/1/99*

Attachment # *2-1*

Fee Fund Analysis

The following table reflects the status of the Board's fee fund under the Budget Committee's recommendation.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001
Beginning Balance	\$ 334,654	\$ 318,454	\$ 318,454	\$ 282,227	\$ 282,353	\$ 230,485	\$ 237,004
Projected Receipts	148,096	148,096	148,096	148,096	148,096	148,096	148,096
Total Available	\$ 482,750	\$ 466,550	\$ 466,550	\$ 430,323	\$ 430,449	\$ 378,581	\$ 385,100
Less: Expenditures	164,296	184,323	184,197	199,838	193,445	204,920	197,953
Ending Balance	<u>\$ 318,454</u>	<u>\$ 282,227</u>	<u>\$ 282,353</u>	<u>\$ 230,485</u>	<u>\$ 237,004</u>	<u>\$ 173,661</u>	<u>\$ 187,147</u>
Ending Balance as a Percentage of Expend.	193.8%	153.1%	153.3%	115.3%	122.5%	84.7%	94.5%

House Appropriations Committee Recommendation

The House Appropriations Committee concurs with the Budget Committee recommendation.

House Committee of the Whole Recommendation

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

Senate Subcommittee Report

Agency: Real Estate Appraisal Board **Bill No. -** **Bill Sec. -**
 Analyst: Severn **Analysis Pg. No. 1777** **Budget Page No. 534**

Expenditure Summary	Agency Estimate FY 99	Gov. Rec. FY 99	Senate Subcommittee Adjustments
Special Revenue Funds:			
State Operations	\$ 184,326	\$ 184,197	\$ 0
FTE Positions	3.0	3.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

12-0

Agency Estimate/Governor's Recommendation

The agency's estimate of \$184,323 for FY 1999 in an increase of \$9,630 from the approved budget. The salary for a new position and fringe benefits were higher than previously estimated, and the agency is having its newsletter professionally printed.

The Governor concurs with the estimated expenditures but reduces the estimate slightly, to \$184,197, after recalculating fringe benefits.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis

The following table reflects the status of the Board's fee fund under the Budget Committee's recommendation.

<u>Resource Estimate</u>	<u>Actual FY 1998</u>	<u>Agency Estimate FY 1999</u>	<u>Subc. & Gov. Rec. FY 1999</u>
Beginning Balance	\$ 334,654	\$ 318,454	\$ 318,454
Projected Receipts	148,096	148,096	148,096
Total Available	\$ 482,750	\$ 466,550	\$ 466,550
Less: Expenditures	164,296	184,323	184,197
Ending Balance	<u>\$ 318,454</u>	<u>\$ 282,227</u>	<u>\$ 282,353</u>
Ending Balance as a Percentage of Expend.	193.8%	153.1%	153.3%

12-3

HOUSE BUDGET COMMITTEE REPORT

Agency: Real Estate Appraisal Board

Bill No. -

Bill Sec. -

Analyst: Severn

Analysis Pg. No. 1777

Budget Page No. 531

<u>Expenditure Summary</u>	<u>Agency Request FY 00</u>	<u>Gov. Rec. FY 00</u>	<u>House Budget Committee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 199,838	\$ 193,445	\$ 0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 199,838</u>	<u>\$ 193,445</u>	<u>\$ 0</u>
FTE Positions	3.0	3.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency's request of \$199,838 for FY 2000 would maintain its operations at the current level and includes funding of \$7,600 for travel and subsistence to audit additional appraisal courses and to provide additional informational mailings. An increase of \$2,508 from the FY 1999 estimate for salaries and wages allows for normal step movement and 2.5 percent unclassified merit pool. The agency was formed in 1990 and no current employees qualify for longevity bonus payments.

The Governor recommends expenditures of \$193,445, an decrease of \$6,393 from the agency request. The Governor includes \$4,310 for his employee salary adjustment. The Governor did not recommend the requested enhancement.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor.

12.4

Fee Fund Analysis

The following table reflects the status of the Board's fee fund under the Budget Committee's recommendation.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001
Beginning Balance	\$ 334,654	\$ 318,454	\$ 318,454	\$ 282,227	\$ 282,353	\$ 230,485	\$ 237,004
Projected Receipts	148,096	148,096	148,096	148,096	148,096	148,096	148,096
Total Available	\$ 482,750	\$ 466,550	\$ 466,550	\$ 430,323	\$ 430,449	\$ 378,581	\$ 385,100
Less: Expenditures	164,296	184,323	184,197	199,838	193,445	204,920	197,953
Ending Balance	<u>\$ 318,454</u>	<u>\$ 282,227</u>	<u>\$ 282,353</u>	<u>\$ 230,485</u>	<u>\$ 237,004</u>	<u>\$ 173,661</u>	<u>\$ 187,147</u>
Ending Balance as a Percentage of Expend.	193.8%	153.1%	153.3%	115.3%	122.5%	84.7%	94.5%

House Appropriations Committee Recommendation

The House Appropriations Committee concurs with the Budget Committee recommendation.

House Committee of the Whole Recommendation

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

12-5

Senate Subcommittee Report

Agency: Real Estate Appraisal Board

Bill No. 326

Bill Sec. 17

Analyst: Severn

Analysis Pg. No. 1777

Budget Page No. 534

Expenditure Summary	Agency Req. FY 00	Gov. Rec. FY 00	Senate Subcommittee Adjustments
Special Revenue Funds:			
State Operations	\$ 199,838	\$ 193,445	\$ (4,310)
FTE Positions	3.0	3.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

Agency Req./Governor's Recommendation

The agency's request of \$199,838 for FY 2000 includes funding of \$7,600 for two enhancements: travel and subsistence expenditures to audit additional appraisal courses; and funding for additional informational mailings. The agency was formed in 1990 and no current employees qualify for longevity bonus payments.

The Governor recommends expenditures of \$193,445, which includes \$4,310 for his employee salary adjustment. The Governor did not recommend the requested enhancements.

Senate Subcommittee Recommendation

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

1. Remove \$4,310 for the Governor's employee salary adjustment.

12.6

Fee Fund Analysis

The following table reflects the status of the Board's fee fund under the Budget Committee's recommendation.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee and Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Subcommittee Rec. FY 2000
Beginning Balance	\$ 334,654	\$ 318,454	\$ 318,454	\$ 282,227	\$ 282,353	\$ 282,353
Projected Receipts	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>
Total Available	\$ 482,750	\$ 466,550	\$ 466,550	\$ 430,323	\$ 430,449	\$ 430,449
Less: Expenditures	<u>164,296</u>	<u>184,323</u>	<u>184,197</u>	<u>199,838</u>	<u>193,445</u>	<u>189,135</u>
Ending Balance	<u>\$ 318,454</u>	<u>\$ 282,227</u>	<u>\$ 282,353</u>	<u>\$ 230,485</u>	<u>\$ 237,004</u>	<u>\$ 241,314</u>
Ending Balance as a Percentage of Expend.	193.8%	153.1%	153.3%	115.3%	122.5%	127.6%

12-1

HOUSE BUDGET COMMITTEE REPORT

Agency: Real Estate Appraisal Board

Bill No. -

Bill Sec. -

Analyst: Severn

Analysis Pg. No. 1777

Budget Page No. 531

<u>Expenditure Summary</u>	<u>Agency Request FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>House Budget Committee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 204,920	\$ 197,953	\$ 0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 204,920</u>	<u>\$ 197,953</u>	<u>\$ 0</u>
FTE Positions	3.0	3.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency's request of \$204,920 for FY 2001 would maintain its operations at the current level and would continue funding for the enhancements requested in FY 2000: travel and subsistence to audit additional appraisal courses and to provide additional informational mailings. An increase of \$3,792 from the FY 2000 request for salaries and wages allows for normal step movement and 2.5 percent unclassified merit pool. The agency was formed in 1990 and no current employees qualify for longevity bonus payments.

The Governor recommends expenditures of \$197,953, a decrease of \$6,664 from the agency request. The Governor includes \$4,380 for his employee salary adjustment. The Governor did not recommend the requested enhancements.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor.

12-8

Fee Fund Analysis

The following table reflects the status of the Board's fee fund under the Budget Committee's recommendation.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001
Beginning Balance	\$ 334,654	\$ 318,454	\$ 318,454	\$ 282,227	\$ 282,353	\$ 230,485	\$ 237,004
Projected Receipts	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>
Total Available	\$ 482,750	\$ 466,550	\$ 466,550	\$ 430,323	\$ 430,449	\$ 378,581	\$ 385,100
Less: Expenditures	<u>164,296</u>	<u>184,323</u>	<u>184,197</u>	<u>199,838</u>	<u>193,445</u>	<u>204,920</u>	<u>197,953</u>
Ending Balance	<u>\$ 318,454</u>	<u>\$ 282,227</u>	<u>\$ 282,353</u>	<u>\$ 230,485</u>	<u>\$ 237,004</u>	<u>\$ 173,661</u>	<u>\$ 187,147</u>
Ending Balance as a Percentage of Expend.	193.8%	153.1%	153.3%	115.3%	122.5%	84.7%	94.5%

House Appropriations Committee Recommendation

The House Appropriations Committee concurs with the Budget Committee recommendation.

House Committee of the Whole Recommendation

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

12-9

Senate Subcommittee Report

Agency: Real Estate Appraisal Board

Bill No. 326

Bill Sec. 17

Analyst: Severn

Analysis Pg. No. 1777

Budget Page No. 534

<u>Expenditure Summary</u>	<u>Agency Req. FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>Subcommittee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 204,920	\$ 197,953	\$ (4,375)
FTE Positions	3.0	3.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency's request of \$204,920 for FY 2001 includes \$7,800 for continuing to fund the two enhancements (travel and subsistence expenditures to audit additional appraisal courses; and funding for additional informational mailings) requested in the prior year. No current employees qualify for longevity bonus payments.

The Governor recommends expenditures of \$197,953, which includes \$4,375 for his employee salary adjustment. The Governor did not recommend expenditures for the requested enhancements.

Senate Subcommittee Recommendation

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

1. Remove \$4,375 for the Governor's employee salary adjustment.

12-10

Fee Fund Analysis

The following table reflects the status of the Board's fee fund under the Budget Committee's recommendation.

<u>Resource Estimate</u>	<u>Agency Request FY 2000</u>	<u>Gov. Rec. FY 2000</u>	<u>Subcommittee Rec. FY 2000</u>	<u>Agency Request FY 2001</u>	<u>Gov. Rec. FY 2001</u>	<u>Subcommittee Rec. FY 2001</u>
Beginning Balance	\$ 282,227	\$ 282,353	\$ 282,353	\$ 230,485	\$ 237,004	\$ 241,314
Projected Receipts	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>
Total Available	\$ 430,323	\$ 430,449	\$ 430,449	\$ 378,581	\$ 385,100	\$ 389,410
Less: Expenditures	<u>199,838</u>	<u>193,445</u>	<u>189,135</u>	<u>204,920</u>	<u>197,956</u>	<u>193,578</u>
Ending Balance	<u>\$ 230,485</u>	<u>\$ 237,004</u>	<u>\$ 241,314</u>	<u>\$ 173,661</u>	<u>\$ 187,144</u>	<u>\$ 195,832</u>
Ending Balance as a Percentage of Expend.	115.3%	122.5%	127.6%	84.7%	94.5%	101.2%

12-11

Senate Subcommittee Report

Agency: Consumer Credit Commissioner

Bill No. 323

Bill Sec. 6

Analyst: Severn

Analysis Pg. No. 1608

Budget Page No. 511

<u>Expenditure Summary</u>	<u>Agency Estimate FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 409,179	\$ 392,593	\$ 0
FTE Positions	7.0	7.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>7.0</u>	<u>7.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 1999 expenditures is the same as the approved budget, with the addition of \$3,768 of KSIP authority.

The Governor recommends \$392,593, a decrease of \$16,586 (4.1 percent). The Governor reduces estimated travel and subsistence expenditures by that amount.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis

The following table represents the status of the Consumer Credit Fee Fund under the Subcommittee's recommendation. **Note:** Expenditures shown in this table include the annual \$70,000 nonreportable grant to the Kansas Council on Economic Education at Wichita State University for teacher training in consumer economics. Also, the Governor reduced the agency's receipts estimate for travel reimbursement to reflect his recommendation for lower limits.

Senate Ways and Means Committee

Date *6/27*

Attachment # *104*

<u>Resource Estimate</u>	<u>Actual FY 1998</u>	<u>Agency Estimate FY 1999</u>	<u>Subcommittee and Gov. Rec. FY 1999</u>
Beginning Balance	\$ 368,243	\$ 501,169	\$ 501,169
Projected Receipts	<u>587,365</u>	<u>569,724</u>	<u>561,686</u>
Total Available	\$ 955,608	\$ 1,070,893	\$ 1,062,855
Less: Expenditures	<u>454,439</u>	<u>479,179</u>	<u>462,593</u>
Ending Balance	<u>\$ 501,169</u>	<u>\$ 591,714</u>	<u>\$ 600,262</u>
Ending Balance as a Percentage of Expend.	110.3%	123.5%	129.8%

13-2

Senate Subcommittee Report

Agency: Consumer Credit Commissioner

Bill No. 326

Bill Sec. 13

Analyst: Severn

Analysis Pg. No. 1608

Budget Page No. 511

<u>Expenditure Summary</u>	<u>Agency Request FY 00</u>	<u>Gov. Rec. FY 00</u>	<u>Senate Subcommittee Adjustments*</u>
Special Revenue Funds:			
State Operations	\$ 623,894	\$ 445,723	\$ (12,583)
FTE Positions	10.0	8.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>10.0</u>	<u>8.0</u>	<u>0.0</u>

* The reduction is entirely for the Governor's employee salary adjustment.

Agency Request/Governor's Recommendation

The agency's request for FY 2000 expenditures of \$623,894 is an increase of \$214,715 (52.5 percent) above the FY 1999 estimate. The request includes an enhancement for 3.0 FTE (two Financial Examiners and one staff attorney), a \$12,000 salary increase for the vacant Director's position, a new publication, increased grants to Housing and Credit, Inc., and office furniture for the new staff.

The Governor recommends \$445,723. The Governor recommends 1.0 FTE for a Financial Examiner and an increase of \$5,991 for the vacant Director's salary. The Governor did not recommend the other enhancements.

Senate Subcommittee Recommendation

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

1. The Subcommittee notes that the Acting Consumer Credit Commissioner made a compelling case for an increase in the vacant Consumer Credit Commissioner's salary and for the positions requested by the agency. The Subcommittee also learned that the agency will request a Governor's Budget Amendment to restore these requests in full. The Acting Consumer Credit Commissioner also briefed the Subcommittee on S.B. 271, which would change the way consumer credit is regulated, abolishing the Consumer Credit Commissioner and establishing a Deputy Commissioner of Consumer and Mortgage Lending within the Office of the State Bank Commissioner. The bill has passed the Senate.

13-3

The Acting Consumer Credit Commissioner also noted, in response to Subcommittee questions, that fees for lending agencies are lower in Kansas than in most other states. The Subcommittee observes that higher fees may restrict the number of firms doing business in Kansas. The Acting Commissioner said that there currently are minimal requirements on mortgage lenders and that the agency is challenged by recent developments, especially by the proliferation of home equity lenders. The Subcommittee was receptive to the agency's concerns, and recommends that these issues be reexamined at omnibus pending a Governor's Budget Amendment and the final disposition of S.B. 271.

2. Remove \$12,583 for the Governor's FY 2000 employee salary adjustment.
3. The Subcommittee also notes that the Securities Commissioner has served as Acting Consumer Credit Commissioner, without compensation, since May, 1998. The Subcommittee commends him for this service, and encourages consideration be given to compensating him for that service.

Fee Fund Analysis

The following table represents the status of the Consumer Credit Fee Fund under the Subcommittee's recommendation. **Note:** Expenditures shown in this table include the annual \$70,000 nonreportable grant to the Kansas Council on Economic Education at Wichita State University for teacher training in consumer economics. Also, the Governor reduced the agency's receipts estimate for travel reimbursement to reflect his recommendation for lower limits.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee and Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Subcommittee Rec. FY 2000
Beginning Balance	\$ 368,243	\$ 501,169	\$ 501,169	\$ 591,714	\$ 600,262	\$ 600,262
Projected Receipts	587,365	569,724	561,686	590,160	561,907	561,907
Total Available	\$ 955,608	\$ 1,070,893	\$ 1,062,855	\$ 1,181,874	\$ 1,162,169	\$ 1,162,169
Less: Expenditures	454,439	479,179	462,593	693,894	515,723	503,140
Ending Balance	<u>\$ 501,169</u>	<u>\$ 591,714</u>	<u>\$ 600,262</u>	<u>\$ 487,980</u>	<u>\$ 646,446</u>	<u>\$ 659,029</u>
Ending Balance as a Percentage of Expend.	110.3%	123.5%	129.8%	70.3%	125.3%	131.0%

13-4

Senate Subcommittee Report

Agency: Consumer Credit Commissioner

Bill No. 326

Bill Sec. 13

Analyst: Severn

Analysis Pg. No. 1608

Budget Page No. 511

<u>Expenditure Summary</u>	<u>Agency Request FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>Senate Subcommittee Adjustments*</u>
Special Revenue Funds:			
State Operations	\$ 631,371	\$ 456,859	\$ (12,582)
FTE Positions	10.0	8.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>10.0</u>	<u>8.0</u>	<u>0.0</u>

* The reduction is entirely for the Governor's employee salary adjustment.

Agency Request/Governor's Recommendation

The agency's request for FY 2001 expenditures is \$631,371. The request includes ongoing expenditures for the enhancements requested in FY 2000. These were for 3.0 FTE (two Financial Examiners and one staff attorney), a \$12,000 salary increase for the vacant Director's position, a subscription, an increase in the annual grant to Housing and Credit, Inc., and office furniture for the new staff.

The Governor recommends \$456,859. The Governor recommends ongoing expenditures for the enhancements he recommended for FY 2000 (1.0 FTE for a Financial Examiner and an increase for the vacant Director's salary). The Governor did not recommend any new enhancements.

Senate Subcommittee Recommendation

The Subcommittee concurs with the recommendations of the Governor with the following adjustments and observations:

1. The Subcommittee notes that the Acting Consumer Credit Commissioner made a compelling case for an increase in the vacant Consumer Credit Commissioner's salary and for the positions requested by the agency. The Subcommittee also learned that the agency will request a Governor's Budget Amendment to restore these requests in full. The Acting Consumer Credit Commissioner also briefed the Subcommittee on S.B. 271, which would change the way consumer credit is regulated, abolishing the Consumer Credit Commissioner and establishing a Deputy Commissioner of Consumer and Mortgage Lending within the Office of the State Bank Commissioner. The bill has passed the Senate.

The Acting Consumer Credit Commissioner also noted, in response to Subcommittee questions, that fees for lending agencies are lower in Kansas than in most other states. The Subcommittee observes that higher fees may restrict the number of firms doing business in Kansas. The Acting Commissioner said that there currently are minimal requirements on mortgage lenders and that the agency is challenged by recent developments, especially by the proliferation of home equity lenders. The Subcommittee was receptive to the agency's concerns, and recommends that these issues be reexamined at omnibus pending a Governor's Budget Amendment and the final disposition of S.B. 271.

2. Remove \$12,582 for the Governor's FY 2000 employee salary adjustment.
3. The Subcommittee also notes that the Securities Commissioner has served as Acting Consumer Credit Commissioner, without compensation, since May, 1998. The Subcommittee commends him for this service, and encourages consideration be given to compensating him for that service.

Fee Fund Analysis

The following table represents the status of the Consumer Credit Fee Fund under the Subcommittee's recommendation. **Note:** Expenditures shown in this table include the annual \$70,000 nonreportable grant to the Kansas Council on Economic Education at Wichita State University for teacher training in consumer economics. Also, the Governor reduced the agency's receipts estimate for travel reimbursement to reflect his recommendation for lower spending limits.

Resource Estimate	Agency Request FY 2000	Gov. Rec. FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 591,714	\$ 600,262	\$ 600,262	\$ 495,980	\$ 646,446	\$ 659,029
Projected Receipts	590,160	561,907	561,907	592,080	562,127	562,127
Total Available	\$ 1,181,874	\$ 1,162,169	\$ 1,162,169	\$ 1,088,060	\$ 1,208,573	\$ 1,311,156
Less: Expenditures	693,894	515,723	503,140	701,371	526,859	514,277
Ending Balance	<u>\$ 487,980</u>	<u>\$ 646,446</u>	<u>\$ 659,029</u>	<u>\$ 386,689</u>	<u>\$ 681,714</u>	<u>\$ 796,879</u>
Ending Balance as a Percentage of Expend.	70.3%	125.3%	131.0%	55.1%	129.4%	155.0%

13-6

Senate Subcommittee Report

Agency: Office of the State Bank Commissioner **Bill No. 323**

Bill Sec. 2

Analyst: Severn

Analysis Pg. No. 1593

Budget Page No. 505

<u>Expenditure Summary</u>	<u>Agency Estimate FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 3,802,865	\$ 3,674,981	\$ 0
FTE Positions	70.0	67.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>70.0</u>	<u>67.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 1999 is for operating expenses of \$3,802,865, a decrease of \$448 from the approved budget.

The Governor recommends \$3,674,981, a decrease of \$127,884 from the agency's estimate. The Governor recommends removing authority for 3.0 FTE; these positions are currently vacant.

Senate Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis

The following table reflects the status of the agency's fee fund under the Subcommittee's recommendation.

<u>Resource Estimate</u>	<u>Actual FY 1998</u>	<u>Agency Estimate FY 1999</u>	<u>Subcommittee and Gov. Rec. FY 1999</u>
Beginning Balance	\$ 1,030,345	\$ 1,501,852	\$ 1,501,852
Projected Receipts	3,852,697	3,249,935	3,249,935
Total Available	\$ 4,883,042	\$ 4,751,787	\$ 4,751,787
Less: Expenditures	3,381,190	3,895,789	3,767,981
Ending Balance	<u>\$ 1,501,852</u>	<u>\$ 855,998</u>	<u>\$ 983,806</u>
Ending Balance as a Percentage of Expend.	44.4%	22.0%	26.1%

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Senate Ways and Means Committee

Date 3/5/99

Attachment # 4-1

Senate Subcommittee Report

Agency: Office of the State Bank Commissioner **Bill No.** 326 **Bill Sec.** 4
Analyst: Severn **Analysis Pg. No.** 1593 **Budget Page No.** 505

<u>Expenditure Summary</u>	<u>Agency Request FY 00</u>	<u>Gov. Rec. FY 00</u>	<u>Senate Subcommittee Adjustments*</u>
Special Revenue Funds:			
State Operations	\$ 3,905,530	\$ 3,750,515	\$ (110,259)
FTE Positions	70.0	67.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>70.0</u>	<u>67.0</u>	<u>0.0</u>

* The entire reduction reflects deletion of the employee pay plan.

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 2000 is for operating expenses of \$3,905,530.

The Governor recommends \$3,750,515, which includes \$110,259 for the Governor's FY 2000 employee salary adjustment.

Senate Subcommittee Recommendations

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

1. Remove \$110,259 for the Governor's employee salary adjustment.
2. The Subcommittee recommends that the agency develop a policy for out of state travel and discuss that policy with the Subcommittee during the 2000 Legislative Session.
3. The Subcommittee notes that the agency has had trouble recruiting new financial examiners, which the agency attributes to low unemployment and competition from other regulatory agencies, including federal agencies.
4. The Subcommittee notes that Senate Bill 271, which has passed the Senate, would merge the Consumer Credit Commissioner into the Office of the State Bank Commissioner. This issue should be revisited at omnibus when the final status of that bill is better known.

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Fee Fund Analysis

The following table reflects the status of the agency's fee fund under the Subcommittee's recommendation.

<u>Resource Estimate</u>	<u>Actual FY 1998</u>	<u>Agency Estimate FY 1999</u>	<u>Subcomm. & Gov. Rec. FY 1999</u>	<u>Agency Request FY 2000</u>	<u>Gov. Rec. FY 2000</u>	<u>Subcomm. Rec. FY 2000</u>
Beginning Balance	\$ 1,030,345	\$ 1,501,852	\$ 1,501,852	\$ 855,998	\$ 983,806	\$ 983,806
Projected Receipts	<u>3,852,697</u>	<u>3,249,935</u>	<u>3,249,935</u>	<u>3,687,250</u>	<u>3,687,250</u>	<u>3,687,250</u>
Total Available	\$ 4,883,042	\$ 4,751,787	\$ 4,751,787	\$ 4,543,248	\$ 4,671,056	\$ 4,671,056
Less: Expenditures	<u>3,381,190</u>	<u>3,895,789</u>	<u>3,767,981</u>	<u>3,989,530</u>	<u>3,834,515</u>	<u>3,640,256</u>
Ending Balance	<u>\$ 1,501,852</u>	<u>\$ 855,998</u>	<u>\$ 983,806</u>	<u>\$ 553,718</u>	<u>\$ 836,541</u>	<u>\$ 1,030,800</u>
Ending Balance as a Percentage of Expend.	44.4%	22.0%	26.1%	13.9%	21.8%	28.3%

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Senate Subcommittee Report

Agency: Office of the State Bank Commissioner Bill No. 326

Bill Sec. 4

Analyst: Severn

Analysis Pg. No. 1593

Budget Page No. 505

<u>Expenditure Summary</u>	<u>Agency Request FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>Senate Subcommittee Adjustments*</u>
Special Revenue Funds:			
State Operations	\$ 4,028,000	\$ 3,845,899	\$ (111,892)
FTE Positions	70.0	67.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	70.0	67.0	0.0

* The entire reduction reflects removal of the employee pay plan.

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 2001 is for operating expenses of \$4,028,000.

The Governor recommends \$3,845,899, which includes \$111,892 for the Governor's employee salary adjustment.

Senate Subcommittee Recommendations

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

1. Remove \$111,892 for the Governor's employee salary adjustment.
2. The Subcommittee recommends that the agency develop a policy for out of state travel and discuss that policy with the Subcommittee during the 2000 Legislative Session.
3. The Subcommittee notes that the agency has had trouble recruiting new financial examiners, which the agency attributes to low unemployment and competition from other regulatory agencies, including federal agencies.
4. The Subcommittee notes that Senate Bill 271, which has passed the Senate, would merge the Consumer Credit Commissioner into the Office of the State Bank Commissioner. This issue should be revisited at omnibus when the final status of that bill is better known.

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Fee Fund Analysis

The following table reflects the status of the agency's fee fund under the Subcommittee's recommendation.

Resource Estimate	Agency Request FY 2000	Gov. Rec. FY 2000	Subcomm. Rec. FY 2000	FY 2001	Gov. Rec. FY 2001	Subcomm. Rec. FY 2001
Beginning Balance	\$ 855,998	\$ 983,806	\$ 983,806	\$ 553,718	\$ 836,541	\$ 1,030,800
Projected Receipts	3,687,250	3,687,250	3,687,250	4,068,250	4,068,250	4,068,250
Total Available	\$ 4,543,248	\$ 4,671,056	\$ 4,671,056	\$ 4,621,968	\$ 4,904,791	\$ 5,099,050
Less: Expenditures	3,989,530	3,834,515	3,640,256	4,113,000	3,930,899	3,734,007
Ending Balance	<u>\$ 553,718</u>	<u>\$ 836,541</u>	<u>\$ 1,030,800</u>	<u>\$ 508,968</u>	<u>\$ 973,892</u>	<u>\$ 1,365,043</u>
Ending Balance as a Percentage of Expend.	13.9%	21.8%	28.3%	12.4%	24.8%	36.6%

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Senate Subcommittee Report

Agency: Department of Credit Unions

Bill No. 323

Bill Sec. 4

Analyst: Severn

Analysis Pg. No. 1620

Budget Page No. 515

Expenditure Summary	Agency Estimate FY 99	Gov. Rec. FY 99	Senate Subcommittee Adjustments
Special Revenue Funds			
State Operations	\$ 726,461	\$ 726,461	\$ 0
FTE Positions	12.0	12.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>12.0</u>	<u>12.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 1999 is \$726,461, a decrease of \$50,679 from the approved budget. Most of the reduction is in salaries and wages and was occasioned by the retirement of two examiners, the resignation of another, and the appointment of a new director.

The Governor concurs in the agency estimate.

Senate Subcommittee Recommendation

The Subcommittee concurs in the Governor's recommendation.

Fee Fund Analysis

The following table shows the impact of the Subcommittee's recommendation on the agency's fee fund.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee and Gov. Rec. FY 1999
Beginning Balance	\$ 162,427	\$ 187,536	\$ 187,536
Projected Receipts	737,087	730,864	730,864
Total Available	\$ 899,514	\$ 918,400	\$ 918,400
Less: Expenditures	711,978	726,461	726,461
Ending Balance	<u>\$ 187,536</u>	<u>\$ 191,939</u>	<u>\$ 191,939</u>
Ending Balance as a Percentage of Expend.	26.3%	26.4%	26.4%

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Senate Ways and Means Committee

Date 3/3/99

Attachment # 157-1

Senate Subcommittee Report

Agency: Department of Credit Unions

Bill No. 326

Bill Sec. 9

Analyst: Severn

Analysis Pg. No. 1620

Budget Page No. 515

Expenditure Summary	Agency Request FY 00	Gov. Rec. FY 00	Senate Subcommittee Adjustments*
Special Revenue Funds			
State Operations	\$ 737,806	\$ 743,367	\$ (23,705)
FTE Positions	12.0	12.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	12.0	12.0	0.0

* The entire reduction reflects deletion of the employee pay plan.

Agency Request/Governor's Recommendation

The agency's request for FY 2000 is \$737,806, an increase of \$11,345 (1.6 percent) from the FY 1999 estimate.

The Governor recommends \$743,367, which includes \$23,705 for his FY 2000 employee salary plan adjustment.

Senate Subcommittee Recommendation

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

1. Remove \$23,705 for the Governor's employee salary plan adjustment.

Fee Fund Analysis

The following table shows the impact of the Subcommittee's recommendation on the agency's fee fund.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee and Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Subcommittee Rec. FY 2000
Beginning Balance	\$ 162,427	\$ 187,536	\$ 187,536	\$ 191,939	\$ 191,939	\$ 191,939
Projected Receipts	737,087	730,864	730,864	777,273	777,273	777,273
Total Available	\$ 899,514	\$ 918,400	\$ 918,400	\$ 969,212	\$ 969,212	\$ 969,212
Less: Expenditures	711,978	726,461	726,461	737,806	743,367	719,662
Ending Balance	<u>\$ 187,536</u>	<u>\$ 191,939</u>	<u>\$ 191,939</u>	<u>\$ 231,406</u>	<u>\$ 225,845</u>	<u>\$ 249,550</u>
Ending Balance as a Percentage of Expend.	26.3%	26.4%	26.4%	31.4%	30.4%	34.7%

Senate Subcommittee Report

Agency: Department of Credit Unions

Bill No. 326

Bill Sec. 9

Analyst: Severn

Analysis Pg. No. 1620

Budget Page No. 515

Expenditure Summary	Agency Request FY 01	Gov. Rec. FY 01	Senate Subcommittee Adjustments*
Special Revenue Funds			
State Operations	\$ 757,553	\$ 763,272	\$ (23,681)
FTE Positions	12.0	12.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	12.0	12.0	0.0

* The entire reduction reflects deletion of the employee pay plan.

Agency Request/Governor's Recommendation

The agency's request for FY 2001 is \$757,553, an increase of \$19,747 (2.7 percent) from the FY 2000 estimate.

The Governor recommends \$763,272, which includes \$23,681 for his employee salary plan adjustment.

Senate Subcommittee Recommendation

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

1. Remove \$23,681 for the Governor's employee salary plan adjustment.

Fee Fund Analysis

The following table shows the impact of the Subcommittee's recommendation on the agency's fee fund.

Resource Estimate	Agency Request FY 2000	Gov. Rec. FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 191,939	\$ 191,939	\$ 191,939	\$ 231,406	\$ 225,845	\$ 249,550
Projected Receipts	777,273	777,273	777,273	828,304	828,304	828,304
Total Available	\$ 969,212	\$ 969,212	\$ 969,212	\$ 1,059,710	\$ 1,074,149	\$ 1,077,854
Less: Expenditures	737,806	743,367	719,662	757,553	763,272	739,591
Ending Balance	<u>\$ 231,406</u>	<u>\$ 225,845</u>	<u>\$ 249,550</u>	<u>\$ 302,157</u>	<u>\$ 290,877</u>	<u>\$ 338,263</u>
Ending Balance as a Percentage of Expend.	31.4%	30.4%	34.7%	39.9%	38.1%	45.7%

Senate Subcommittee Report

Agency: Office of the Securities Commissioner **Bill No. 323** **Bill Sec. 7**

Analyst: Severn **Analysis Pg. No. 1630** **Budget Page No. 535**

Expenditure Summary	Agency Estimate FY 99	Gov. Rec. FY 99	Senate Subcommittee Adjustments
Special Revenue Funds:			
State Operations	\$ 1,839,615	\$ 1,839,615	\$ 0
FTE Positions	27.0	27.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>27.0</u>	<u>27.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The Securities Commissioner's estimate for FY 1999 of \$1,839,615 is an increase of \$15,281 over the approved budget.

The Governor concurs with the agency's estimate.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis

The following table represents the status of the agency's fee fund under the Subcommittee's recommendation. Expenditures in this table include the agency's annual \$20,000 nonreportable grant to the Kansas Council on Economic Education to support "The Stock Market Game," an educational resource.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee and Gov. Rec. FY 1999
Beginning Balance	\$ 50,102	\$ 50,000	\$ 50,000
Projected Receipts	6,880,092	6,911,532	6,911,532
Total Available	\$ 6,930,194	\$ 6,961,532	\$ 6,961,532
Less: Expenditures	1,756,460	1,859,615	1,859,615
Transfers to SGF	\$ 5,123,734	\$ 5,051,917	\$ 5,051,917
Ending Balance	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>

Ending Balance as a
Percentage of Expend.

0.7% 0.7%

Senate Ways and Means Committee

Senate Subcommittee Report

Agency: Office of the Securities Commissioner **Bill No. 326** **Bill Sec. 19**
 Analyst: Severn **Analysis Pg. No. 1630** **Budget Page No. 535**

<u>Expenditure Summary</u>	<u>Agency Request FY 00</u>	<u>Gov. Rec. FY 00</u>	<u>Senate Subcommittee Adjustments*</u>
Special Revenue Funds:			
State Operations	\$ 1,864,999	\$ 1,878,834	\$ (47,471)
FTE Positions	27.0	27.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>27.0</u>	<u>27.0</u>	<u>0.0</u>

* The entire reduction is related to deletion of the employee pay plan.

Agency Request/Governor's Recommendation

The Securities Commissioner's request for FY2000 of \$1,864,999 contains no enhancements.

The Governor's recommendation of \$1,878,834 contains \$47,471 for the Governor's FY 2000 employee salary adjustment.

Senate Subcommittee Recommendation

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

1. Remove \$47,471 for the Governor's employee salary plan adjustment.
2. The Subcommittee learned that the Securities Commissioner will ask for a Governor's Budget Amendment to add 1.0 FTE for a Director of Education Services and 0.75 FTE for a part-time secretary to assist in license renewals. The Subcommittee was favorably disposed toward this GBA request and recommends that the issue be revisited upon its issuance.

Fee Fund Analysis

The following table represents the status of the agency's fee fund under the Subcommittee's recommendation. Expenditures in this table include the agency's annual \$20,000 nonreportable grant to the Kansas Council on Economic Education to support "The Stock Market Game," an educational resource.

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<u>Resource Estimate</u>	<u>Actual FY 1998</u>	<u>Agency Estimate FY 1999</u>	<u>Subcommittee and Gov. Rec. FY 1999</u>	<u>Agency Request FY 2000</u>	<u>Gov. Rec. FY 2000</u>	<u>Subcommittee Rec. FY 2000</u>
Beginning Balance	\$ 50,102	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Projected Receipts	<u>6,880,092</u>	<u>6,911,532</u>	<u>6,911,532</u>	<u>6,662,359</u>	<u>6,662,359</u>	<u>6,662,359</u>
Total Available	\$ 6,930,194	\$ 6,961,532	\$ 6,961,532	\$ 6,712,359	\$ 6,712,359	\$ 6,712,359
Less: Expenditures	<u>1,756,460</u>	<u>1,859,615</u>	<u>1,859,615</u>	<u>1,884,999</u>	<u>1,898,834</u>	<u>1,851,363</u>
Transfers to SGF	\$ 5,123,734	\$ 5,051,917	\$ 5,051,917	\$ 4,777,360	\$ 4,763,525	\$ 4,810,996
Ending Balance	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Ending Balance as a Percentage of Expend.	3.4%	2.7%	2.7%	2.7%	2.6%	2.7%

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Senate Subcommittee Report

Agency: Office of the Securities Commissioner **Bill No. 326** **Bill Sec. 19**

Analyst: Severn **Analysis Pg. No. 1630** **Budget Page No. 535**

<u>Expenditure Summary</u>	<u>Agency Request FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>Senate Subcommittee Adjustments*</u>
Special Revenue Funds:			
State Operations	\$ 1,904,255	\$ 1,918,405	\$ (41,341)
FTE Positions	27.0	27.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>27.0</u>	<u>27.0</u>	<u>0.0</u>

* The entire reduction is related to deletion of the employee pay plan.

Agency Request/Governor's Recommendation

The Securities Commissioner's request for FY2001 of \$1,904,255 contains no enhancements.

The Governor's recommendation of \$1,918,405 contains \$41,341 for the Governor's employee salary adjustment.

Senate Subcommittee Recommendation

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

1. Remove \$41,341 for the Governor's employee salary adjustment.
2. The Subcommittee learned that the Securities Commissioner will ask for a Governor's Budget Amendment to add 1.0 FTE for a Director of Education Services and 0.75 FTE for a part-time secretary to assist in license renewals. The Subcommittee was favorably disposed toward this GBA request and recommends that the issue be revisited upon its issuance.

Fee Fund Analysis

The following table represents the status of the agency's fee fund under the Subcommittee's recommendation. Expenditures in this table include the agency's annual \$20,000 nonreportable grant to the Kansas Council on Economic Education to support "The Stock Market Game," an educational resource.

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<u>Resource Estimate</u>	<u>Agency Request FY 2000</u>	<u>Gov. Rec. FY 2000</u>	<u>Subcommittee Rec. FY 1999</u>	<u>Agency Request FY 2001</u>	<u>Gov. Rec. FY 2001</u>	<u>Subcommittee Rec. FY 2001</u>
Beginning Balance	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Projected Receipts	<u>6,662,359</u>	<u>6,662,359</u>	<u>6,662,359</u>	<u>6,728,227</u>	<u>6,728,227</u>	<u>6,728,227</u>
Total Available	\$ <u>6,712,359</u>	\$ <u>6,712,359</u>	\$ <u>6,712,359</u>	\$ <u>6,778,227</u>	\$ <u>6,778,227</u>	\$ <u>6,778,227</u>
Less: Expenditures	<u>1,884,999</u>	<u>1,898,834</u>	<u>1,851,363</u>	<u>1,924,255</u>	<u>1,938,405</u>	<u>1,897,064</u>
Transfers to SGF	\$ <u>4,777,360</u>	\$ <u>4,763,525</u>	\$ <u>4,810,996</u>	\$ <u>4,803,972</u>	\$ <u>4,789,822</u>	\$ <u>4,831,363</u>
Ending Balance	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Ending Balance as a Percentage of Expend.	2.7%	2.6%	2.7%	2.6%	2.6%	2.6%

16-5

SENATE SUBCOMMITTEE REPORT

Agency: Board of Technical Professions

Bill No. —

Bill Sec. —

Analyst: Hollon

Analysis Pg. No. 1798

Budget Page No. 537

<u>Expenditure Summary</u>	<u>Agency Est. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 469,318	\$ 469,318	\$ 0
FTE Positions	6.0	6.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>6.0</u>	<u>6.0</u>	<u>0.0</u>

Agency Est./Governor's Recommendation

The agency estimates expenditures for FY 1999 of \$469,318 which is the same as the approved budget. The estimate consists of \$221,666 for salaries and wages, \$187,192 for contractual services, and \$60,460 for commodities.

The Governor concurs with the agency's request.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

The status of the agency's fee fund, based upon the recommendation of the Subcommittee, is reflected in the table below.

Senate Ways and Means Committee

Date 1/5/99

Attachment # 1798

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee Rec. FY 1999	Agency Request FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 303,546	\$ 430,231	\$ 430,231	\$ 503,065	\$ 531,133	\$ 610,382	\$ 644,482
Net Receipts	546,689	570,220	570,220	594,492	594,492	600,180	600,180
Total Funds Available	\$ 850,235	\$ 1,000,451	\$ 1,000,451	\$ 1,097,557	\$ 1,125,625	\$ 1,210,562	\$ 1,244,662
Less: Expenditures	420,004	497,386	469,318	487,175	481,143	516,641	511,276
Ending Balance	<u>\$ 430,231</u>	<u>\$ 503,065</u>	<u>\$ 531,133</u>	<u>\$ 610,382</u>	<u>\$ 644,482</u>	<u>\$ 693,921</u>	<u>\$ 733,386</u>
Ending Balance as Percentage of Expend.	102.4%	101.4%	113.2%	125.3%	133.9%	134.3%	143.4%

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SENATE SUBCOMMITTEE REPORT

Agency: Board of Technical Professions

Bill No. 326

Bill Sec. 20

Analyst: Hollon

Analysis Pg. No. 1798

Budget Page No. 537

<u>Expenditure Summary</u>	<u>Agency Req. FY 2000</u>	<u>Gov. Rec. FY 2000</u>	<u>Senate Subcommittee Adjustments*</u>
State Operations:			
Special Revenue Fund	\$ 487,175	\$ 489,101	\$ (7,958)
FTE Positions	6.0	6.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>6.0</u>	<u>6.0</u>	<u>0.0</u>

* Entire reduction for Governor's employee salary adjustment.

Agency Request/Governor's Recommendation

The agency requests expenditures for FY 2000 of \$487,175 which is an increase of \$17,857 (3.8 percent) above the FY 1999 estimate. The request consists of \$232,093 for salaries and wages, \$191,022 for contractual services, and \$64,060 for commodities.

The Governor recommends funding of \$489,101 for FY 2000 expenditures which is an increase of \$19,783 (4.2 percent) above the FY 1999 recommendation. The recommendation consists of \$234,019 for salaries and wages, \$191,022 for contractual services, and \$64,060 for commodities.

Senate Subcommittee Recommendation

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

1. Delete \$7,958 in Other Funds for the Governor's employee salary adjustment.
2. The Subcommittee recognizes that H.B. 2427 (which clarifies the conditions under which an unlicensed individual may design and erect structures) could potentially alleviate some of the legal expenses of the Board by reducing the number of lawsuits filed.

The status of the agency's fee fund, based upon the recommendation of the Subcommittee, is reflected in the table below.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee Rec. FY 1999	Agency Request FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 303,546	\$ 430,231	\$ 430,231	\$ 503,065	\$ 531,133	\$ 610,382	\$ 644,482
Net Receipts	<u>546,689</u>	<u>570,220</u>	<u>570,220</u>	<u>594,492</u>	<u>594,492</u>	<u>600,180</u>	<u>600,180</u>
Total Funds Available	\$ 850,235	\$ 1,000,451	\$ 1,000,451	\$ 1,097,557	\$ 1,125,625	\$ 1,210,562	\$ 1,244,662
Less: Expenditures	<u>420,004</u>	<u>497,386</u>	<u>469,318</u>	<u>487,175</u>	<u>481,143</u>	<u>516,641</u>	<u>511,276</u>
Ending Balance	<u>\$ 430,231</u>	<u>\$ 503,065</u>	<u>\$ 531,133</u>	<u>\$ 610,382</u>	<u>\$ 644,482</u>	<u>\$ 693,921</u>	<u>\$ 733,386</u>
Ending Balance as Percentage of Expend.	102.4%	101.4%	113.2%	125.3%	133.9%	134.3%	143.4%

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SENATE SUBCOMMITTEE REPORT

Agency: Board of Technical Professions

Bill No. 326

Bill Sec. 20

Analyst: Hollon

Analysis Pg. No. 1798

Budget Page No. 537

<u>Expenditure Summary</u>	<u>Agency Req. FY 2001</u>	<u>Gov. Rec. FY 2001</u>	<u>Senate Subcommittee Adjustments*</u>
State Operations:			
Special Revenue Fund	\$ 516,641	\$ 518,462	\$ (7,186)
FTE Positions	6.0	6.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>6.0</u>	<u>6.0</u>	<u>0.0</u>

*Entire reduction for Governor's employee salary adjustment.

Agency Request/Governor's Recommendation

The agency requests expenditures for FY 2001 of \$516,641 which is an increase of \$29,466 (6.0 percent) above the FY 2000 request. The request consists of \$239,097 for salaries and wages, \$192,434 for contractual services, and \$85,110 for commodities. The Board must begin licensing geologists July 1, 2000.

The Governor recommends funding of \$518,462 for FY 2001 expenditures which is an increase of \$29,361 (6.0 percent) above the FY 2000 recommendation. The recommendation consists of \$240,918 for salaries and wages, \$192,434 for contractual services, and \$85,110 for commodities.

Senate Subcommittee Recommendation

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

1. Delete \$7,186 in Other Funds for the Governor's employee salary adjustment.

The status of the agency's fee fund, based upon the recommendation of the Subcommittee, is reflected in the table below.

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Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee Rec. FY 1999	Agency Request FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 303,546	\$ 430,231	\$ 430,231	\$ 503,065	\$ 531,133	\$ 610,382	\$ 644,482
Net Receipts	546,689	570,220	570,220	594,492	594,492	600,180	600,180
Total Funds Available	\$ 850,235	\$ 1,000,451	\$ 1,000,451	\$ 1,097,557	\$ 1,125,625	\$ 1,210,562	\$ 1,244,662
Less: Expenditures	420,004	497,386	469,318	487,175	481,143	516,641	511,276
Ending Balance	<u>\$ 430,231</u>	<u>\$ 503,065</u>	<u>\$ 531,133</u>	<u>\$ 610,382</u>	<u>\$ 644,482</u>	<u>\$ 693,921</u>	<u>\$ 733,386</u>
Ending Balance as Percentage of Expend.	102.4%	101.4%	113.2%	125.3%	133.9%	134.3%	143.4%

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SENATE SUBCOMMITTEE REPORT

Agency: Behavioral Sciences Regulatory Board **Bill No. –** **Bill Sec. –**

Analyst: Nogle **Analysis Pg. No.** 1680 **Budget Page No.** 509

<u>Expenditure Summary</u>	<u>Agency Estimate FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
BSRB Fee Fund	\$ 374,780	\$ 374,780	\$ 0
FTE Positions	6.5	6.5	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	6.5	6.5	0.0

Agency Estimate/Governor's Recommendation

The Board's FY 1999 budget estimate is \$374,780, no change from the amount approved by the 1998 Legislature.

The Governor concurs with the agency estimate.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis

<u>Resource Estimate</u>	<u>Agency Estimate FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Rec. FY 99</u>
Beginning Balance	\$ 326,199	\$ 326,199	\$ 326,199
Net Receipts	423,000	423,000	423,000
Total Available	\$ 749,199	\$ 749,199	\$ 749,199
Less: Expenditures	374,780	374,780	374,780
Ending Balance	\$ 374,419	\$ 374,419	\$ 374,419

SENATE SUBCOMMITTEE REPORT

Agency: Behavioral Sciences Regulatory Board **Bill No.** 326

Bill Sec. 6

Analyst: Nogle

Analysis Pg. No. 1680

Budget Page No. 509

<u>Expenditure Summary</u>	<u>Agency Request FY 00</u>	<u>Gov. Rec. FY 00</u>	<u>Senate Subcommittee Adjustments*</u>
State Operations:			
BSRB Fee Fund	\$ 456,513	\$ 391,028	\$ (6,399)
FTE Positions	8.8	6.8	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>8.8</u>	<u>6.8</u>	<u>0.0</u>

* Includes the deletion of \$6,399 for the Governor's employee pay plan adjustments.

Agency Request/Governor's Recommendation

The Board's FY 2000 budget request is \$456,513, \$81,733 (21.8 percent) more than the agency's FY 1999 estimate. The increase is due largely to enhancements requested for FY 2000 totaling \$75,541.

The Governor recommends FY 2000 expenditures of \$391,028, \$65,485 (14.3 percent) less than the agency request. The Governor recommends only 0.3 FTE position of the 2.3 FTE positions included in the agency's enhancement request.

Senate Subcommittee Recommendation

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

1. The Subcommittee deletes \$6,399 for the Governor's employee pay plan adjustment.
2. The Subcommittee notes that the agency does have pending litigation that could require additional funding and recommends review of the issue at omnibus.
3. The Subcommittee notes that the current turnover rate for the agency is 50 percent, which is a potential disruption to the flow of new and renewal applications through the agency.
4. The Subcommittee notes that the change by the Board in continuing education requirements for Masters Level Psychologists from 60 hours every two years to 25 hours every two years has caused significant problems for the twelve Masters Level Psychologists at Larned State Hospital. The Subcommittee is concerned that

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inadequate notice of the change, which became effective December 31, 1998, will result in the loss of licensure for these and other Masters' Level Psychologists seeking renewal in 1999.

5. The subcommittee recommends that the Behavioral Sciences Board report their response to the problems in license renewal for Masters Level Psychologists following the Board's March 8, 1999 meeting.

Fee Fund Analysis

<u>Resource Estimate</u>	<u>Agency Request FY 00</u>	<u>Gov. Rec. FY 00</u>	<u>Senate Subcommittee Rec. FY 00</u>
Beginning Balance	\$ 374,419	\$ 374,419	\$ 374,419
Net Receipts	<u>526,120</u>	<u>526,120</u>	<u>526,120</u>
Total Available	\$ 900,539	\$ 900,539	\$ 900,539
Less: Expenditures	<u>456,513</u>	<u>391,028</u>	<u>384,629</u>
Ending Balance	<u>\$ 444,026</u>	<u>\$ 509,511</u>	<u>\$ 515,910</u>

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SENATE SUBCOMMITTEE REPORT

Agency: Behavioral Sciences Regulatory Board **Bill No. 326**

Bill Sec. 6

Analyst: Nogle

Analysis Pg. No. 1680

Budget Page No. 509

<u>Expenditure Summary</u>	<u>Agency Request FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>Senate Subcommittee Adjustments*</u>
State Operations:			
BSRB Fee Fund	\$ 461,528	\$ 399,536	\$ (6,042)
FTE Positions	8.8	6.8	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>8.8</u>	<u>6.8</u>	<u>0.0</u>

* Includes deletion of \$6,042 for the Governor's employee pay plan adjustments.

Agency Request/Governor's Recommendation

The Board's FY 2001 budget request is \$461,528, \$5,015 (1.1 percent) more than the agency's FY 2000 request.

The Governor recommends FY 2001 expenditures of \$399,536, \$61,992 (13.4 percent) less than the agency request. The Governor recommends only the continuation of the 0.3 FTE position recommended for FY 2000.

Senate Subcommittee Recommendation

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

1. The Subcommittee deletes the Governor's pay plan adjustment.

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Fee Fund Analysis

<u>Resource Estimate</u>	<u>Agency Request FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>Senate Subcommittee Rec. FY 01</u>
Beginning Balance	\$ 44,026	\$ 509,511	\$ 509,511
Net Receipts	<u>439,980</u>	<u>439,980</u>	<u>439,980</u>
Total Available	\$ 484,006	\$ 949,491	\$ 949,491
Less: Expenditures	<u>461,528</u>	<u>399,536</u>	<u>393,494</u>
Ending Balance	<u>\$ 22,478</u>	<u>\$ 549,955</u>	<u>\$ 555,997</u>

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SUBCOMMITTEE REPORT

Agency: Board of Hearing Aid Examiners

Bill No. 323

Bill Sec. New

Analyst: Hollon

Analysis Pg. No. 1725

Budget Page No. 521

<u>Expenditure Summary</u>	<u>Agency Est. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 14,984	\$ 15,204	\$ 0
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	0.4	0.4	0.0
TOTAL	<u>0.4</u>	<u>0.4</u>	<u>0.0</u>

Agency Est./Governor's Recommendation

The agency estimates expenditures for FY 1999 of \$14,984 which is an increase of \$485 (3.3 percent) above the approved budget. The estimate includes \$12,255 for salaries and wages, \$2,229 for contractual services, and \$500 for commodities.

The Governor recommends funding of \$15,204 for FY 1999 operating expenditures which is an increase of \$705 (4.9 percent) above the approved budget. The recommendation includes \$12,475 for salaries and wages, \$2,229 for contractual services, and \$500 for commodities.

Senate Subcommittee Recommendations

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

1. The Subcommittee recommends that technical adjustments be made to the bill to more accurately reflect the Governor's recommendation.

Senate Ways and Means Committee

Date

Attachment #

The status of the agency's fee fund, based upon the recommendation of the Subcommittee, is reflected in the table below.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee Rec. FY 1999	Agency Request FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 14,778	\$ 16,490	\$ 16,490	\$ 13,466	\$ 13,246	\$ 13,330	\$ 10,004
Net Receipts	12,153	11,960	11,960	17,861	11,960	18,973	11,960
Total Funds Available	\$ 26,931	\$ 28,450	\$ 28,450	\$ 31,327	\$ 25,206	\$ 32,303	\$ 21,964
Less: Expenditures	10,441	14,984	15,204	17,997	15,202	19,941	15,424
Ending Balance	<u>\$ 16,490</u>	<u>\$ 13,466</u>	<u>\$ 13,246</u>	<u>\$ 13,330</u>	<u>\$ 10,004</u>	<u>\$ 12,362</u>	<u>\$ 6,540</u>
Ending Balance as Percentage of Expend.	157.9%	89.9%	87.1%	74.1%	65.8%	62.0%	42.4%

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SENATE SUBCOMMITTEE REPORT

Agency: Board of Hearing Aid Examiners

Bill No. 326

Bill Sec. 12

Analyst: Hollon

Analysis Pg. No. 1725

Budget Page No. 521

<u>Expenditure Summary</u>	<u>Agency Req. FY 2000</u>	<u>Gov. Rec. FY 2000</u>	<u>Senate Subcommittee Adjustments*</u>
State Operations:			
Special Revenue Fund	\$ 17,997	\$ 15,385	\$ (183)
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	0.4	0.4	0.0
TOTAL	<u>0.4</u>	<u>0.4</u>	<u>0.0</u>

* Entire reduction for Governor's employee salary adjustment.

Agency Request/Governor's Recommendation

The agency requests expenditures for FY 2000 of \$17,997 which is an increase of \$3,013 (20.1 percent) above the FY 1999 estimate. The request includes \$14,508 for salaries and wages, \$2,989 for contractual services, and \$500 for commodities. The request is based upon an anticipated statutory fee change during the 1999 Legislative Session. The request includes an enhancement package of \$2,525 to fund additional hours per week for the part-time secretary (\$2,113) and Board member per diem and travel expenses for one additional Board meeting (\$412).

The Governor recommends funding of \$15,385 for FY 2000 operating expenditures which is an increase of \$181 (1.2 percent) above the FY 1999 recommendation. The recommendation includes \$12,656 for salaries and wages, \$2,229 for contractual services, and \$500 for commodities. The Governor does not recommend the enhancement package.

Senate Subcommittee Recommendation

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

1. Delete \$183 in Other Funds for the Governor's employee salary adjustments.
2. The Subcommittee recognizes and is monitoring House Bill 2214 which would increase the statutory fee maximums of the Board. Should the bill be enacted, the Subcommittee recommends that the agency's enhancement request be revisited at Omnibus.

The status of the agency's fee fund, based upon the recommendation of the Subcommittee, is reflected in the table below.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee Rec. FY 1999	Agency Request FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 14,778	\$ 16,490	\$ 16,490	\$ 13,466	\$ 13,246	\$ 13,330	\$ 10,004
Net Receipts	12,153	11,960	11,960	17,861	11,960	18,973	11,960
Total Funds Available	\$ 26,931	\$ 28,450	\$ 28,450	\$ 31,327	\$ 25,206	\$ 32,303	\$ 21,964
Less: Expenditures	10,441	14,984	15,204	17,997	15,202	19,941	15,424
Ending Balance	\$ 16,490	\$ 13,466	\$ 13,246	\$ 13,330	\$ 10,004	\$ 12,362	\$ 6,540
Ending Balance as Percentage of Expend.	157.9%	89.9%	87.1%	74.1%	65.8%	62.0%	42.4%

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SENATE SUBCOMMITTEE REPORT

Agency: Board of Hearing Aid Examiners

Bill No. 326

Bill Sec. 12

Analyst: Hollon

Analysis Pg. No. 1725

Budget Page No. 521

<u>Expenditure Summary</u>	<u>Agency Req. FY 2001</u>	<u>Gov. Rec. FY 2001</u>	<u>Senate Subcommittee Adjustments*</u>
State Operations:			
Special Revenue Fund	\$ 19,941	\$ 15,616	\$ (192)
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	0.4	0.4	0.0
TOTAL	<u>0.4</u>	<u>0.4</u>	<u>0.0</u>

* Entire reduction for Governor's employee salary adjustment.

Agency Request/Governor's Recommendation

The agency requests expenditures for FY 2001 of \$19,941 which is an increase of \$1,944 (10.8 percent) above the FY 2000 request. The request includes \$14,508 for salaries and wages, \$4,933 for contractual services, and \$500 for commodities. The request includes an enhancement package of \$4,957 to fund additional hours per week for the part-time secretary (\$2,113), Board member per diem and travel expenses for one additional Board meeting (\$400), other travel expenses (\$260 - requested in error), and office rental and equipment usage fees (\$2,184).

The Governor recommends funding of \$15,616 for FY 2001 operating expenditures which is an increase of \$231 (1.5 percent) above the FY 2000 recommendation. The recommendation includes \$12,887 for salaries and wages, \$2,229 for contractual services, and \$500 for commodities. The Governor does not recommend the enhancement package.

Senate Subcommittee Recommendation

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

1. Delete \$192 in Other Funds for the Governor's employee salary adjustments.
2. The Subcommittee recognizes and is monitoring H. B. 2214 which would increase the statutory fee maximums of the Board. Should the bill be enacted, the Subcommittee recommends that the agency's enhancement request be revisited at Omnibus.

The status of the agency's fee fund, based upon the recommendation of the Subcommittee, is reflected in the table below.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Subcommittee Rec. FY 1999	Agency Request FY 2000	Subcommittee Rec. FY 2000	Agency Request FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$ 14,778	\$ 16,490	\$ 16,490	\$ 13,466	\$ 13,246	\$ 13,330	\$ 10,004
Net Receipts	12,153	11,960	11,960	17,861	11,960	18,973	11,960
Total Funds Available	\$ 26,931	\$ 28,450	\$ 28,450	\$ 31,327	\$ 25,206	\$ 32,303	\$ 21,964
Less: Expenditures	10,441	14,984	15,204	17,997	15,202	19,941	15,424
Ending Balance	<u>\$ 16,490</u>	<u>\$ 13,466</u>	<u>\$ 13,246</u>	<u>\$ 13,330</u>	<u>\$ 10,004</u>	<u>\$ 12,362</u>	<u>\$ 6,540</u>
Ending Balance as Percentage of Expend.	157.9%	89.9%	87.1%	74.1%	65.8%	62.0%	42.4%

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Senate Subcommittee Report

Agency: Board of Healing Arts

Bill No. 323

Bill Sec. 3

Analyst: Chapman

Analysis Pg. No. 1713

Budget Page No. 519

Expenditure Summary	Agency Estimate FY 99	Gov. Rec. FY 99	Senate Subcommittee Adjustments
State Operations:			
Special Revenue Fund	\$ 1,697,802	\$ 1,697,802	\$ 158,000
FTE Positions	27.0	27.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>27.0</u>	<u>27.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency's revised FY 1999 expenditure limitation request is \$1,697,802 which is \$15,418 more than the limitation approved by the 1998 Legislature. The agency requests an expenditure limitation increase of \$15,418, which is for the funding of three impaired provider programs (\$12,568 for the Kansas Medical Society, \$1,850 for the Kansas Association of Osteopathic Medicine and \$1,000 for the Kansas Chiropractic Association). The agency expects that projected expenditures for FY 1999 will remain relatively similar to FY 1998 levels. However, fees for professional services will be \$43,270 higher in FY1999. This is primarily due to the agency having to contract for outside attorney services in the amount of \$30,000 to handle pending cases that were managed within the agency prior to the resignation of the agency's Disciplinary Counsel.

The Governor concurs with the agency's request of \$1,697,802 for an expenditure limitation in FY 1999, and this recommendation includes the expenditure limitation increase of \$15,418.

Senate Subcommittee Recommendation

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

1. The Subcommittee notes the increase in the number of open disciplinary cases the Board handles. Some of the reasons for the increase include a more informed public, more press coverage, more managed-care organizations requiring verification of member providers, better Medicare and managed-care hotlines for people to call and complain, and higher hospital surveillance of doctors. As the table below shows, total cases grew 34.0 percent from FY 1998 to FY 1999, and 28.0 percent from FY 1999 to FY 2000.

Senate Ways and Means Committee

Date 3/5/99

Attachment # 20-1

Case Statistics

Cases	Actual FY 1992	Actual FY 1993	Actual FY 1994	Actual FY 1995	Actual FY 1996	Actual FY 1997	Actual FY 1998	Agency Estimate FY 1999	Agency Estimate FY 2000
Open Cases Forwarded	173	242	195	236	300	292	256	431	706
New Cases Opened	252	213	267	302	262	288	476	550	550
Total Cases	425	455	462	538	562	580	732	981	1256
Total Cases Closed	183	260	226	238	270	324	301	275	280
Total Cases Forwarded	242	195	236	300	292	256	431	706	976
Percentage Change in Total Cases	n/a	7.1%	1.5%	16.5%	4.5%	3.2%	26.2%	34.0%	28.0%

Note: For FY 1999, the agency estimates a lower number of total cases closed due to increased length and complexity of the nature of the cases.

2. Add \$158,000 to increase the Board's FY 1999 expenditure limitation for payment of fees and expenses to outside counsel to handle three particular disciplinary cases. The Board was unable to predict or foresee payment of these expenses in FY 1999. The reasons for the unpredictability of these cases stems from the following events. In June of 1998, the Board's Litigation Counsel assumed cases the Disciplinary Counsel had been working on until he resigned. As a result, the Board became concerned that three particular cases together with other cases pending and future, could not be handled by one attorney who would also be directing the investigations of more than 500 open investigative files. The Board decided to authorize the employment of outside counsel to handle the three cases and entered into contract with a Kansas City firm. Through mid January, 1999, the Board paid \$51,136 to outside counsel to handle the three cases. During the latter part of January the Board paid \$52,534. From February 1 through June 30, 1999, the Board expects additional fees and expenses in the amount of \$84,452. Total incurred and projected fees to outside counsel are estimated to be \$188,122 for FY 1999. The Board's revised estimate for FY 1999 included \$30,000 for outside counsel fees and expenses. The Board expects that two of the cases will be concluded in FY 1999, but that the third case will carry over into FY 2000. As a result, the Board requests an additional \$50,000 in attorney fees and expenses for FY 2000 (refer to the FY 2000 Subcommittee Report). The Subcommittee also recommends that the Board request a Governor's Budget Amendment to increase the Board's expenditure limitation.

Fee Fund Analysis*

Resource Estimate	Actual FY 1998	Agency Revised Estimate FY 1999	Subcommittee Rec. FY 1999
Beginning Balance	\$1,058,116	\$783,625	\$783,625
Projected Receipts	\$1,367,297	\$1,841,390	\$1,841,390
Total Available	\$2,425,413	\$2,625,015	\$2,625,015
Less: Expenditures	\$1,641,788	\$1,855,802	\$1,855,802
Ending Balance	\$783,625	\$769,213	\$769,213
Ending Balance as a Percentage of Expenditures	47.7%	41.4%	41.4%

* Includes the agency's revised request and the Subcommittee adjustments.

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Senate Subcommittee Report

Agency: Board of Healing Arts

Bill No. 326

Bill Sec. 7

Analyst: Chapman

Analysis Pg. No. 1713

Budget Page No. 519

Expenditure Summary	Agency Req. FY 00	Gov. Rec. FY 00	Senate Subcommittee Adjustments*
State Operations:			
Special Revenue Fund	\$ 1,939,156	\$ 1,868,649	\$ 16,921
FTE Positions	29.0	28.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>29.0</u>	<u>28.0</u>	<u>0.0</u>

* Excluding the deletion of the Governor's recommended employee pay plan, the Subcommittee action is \$50,000 above the Governor's recommendation

Agency Req./Governor's Recommendation

The agency requests an expenditure limitation of \$1,939,156 for FY 2000, an increase of \$241,354 or 14.2 percent over FY 1999. Specifically, the agency's request is:

Enhancement	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Special Investigator II	\$ 0	\$ 33,195	1.0	\$ 0	\$ 33,195	1.0
Associate Counsel	0	42,274	1.0	0	0	0.0
Equipment associated with new positions	0	7,600	0.0	0	0	0.0
Kansas Medical Society's impaired provider program increase	0	7,900	0.0	0	0	0.0
Kansas Association of Osteopathic Medicine's impaired provider program increase	0	900	0.0	0	0	0.0
TOTAL	<u>\$ 0</u>	<u>\$ 91,869</u>	<u>2.0</u>	<u>\$ 0</u>	<u>\$ 33,195</u>	<u>1.0</u>

Absent enhancements, the agency's request is an increase of \$149,485, or 8.8 percent over FY 1999.

The Governor recommends an expenditure limitation of \$1,868,649. The recommendation reduces, by \$21,000, the agency's \$41,000 request for a computer consultant. The recommendation includes the enhancement request of \$33,195 for 1.0 FTE special investigator II position.

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Senate Subcommittee Recommendation

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

1. Delete \$33,079 based on the recommendation to delete funding for the Governor's recommended employee pay plan adjustments (3.5 percent unclassified merit pool, 2.5 percent classified step movement, 1.0 percent classified base salary adjustment, and longevity bonus payments).
2. Add \$50,000 for attorney fees for outside counsel. As noted in the FY 1999 Subcommittee Report, the \$50,000 for fees and expenses for outside counsel are for concluding the last of the three particular cases the Board has had to refer to outside counsel.
3. The Subcommittee notes S.B. 216, and recommends that pending its passage, its fiscal impact should be reviewed during omnibus. The bill reviews committee compensation and authorizes additional meeting times for the Board's review committees to review disciplinary cases and provides more compensation for those meetings (\$75 per day).
4. The Subcommittee recommends a Post Audit Report on the Board of Healing Arts.

Fee Fund Analysis*

Resource Estimate	Actual FY 1998	Agency Revised Estimate FY 1999	Subcommittee Rec. FY 1999	Agency Revised Request FY 2000	Subcommittee Rec. FY 2000
Beginning Balance	\$1,058,116	\$783,625	\$783,625	\$769,213	\$769,213
Projected Receipts	\$1,367,297	\$1,841,390	\$1,841,390	\$1,936,655	\$1,936,655
Total Available	\$2,425,413	\$2,625,015	\$2,625,015	\$2,705,868	\$2,705,868
Less: Expenditures	\$1,641,788	\$1,855,802	\$1,855,802	\$1,989,156	\$1,885,570
Ending Balance	\$783,625	\$769,213	\$769,213	\$716,712	\$820,298
 Ending Balance as a Percentage of Expenditures	 47.7%	 41.4%	 41.4%	 36.0%	 43.5%

* Includes the agency's revised request and the Subcommittee adjustments.

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Senate Subcommittee Report

Agency: Board of Healing Arts

Bill No. 326

Bill Sec. 7

Analyst: Chapman

Analysis Pg. No. 1713

Budget Page No. 519

Expenditure Summary	Agency Req. FY 01	Gov. Rec. FY 01	Senate Subcommittee Adjustments*
State Operations:			
Special Revenue Fund	\$ 1,947,118	\$ 1,863,141	\$ (30,500)
FTE Positions	1.0	1.0	0.0
Unclassified Temp. Positions	1.0	1.0	0.0
TOTAL	<u>2.0</u>	<u>2.0</u>	<u>0.0</u>

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

Agency Req./Governor's Recommendation

The agency requests an expenditure limitation of \$1,947,118 for FY 2001, an increase of \$7,962 or 0.4 percent over FY 2000. It includes:

- \$30,000 for physician consulting fees to enable review of an increasing number of cases; this is double the amount from the previous year
- \$41,000 for computer consulting fees to continue the conversion of the disciplinary tracking system

Enhancement	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Special Investigator II	\$ 0	\$ 35,507	1.0	\$ 0	\$ 35,507	1.0
Associate Counsel	0	44,248	1.0	0	0	0.0
Kansas Medical Society's impaired provider program increase	0	16,100	0.0	0	0	0.0
Kansas Association of Osteopathic Medicine's impaired provider program increase	0	1,500	0.0	0	0	0.0
TOTAL	<u>\$ 0</u>	<u>\$ 97,355</u>	<u>2.0</u>	<u>\$ 0</u>	<u>\$ 35,507</u>	<u>1.0</u>

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Absent enhancements, the agency's request is an increase of \$2,476, or 0.1 percent over FY 2000.

The Governor recommends an expenditure limitation of \$1,863,141. The recommendation reduces, by \$21,000, the \$41,000 request for a computer consultant. The Governor recommends the continuation of the 1.0 FTE position Special Investigator II for \$35,507.

Senate Subcommittee Recommendation

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

1. Delete \$30,500 based on the recommendation to delete funding for the Governor's recommended employee pay plan adjustments (3.5 percent unclassified merit pool, 2.5 percent classified step movement, 1.0 percent classified base salary adjustment, and longevity bonus payments).

Fee Fund Analysis*

Resource Estimate	Actual FY 1998	Agency Revised Estimate FY 1999	Subcommittee Rec. FY 1999	Agency Revised Request FY 2000	Subcommittee Rec. FY 2000	Agency Revised Request FY 2001	Subcommittee Rec. FY 2001
Beginning Balance	\$1,058,116	\$783,625	\$783,625	\$769,213	\$769,213	\$716,712	\$820,298
Projected Receipts	\$1,367,297	\$1,841,390	\$1,841,390	\$1,936,655	\$1,936,655	\$2,036,955	\$2,028,355
Total Available	\$2,425,413	\$2,625,015	\$2,625,015	\$2,705,868	\$2,705,868	\$2,753,667	\$2,848,653
Less: Expenditures	\$1,641,788	\$1,855,802	\$1,855,802	\$1,989,156	\$1,885,570	\$1,947,118	\$1,832,641
Ending Balance	\$783,625	\$769,213	\$769,213	\$716,712	\$820,298	\$806,549	\$1,016,012
Ending Balance as a Percentage of Expenditures	47.7%	41.4%	41.4%	36.0%	43.5%	41.4%	55.4%

* Includes the agency's revised request and the Subcommittee adjustments.

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