

MINUTES OF THE SENATE WAYS & MEANS COMMITTEE.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on February 9, 2000 in Room 123-S of the Capitol.

All members were present except: Senator Ranson, who was excused

Committee staff present: Alan Conroy, Chief Fiscal Analyst, KLRD
Rae Anne Davis, KS Legislative Research Department
Debra Hollon, KS Legislative Research Department
Norman Furse, Revisor of Statutes
Michael Corrigan, Asst. Revisor of Statutes
Judy Bromich, Administrative Assistant to the Chairman
Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

Senator Lawrence moved that bill draft 9rs 2246 be introduced as requested by Senator Bleeker. The motion was seconded by Senator Petty and carried on a voice vote.

The Chairman welcomed the Leadership Hutchinson Class to the day's meeting.

Written testimony from the Fraternal Order of Police in opposition to **SB 387** was distributed to members. (Attachment 1)

The subcommittee report on the **Department of Agriculture** for FY 2001 was reviewed by Senator Morris. (Attachment 2) There was some discussion regarding the establishment of a new agricultural remediation reimbursement program (item 2). During discussion of the impact of 1993 legislation which caps the number of FTE positions due to retirements (item 3), a representative from the Department of Agriculture stated that 7 or 8 positions have been lost due to retirements and not restored over the last couple of years. Chairman Kerr noted that the subcommittee studying 1993 HB 2211 expects to make modifications of current law.

Senator Morris reviewed the FY 2001 subcommittee report on the **Animal Health Department**. (Attachment 3) It was noted that the subcommittee's recommendation to provide 1 FTE position can be established in the appropriations bill.

The FY 2001 subcommittee report on the **Kansas Water Office** was presented by Senator Downey. (Attachment 4) In her review of item 4, she requested that staff add "potential pollutants" to the list of concerns. The Committee concurred that this constitutes a technical amendment.

In answer to a concern regarding the transfer of monies from the Water Marketing Fund to the SGF (item 2), it was noted that the agency has built up that fund to "smooth" the impact of any federally imposed increases in the water rate.

Senator Downey reviewed the FY 2001 subcommittee report on the **State Conservation Commission**. (Attachment 5) It was reported that the agency heads have been straightforward in communicating their concern about the costs of the projects associated with water protection programs, especially in FY 2002 and beyond, to the subcommittee.

The FY 2001 subcommittee report on the **Kansas State Fair** was reviewed by Senator Morris. (Attachment 6) Members discussed whether budget constraints within the Department of Corrections

CONTINUATION SHEET

SENATE WAYS & MEANS COMMITTEE MINUTES

would keep inmate crews from the Hutchinson Correctional Facility from working at the fair grounds. It was noted by Senator Morris that the State Fair pays for guards.

The FY 2001 subcommittee report on the **Kansas Wheat Commission** was reviewed by Senator Morris. (Attachment 7) There was Committee discussion regarding performance measures for the market share projects (item 4). Members discussed the history of the projects, and it was noted that this is the first year for most of them. It was moved by Senator Morris and seconded by Senator Salmans that item 4 of the subcommittee report on the Kansas Wheat Commission be amended by requesting that a report of the results of the market share projects be made to the 2001 Legislature. The motion carried on a voice vote.

Chairman Kerr reviewed the FY 2001 subcommittee report on the **Department of Wildlife and Parks** (Attachment 8). He told members that there is a prohibition against allowing AmeriCorps personnel to perform work that the state has performed. He asked that the subcommittee on the Department of Corrections reexamine the Governor's recommendation to reduce FTE positions from the state's correctional facilities' inmate work detail because of the potential negative impact on the condition of the state parks.

Senator Downey moved, Senator Petty seconded that item 2 of the subcommittee report be amended by restoring the \$275,000 EDIF to the Local Government Outdoor Recreation Program. She distributed copies of information regarding the Local Government Outdoor Recreation Program (Attachment 9) and commended the program, saying that it is a 1:1 match with local dollars and receives in-kind contributions from communities to create long term recreation programs. There was discussion of other possible funding sources as well as historical funding levels of the program. The motion failed on a voice vote.

Senator Petty distributed copies of an explanation of the fee funds which she suggested could be evaluated by subcommittees. (Attachment 10)

It was moved by Senator Morris and seconded by Senator Salmans that the subcommittee reports on the Department of Agriculture, the Animal Health Department, the State Conservation Commission, the Kansas State Fair, the Department of Wildlife and Parks, the Kansas Water Office as technically amended, and the Kansas Wheat Commission as amended be adopted. The motion carried on a voice vote.

The Chairman adjourned the meeting at 12:10 p.m. The next meeting will be February 10, 2000.

SENATE WAYS & MEANS COMMITTEE GUEST LIST

DATE: February 9, 2000

NAME	REPRESENTING
Deane Goossen	DOD
David Miller	DOB
Steve Friend	KRPA
SCOTT CARLSON	SCC
Tom Badger	Sec
Jim Colley	KRPA
Pat Lehman	KRPA
W. LANCE WHITWORTH	KRPA
JERRY Dishman	KRPA
Nancy Scott	Leadership Hutchinson
Meryl Wye	" "
Stephanie Loeppke	" "
Jay Smith	" "
Ken A. VanderHaum	" "
Kent Dvorak	KRPA Visitor
Carolyn Dvorak	Visitor
Martene Nadel	KRPA
FREDERICK DeVICTOR	KRPA
George Teagarden	KATHD
Debra Duncan	"

SENATE WAYS AND MEANS COMMITTEE GUEST LIST

DATE: 2/9/00

NAME	REPRESENTING
Mike Beam	Ks. LUSTK. ASSN.
Darrin Keller	Leadership Hutchinson
Bobs McDougal	KWO
Jeff Amph	Division of the Budget
Terry Dewees	City of Manhattan, Kansas Recreation & Park Association
Garry L. Haller	Kansas Rec. & Park Association
LAURA KELLY	Kansas Recreation & Park Association
Jamie Clark Adams	KDA
Mal Foster	KDA
John Gailings	KDA



Fraternal Order of Police

Kansas State Lodge



February 8, 2000

Chairman Kerr and Members of the Senate Ways & Means Committee:

Having learned of proposed legislation Senate Bill 387 (S.B. 387), which would consolidate certain state agencies into a department of public safety, the state Lodge of Fraternal Order of Police wishes to respectfully express our strong opposition to such a bureaucratic change in our current state law enforcement system.

After careful examination, we could find no merit in this proposal. We based our conclusions on many considerations, some of which we wish to outline for you. The goal of our law enforcement community is to provide service to the citizens of Kansas. Kansas is currently organized with checks and balances in our system to provide service delivery in an honest, accountable, responsive, and open environment. S.B. 387 creates a new layer of bureaucracy between our elected officials and the agencies providing law enforcement response to the citizens of our state. This bill eliminates existing checks and balances among our state agencies, and creates a powerful, centralized administrative control over a multitude of state oversight responsibilities.

We have identified specific ways that the State of Kansas could benefit state and local law enforcement. If there is funding available to implement consolidation of state law enforcement agencies, and if you wish to examine pressing needs within the criminal justice system, we respectfully suggest that you use your limited time to consider the following issues, rather than consolidation:

- Continue to strengthen the KBI's important forensic services being provided to us at Topeka, Great Bend, Pittsburg, and, soon, Kansas City;
- Provide more KBI special agents to rural areas of our state;
- Reinforce KBI support of our fight against the methamphetamine epidemic in our state;
- Provide more KHP Troopers to rural areas of our state;
- Add one investigator and one inspector to the Office of Fire Marshal;
- Provide more training dollars to all five agencies in question to allow them to increase their instruction of local officers in their respective expertise;

Senate Ways and Means Committee

Date *February 9, 2000*

Attachment # *1*

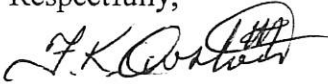
Fraternal Order of Police

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- Continue to support the efforts of the state agencies to bring their services to us, rather than consolidating such services in Topeka; and
- Currently, the State Fire Marshal's Office is a fee-funded agency. Is this now to become a tax-supported agency and thus an additional burden to the state system and taxpayers?

In conclusion, S.B. 387 creates a new bureaucracy in state government and consolidates power, eliminating existing checks and balances in our state law enforcement systems. Based upon our detailed review of S.B. 387, we respectfully oppose the bill. The assumed benefits are not worth the price of a flawed experiment.

Respectfully,



F.K. Owston III, State President
Fraternal Order of Police

Subcommittee Report

Agency: Department of Agriculture

Bill No. --

Bill Sec. --

Analyst: Holwegner

Analysis Pg. No. 663

Budget Page No. 49

Expenditure Summary	Agency Request FY 2001	Governor Recommendation FY 2001	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 22,903,144	\$ 22,256,591	\$ (341,250)
Aid to Local Units	0	0	0
Other Assistance	9,150	9,150	0
Subtotal - Operating	<u>\$ 22,912,294</u>	<u>\$ 22,265,741</u>	<u>\$ (341,250)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 22,912,294</u></u>	<u><u>\$ 22,265,741</u></u>	<u><u>\$ (341,250)</u></u>
State General Fund:			
State Operations	\$ 10,640,188	\$ 9,910,400	\$ (264,898)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 10,640,188</u>	<u>\$ 9,910,400</u>	<u>\$ (264,898)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 10,640,188</u></u>	<u><u>\$ 9,910,400</u></u>	<u><u>\$ (264,898)</u></u>
FTE Positions	312.5	305.5	0.0
Unclass. Temp. Positions	18.0	18.0	0.0
TOTAL	<u><u>330.5</u></u>	<u><u>323.5</u></u>	<u><u>0.0</u></u>

Agency Request/Governor's Recommendation

The Department requests **\$22,912,294** for FY 2001 operating expenditures. This is a decrease of \$32,258 (0.1 percent) below the FY 2000 estimate. The agency requests \$10,640,188 from the State General Fund and \$12,272,106 from federal and special revenue funds. **The agency requests \$14,080,104 for 330.5 positions** (312.5 FTE positions and 18.0 unclassified temporary positions). This is an increase of \$335,106 (2.4 percent) over the FY 2000 estimate. **The agency requests \$50,000** from the State General Fund for continued research into identifying Best Management Practices (BMPs) in farming.

The Governor recommends \$22,265,741 for FY 2001 operating expenditures. This is a decrease of \$574,724 (2.5 percent) from the FY 2000 recommendation and a decrease

Senate Ways and Means Committee

Date *February 9, 2000*

Attachment # *2*

of \$646,553 (2.8 percent) from the agency's FY 2001 request. The Governor recommends \$9,910,400 from the State General Fund and \$12,355,341 from federal and special revenue funds. The Governor recommends \$13,506,658 for the salaries and wages of 323.5 positions (305.5 FTE positions and 18.0 unclassified temporary positions). This is a decrease of \$191,772 (1.4 percent) from the FY 2000 estimate and decrease of \$573,446 (4.1 percent) from the agency's FY 2001 recommendation. The Governor recommends the **elimination of 7.0 FTE positions**; this includes 3.0 positions in the Administrative and Statistical Services Division, 1.0 in Laboratories, 2.0 in Inspections, and 1.0 in Water Resources. The Governor also recommends to **increase the turnover rate from 5.1 percent to 6.2 percent**. The Governor recommends **\$50,000** from the State Water Plan Fund for the agency's BMP enhancement request.

Senate Subcommittee Recommendation

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

1. **Delete \$341,250**, including \$264,898 from the State General Fund, based on the recommendation to delete funding for the Governor's pay plan adjustments from individual agency budgets. This includes classified step movement (\$170,585), an unclassified merit pool of 2.5 percent (\$35,291), and the longevity bonus (\$135,374).
2. Transfer \$852,447 from the Grain Inspection Fee Fund to the State General Fund. The money currently in the Grain Inspection Fee Fund is all that remains of the Grain Inspection Department that was abolished in 1997. For over two years the Grain Inspection Fee Fund has not been used to finance the Department of Agriculture. Neither the agency nor the Governor has indicated that Kansas should reestablish state grain inspections in the foreseeable future. If the Legislature decided in the future to re-authorize grain inspections, it would then find the funding for the program. Until then, this transfer will help improve the financial condition of the State General Fund.

The Subcommittee further recommends that during Omnibus and pending the passage of S.B. 501, which would create an agricultural remediation reimbursement program, the Ways and Means Committee consider approving one half of the transferred amount (\$426,234) for this new program. While this money was originally collected as inspection fees from the grain and feed industries, it is appropriate to reallocate funds when there are new public needs. If S.B. 501 passes, then it is reasonable for the grain and feed industries to help finance a new program that will help them with the cost of voluntary removal of chemicals.

3. For the past two years the Subcommittee has expressed concern about the negative effects of 1993 H.B. 2211 (K.S.A. 75-6801) which caps the

number of FTE positions due to retirements. The service level of some agencies, such as the Department of Agriculture, may erode. Currently, 40 persons in the Agriculture Department will be eligible for retirement. Most of those retirements will be in programs mandated by the Legislature. Since labor laws forbid the Department from asking its employees when they plan to retire, the agency cannot plan for vacancies. It appears that H.B. 2211 has outlived its usefulness and an unmanageable personnel policy has developed.

4. The Subcommittee notes the attempts of the Department of Agriculture to become less reliant on financing from the State General Fund. The agency's internal auditor will be financed from fee funds (\$30,098). The Plant Protection Program of the Plant Health Division will also begin to utilize other funds. The Plant Protection Program ensures the health and protection of the state's plants and honeybees from pests, diseases and weeds. Specifically, the Plant Protection Program will receive financing from the Fertilizer Fee Fund, the Agricultural Liming Materials Fee Fund, and the Feeding Stuffs Fee Fund; these funds will collectively provide approximately \$70,000. The Subcommittee also notes that in order for the agency to use these additional funding sources, legislation will be introduced to authorize these funds to be used for this purpose.



Senator Stephen R. Morris, Chair



Senator Christine Downey



Senator Larry Salmans

Senate Subcommittee Report

Agency: Animal Health Department

Bill No. --

Bill Sec. --

Analyst: Holwegner

Analysis Pg. No. 691

Budget Page No. 67

Expenditure Summary	Agency Request FY 2001	Gov. Rec. FY 2001	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 1,922,387	\$ 1,857,988	\$ 10,499 *
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	<u>\$ 1,922,387</u>	<u>\$ 1,857,988</u>	<u>\$ 10,499</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 1,922,387</u></u>	<u><u>\$ 1,857,988</u></u>	<u><u>\$ 10,499</u></u>
State General Fund:			
State Operations	\$ 692,609	\$ 628,028	\$ (29,441)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	<u>\$ 692,609</u>	<u>\$ 628,028</u>	<u>\$ (29,441)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 692,609</u></u>	<u><u>\$ 628,028</u></u>	<u><u>\$ (29,441)</u></u>
FTE Positions	30.8	30.0	1.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	<u><u>30.8</u></u>	<u><u>30.0</u></u>	<u><u>1.0</u></u>

* Includes a reduction of \$38,541 for the Governor's employee salary adjustment. Excluding the recommendation to omit the Governor's employee salary adjustment, the Subcommittee's recommends \$49,040 more than the Governor's recommendation.

Agency Request/Governor's Recommendation

The Animal Health Department requests **\$1,922,387** for FY 2001 operating expenditures. This is an increase of \$38,639 (2.0 percent) above the FY 2000 estimate. The agency requests \$692,609 from the State General Fund and \$1,229,778 from special revenue funds. The agency requests \$1,208,848 for the salaries and wages of 30.8 FTE positions. This is an increase of \$48,902 (4.2 percent) over the FY 2000 estimate. **The Department requests 0.8 new FTE attorney position and \$49,040** from the State General Fund for the salary (including benefits) and related expenses.

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The Governor recommends \$1,857,988 for FY 2001 operating expenditures. This is a decrease of \$20,603 (1.1 percent) from the FY 2000 recommendation, and it is a decrease of \$64,399 (3.3 percent) from the agency's FY 2001 request. The Governor recommends \$628,028 from the State General Fund and \$1,229,960 from special revenue funds. The Governor recommends \$1,154,023 for the salaries and wages of 30.0 FTE positions. This is a decrease of \$5,923 (0.5 percent) from the FY 2000 recommendation and a decrease of \$54,825 (4.5 percent) from the agency's FY 2001 request. The Governor does not recommend the Department's position enhancement.

Senate Subcommittee Recommendations

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

1. **Add \$49,040** from other funds for a new **1.0 FTE Attorney position**. The Subcommittee believes this position to be necessary for the agency to proceed with its administrative actions in a more timely fashion and help collect \$70,000 in fines that are owed to the State General Fund. Currently legal work is handled through an assistant attorney general who is responsible for the litigation of all state boards. The Animal Health Department believes that its legal needs have received a low priority from the Attorney General's Office. Without adequate legal support the Department cannot meet its legal obligations as authorized by the Legislature. It is appropriate during the state's current financial situation to utilize special revenue funds which the Governor recommends to be approved as "no limit." According to the agency, the fee funds could be used to finance this position for at least FY 2001, but over time different funding sources may have to be utilized.

The Department made this request in concert with the Board of Veterinary Examiners. Each agency asks for a fraction of one FTE position and plans to share the attorney position between the two offices. The Subcommittee recommends that the Animal Health Department be granted 1.0 FTE position and allow the Veterinary Board to contract with the Animal Health Department for legal services. To achieve this end, the Subcommittee recommends that the a new fund be created which will allow the Animal Health Department to receive money from the Board of Veterinary Examiners. This arrangement will avoid confusion and allow each agency to know what is expected of it. It will also help prevent the position from becoming reliant on the State General Fund for financing.

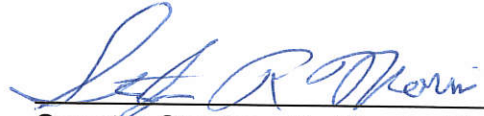
2. **Delete \$38,541**, including \$29,441 from the State General Fund, based on the recommendation to delete funding for the Governor's pay plan adjustments from individual agency budgets. This includes classified step movement (\$26,123), an unclassified merit pool of 2.5 percent (\$1,948), and the longevity bonus (\$10,470).

3. The Subcommittee congratulates the Animal Health Department in its success keeping Kansas livestock free from disease. On July 1, 1999, the U.S. Department of Agriculture (USDA) granted "Free" status to Kansas regarding bovine brucellosis eradication. This status will allow Kansas cattle to move interstate without a current brucellosis test, saving cattle producers money for testing. Surveillance for brucellosis will continue at livestock markets because the disease can be imported into the state at any time.

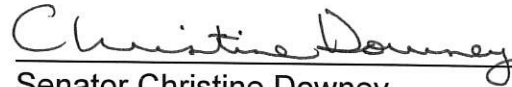
On August 1, 1999, USDA granted "Stage V" status to Kansas regarding porcine pseudorabies eradication. This allows breeding swine to move interstate without certification. USDA maintains surveillance for this disease at slaughter plants. Pseudorabies is a contagious disease primarily of swine. It can cause reproductive problems, including the loss of neonatal pigs, and death in adult hogs. According to USDA's Animal and Plant Health Inspection Service, the estimated cost of pseudorabies to pork producers in the United States is over \$30 million annually. This includes \$17 million for vaccination costs and \$11 million attributable to pig deaths.

While Kansas has taken care of these two animal diseases, the Governor recommends abolishing the Pseudorabies Indemnification Fund and transferring its balance (\$49,216) to the State General Fund. The Governor further recommends that the Livestock Indemnification Fund be abolished and its balance (\$49,300) be transferred into a new fund called the Livestock/Pseudorabies Indemnification Fund. This one fund would be used for the indemnification costs of all disease types, including pseudorabies. Currently the federal government has devoted some funding for pseudorabies eradication, but that funding source will not last. In which case the states will have to provide financial support. Indemnification costs, in part, are determined by the market value of livestock; as livestock prices increase, indemnification costs would also be higher.

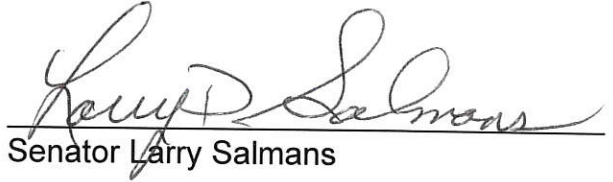
4. The Subcommittee notes that the Department recently lost two valuable clerical employees from the Animal Facilities Inspection Program. Both employees received jobs at higher pay ranges from another state agency. The Department expressed concern about losing these employees because their new job duties appear to have equal, or less, responsibility than what they had at this agency. The Subcommittee learned that the reclassification of employees in this small agency has been difficult. It can take months, or even years, to reclassify a position. The Subcommittee requests that the Division of Personnel Services in the Department of Administration examine this issue to determine whether inequities in job classifications are present between this agency and larger ones.



Senator Stephen R. Morris, Chair



Senator Christine Downey



Senator Larry Salmans

SUBCOMMITTEE REPORT

Agency: Kansas Water Office

Bill No. --

Bill Sec. --

Analyst: Holwegner

Analysis Pg. No. 752

Budget Page No. 479

Expenditure Summary	Agency Request FY 2001	Governor Recommendation FY 2001	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 6,237,949	\$ 5,767,445	\$ (39,057)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 6,237,949</u>	<u>\$ 5,767,445</u>	<u>\$ (39,057)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 6,237,949</u></u>	<u><u>\$ 5,767,445</u></u>	<u><u>\$ (39,057)</u></u>
State General Fund:			
State Operations	\$ 1,530,014	\$ 1,442,819	\$ (37,432)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 1,530,014</u>	<u>\$ 1,442,819</u>	<u>\$ (37,432)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 1,530,014</u></u>	<u><u>\$ 1,442,819</u></u>	<u><u>\$ (37,432)</u></u>
FTE Positions	22.5	22.5	0.0
Unclass. Temp. Positions	1.0	1.0	0.0
TOTAL	<u><u>23.5</u></u>	<u><u>23.5</u></u>	<u><u>0.0</u></u>

Agency Request/Governor's Recommendation

The Water Office requests \$6,237,949 for FY 2001 operating expenditures. This is an increase of \$429,617 (7.4 percent) above the FY 2000 estimate. The agency's expenditures request includes: \$1,530,014 from the State General Fund, \$3,210,674 from the State Water Plan Fund, \$1,372,577 from the Water Marketing Fund, and \$124,684 from all other revenue funds. The Water Office requests \$1,385,247 for the salaries and wages of 22.5 FTE positions and 1.0 unclassified temporary position. This is an increase of \$50,581 (3.8 percent) over the FY 2000 estimate.

The Governor recommends \$5,767,445 for operating expenditures in FY 2001. This is a decrease of \$140,727 (2.4 percent) from the FY 2000 recommendation, and a decrease of \$470,504 (7.5 percent) from the agency's FY 2001 request. The Governor recommends \$1,442,819 from the State General Fund, \$2,826,474 from the State Water Plan Fund, \$1,372,112 from the Water Marketing Fund, and \$126,040 from all other revenue

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funds. The Governor recommends \$1,375,293 for the salaries and wages of 23.5 positions (22.5 FTE positions and 1.0 unclassified temporary position). This is an increase of \$40,788 (3.1 percent) from the FY 2000 recommendation and a decrease of \$9,954 (0.7 percent) from the agency's FY 2001 request. The Governor recommends a KPERS rate freeze (\$4,355), a KPERS insurance moratorium (\$6,702), and a decrease in Worker's Compensation contribution (\$867).

FY 2001 Enhancements						
Enhancement	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Assessment and Evaluation	\$ 0	\$ 50,000	0.0	\$ 0	\$ 0	0.0
Federal Cost-Share Programs	0	250,000	0.0	0	250,000	0.0
Kansas Water Resources Research Institute	0	136,000	0.0	0	0	0.0
Stream Team Coordinator	0	50,000	0.0	0	0	0.0
Public Water Supply-GIS Data Development	0	95,200	0.0	0	0	0.0
TOTAL	\$ 0	\$ 581,200	0.0	\$ 0	\$ 250,000	0.0

Enhancements

Assessment and Evaluation. The agency requests an additional \$50,000 from the State Water Plan Fund. The agency wants to determine if the Water Authority's objectives for 2010 will be met with the current programs of the State Water Plan. With the enhancement the agency requests a total of \$300,000 from the State Water Plan Fund for assessment and evaluation of water resource conditions in each of the twelve planning basins. While the Governor does not recommend the enhancement, **the Governor recommends \$200,000** for assessment and evaluation.

Federal Cost-Share Programs. The agency requests an additional \$250,000 from the State Water Plan Fund for federal cost-share programs. A one-to-one match is required. These projects include: sediment surveys of water supply lakes, evaluation of options to meet the water supply needs of the Walnut Basin Region, evaluation of the Upper Arkansas River corridor, evaluation of the Missouri River in Kansas, evaluate the need and scope for a potential study of the Pikitanoi water supply project for the Kickapoo Indian Nation. **The Governor concurs.**

Kansas Water Resources Research Institute. The agency requests an additional \$136,000 from the State Water Plan Fund for the Kansas Water Resources Research Institute (KWRI). These funds will be utilized in a two-for-one match for an investigation of physical, chemical, and biological characteristics of surface and groundwater. The Governor does not recommend this enhancement.

Stream Team Coordinator. The agency requests an additional \$50,000 from the State Water Plan Fund for a Stream Team Coordinator. The agency would contract with a non-profit organization to hire a coordinator who would further communications and cooperation between stream teams in the state. The Governor does not recommend this enhancement.

Public Water Supply–GIS. The agency requests an additional \$95,200 from the State Water Plan Fund to develop Geographic Information System (GIS) data for public water supplies. The Governor does not recommend this enhancement.

Senate Subcommittee Recommendations

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

1. **Delete \$39,057**, including \$37,432 from the State General Fund, based on the recommendation to delete funding for the Governor's pay plan adjustments from individual agency budgets. This includes classified step movement (\$20,601), an unclassified merit pool of 2.5 percent (\$4,275), and the longevity bonus (\$14,181).
2. **Transfer \$653,350** from the Water Marketing Fund to the State General Fund. The Water Marketing Program supplies water to municipal and industrial users. The Water Marketing Fund receives the water fees from this program and makes payments to the U.S. Corp of Engineers for water storage and to the State General Fund for capital and interest payments. This transfer is a partial prepayment on the loan from the State General Fund. Over time the Water Marketing Fund has been collecting an internal reserve to reduce the effect of any dramatic water rate increases. By making a prepayment, the future cost of paying off the loan will decrease and could cause a small decrease in water rates.

Since the Water Marketing Program operates on a calendar year rather than a fiscal year, this transfer could cause some short term cash flow difficulties. To help alleviate this concern, the Subcommittee recommends allowing the Water Office to obtain a short term loan from the Pooled Money Investment Board to meet the financial obligations of the Water Marketing Program. To lessen the effects of a dramatic water rate increase, the Subcommittee also recommends that legislation be introduced to allow the Water Office to obtain a long term loan from the Pooled Money Investment Board.

3. The Subcommittee notes that for FY 2001 the Governor has not recommended or anticipated any money returned back to the State Water Plan Fund. The Subcommittee understands that returned funds are usually estimated for the current fiscal year, and for FY 2000 the amount expected to be returned to the fund is \$1.8 million. At the end of FY 2001, the Governor currently estimates the ending balance of the State Water Plan Fund to be \$20,000.

4. The Subcommittee is concerned about research being conducted in the Equus Bed Aquifer regarding water quality, available amounts, and the effect feed lots may have on it. As agencies do their independent studies, there appears to be no organized statewide effort to identify pollutants. The Subcommittee discussed the agency's request for \$136,000 from the State Water Plan Fund for surface and groundwater research to be conducted by the Kansas Water Resources Research Institute. The Institute is a part of the Kansas Agricultural Experiment Station and conducts research on water efficiency and quality use. The Governor did not recommend this project.

The Subcommittee concludes that at least part of the issue is being addressed and refrains from making additional recommendations until after the Kansas Department of Health and Environment and the State Conservation Commission have been reviewed.

5. The Subcommittee notes that the Governor recommends \$250,000 from the State Water Plan Fund for federal cost-share programs with the U.S. Corps of Engineers that require a one-to-one match. The Subcommittee has learned that the list of potential projects has been prioritized by the Water Office. The first two projects to be performed are a sedimentation study of several small water supply lakes and a study of the Upper Arkansas River corridor. If time and money is available, the agency plans to evaluate the options to meet the water supply needs of the Walnut Basin Region, including storage at El Dorado Lake.

6. The Subcommittee received public testimony regarding the state's Hail Suppression Program. The counties of Rawlins and Cheyenne, through either the county commission or a vote of the people, have opted to not participate in the program. According to the public testimony that the Subcommittee heard, Groundwater Management District (GMD) #4 plans to request a permit from the Water Office to suppress hail in these two counties. The director of the Water Office stated that his policy is to follow the wishes of a county as expressed by the board of county commissioners or by a vote of the people. The Subcommittee respectfully requests that the director of the Water Office seek written commitment

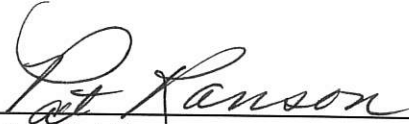
from GMD #4 that it does not plan to request a permit for Rawlins and Cheyenne counties. The Subcommittee also requests that it receive copies of the letter from GMD #4 from the Water Office.



Senator Dave Kerr, Chairman



Senator Christine Downey



Senator Pat Ranson

Senate Subcommittee Report

Agency: State Conservation Commission Bill No. --

Bill Sec. --

Analyst: Holwegner

Analysis Pg. No. 712 Budget Page No. 115

Expenditure Summary	Agency Req. FY 01	Gov. Rec. FY 01	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 1,602,732	\$ 1,587,466	\$ (15,936)
Aid to Local Units	2,538,250	2,070,500	0
Other Assistance	7,217,000	6,867,000	0
Subtotal - Operating	\$ 11,357,982	\$ 10,524,966	\$ (15,936)
Capital Improvements	0	0	0
TOTAL	\$ 11,357,982	\$ 10,524,966	\$ (15,936)
State General Fund:			
State Operations	\$ 626,829	\$ 593,248	\$ (14,253)
Aid to Local Units	0	0	0
Other Assistance	6,000,000	4,500,000	0
Subtotal - Operating	\$ 6,626,829	\$ 5,093,248	\$ (14,253)
Capital Improvements	0	0	0
TOTAL	\$ 6,626,829	\$ 5,093,248	\$ (14,253)
FTE Positions	13.5	13.5	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	13.5	13.5	0.0

Agency Request/Governor's Recommendation

The Commission requests \$11,357,982 for total FY 2001 expenditures. This is an increase of \$576,207 (5.3 percent) above the FY 2000 estimate. The agency requests \$6,626,829 from the State General Fund, and \$4,731,153 from federal and special revenue funds. The agency requests \$625,152 for the salaries and wages of 13.5 FTE positions. This is an increase of \$21,678 (3.6 percent) from the FY 2000 estimate.

The Governor recommends \$10,524,966 for total FY 2001 operating expenditures. This is a decrease of \$253,755 (2.4 percent) from the FY 2000 recommendation and a decrease of \$833,016 (7.3 percent) from the agency's FY 2001 request. The Governor recommends \$5,093,248 from the State General Fund, and \$5,431,718 from federal and

special revenue funds. The Governor recommends \$617,886 for the salaries and wages of 13.5 FTE positions. This is an increase of \$16,153 (2.7 percent) from the FY 2000 recommendation and a decrease of \$7,266 (1.2 percent) from the agency's FY 2001 recommendation.

FY 2001 Enhancements						
Enhancement	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Water Resources Cost-Share	\$ 0	\$ 250,307	0.0	\$ 0	\$ 0	0.0
Multipurpose Small Lakes	0	421,750	0.0	0	0	0.0
Riparian & Wetlands Program	0	64,044	0.0	0	64,044	0.0
TOTAL—FY 2001 Enhancement Request	\$ 0	\$ 736,101	0.0	\$ 0	\$ 64,044	0.0

FY 2001 Enhancements

Water Resource Cost-Share. The agency requests an additional \$250,307 from the State Water Plan Fund. The Cost-Share Program is planned to place an emphasis on the state reaching its Total Maximum Daily Loads (TMDLs) allowance. Levels of sedimentation, fecal coliform bacteria, and pesticides are to be reduced in surface water and groundwater. With the enhancement, the Commission requests \$4,800,000 from the State Water Plan Fund for this program. While the Governor does not recommend this enhancement, **the Governor recommends \$4,450,000** from the State Water Plan Fund for this program.

Multipurpose Small Lakes--Cedar Creek Reservoir. The agency requests an additional \$421,750 from the State Water Plan Fund to provide flood protection, public recreation, and an alternative water supply to Ft. Scott and Bourbon County Consolidated Rural Water District No. 2, located approximately 4 miles west of Ft. Scott in the Marmaton Watershed District. With the enhancement, the Commission requests \$652,750 from the State Water Plan Fund. While the Governor does not recommend this enhancement, **the Governor recommends \$230,000** from the State Water Plan Fund for this project.

Riparian and Wetlands. The agency requests an additional \$64,044 from the State Water Plan Fund. With the enhancement, the Commission requests \$200,000 from the State Water Plan Fund to be used for landowner grants (\$186,000) to implement riparian and wetland protection projects and promotional activities (\$14,000). **The Governor concurs.**

Senate Subcommittee Recommendations

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

1. **Delete \$15,936**, including \$14,253 from the State General Fund, based on the recommendation to delete funding for the Governor's pay plan adjustments from individual agency budgets. This includes classified step movement (\$3,078), an unclassified merit pool of 2.5 percent (\$9,128), and the longevity bonus (\$3,730).
2. The Subcommittee heard testimony about the Conservation Commission's activities regarding Total Maximum Daily Loads (TMDLs). In a court settlement with the Natural Resource Council and the Sierra Club, the State of Kansas agreed to establish TMDL levels for non-point source pollution as required by the federal 1972 Clean Water Act.

Currently the Kansas Department of Health and Environment (KDHE) is establishing TMDL levels. The levels are then approved by the Environmental Protection Agency (EPA). The EPA has approved levels for the Kansas Lower Republican (KLR) Basin. KDHE is currently working on TMDL levels for other basins in the state, including the Upper and Lower Arkansas basins.

A needs inventory is currently underway in the KLR Basin to identify and estimate the costs to reach TMDL levels. After the inventory is completed in the spring, it will aid in allocating state funds. Some costs will be one-time in nature, and others will require multiple year appropriations. The Conservation Commission will be primarily responsible for providing technical and monetary assistance to individuals and local governments.

The Subcommittee wishes to inform the Ways and Means Committee as to what may lie ahead in FY 2002 and beyond. The Kansas Water Quality Buffer Initiative, which provides supplemental rental payments on a per acre basis to landowners along waterways, could be expanded to include all watersheds in the KLR Basin. The Non-point Source Pollution Program, which provides financial and technical assistance to local landowners and local governments for pollution control projects, could provide assistance to more than 90 counties. The Water Resource Cost-Share Program, which provides financial assistance to private landowners for the construction of enduring water conservation structures, may consider improvements to irrigation systems as a cost-share practice. The Riparian and Wetlands Protection Program, which provides planning assistance to landowners and conducts project demonstrations, may have 40 to 50 projects on the waiting list. Currently there is money committed to 30 projects.

Participation in all of these programs is voluntary, but great interest in water protection is evident. While the Conservation Commission may seek additional funds from the federal government to implement the Clean Water Act, the state's share of the cost will become substantial.

3. The Subcommittee notes the progress of the State Conservation Commission. To date, approximately 1,300 acres have been enrolled in the Buffer Initiative, protecting nearly 150 stream miles. In the past year the Initiative has been expanded twice to include the Tuttle Creek and upper Perry Reservoir drainage areas. Currently 100 counties have approved Non-point Source Pollution Management Plans, and 89 of those counties are receiving financial assistance in FY 2000. Thirty-two projects in the Riparian and Wetland Protection Program are planned to be financed; the projects include large stream bank restoration, protective fencing for riparian areas, and alternative livestock water supplies. The Governor's recommendation for FY 2001 will complete the funding needed for the flood control portion of the Cedar Creek Reservoir that is located west of Fort Scott.



Senator Dave Kerr, Chairman



Senator Christine Downey



Senator Pat Ranson

Senate Subcommittee Report

Agency: Kansas State Fair

Bill No. --

Bill Sec. --

Analyst: Holwegner

Analysis Pg. No. 735 Budget Page No. 173

Expenditure Summary	Agency Request FY 2001	Gov. Rec. FY 2001	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 3,669,344	\$ 3,663,510	\$ 9,423 *
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	<u>\$ 3,669,344</u>	<u>\$ 3,663,510</u>	<u>\$ 9,423</u>
Capital Improvements	6,707,245	700,000	0
TOTAL	<u><u>\$ 10,376,589</u></u>	<u><u>\$ 4,363,510</u></u>	<u><u>\$ 9,423</u></u>
State General Fund:			
State Operations	\$ 118,675	\$ 118,000	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	<u>\$ 118,675</u>	<u>\$ 118,000</u>	<u>\$ 0</u>
Capital Improvements	6,407,245	300,000	0
TOTAL	<u><u>\$ 6,525,920</u></u>	<u><u>\$ 418,000</u></u>	<u><u>\$ 0</u></u>
FTE Positions	22.0	22.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	<u><u>22.0</u></u>	<u><u>22.0</u></u>	<u><u>0.0</u></u>

* Includes a reduction of \$15,577 for the Governor's employee salary adjustment. Excluding the recommendation to omit the Governor's employee salary adjustment, the Subcommittee recommends \$25,000 more than the Governor's recommendation.

Agency Request/Governor's Recommendation

The State Fair Board requests \$3,669,344 for FY 2001 operating expenditures. This is an increase of \$42,195 (1.2 percent) above the FY 2000 estimate. The agency requests \$118,675 from the State General Fund, \$3,515,669 from the State Fair Fee Fund, and \$35,000 from the Economic Development Initiatives Fund. The agency requests \$1,282,050 for the salaries and wages of 22.0 FTE positions (this includes 1.0 position enhancement). This is an increase of \$60,865 (5.0 percent) over the FY 2000 estimate.

Senate Ways and Means Committee

Date February 9, 2000

Attachment # 6

The State Fair requests an additional 1.0 FTE Office Assistant I position and \$19,444 (including fringe benefits) from the State Fair Fee Fund for the position's salary.

The Governor recommends \$3,663,510 for FY 2001 operating expenditures. This is an increase of \$33,141 (0.9 percent) from the FY 2000 recommendation and a decrease of \$5,834 (0.2 percent) from the agency's FY 2001 request. The Governor recommends \$118,000 from the State General Fund and \$3,545,510 from the State Fair Fee Fund. The Governor recommends \$1,276,216 for the salaries and wages of 22.0 FTE positions. This is an increase of \$51,811 (4.2 percent) from the FY 2000 recommendation and a decrease of \$5,834 (0.5 percent) from the agency's FY 2001 request. **The Governor recommends the agency's personnel enhancement.**

Senate Subcommittee Recommendations

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

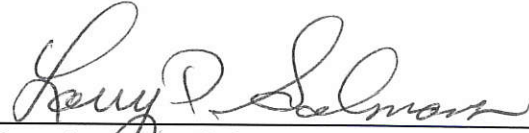
1. **Add \$25,000** from the Economic Development Initiatives Fund for state operations. The Subcommittee believes that the State Fair is a valuable form of economic development and should be supported accordingly. The Fair will use this money for advertising and award prizes.
2. **Delete \$15,577** from the State Fair Fee Fund, based on the recommendation to delete funding for the Governor's pay plan adjustments from individual agency budgets. This includes classified step movement (\$7,565), an unclassified merit pool of 2.5 percent (\$2,012), and the longevity bonus (\$6,000).
3. The Subcommittee commends the State Fair Board for its management in a business-like fashion. Unlike many state fair organizations across the nation, the Kansas State Fair finances most of its expenditures from the revenue that it generates. Under the Governor's recommendation, 96.8 percent of total operating expenditures are financed from the State Fair Fee Fund.
4. The Subcommittee notes that the State Fair has planned a very ambitious facilities master plan. While the state's current financial situation may not provide much immediate support, the Subcommittee would suggest that the State Fair Board consider working with the Department of Corrections to have it help provide prison labor for capital improvement projects. This would be a way to begin construction and do it at a cheaper cost.



Senator Stephen R. Morris, Chair



Senator Christine Downey



Senator Larry Salmans

SENATE SUBCOMMITTEE REPORT

Agency: Kansas Wheat Commission Bill No. --

Bill Sec. --

Analyst: Holwegner

Analysis Pg. No. 777

Budget Page No. 481

Expenditure Summary	Agency Request FY 2001	Governor Recommendation FY 2001	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 3,431,266	\$ 3,432,606	\$ (10,196)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	<u>\$ 3,431,266</u>	<u>\$ 3,432,606</u>	<u>\$ (10,196)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 3,431,266</u></u>	<u><u>\$ 3,432,606</u></u>	<u><u>\$ (10,196)</u></u>
State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
FTE Positions	8.0	8.0	0.0
Unclass. Temp. Positions	0.0	0.0	0.0
TOTAL	<u><u>8.0</u></u>	<u><u>8.0</u></u>	<u><u>0.0</u></u>

Agency Request/Governor's Recommendation

The Kansas Wheat Commission requests \$3,431,266 from the Wheat Commission Fee Fund for FY 2001 operating expenditures. The amount requested is a decrease of \$244,140 (6.6 percent) from the current year estimate of \$3,675,406. The Commission requests \$2,379,084 for marketing and research contracts; this is a decrease of \$53,516 (2.2 percent) from the revised FY 2000 estimate of \$2,432,600. The Commission requests \$318,000 for projects designed to increase the market share of Kansas wheat and \$350,116 for other operating expenditures. The Commission also requests \$384,066 for the salaries and wages for 8.0 FTE positions. This is an increase of \$9,235 (2.5 percent) from the revised FY 2000 estimate.

The Governor recommends \$3,432,606 from the Wheat Commission Fee Fund for FY 2001 operating expenditures. This amount is a decrease of \$206,087 (5.7 percent) from the FY 2000 recommendation and an increase of \$1,340 from the agency's FY 2001 request. The Governor recommends \$2,379,084 for marketing and research contracts,

Senate Ways and Means Committee

Date *February 9, 2000*

Attachment # *7*

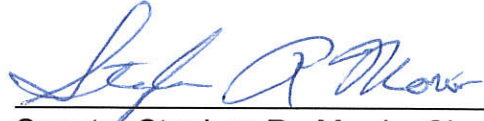
\$318,000 for projects designed to increase the market share of Kansas wheat, and \$350,116 for other operating expenditures. The Governor recommends \$385,406 for the salaries and wages for 8.0 FTE positions. This is an increase of \$12,918 (3.5 percent) from the FY 2000 recommendation and an increase of \$1,340 (0.3 percent) from the agency's FY 2001 request.

Senate Subcommittee Recommendations

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

1. **Delete \$10,196** from the Wheat Commission Fee Fund, based on the recommendation to delete funding for the Governor's pay plan adjustments from individual agency budgets. This includes classified step movement (\$4,203), an unclassified merit pool of 2.5 percent (\$2,838), and the longevity bonus (\$3,155).
2. Last year the Subcommittee recommended, and the Legislature ultimately approved, an additional \$700,000 for special marketing projects designed to increase the market share of Kansas wheat. The agency plans to spend \$463,000 in FY 2000 and \$318,000 in FY 2001. Many of these projects involve expanding the international wheat market, and some involve maintaining the quality of Kansas wheat or wheat products. Attached at the end of the Subcommittee's recommendations is a table outlining the projects. With regard to some of these projects, such as the GIA Project and the Wheat Cleaning Initiative, the Subcommittee has learned that some large grain trading companies have resisted the Wheat Commission's activities. It appears that some companies may have lost sight of the importance of quality and would rather solely emphasize volume. This is done by blending high quality wheat with low grades. While this practice may help the profit margin of some international companies, it is detrimental to Kansas producers and the industry as a whole.
3. The Subcommittee notes that H.B. 2674 would privatize the Wheat Commission and the three other commodity commissions (corn, soybean, and grain sorghum) that are organized in the Department of Agriculture. According to the fiscal note for H.B. 2674, if the four commissions were privatized, \$509,787 less in revenue would be realized by the State General Fund. Half of that amount is attributable to the wheat funds alone.
4. Finally, the Subcommittee notes that an estimated 68 percent of the wheat acreage in the state is planted with wheat varieties that were developed by Kansas State University. The Wheat Commission has funded a significant portion of the research. This is an accomplishment of Kansas wheat growers and their check-off dollars.

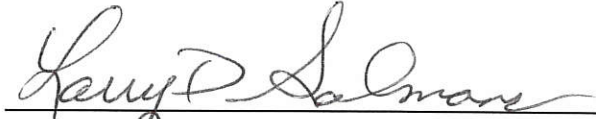
State Finance Council Approved, December 10, 1999		
Market Share Projects	FY 2000	Agency Request FY 2001
Iranian Projects Funds would be used to market wheat to Iran.	\$ 30,000	\$ 30,000
Algerian Symposium The agency would sponsor a speaker to Algeria on hard red winter wheat.	25,000	0
West African Regional Marketing Study on Pasta This study would identify areas where new flour mills could be placed that would produce pasta.	25,000	0
Cuba The agency would sponsor courses for millers in Cuba. The agency would also develop a report on the Cuban grain market.	25,000	25,000
Brazilian Flour Mill Training This project would provide support for flour miller training in Brazil.	40,000	0
Kansas Department of Commerce and GIA Project This project would verify the value in milling and baking with flour made from Kansas wheat.	208,000	111,000
Study of Commercial Use of Hard White Winter Wheat Tortillas This project would test tortillas made with hard white wheat.	8,000	30,000
Japan Project This study would illustrate how wheat from the Texas Gulf ports has changed since 1983.	2,000	22,000
Wheat Cleaning Initiative with USDA and Gulf Exporters This project would work to assure that wheat from the Texas Gulf would have access to cleaning facilities.	<u>100,000</u>	<u>100,000</u>
TOTAL	<u>\$ 463,000</u>	<u>\$318,000</u>



Senator Stephen R. Morris, Chair



Senator Christine Downey



Senator Larry Salmans

Senate Subcommittee Report

Agency: Department of Wildlife and Parks **Bill No. --**

Bill Sec. --

Analyst: Little

Analysis Pg. No. 795 Budget Page No. 485

<u>Expenditure Summary</u>	<u>Agency Req. FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>Senate Subcommittee Adjustments</u>
All Funds			
State Operations	\$ 33,372,181	\$ 32,504,405	\$ (640,887)
Aid to Local Units	2,265,000	1,705,000	(275,000)
Other Assistance	0	35,000	0
Subtotal	<u>\$ 35,672,181</u>	<u>\$ 34,244,405</u>	<u>\$ (915,887)</u>
Capital Improvements	4,515,700	4,334,398	0
TOTAL	<u><u>\$ 40,187,881</u></u>	<u><u>\$ 38,578,803</u></u>	<u><u>\$ (915,887)</u></u>
State General Fund			
State Operations	\$ 4,543,446	\$ 3,553,168	\$ (72,986)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal	<u>\$ 4,543,446</u>	<u>\$ 3,553,168</u>	<u>\$ (72,986)</u>
Capital Improvements	198,000	0	0
TOTAL	<u><u>\$ 4,741,446</u></u>	<u><u>\$ 3,553,168</u></u>	<u><u>\$ (72,986)</u></u>
Other Funds			
State Operations	\$ 28,863,735	\$ 28,951,237	\$ (567,901)
Aid to Local Units	2,230,000	1,705,000	(275,000)
Other Assistance	35,000	35,000	0
Subtotal	<u>\$ 31,128,735</u>	<u>\$ 30,691,237</u>	<u>\$ (842,901)</u>
Capital Improvements	4,317,700	4,334,398	0
TOTAL	<u><u>\$ 35,446,435</u></u>	<u><u>\$ 35,025,635</u></u>	<u><u>\$ (842,901)</u></u>
FTE Positions	448.5	382.5	0.0
Unclassified Temp. Positions	<u>3.0</u>	<u>56.0</u>	<u>0.0</u>
TOTAL	<u><u>451.5</u></u>	<u><u>448.5</u></u>	<u><u>0.0</u></u>

* Includes a reduction of \$615,387 (\$72,986 SGF) for the Governor's employee salary adjustment. Excluding the recommendation to omit the Governor's employee salary adjustment, the Subcommittee's recommends \$300,500 less than the Governor's recommendation.

Senate Ways and Means Committee

Date *February 9, 2000*

Attachment # *8*

Agency Req./Governor's Recommendation

The agency requests FY 2001 operating expenditures of \$35,672,181, an increase of \$2,554,916 or 7.7 percent above the revised FY 2000 estimate. The FY 2001 request includes the following:

- **All Funds**
 - \$35,672,181, an increase of 7.7 percent over FY 2000 request
- **State General Fund**
 - \$4,543,446 or 7.7 percent increase over FY 2000
- **Federal and Special Revenue Funds**
 - \$31,128,735 all other funds. Increase of \$2,227,791 or 7.7 percent over FY 2000
 - \$22,531,531 from the Wildlife Fee Fund
 - Includes \$1,000,000 Economic Development Initiative Fund (EDIF) for Local Government Outdoor Recreation Grants at the enhanced level
 - **Staff Note:** In FY 1999 and FY 2000, the Legislature approved \$500,000 EDIF for local grants
- **Salaries and Wages**
 - \$19,335,850 (including \$3,322,076 SGF) for 448.5 FTE and 3.0 unclassified temporary
 - Includes \$1,757,214 for temporary and seasonal employees
 - Includes \$583,171 all funds, and 54.0 FTE for continuation of the AmeriCorps program for voluntary service to the park system
- **New Initiative: AmeriCorps Program**
 - The agency received new federal funding to implement a new public service program at 18 state parks
 - The program is designed to provide community service opportunities promoting outdoor recreation, public awareness, and natural resource stewardship
 - The 54 participants each year receive a living stipend, and following 1,700 hours of services, \$4,725 toward an educational credit

Governor's Recommendation

- **All Funds**
 - \$34,244,405, an increase of \$1,741,162 or 5.4 percent over FY 2000
 - \$1,427,776 below the agency's enhanced request
- **State General Fund**
 - \$3,553,168, a 0.2 percent increase over FY 2000
- **Federal and Special Revenue Funds**
 - \$30,691,237, a 6.0 percent increase over FY 2000

- **Salaries and Wages**
 - \$18,937,291 (including \$2,659,445 SGF) for 391.5 FTE
 - \$1,625,723 for temporary and seasonal employees
 - An increase of \$601,958 over FY 2000 but a reduction of \$302,559 from the agency request
 - Delete 1.0 FTE position from FY 2000 and \$50,963 from public lands for a retirement reduction
- The Governor's pay plan for the FY 2001 recommends: \$18,937,291 All Funds
 - \$366,632 for 2.5 percent classified step movement
 - \$223,564 for longevity bonus payments
 - \$25,191 for a 2.5 percent unclassified merit pool

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

1. The Subcommittee deletes \$615,387 (\$72,986 SGF) to remove the Governor's pay plan, including classified step movement, unclassified merit, and longevity bonus payments.
2. The Subcommittee reduces from eight to five the number of personal water craft the Governor recommended for the agency. The recommendation reduces the Boating Fee Fund by \$25,500.
3. Deletes \$275,000 EDIF from the Local Government Outdoor Recreation Grant Program. A total of \$200,000 EDIF from the Governor's recommendation remains in the budget for grants. It appears the agency has done a commendable job of screening applications for the grant projects during the last two years. When the Subcommittee reviewed the approved projects, the benefits to communities receiving grants were clear.
4. The Subcommittee notes with concern the Governor's actions to spend down the ending balance in the Park Fee Fund. The Governor's revised budget for FY 2000 and recommendation for FY 2001 runs perilously close to overspending the funds available. Only good weather which has increased park patronage, and continued park usage at a 16 percent growth rate, will keep from spending the Park Fee Fund into deficit. The Subcommittee recommends the balances in the Park Fee Fund be monitored closely in the event adjustments are required.

Additionally, the Subcommittee recommends the House pass SB 316, which the Senate passed during the 1999 Session. SB 316 eliminates the total exemption for senior citizens and individuals with disabilities from the purchase of hunting and fishing licenses, as well as vehicle fees for park usage. The bill charges seniors citizens one-half the face value of the licenses and fees. Overall, the bill would bring in an estimated \$891,548 in revenue and in particular \$367,755 to the Park Fee Fund.

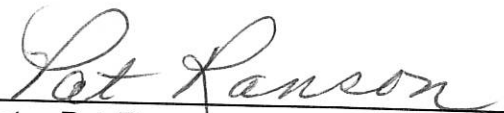
5. The Subcommittee questions the Governor's recommendation to remove 16.5 FTE positions from the state's correctional facilities' inmate work details. According to the Secretary of Wildlife and Parks, the recommendation will have a negative impact on the operations of the state park system. On average, between 100 and 150 inmates work at the state parks while supervised by Department of Corrections employees. The Governor has recommended cutting 16.5 of these positions which the Subcommittee heard will have a negative impact on the condition and upkeep of the state park system.
6. The Subcommittee notes the efforts of the agency to obtain federal funding for 54.0 AmeriCorps positions for FY 2000 and FY 2001. The agency will employ 54.0 youth who will work in eighteen state parks. The youth will receive a stipend and up to \$4,700 in educational credits after working 1,700 hours. The total cost for the program is \$814,739 in both fiscal years, of which the state's cost due to in-kind contributions and Park Fee Fund usage will be \$83,870 in FY 2000 and \$34,000 in FY 2001. The Subcommittee commends the agency for securing the federal funding and maximizing the ability to utilize existing funds and enhance programs.



Senator Dave Kerr, Chairman



Senator Christine Downey



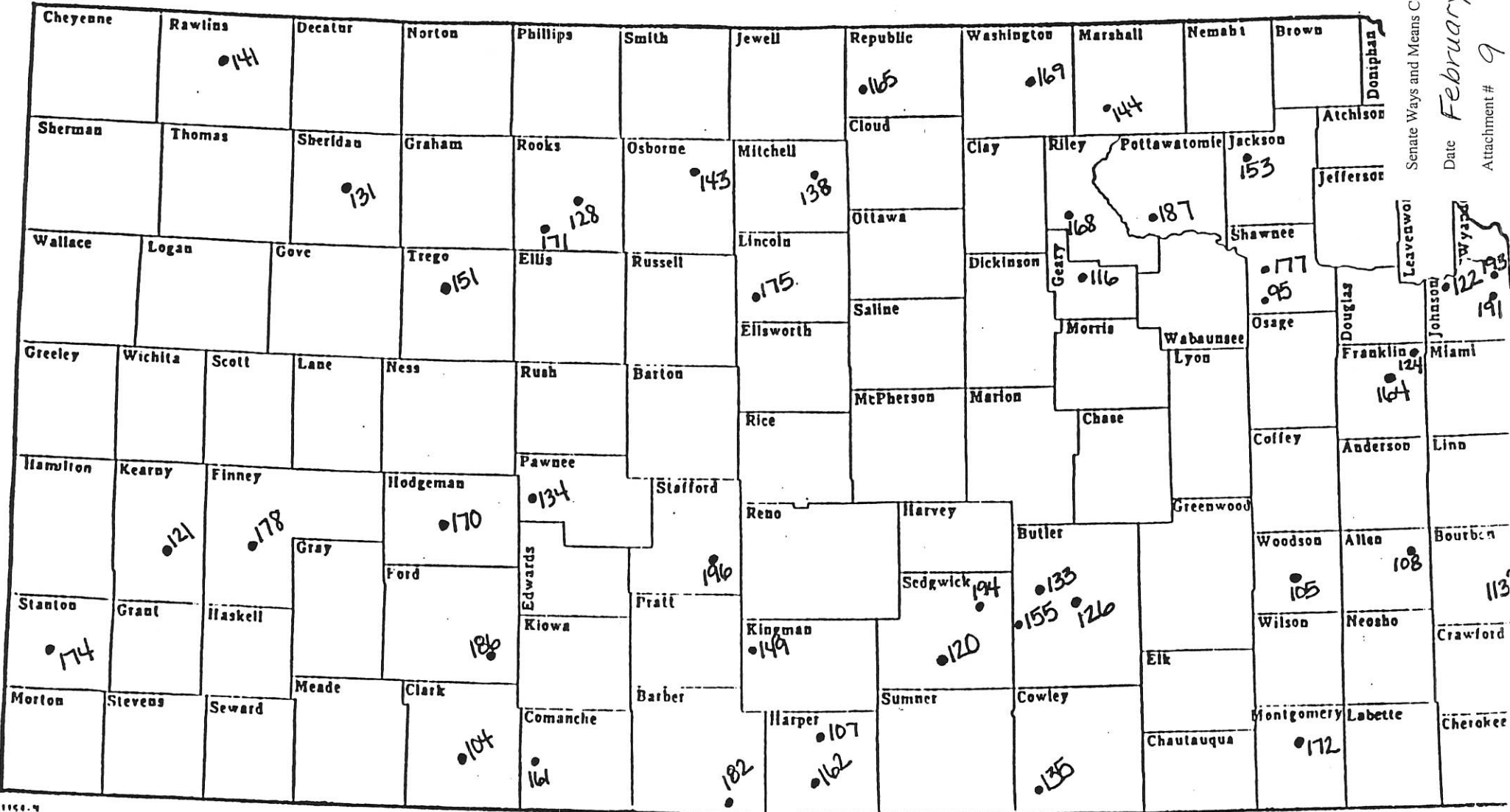
Senator Pat Ranson

LOCAL GOVERNMENT OUTDOOR GRANT PROGRAM 2000

Senate Ways and Means Committee

Date February 9, 2000

Attachment # 9



LGORGP 2000 Approved Projects

9-2

ID #	Government Agency	Project Description	County	Total Project	Amount Requested	Amount Approved
155	City of Andover	Playground Equipment	BU	\$10,000.00	\$5,000.00	\$5,000.00 ✓
162	City of Anthony	Group Shelter at Lake	HP	\$21,606.00	\$10,803.00	\$10,803.00
135	City of Arkansas City	Development of Roller Sports Park	CL	\$22,000.00	\$10,000.00	\$10,000.00
104	City of Ashland	Park Improvements	CA	\$7,522.87	\$3,622.87	\$3,622.00
141	City of Atwood	Playground Equipment	RA	\$67,041.00	\$30,000.00	\$30,000.00
95	City of Auburn	New Restroom in new park	SN	\$15,000.00	\$7,500.00	\$7,500.00
138	City of Beloit	New Restroom	MC	\$22,578.00	\$11,289.00	\$11,289.00
144	City of Blue Rapids	Ballfield Improvements	MS	\$23,650.00	\$11,825.00	\$5,000.00
186	City of Bucklin	New Playground Equipment	FO	\$19,833.00	\$9,833.00	\$9,833.00
134	City of Burdett	Resurface Tennis Courts	PN	\$22,970.00	\$11,485.00	\$11,485.00
165	City of Courtland	Swimming Pool Improvements	RP	\$2,157.00	\$1,075.00	\$1,075.00
149	City of Cunningham	Playground Equipment	KM	\$36,340.72	\$10,000.00	\$10,000.00
122	City of DeSoto	Park Improvements at Miller Park	JO	\$34,380.00	\$15,000.00	\$8,500.00

9-3

ID #	Government Agency	Project Description	County	Total Project	Amount Requested	Amount Approved
126	City of Eldorado	Aquatic Facility Renovations	BU	\$47,460.00	\$22,460.00	\$12,000.00
113	City of Fort Scott	Renovate Swimming Pool	BB	\$100,000.00	\$50,000.00	\$25,000.00
178	City of Garden City	Ballfield Improvements	FI	\$52,000.00	\$25,000.00	\$15,000.00
107	City of Harper	Wellness Path	HP	\$120,175.00	\$60,000.00	\$5,000.00
120	City of Haysville	Playground Equipment	SG	\$36,638.56	\$18,319.28	\$18,319.00
131	City of Hoxie	Swimming Pool Renovation	SD	\$39,100.00	\$19,550.00	\$19,550.00
172	City of Independence	Soccer Complex Development	MG	\$54,000.00	\$20,000.00	\$20,000.00
170	City of Jetmore	Park & Tennis Improvements	HG	\$25,462.00	\$12,731.00	\$8,025.00
116	City of Junction City	Playground equipment at 3 Parks	GE	\$135,000.00	\$67,500.00	\$19,000.00
182	City of Kiowa	New Playground Equipment	BA	\$13,092.00	\$6,000.00	\$6,000.00
121	City of Lakin	Playground/Skate Park	KE	\$13,200.00	\$6,500.00	\$6,500.00
108	City of Moran	Renovate Ballfield	AL	\$12,408.50	\$6,200.00	\$6,200.00
153	City of Netawaka	Ballfield Lights & Fixtures	JA	\$22,818.50	\$11,406.00	\$8,729.00
143	City of Osborne	New Ballfield Restroom	OB	\$26,878.94	\$13,325.00	\$13,325.00
164	City of Ottawa	Playground Improvements	FR	\$33,700.00	\$15,000.00	\$11,000.00

9-4

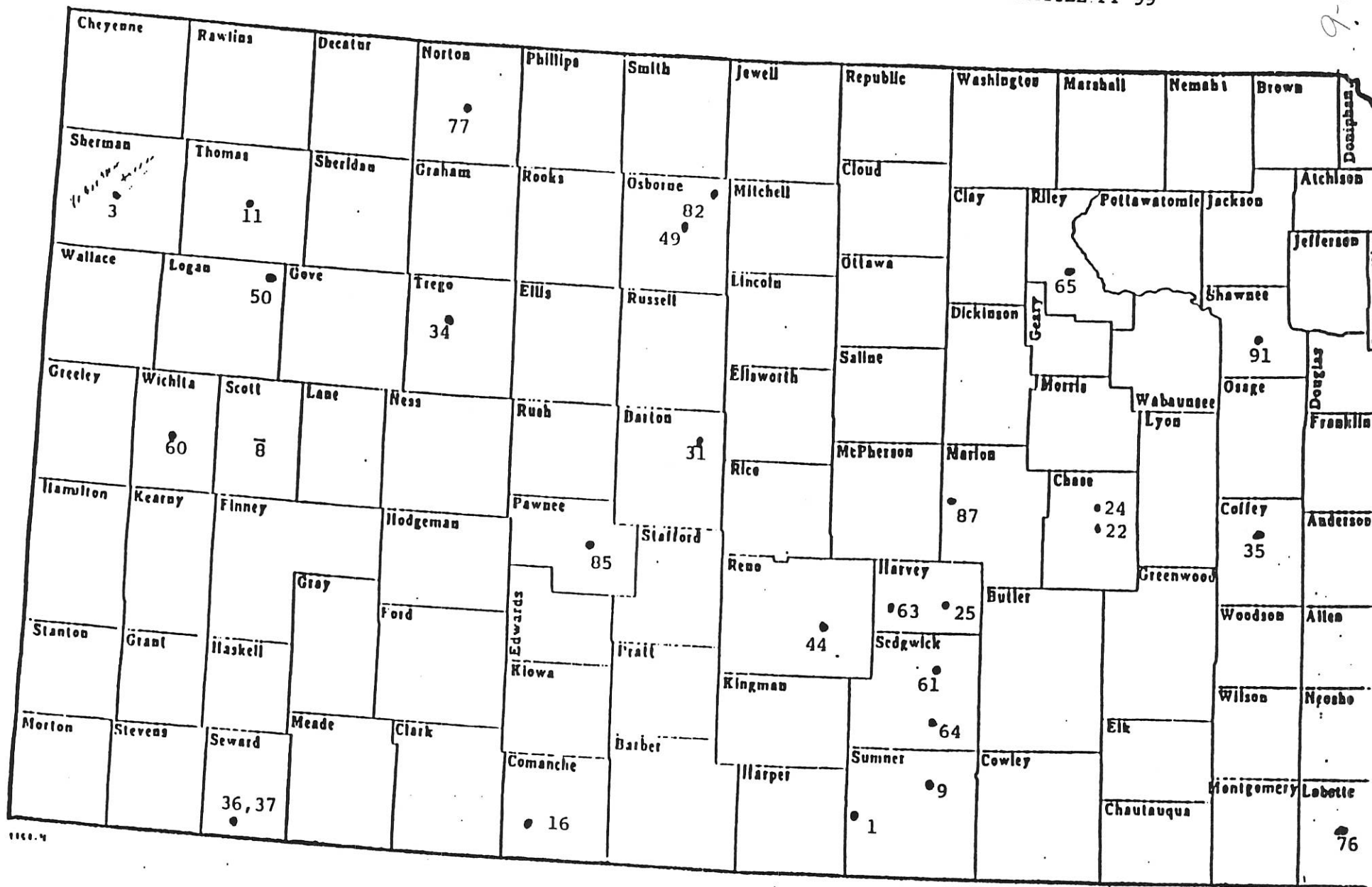
ID #	Government Agency	Project Description	County	Total Project	Amount Requested	Amount Approved
191	City of Overland Park	Replace Playground Equipment	JO	\$22,500.00	\$9,000.00	\$9,000.00
194	City of Park City	New Playground Equipment	SG	\$41,082.00	\$19,856.00	\$19,856.00
193	City of Prairie Village	New Playground Equipment	JO	\$63,000.00	\$31,500.00	\$4,000.00
161	City of Protection	Ballfield Improvements	CM	\$3,290.38	\$1,645.19	\$1,645.00
196	City of Stafford	Resurface Tennis Court to BB	SF	\$21,190.00	\$10,595.00	\$5,000.00
128	City of Stockton	Swimming Pool Renovations	RO	\$11,740.00	\$5,750.00	\$5,750.00
175	City of Sylvan Grove	Ballfield Improvements	LC	\$8,674.00	\$4,324.00	\$4,324.00
133	City of Towanda	Lions Park Improvements	BU	\$61,631.00	\$30,815.00	\$7,500.00
151	City of WaKeeney	Ballfield Improvements	TR	\$27,395.58	\$9,500.00	\$9,500.00
187	City of Wamego	New Playground Equipment	PT	\$54,615.00	\$25,000.00	\$10,000.00
124	City of Wellsville	New Restroom in Saddle Club Park	FR	\$49,220.50	\$20,000.00	\$20,000.00
105	City of Yates Center	New Playground Equipment	WO	\$17,488.00	\$8,744.00	\$8,744.00
171	City of Zurich	New Park Development	RO	\$4,128.70	\$2,000.00	\$2,000.00
168	Riley County	ADA Restroom	RL	\$33,718.19	\$16,184.73	\$16,184.00
177	Shawnee County	Playground Equipment	SN	\$80,000.00	\$40,000.00	\$20,000.00

9-5

ID #	Government Agency	Project Description	County	Total Project	Amount Requested	Amount Approved
174	Stanton County	New Restroom at Ball Complex	ST	\$35,485.00	\$17,742.50	\$17,742.00
169	Washington County	Recreation Improvements	WS	\$152,580.00	\$75,682.00	\$21,000.00
Total Approved Projects:		45	Total Money	\$1,724,750.44	\$819,762.57	\$500,000.00

LOCATIONS OF PROJECTS RECOMMENDED BY STATEWIDE ADVISORY COMMITTEE, FY 99

9-6



APPLICANT	PROJECT FUNDED	AMOUNT
Argonia	Swimming Pool	\$75,000
Bel Aire	Baseball field and walking trail	11,250
Belle Plaine	Playground & pool improvements	22,500
Burton	Park and pool improvements	10,000
Chase County	Ball field lighting improvements	15,000
Clafin	Ball field improvements	4,333
Colby	Playground equipment	42,000
Derby	Baseball field improvements	10,000
Downs	Covered shelter house	10,000
Goodland	Restroom and sidewalks	6,000
Goessel	New ball fields	18,000
Hutchinson	Replace playground equipment	25,000
Johnson County	Playground improvements	32,479
Larned	Swimming pool improvements	15,000
Lebo	Restroom at lake	7,500
Liberal	Renovate tennis court and playground	12,103
Louisburg	Restroom at park	20,000
Manhattan	Playground improvements	23,800
Newton	Ball field improvements	22,000
Norton	Lights and sprinkler system	10,000
Oakley	Replace playground equipment	13,000
Osawatomie	New sports field	7,500
Osborne	New ball field	3,000
Oswego	Park, pool, tennis court improvements	10,000
Paola	Replace playground equipment	20,650
Protection	Ball field lighting improvements	4,000
Strong City	New park restroom	10,887
Tonganoxie	New park soccer fields	10,000
Topeka	Restroom in park	15,000
Wakeeney	Ball field improvements	1,700
Wichita County/Leoti	Baseball complex improvements	12,298
TOTAL		500,000

LOCAL GOVERNMENT OUTDOOR RECREATION GRANT PROGRAM
 Recommended by Statewide Advisory Committee FY99
 LGORGP

<u>ID #</u>	<u>Government Agency</u>	<u>Project Description</u>	<u>Total Requested</u>	<u>Amount Recommended</u>
1	City of Argonia	Swimming pool currently bus children to other towns for recreation; little recreation opportunities in community	\$ 125,000.00	\$75,000.00
3	City of Goodland	Restroom enh & sidewalks ballpark restroom to ADA; sidewalk to 4 ball diamonds; will fund restroom only	\$ 20,000.00	\$6,000.00
9	City of Belle Plaine	Playground & pool improvements will fund playground & swimming pool plumbing only will not fund fence	\$ 25,812.50	\$ 22,500.00
11	City of Colby	Playground equipment will remove old equipment; community has raised \$30,000+ for this project; city budgeted \$18,000; community effort	\$ 42,000.00	\$ 42,000.00
16	City of Protection	Ballfield lighting improvements lights currently have fallen down during a game; only ball field in community	\$ 4,000.00	\$ 4,000.00
22	Chase County	Ballfield lighting improvements inclds, building 1 field and lighting 2; will fund lighting existing fields only	\$ 30,000.00	\$ 15,000.00
24	City of Strong City	New park restroom currently use a porta potty	\$ 10,887.00	\$ 10,887.00
25	City of Newton	Ballfield improvements lights, irrigation, ADA path to field, ADA water fountain, parking, fencing; recommend funding ball field lights only	\$ 50,000.00	\$ 22,000.00
31	City of Clafflin	Replace lights & dirt at ballfield replace lights only and dirt work on infield	\$ 7,300.00	\$ 4,333.00
ALT 34	City of Wakeeney	Ballfield improvements USD 208 Rec. Comm. replace dugouts and enclose them	\$ 1,700.00	\$ 1,700.00
35	City of Lebo	Restroom at lake currently no restroom this would be a new project	\$ 7,500.00	\$ 7,500.00
36	City of Liberal	Renov. tennis cts into skate park new obstacles for skate park for inline skating & skateboards	\$ 3,600.00	\$ 3,600.00
37	City of Liberal	Playground equipment playground equip. at the baseball fields; currently none there now	\$ 8,503.00	\$ 8,503.00
40	City of Osawatomie	New sports field 1 baseball field; 1 soccer field; backstops & goal net	\$ 7,500.00	\$ 7,500.00
44	City of Hutchinson	Replace playground equipment approx. 50,000 for each of 3 parks; will fund one park only	\$ 75,000.00	\$ 25,000.00
48	City of Tonganoxle	New park soccer fields walking path; soccer field; playground; will fund soccer field only	\$ 36,240.00	\$ 10,000.00

9-9

<u>ID #</u>	<u>Government Agency</u>	<u>Project Description</u>	<u>Total Requested</u>	<u>Amount Recommended</u>
49	City of Osborne	New ballfield 4 plex baseball field; concession/maintenance bldg; bleachers; bike racks; benches; will fund cost to install lights only	\$ 45,000.00	\$ 3,000.00
50	City of Oakley	Replace playground equipment 2 parks; will finance one park only with equipment	\$ 25,677.00	\$ 13,000.00
55	Johnson County	Playground improvements play equipment, installation, surface, border at Shawnee Mission Park	\$ 15,337.50	\$ 15,337.50
57	Johnson County	Playground improvements play equipment, installation, surface, border for two parks, Heritage Park and Stoll Park	\$ 17,141.50	\$ 17,141.50
60	Wichita Co./City of Leoti	Baseball complex improvements scoreboard, ADA sidewalk repair, backstops; roof repair; playground equipment at ball field	\$ 12,298.00	\$ 12,298.00
61	City of Bel Aire	Baseball field & walking trail woodchip path; 2 baseball fields; will fund baseball fields only	\$ 13,750.00	\$ 11,250.00
63	City of Burrton	Park & pool improvements bb court, walking path, playground, sprinkler, fencing; scoreboard, swimming pool lift recommend funding playground only	\$ 62,620.00	\$ 10,000.00
64	City of Derby	Baseball field improvement final completion of baseball field improvements; will complete ADA restroom	\$ 10,000.00	\$ 10,000.00
65	City of Manhattan	Playground improvements lower concrete sidewalk to ADA that connects shelter & parking, fence around area to keep kids from lake, surface, & playground equipment	\$ 23,800.00	\$ 23,800.00
76	City of Oswego	Park, pool, tennis ct improvements recommend funding new ADA restroom to replace one that is not ADA	\$ 68,225.00	\$ 10,000.00
77	City of Norton	Rep. lights & sprinkler system recommend funding lights at baseball field only	\$ 13,766.00	\$ 10,000.00
80	City of Louisburg	Restroom at park ADA restroom and new sidewalk; recommend funding the ADA restroom only at ballpark complex	\$ 44,500.00	\$ 20,000.00
82	City of Downs	Covered shelter house build ADA covered shelter house to replace one that is not ADA	\$ 10,000.00	\$ 10,000.00
84	City of Paola	Replace playground equip. replaces old playground equipment that is not ADA	\$ 20,650.00	\$ 20,650.00
85	City of Larned	Swimming pool improvements pool shade deck; repair roof on bathhouse, parking lot paving; recommend funding pool deck and bathhouse roof only	\$ 30,000.00	\$ 15,000.00
87	City of Goessel	New ballfields (2) only have one youth ballfield; will be build next to high school	\$ 18,000.00	\$ 18,000.00
91	City of Topeka	Restroom in park ADA restroom in Gage Park for day camp for mental & physical disabled children	\$ 15,000.00	\$ 15,000.00
33	Total projects recommended	Total Dollar Amount	\$ 900,807.50	\$500,000.00

LGORGP Advisory Board Members

Kansas Association of Counties

Frederick L. Sherman

Director of Planning & Development for Miami County

League of Kansas Municipalities

Cities under 15,001

Brian Nowotny, Superintendent

Arkansas City Recreation Commission

Cities between 15,001 - 75,000

James Meidinger, Council Member

Derby, Kansas

Cities over 75,000

Mike Wildgen, City Manager

Lawrence, Kansas

Kansas Recreation and Parks Association

Laura Kelly, Executive Director

Kansas Department of Wildlife & Parks

Jerry Hover, Parks Director

Linda Lanterman, Parks Assistant Director

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TOPEKA, KANSAS 66612-1504
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TOPEKA

SENATE CHAMBER

DEMOCRATIC CAUCUS; CHAIR
MEMBER: WAYS AND MEANS—RANKING MINORITY
JUDICIARY
ELECTIONS AND LOCAL GOVERNMENT
KANSAS FILM COMMISSION
JOINT COMMITTEE MEMBER:
INVESTMENTS, PENSIONS, AND BENEFITS
LEGISLATIVE BUDGET
GOVERNORS RESIDENCE ADVISORY COMMITTEE
INTERSTATE COOPERATION
BOARD MEMBER: MID AMERICA MANUFACTURING
TECHNOLOGY CENTER

To: Dave Kerr, Chair
Members of Ways and Means

Feb. 7, 2000

From: Marge Petty

As a followup to last week's discussion regarding fee funds and fee fund balances, Legislative Research has furnished me with additional information.

There are approximately 2000 fee funds as part of the agency budgets. These funds are distributed throughout the state budget as part of individual agency budgets, with some agencies having as many as fifty fee funds. This is an accounting procedure which sometimes has the effect of creating additional accounts, each with individual rules. The numbers of accounts and their purposes complicate the process. Several years ago, there were an excessive number of fee funds for the KDHE budget making the tracking of expenditures in that budget difficult.

"Fee funds" referred to in our discussion which involve licensed professions such as barbers, cosmetologists, health care providers, behavioral scientists are not fee funds to which the note referred. Those are funds created by fee boards established to receive fees paid in by licensees to cover the operations of licensing and monitoring those professions. This provides the revenue, based on "reasonable fee", to regulate the profession at no cost to the SGF. Case law precludes fees being generated that exceed the cost of regulation. These revenues would not be appropriate to offset SGF, because there are generally no SGF funds supporting these boards.

The point is to assess whether any agencies receiving multiple funding sources, such as SGF and fees, can have finances shifted from the fee funds to maximize SGF. The focus of Senator Jordan's Committee is on the twenty fee boards and their funds which serve a very targeted purpose. It might instead be useful to have subcommittees look at whether agencies maximize fee funds to provide the offset of SGF and whether the purpose of the funds is current or obsolete (as in the case of the Grain Inspection Fee Fund).

Senate Ways and Means Committee

Date February 9, 2000

Attachment # 10