

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairman Kenny Wilk at 9:05 a.m. on February 9, 2001, in Room 514-S of the Capitol.

All members were present except: Representative Peterson
Representative Spangler
Representative Hermes
Representative Toplikar
Representative Henry
Representative Nichols

Committee staff present: Alan Conroy, Legislative Research
Rae Anne Davis, Legislative Research
Paul West, Legislative Research
Jim Wilson, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Nikki Feuerborn, Committee Secretary

Conferees appearing before the committee: Jeff Russell, Legislative Services

Others attending: See Attached

Representative Landwehr moved for the introduction of legislation for the Kansas Opportunity Scholarship. Motion was seconded by Representative Pottorff. Motion carried.

Representative Minor moved for the introduction of legislation which would allow the sale of bonds in order to fund the Kansas State Fair. Motion was seconded by Representative Neufeld. Motion carried.

Chairman Wilk moved for the introduction of two bills regarding adult care homes and the payment for home care services. Motion was seconded by Representative Pottorff. Motion carried.

Chairman Wilk moved for the introduction of a bill from the Rules and Regulations Committee regarding economic development. Motion was seconded by Representative Neufeld. Motion carried.

Representative Stone moved for the introduction of 6 bills:

- Directing that current KPERS fund interest that is currently being credited to the State General Fund by the state treasurer be credited to KPERS
- Providing that compensation and contributions reported by an employer cannot later be changed.
- Technical cleanup bill for KPERS that would contain approximately eight technical changes.
- Exempt the KPERS Board from state purchasing requirements.
- Provide the KPERS Board with certain personnel related flexibility.
- All the KPERS Board more control over the systems administrative budget.

Representative Pottorff, Chairperson of the 2001 General Government and Human Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Governor's Department for FY 2001 and moved for the adoption of the Budget Committee recommendations for FY 2001 (Attachment 1). Motion was seconded by Representative Stone. Motion carried.

Representative Pottorff, Chairperson of the 2002 General Government and Human Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Governor's Department for FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 with the noted observations (Attachment 1). Motion was seconded by Representative Stone. Motion carried.

Representative Stone presented the Budget Committee report on the Governor's budget recommendations for the Lieutenant Governor for FY 2001 and moved for the adoption of the Budget Committee recommendations for FY 2001 (Attachment 1). Motion was seconded by Representative Pottorff. Motion

carried.

Representative Stone presented the Budget Committee report on the Governor's budget recommendations for the Lieutenant Governor for FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 (Attachment 1). Motion was seconded by Representative Pottorff. Motion carried.

Representative Shriver presented the Budget Committee report on the Governor's budget recommendations for the Legislative Coordinating Council for FY 2001 and moved for the adoption of the Budget Committee recommendations for FY 2001 (Attachment 1). Motion was seconded by Representative Stone. Motion carried.

Representative Shriver presented the Budget Committee report on the Governor's budget recommendations for the Legislative Coordinating Council for FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 (Attachment 1). Motion was seconded by Representative Stone. Motion carried.

Representative Pottorff presented the Committee report on the Governor's budget recommendations for the Kansas Legislative Research Department for FY 2001 and moved for the adoption of the Budget Committee recommendations for FY 2001 (Attachment 1). Motion was seconded by Representative Stone. Motion carried.

Representative Pottorff presented the Budget Committee report on the Governor's budget recommendations for the Kansas Legislative Research Department for FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 (Attachment 1). Motion was seconded by Representative Stone.

Representative Pottorff offered a substitute motion to amend the Budget Committee report for Kansas Legislative Research Department for FY 2002 as follows: The Budget Committee notes that in July 2000, Chief Fiscal Analyst Alan Conroy was presented with a Legislative Staff Achievement Award by the National Association of Legislative Fiscal Offices (NALFO) staff section of the National Conference of State Legislatures. Each NCSL staff section may present two Staff Achievement Awards each year and recipients of the NALFO award are selected based on three criteria: how the nominee's work has contributed to the resolution of a fiscal policy issue in the state legislature; how the nominee's work has made a significant contribution toward educating state legislators or the public about the fiscal dimensions of a public policy issue; or how the nominee's work has made other unique contributions to furthering the role and development of fiscal staff assistance to the legislative process. The Budget Committee congratulates Alan on this well-deserved recognition and expresses appreciation for his dedicated service to the Kansas Legislature. Motion was seconded by Representative Stone. Motion carried.

Representative Pottorff moved that the Budget Committee report on the Governor's budget recommendations for the Kansas Legislative Research Department for FY 2002 be adopted as amended (Attachment 1). Motion was seconded by Representative Stone. Motion carried.

Representative Stone presented the Budget Committee report on the Governor's budget recommendations for the Revisor of Statutes FY 2001 and moved for the adoption of the Budget Committee recommendations for FY 2001 (Attachment 1). Motion was seconded by Representative Pottorff. Motion carried.

Representative Stone presented the Budget Committee report on the Governor's budget recommendations for the Revisor of Statutes FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 (Attachment 1). Motion was seconded by Representative Pottorff. Motion carried.

Representative Shriver presented the Budget Committee report on the Governor's budget recommendations for the Legislative Division of Post Audit FY 2001 and moved for the adoption of the Budget Committee recommendations for FY 2001 (Attachment 1). Motion was seconded by Representative Pottorff. Motion carried.

Representative Shriver presented the Budget Committee report on the Governor's budget recommendations for the Legislative Division of Post Audit FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 with the noted adjustments and comments (Attachment 1). Motion was seconded by Representative Pottorff. Motion carried.

Representative Pottorff presented the Budget Committee report on the Governor's budget recommendations for the Legislature FY 2001 and moved for the adoption of the Budget Committee recommendations for FY

2001 (Attachment 1). Motion was seconded by Representative Stone. Motion carried.

Representative Potorff presented the Budget Committee report on the Governor's budget recommendations for the Legislature FY 2002 and moved for the adoption of the Budget Committee recommendations for FY 2002 with the noted adjustments and comments (Attachment 1). Motion was seconded by Representative Stone.

The Committee discussed the positives of having a year-round legislative secretarial pool which would be available for legislators and interim committees. Jeff Russell, Director of Legislative Services, explained that he would manage the pool and balance the workload. These secretaries would be paid in the \$25,000 to \$27,000 range and have full benefits. It was requested that the Committee on Appropriations and Ways and Means be granted a full-time year-round secretary.

Representative Ballard issued a substitute motion to amend the Budget Committee report by adding \$90,000 from the State General Fund into a pilot project establishing a full-time year-round secretarial pool. The motion was seconded by Representative Bethell. Motion carried.

Representative Pottorff moved adoption of the Budget Committee recommendations on the Governor's recommendation on the budget for the Legislature for FY 2002 as amended, Representative Stone seconded the motion. Motion carried.

Action on HB 2040 – State held lands, designation and disposition of surplus land

Representative Kline moved to amend the bill on Page 1 Line 35 by adding at the end of the line "after consultation with the State Building Committee." Motion was seconded by Representative Pottorff. Motion carried.

Representative Neufeld moved for approval of a balloon amendment stating that no state real property that is being sold by public auction shall be required to be appraised pursuant to K.S.A. 2000 Supp 75-6609; and language regarding the disbursement of proceeds of sales of mental health or mental retardation institutions; and technical changes (Attachment 2). Motion seconded by Representative Minor. After discussion, Representative Neufeld withdrew his motion and Representative Minor withdrew his second.

Representative Kline moved to amend Section 1 of the bill by giving the Secretary of Administration the authority to waive the requirement of three appraisals only in the case of public auction of real property if such waiver is in the best interests of the state. Motion was seconded by Representative Pottorff. Motion carried.

Representative Kline moved to amend the bill by requiring the above stated amendment to allow the Secretary of Administration the authority to waive the requirement of three appraisals in all situations of the sale of real property. Motion was seconded by Representative Neufeld. After discussion, Representative Kline withdrew his motion. Representative Neufeld withdrew his second.

Representative Neufeld moved for the amendment which appears on Page 2 of the balloon amendments , Line 31 regarding the sale of surplus real estate at a state mental health or mental retardation institution and the disbursement of the proceeds of the sale. Motion was seconded by Representative Minor. Motion carried.

The Committee questioned why the Kansas Department of Transportation was not subject to the provisions of the statute regarding the sale of surplus property. A Legislative Post Audit report has pointed out the need for an improved inventory system of KDOT real property. It was suggested that a representative from KDOT should appear before the Committee and explain the reasons for the need of their exemption to this statute.

Representative Landwehr moved to strike Lines 1, 2, and 3 on Page 3 of the proposed legislation which would bring surplus sales of real property of the Kansas Department of Transportation under the auspice of the Secretary of Administration. Motion was seconded by Representative Campbell. Motion failed on an 8 to 8 vote.

Representative Campbell moved that an amendment be drawn to require the Kansas Department of Transportation to have an accurate reporting and inventory system of all real properties owned by the agency. Motion was seconded by Representative Landwehr. Motion carried.

Representative Neufeld moved that the bill be reported favorably as amended. Motion was seconded by Representative Kline. Motion carried. Representative Landwehr asked to be recorded as a "No" vote.

The meeting was adjourned at 10:30 a.m. The next meeting is scheduled for Tuesday, February 13, 2001.

COMMITTEE GUEST LIST


DATE: 2/09/01

NAME	REPRESENTING
Dick Koerth	KDWP
Jeff Russell	LCC, LAS
Ron McMurry	KDOT
Melinda Gaul	DOB
Tom Burgess	KHCA


**2001 GENERAL GOVERNMENT AND HUMAN
RESOURCES BUDGET COMMITTEE**

FY 2001 and FY 2002

Governor
Lieutenant Governor
Legislative Coordinating Council
Legislative Research Department
Revisor of Statutes
Legislative Division of Post Audit
Legislature


Representative Jo Ann Pottorff, Chairperson

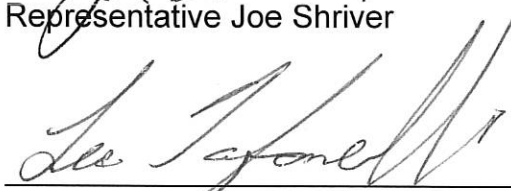

Representative Richard Alldritt


Representative Annie Kuether


Representative Ralph Ostmeier


Representative Joe Shriver


Representative Lloyd Stone


Representative Lee Tafanelli

HOUSE APPROPRIATIONS

DATE 2/9/01
ATTACHMENT #1

House Budget Committee Report

Agency: Governor's Department

Bill No. –

Bill Sec. –

Analyst: Robinson

Analysis Pg. No. 1509

Budget Page No. 175

<u>Expenditure Summary</u>	<u>Agency Est. FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>Budget Committee Adjustments</u>
State General Fund	\$ 1,907,468	\$ 1,907,468	\$ 0
Special Revenue Funds	116,871	168,771	0
TOTAL	<u>\$ 2,024,339</u>	<u>\$ 2,024,339</u>	<u>\$ 0</u>
FTE Positions	30.0	30.0	0.0
Other Unclassified Positions	4.0	4.0	0.0
TOTAL	<u>34.0</u>	<u>34.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency request for FY 2001 operating expenditures totals \$2,024,339. The request is an increase of \$1,726 over the amount approved by the 2000 Legislature, all from special revenue funds. State General Fund expenditures of \$1,907,468 reflect the currently authorized amount which includes an unanticipated reappropriation of \$113,770. The request maintains the currently authorized 30.0 FTE positions.

The Governor concurs with the agency's revised FY 2001 operating expenditures request.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor.

33418(2/8/1{5:13PM})

House Budget Committee Report

Agency: Governor's Department

Bill No. –

Bill Sec. –

Analyst: Robinson

Analysis Pg. No. 1509

Budget Page No. 175

<u>Expenditure Summary</u>	<u>Agency Req. FY 02</u>	<u>Gov. Rec. FY 02</u>	<u>Budget Committee Adjustments</u>
State General Fund	\$ 1,804,290	\$ 1,854,878	\$ 0
Special Revenue Funds	116,606	117,782	0
TOTAL	<u>\$ 1,920,896</u>	<u>\$ 1,972,660</u>	<u>\$ 0</u>
FTE Positions	30.0	30.0	0.0
Other Unclassified Positions	3.9	3.9	0.0
TOTAL	<u>33.9</u>	<u>33.9</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency request for FY 2002 totals \$1,920,896, which is a reduction of \$103,443 or 5.1 percent below the FY 2001 estimate. Requested State General Fund financing decreases \$103,178 or 5.4 percent. Total requested FTE positions remain unchanged from the FY 2001 level at 30.0 FTE positions.

The Governor recommends \$1,972,660 for FY 2002 which is a decrease of \$51,679 or 2.6 percent below the Governor's FY 2001 recommendation. State General Fund financing decreases \$52,590 or 2.8 percent. The Governor recommends an unclassified merit pool of \$32,459 for his pay plan proposal and recommends the addition of \$19,305 from the State General Fund for the addition of a backup groundskeeper position for Cedar Crest. The position had originally been requested by the Division of Facilities Management in the Department of Administration budget. The Governor, however, does not recommend the addition of any new FTE position. The Governor concurs with the agency request for 30.0 FTE positions.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observations:

1. The Subcommittee notes that the recommended budget for the Governor's Department includes funding of \$19,305 from the State General Fund for a backup groundskeeper position at Cedar Crest. The position was originally requested in the budget of the Division of Facilities Management of the Department of Administration, but the Governor recommended funding the position in his own budget. The position was requested because inmate work crews, which have performed much of

the work at Cedar Crest, were no longer available. The Budget Committee encourages the Governor to continue to explore the utilization of inmate labor at Cedar Crest.

2. Although maintenance and upkeep issues related to the executive aircraft are not reflected in the Governor's Department budget, the Budget Committee notes that it has concerns with the age and condition of the executive aircraft and intends to address the issue during its consideration of the Department of Administration budget.

33419(2/8/1{5:15PM})

House Budget Committee Report

Agency: Lieutenant Governor

Bill No. –

Bill Sec. –

Analyst: Robinson

Analysis Pg. No. 1519

Budget Page No. 343

<u>Expenditure Summary</u>	<u>Agency Est. FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>Budget Committee Adjustments</u>
State General Fund	\$ 153,423	\$ 139,916	\$ 0
FTE Positions	3.0	3.0	0.0
Other Unclassified Positions	1.0	1.0	0.0
TOTAL	<u>4.0</u>	<u>4.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 2001 operating expenditures is \$153,423, which is the same amount as currently authorized, including the reappropriation.

The Governor for FY 2001 recommends an operating budget of \$139,916, or \$13,507 less than the agency's request. The recommended reduction is entirely in travel and subsistence. The Governor concurs with the agency's requested FTE positions at 3.0.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor.

33420(2/8/1{5:16PM})

House Budget Committee Report

Agency: Lieutenant Governor

Bill No. –

Bill Sec. –

Analyst: Robinson

Analysis Pg. No. 1519

Budget Page No. 343

<u>Expenditure Summary</u>	<u>Agency Req. FY 02</u>	<u>Gov. Rec. FY 02</u>	<u>Budget Committee Adjustments</u>
State General Fund	\$ 126,257	\$ 128,104	\$ 0
FTE Positions	3.0	3.0	0.0
Other Unclassified Positions	1.0	1.0	0.0
TOTAL	<u>4.0</u>	<u>4.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency request for FY 2002 operating expenditures is \$126,257 (all from the State General Fund), which is a reduction of \$27,166 or 17.7 percent below the revised current year estimate. The agency requests salaries and wages totaling \$99,679 and other operating expenditures totaling \$26,578. Requested expenditures for travel and subsistence decrease \$16,911 or 59.3 percent from FY 2001. No capital outlay expenditures are requested in FY 2002, a reduction of \$8,396 from FY 2001.

The Governor recommends operating expenditures of \$128,104, an increase of \$1,847 or 1.5 percent from the agency's request. The Governor recommends salaries and wages totaling \$101,503 including an unclassified merit pool of \$1,847 reflecting the Governor's recommended salary plan adjustments. The Governor recommends other operating expenditures totaling \$24,526, an increase of \$23 or 0.1 percent above the agency's request. The Governor's recommendation shifts \$23 from the agency's request for salaries and wages to travel and subsistence.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor.

House Budget Committee Report

Agency: Legislative Coordinating Council

Bill No. –

Bill Sec. –

Analyst: Conroy

Analysis Pg. No. 1529

Budget Page No. 333

Expenditure Summary	Agency Estimate FY 01	Governor's Recommendation FY 01	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 688,882	\$ 688,882	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 688,882	\$ 688,882	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 688,882	\$ 688,882	\$ 0
State General Fund:			
State Operations	\$ 688,882	\$ 688,882	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 688,882	\$ 688,882	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 688,882	\$ 688,882	\$ 0
Other Funds:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 0	\$ 0	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 0	\$ 0	\$ 0
FTE Positions	13.0	13.0	0.0
Other Unclassified Positions	1.0	1.0	0.0
TOTAL	14.0	14.0	0.0

AGENCY OVERVIEW

The Legislative Coordinating Council is responsible for coordinating the delivery of legislative services. The Council consists of the President of the Senate, the Speaker of the House, the Speaker Pro Tem of the House, and the majority and minority leaders of each chamber. The budget includes the compensation and expenses associated with Council meetings and the salaries and wages and travel expenses of the staff of the Division of Legislative Administrative Services.

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 2001 operating expenditures is \$688,882, or \$131,672 less than the currently authorized amount by the 2000 Legislature.

- The agency's revised estimate maintains current level of services in FY 2001.
- The agency's revised estimate maintains the currently authorized 13.0 FTE positions.

The Governor recommends FY 2001 operating expenditures funding of \$688,882, the same as the agency's estimate. The Governor also concurs with the agency's requested FTE positions at 13.0.

House Budget Committee Recommendations

The House Budget Committee concurs with the Governor's recommendations.

House Budget Committee Report

Agency: Legislative Coordinating Council

Bill No. –

Bill Sec. –

Analyst: Conroy

Analysis Pg. No. 1529

Budget Page No. 333

Expenditure Summary	Agency Request FY 02	Governor's Recommendation FY 02	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 807,586	\$ 810,060	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 807,586</u>	<u>\$ 810,060</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 807,586</u></u>	<u><u>\$ 810,060</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 807,586	\$ 810,060	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 807,586</u>	<u>\$ 810,060</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 807,586</u></u>	<u><u>\$ 810,060</u></u>	<u><u>\$ 0</u></u>
Other Funds:			
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	13.0	13.0	0.0
Other Unclassified Positions	1.0	1.0	0.0
TOTAL	<u><u>14.0</u></u>	<u><u>14.0</u></u>	<u><u>0.0</u></u>

AGENCY OVERVIEW

The Legislative Coordinating Council is responsible for coordinating the delivery of legislative services. The Council consists of the President of the Senate, the Speaker of the House, the Speaker Pro Tem of the House, and the majority and minority leaders of each chamber. The budget includes the compensation and expenses associated with Council meetings and the salaries and wages and travel expenses of the staff of the Division of Legislative Administrative Services.

Agency Request/Governor's Recommendation

The agency requests \$807,586 for operating expenditures in FY 2002.

- The request is entirely financed from the State General Fund.
- The request is an increase of \$118,704 or 17.2 percent from the revised FY 2001 amount.
- The agency requests 13.0 FTE positions in FY 2002, the same as the current year.
- The agency requests \$100,000 (State General Fund) for a KPERS actuarial audit.

The Governor recommends \$810,060 for operating expenditures in FY 2002.

- The recommendation is entirely financed from the State General Fund.
- The recommendation is an increase of \$121,178 or 17.6 percent above the revised FY 2001 amount.
- The Governor concurs with the agency request of 13.0 FTE positions.
- The Governor concurs with the agency request of \$100,000 for a KPERS actuarial audit.

House Budget Committee Recommendations

The House Budget Committee concurs with the Governor's recommendations.

House Budget Committee Report

Agency: Kansas Legislative Research Department Bill No. –

Bill Sec. –

Analyst: Conroy

Analysis Pg. No. 1539

Budget Page No. 337

Expenditure Summary	Agency Estimate FY 01	Governor's Recommendation FY 01	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 2,519,251	\$ 2,519,251	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 2,519,251	\$ 2,519,251	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 2,519,251	\$ 2,519,251	\$ 0
State General Fund:			
State Operations	\$ 2,519,251	\$ 2,519,251	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 2,519,251	\$ 2,519,251	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 2,519,250	\$ 2,519,251	\$ 0
FTE Positions	37.0	37.0	0.0
Other Unclassified Positions	0.0	0.0	0.0
TOTAL	37.0	37.0	0.0

AGENCY OVERVIEW

The Legislative Research Department provides research and fiscal analysis for the Legislature, its committees, and individual legislators. The Department provides staff for all legislative committees both during the session and the interim, including statutorily-created committees, i.e., Legislative Budget Committee, State Building Construction, etc. The Legislative Coordinating Council appoints the Director of the Department, approves the budget proposed for its operation, and generally establishes the broad policies under which the Department operates.

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 2001 operating expenditures is \$2,519,251, or \$51,570 less than the currently authorized amount by the 2000 Legislature. The reduction is largely due to:

- Salaries and wages are \$39,342 or 1.7 percent above the original approved amount to reflect the current staffing pattern within the agency.
- Other operating expenditures are \$8,299 or 5.9 percent above the original approved amount to reflect the current expenditure pattern in FY 2001.

The Governor recommends FY 2001 state operations funding of \$2,519,251, the same as the agency's estimate. The Governor also concurs with the agency's requested FTE positions at 37.0.

House Budget Committee Recommendations

The House Budget Committee concurs with the Governor's recommendations.

33399(2/8/1{5:23PM})

House Budget Committee Report

Agency: Kansas Legislative Research Department **Bill No. –**

Bill Sec. –

Analyst: Conroy

Analysis Pg. No. 1539

Budget Page No. 337

Expenditure Summary	Agency Request FY 02	Governor's Recommendation FY 02	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 2,590,902	\$ 2,597,191	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 2,590,902	\$ 2,597,191	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 2,590,902	\$ 2,597,191	\$ 0
State General Fund:			
State Operations	\$ 2,590,902	\$ 2,597,191	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 2,590,902	\$ 2,597,191	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 2,590,902	\$ 2,597,191	\$ 0
FTE Positions	37.0	37.0	0.0
Other Unclassified Positions	0.0	0.0	0.0
TOTAL	37.0	37.0	0.0

AGENCY OVERVIEW

The Legislative Research Department provides research and fiscal analysis for the Legislature, its committees, and individual legislators. The Department provides staff for all legislative committees both during the session and the interim, including statutorily-created committees, *i.e.*, Legislative Budget Committee, State Building Construction, etc. The Legislative Coordinating Council appoints the Director of the Department, approves the budget proposed for its operation, and generally establishes the broad policies under which the Department operates.

Agency Request/Governor's Recommendation

The agency requests \$2,590,902 for operating expenditures in FY 2002. The request is entirely financed from the State General Fund.

- The request is an increase of \$71,651 or 2.8 percent from the revised FY 2001 amount.
- The agency requests 37.0 FTE positions in FY 2002, the same as the current year.

The Governor recommends \$2,597,191 for operating expenditures in FY 2002.

- The recommendation is entirely financed from the State General Fund.
- The recommendation is an increase of \$77,940 or 3.1 percent from the revised FY 2001 amount.
- The Governor concurs with the agency request of 37.0 FTE positions.

House Budget Committee Recommendations

The House Budget Committee concurs with the Governor's recommendations.

House Budget Committee Report

Agency: Revisor of Statutes

Bill No. –

Bill Sec. –

Analyst: Conroy

Analysis Pg. No. 1559

Budget Page No. 387

Expenditure Summary	Agency Estimate FY 01	Governor's Recommendation FY 01	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 2,486,184	\$ 2,486,184	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 2,486,184	\$ 2,486,184	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 2,486,184	\$ 2,486,184	\$ 0
State General Fund:			
State Operations	\$ 2,486,184	\$ 2,486,184	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 2,486,184	\$ 2,486,184	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 2,486,184	\$ 2,486,184	\$ 0
Other Funds:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 0	\$ 0	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 0	\$ 0	\$ 0
FTE Positions	26.0	26.0	0.0
Other Unclassified Positions	10.0	10.0	0.0
TOTAL	36.0	36.0	0.0

AGENCY OVERVIEW

The Office of Revisor of Statutes provides bill drafting and legal research services for all legislators, and the Legislative Coordinating Council. The agency is responsible for continuous statutory revision and supervising the computerized legislative information system involving bill status and bill typing. The Revisor of Statutes also provides staff services to the Interstate Cooperation Commission. The Office of Revisor of Statutes operates under the supervision of the Legislative Coordinating Council.

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 2001 operating expenditures is \$2,486,184, or \$50,935 less than the currently authorized amount by the 2000 Legislature. The agency requests funding for 26.0 FTE positions, the currently authorized amount.

The Governor recommends FY 2001 operating expenditures funding of \$2,486,184, the same as the agency's estimate. The Governor also concurs with the agency's requested FTE positions at 26.0.

House Budget Committee Recommendations

The House Budget Committee concurs with the Governor's recommendations.

House Budget Committee Report

Agency: Revisor of Statutes

Bill No. –

Bill Sec. –

Analyst: Conroy

Analysis Pg. No. 1559

Budget Page No. 387

Expenditure Summary	Agency Request FY 02	Governor's Recommendation FY 02	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 2,532,653	\$ 2,528,601	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 2,532,653	\$ 2,528,601	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 2,532,653	\$ 2,528,601	\$ 0
State General Fund:			
State Operations	\$ 2,532,653	\$ 2,528,601	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 2,532,653	\$ 2,528,601	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 2,532,653	\$ 2,528,601	\$ 0
Other Funds:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 0	\$ 0	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 0	\$ 0	\$ 0
FTE Positions	26.0	26.0	0.0
Other Unclass. Positions	10.0	10.0	0.0
TOTAL	36.0	36.0	0.0

AGENCY OVERVIEW

The Office of Revisor of Statutes provides bill drafting and legal research services for all legislators, and the Legislative Coordinating Council. The agency is responsible for continuous statutory revision and supervising the computerized legislative information system involving bill status and bill typing. The Revisor of Statutes also provides staff services to the Interstate Cooperation Commission. The Office of Revisor of Statutes operates under the supervision of the Legislative Coordinating Council.

Agency Request/Governor's Recommendation

The **agency request** for FY 2002 is \$2,532,653 (all from the State General Fund), which is an increase of \$46,469 or 1.9 percent above the FY 2001 estimate.

- The agency requests \$1,838,088 salaries and wages, an increase of \$62,530 or 3.5 percent above the FY 2001 amount.
- The agency requests financing for 26.0 FTE positions, the same number as FY 2001.

The Governor recommends \$2,528,601 (all from the State General Fund), which is an increase of \$42,417 or 1.7 percent above the FY 2001 recommended amount.

- The Governor recommends \$1,834,036 for salaries and wages, an increase of \$58,478 or 3.3 percent above the FY 2001 estimate.
- The Governor recommends \$56,965 for longevity bonus payments and a 2.25 percent unclassified merit pool (3.0 percent annualized).
- The Governor concurs with the agency request for 26.0 FTE positions.

House Budget Committee Recommendations

The House Budget Committee concurs with the Governor's recommendations.

House Budget Committee Report

Agency: Legislative Division of Post Audit

Bill No. –

Bill Sec. –

Analyst: Conroy

Analysis Pg. No. 1549

Budget Page No. 335

Expenditure Summary	Agency Estimate FY 01	Gov. Rec. FY 01	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 1,739,037	\$ 1,739,037	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	<u>\$ 1,739,037</u>	<u>\$ 1,739,037</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 1,739,037</u></u>	<u><u>\$ 1,739,037</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 1,739,037	\$ 1,739,037	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	<u>\$ 1,739,037</u>	<u>\$ 1,739,037</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 1,739,037</u></u>	<u><u>\$ 1,739,037</u></u>	<u><u>\$ 0</u></u>
FTE Positions	21.0	21.0	0.0
Other Unclassified Positions	1.0	1.0	0.0
TOTAL	<u><u>22.0</u></u>	<u><u>22.0</u></u>	<u><u>0.0</u></u>

AGENCY OVERVIEW

The Legislative Division of Post Audit is the audit arm of the Kansas Legislature. The Division is responsible for financial-compliance and performance audits of state agencies and programs. The Division's audit work is conducted in accordance with generally accepted governmental auditing standards as set forth by the U.S. General Accounting Office. The agency operates under the supervision of the ten member Legislative Post Audit Committee.

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 2001 operating expenditures is \$1,739,037, or \$42,863 less than the currently authorized amount by the 2000 Legislature. The agency's revised estimate maintains the currently authorized 21.0 FTE positions for FY 2001.

The Governor recommends FY 2001 operating expenditures of \$1,739,037, the same as the agency's estimate. The Governor also concurs with the agency's requested FTE positions at 21.0.

House Budget Committee Recommendations

The House Budget Committee concurs with the Governor's recommendations.

33397(2/8/1{5:32PM})

House Budget Committee Report

Agency: Legislative Division of Post Audit

Bill No. –

Bill Sec. –

Analyst: Conroy

Analysis Pg. No. 1549

Budget Page No. 335

Expenditure Summary	Agency Request FY 02	Gov. Rec. FY 02	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 1,852,611	\$ 1,829,595	\$ (48,000)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	<u>\$ 1,852,611</u>	<u>\$ 1,829,595</u>	<u>\$ (48,000)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 1,852,611</u></u>	<u><u>\$ 1,829,595</u></u>	<u><u>\$ (48,000)</u></u>
State General Fund:			
State Operations	\$ 1,852,611	\$ 1,829,595	\$ (48,000)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	<u>\$ 1,852,611</u>	<u>\$ 1,829,595</u>	<u>\$ (48,000)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 1,852,611</u></u>	<u><u>\$ 1,829,595</u></u>	<u><u>\$ (48,000)</u></u>
FTE Positions	21.0	21.0	0.0
Other Unclassified Positions	1.0	1.0	0.0
TOTAL	<u><u>22.0</u></u>	<u><u>22.0</u></u>	<u><u>0.0</u></u>

AGENCY OVERVIEW

The Legislative Division of Post Audit is the audit arm of the Kansas Legislature. The Division is responsible for financial-compliance and performance audits of state agencies and programs. The Division's audit work is conducted in accordance with generally accepted governmental auditing standards as set forth by the U.S. General Accounting Office. The agency operates under the supervision of the ten-member Legislative Post Audit Committee.

Agency Request/Governor's Recommendation

The agency requests \$1,852,611 for operating expenditures in FY 2002.

- The request is entirely financed from the State General Fund.
- The request is an increase of \$113,574 or 6.5 percent above the revised FY 2001 amount.
- The agency requests 21.0 FTE positions in FY 2002, the same amount as in the current year.

The Governor recommends \$1,829,595 for operating expenditures in FY 2002.

- The recommendation is entirely financed from the State General Fund.
- The recommendation is an increase of \$90,558 or 5.2 percent above the revised Governor's FY 2001 amount.

House Budget Committee Recommendations

The House Budget Committee concurs with the Governor's recommendations with the following adjustments and comments:

1. Delete \$48,000 (State General Fund) to reflect the actual contracted amount for the "Statewide" financial compliance audit. Bids for the contracted audit work were awarded in late December 2000, and the bid for the audit came in \$48,000 below the agency's estimate. The total cost of the three-year audit work (FY 2002-FY 2004) will be \$827,100, which is notably less than the \$865,500 fee for the previous 3-year period. State law requires the statewide financial compliance audit be conducted every year, and the agency bids the contract every 3 years. The Budget Committee commends the agency for bringing this item to the attention of the Committee.
2. The Committee notes that the Legislative Post Auditor reported on the continuing struggle to attract and retain qualified professional staff. Although progress has currently been made in the area of retention of staff, one area remains of concern to the Post Auditor. The item relates to the area of staff retirement benefits. The Post Auditor discussed the possibility of giving nonpartisan legislative staff the option of belonging to the Kansas Public Employees Retirement System (KPERs) (the current retirement plan) or the special state employee deferred compensation plan. Under the special deferred compensation plan the employer makes the entire contribution amount of 8.0 percent of the employee's salary, while under KPERs the employee contributes 4.0 percent of salary and the employer contributes 4.78 percent of the employee's salary in FY 2002. The Budget Committee does note that legislative leadership staff, the Governor's cabinet members and selected other state officials participate in the special deferred compensation plan. The Budget Committee urges the Post Auditor to bring this item to the attention of the House Budget Committee on KPERs Issues for consideration and possible action. The Post Auditor did cite at least one recent example of where a prospective candidate for a professional staff position declined the offer of employment based on the current retirement benefits offered to the Post Audit staff.
3. The Budget Committee applauds the recent recognition the agency received from Governing magazine. In a recent report on the 2001 Grading the State Project done by Syracuse University in Governing magazine, the Kansas Division of Post Audit was cited as "one of the nation's best evaluation units". The Budget Committee generally agrees with that conclusion, although the Committee believes the Division of Post Audit is the nation's best evaluation unit. The Committee commends the efforts of the agency to provide outstanding performance and financial compliance audit information for the Kansas Legislature.

House Budget Committee Report

Agency: Legislature

Bill No.

Bill Sec.

Analyst: Conroy

Analysis Pg. No. 1526

Budget Page No. 339

Expenditure Summary	Agency Estimate FY 01	Governor's Recommendation FY 01	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 12,711,968	\$ 12,711,968	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 12,711,968	\$ 12,711,968	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 12,711,968	\$ 12,711,968	\$ 0
State General Fund:			
State Operations	\$ 12,432,722	\$ 12,432,722	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 12,432,722	\$ 12,432,722	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 12,432,722	\$ 12,432,722	\$ 0
FTE Positions	33.0	33.0	0.0
Other Unclassified Positions	0.0	0.0	0.0
TOTAL	33.0	33.0	0.0

AGENCY OVERVIEW

The legislative power of the State of Kansas is vested in a House of Representatives (125 members) and a Senate (40 members). The budget for this agency finances the operations of the House and the Senate, joint expenses, legislative claims, special maintenance and repair expenses, special expenses authorized by the Legislative Coordinating Council, and the retirement program for session only employees of the Legislature.

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 2001 operating expenditures of \$12,711,968 is a decrease of \$640,556 or 5.0 percent below the currently authorized amount by the 2000 Legislature.

- The agency requests financing from the State General Fund of \$12,432,722 (97.8 percent of the request)

- The agency also requests financing of \$279,246 from all other funds (2.2 percent of the request)
- The other funds include the Legislative Special Revenue Fund (\$279,246)
- The agency requests 33.0 FTE positions, the currently authorized amount.

The Governor recommends \$12,711,968 for FY 2001 operating expenditures, the same as the agency's request.

- The Governor recommends financing of \$12,432,722 from the State General Fund, which concurs with the agency's request.
- The Governor concurs with the agency request of \$279,246 for expenditures financed from other funds (Legislative Special Revenue Fund).
- The Governor concurs with the agency request for 33.0 FTE positions.

House Budget Committee Recommendations

The House Budget Committee concurs with the Governor's recommendation.

House Budget Committee Report

Agency: Legislature

Bill No. –

Bill Sec. –

Analyst: Conroy

Analysis Pg. No. 1569

Budget Page No. 339

Expenditure Summary	Agency Request FY 02	Governor's Recommendation FY 02	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 13,025,474	\$ 12,976,356	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 13,025,474	\$ 12,976,356	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 13,025,474	\$ 12,976,356	\$ 0
State General Fund:			
State Operations	\$ 12,894,474	\$ 12,845,356	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 12,894,474	\$ 12,845,356	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 12,894,474	\$ 12,845,356	\$ 0
FTE Positions	33.0	33.0	0.0
Other Unclassified Positions	0.0	0.0	0.0
TOTAL	33.0	33.0	0.0

Agency Request/Governor's Recommendation

The legislative power of the State of Kansas is vested in a House of Representatives (125 members) and a Senate (40 members). The budget for this agency finances the operations of the House and the Senate, joint expenses, legislative claims, special maintenance and repair expenses, special expenses authorized by the Legislative Coordinating Council, and the retirement program for session only employees of the Legislature.

The **agency request** for FY 2002 operating expenditures totals \$13,025,474, an increase of \$313,506 or 2.5 percent above the agency's revised FY 2001 estimate. The agency requests:

- **State General Fund:**
 - \$12,894,474 or 99.0 percent of the request
- **Other Funds:**
 - \$131,000 or 1.0 percent from the Legislative Special Revenue Fund
- **Salaries and Wages:**
 - \$7,134,026 for legislator and staff compensation.

- Legislator compensation is based on \$73.00 per day (current statutory rate) in FY 2002, while the FY 2001 compensation rate is \$76.44 per day (temporary rate approved by the 2000 Legislature).
- Includes funding for 33.0 FTE positions, the same number as in the current year.
- \$278,440 for salaries and wages for staff associated with the legislative, congressional, and State board of Education redistricting.
- **Other Operating Expenditures:**
 - \$5,891,448 for other operating expenditures, which is an increase of \$202,233 or 3.6 percent above the agency's FY 2001 estimate
 - The request includes funding of \$0.2 million for costs associated with preparing for the legislative, congressional, and State Board of Education redistricting
 - The request also includes \$0.9 million for the FY 2002 component of the legislative computerization program.

The Governor recommends FY 2002 operating expenditures of \$12,976,356 or \$49,118 less than the agency requested. The recommendation is \$264,388 or 2.1 percent above the Governor's current year recommendation.

- **State General Fund:**
 - \$12,845,356 or \$49,118 less than the agency requested
 - The recommendation is an increase of \$412,634 or 3.3 percent above the Governor's revised FY 2001 recommendation
- **Other Funds**
 - **The Governor** concurs with the agency's request for expenditure of \$131,000 in all other funds (Legislative Special Revenue Fund)
- **Salaries and Wages**
 - \$7,084,908 for legislator and staff compensation and 33.0 FTE positions
 - The amount is a reduction of \$49,118 from the agency request.
 - The Governor does recommend \$17,466 (State General Fund) for the Governor's recommended pay plan that includes an unclassified merit increase of 2.25 percent (3.0 percent annualized).
- **Other Operating Expenditures**
 - **The Governor** recommends \$5,891,448 for other operating expenditures, which is the same as the agency requested.
 - The Governor concurs with the agency request for the legislative computerization program.
 - The Governor concurs with the requested funding for the legislative, congressional and State Board of Education redistricting.

House Budget Committee Recommendations

The House Budget Committee concurs with the Governor's recommendations with the following adjustments and comments:

1. The Budget Committee notes that discussion was held concerning the possibility of establishing of a year-round legislative secretarial pool of six to eight secretaries. In discussions with Jeff Russell, Director of Legislative Administrative Services, it was indicated that there is increasing difficulty in finding quality legislative session-only employees with the necessary word processing skills to staff legislator offices. Discussion was held on starting a pilot project that would enable Legislative Administrative Services to offer year-round employment, including fringe benefits to six to eight legislative secretaries. The program could encourage senior experienced clerical staff to remain in the employment of the Legislature. The year-round secretaries could also be mentors to new session-only clerical personnel, help staff interim committees, and provide clerical assistance to legislators during the interim. The Budget Committee urges Director Russell to continue to study the concept of a year-round legislative secretarial pool.
2. The Committee notes that the Governor does not recommend a state employee pay plan adjustment for session-only employees in the budget year. The estimated fiscal impact in FY 2002 to increase the base salaries by 1.5 percent at the beginning of the fiscal year and another 1.5 percent at mid-fiscal year is \$71,499 (State General Fund). The Budget Committee requests that the Governor review the issue and if appropriate, consider a Governor's Budget Amendment to add the funding in FY 2002.
3. The Committee notes that the Governor did not initially recommend that legislators receive the same state employee pay plan adjustment (1.5 percent at the beginning of the fiscal year and another 1.5 percent mid-fiscal year) as recommended for almost all other state employees. The Governor financed daily legislator compensation at the statutory amount of \$73.00 per day, a reduction of \$3.44 per day from the current temporary rate set by an appropriation act of the 2000 Legislature. Absent any action, by the 2001 Legislature, the daily compensation rate will decrease to the statutory amount of \$73.00 per day. The agency's FY 2002 budget request was requested at the statutory rate amount of \$73.00 per day, pending action by the 2001 Legislature. The Director of the Budget has since indicated that within the Governor's appropriation bill for FY 2002 will be temporary language to increase the current legislator daily compensation amount of \$76.44 to \$78.75. This will provide legislators with the same pay plan adjustment recommended for state-wide elected officials and, in general, all state employees. The Budget Committee notes however, that the Governor's recommendation for the Legislature does not include \$128,027 (State General Fund) to finance the salary increase for legislators. The Budget Committee will continue to monitor the budgetary needs of the Legislature during the balance of this session and if it appears the agency will not be able to absorb the lack of proper funding, the Committee will raise the issue at a later time for further consideration.
4. The Committee also discussed the recent recommendations of the Legislative Compensation Commission which recommended an annual rate of legislator compensation of \$24,000 instead of the current daily amount \$76.44. The Commission noted that Nebraska, Oklahoma, Missouri, and Colorado all have an annual salary for their legislators, the average compensation for those states is \$27,370. The Commission also recommended that the current practice of allowing legislators to annualize per diem compensation and expenses for Kansas Public Employees Retirement System (KPERs) benefits would be discontinued in January 2003 for new members of the Legislature or at the beginning of a new term of office

for current legislators. In the future, under the Commission's recommendations, legislators' KPERS retirement benefit calculations would be based only on the actual salary, or legislators would have the option of electing into the state special deferred compensation plan, where the employer contributes 8.0 percent of the employee's salary.

The Budget Committee reviewed the history of legislator per diem compensation, legislator subsistence and legislator monthly non-session expense amounts. The Committee notes that had the current legislator daily subsistence amount of \$85.00 per day been indexed to the rate of inflation since FY 1986, the daily subsistence amount would be \$105.21 or a difference of \$20.21 from the current rate. In the area of daily legislator compensation, currently at \$76.44 per day, had legislator pay been increased at the same rate state employee pay had increased (step movement and cost-of-living adjustments) since FY 1989, legislator compensation would be \$88.48 per day or a difference of \$12.04 per day. Perhaps most troubling to the Budget Committee was the monthly non-session expense amount of \$600. That amount was set at \$600 in FY 1986, over 15 years ago. Had that amount been indexed to the same increase as state employees have received through the years (step movement and cost-of-living adjustments) that monthly non-session expense amount would be \$1,064.12 per month or a difference of \$464.12.

The Budget Committee recommends that the 2001 Legislature review the preceding information that clearly indicates that legislator compensation and expenses have not kept pace with inflation or the amount of pay increases that has been granted to state employees. In order to facilitate this discussion, the Budget Committee recommends introduction of legislation that would do the following:

- change the legislator daily compensation amount from the statutory amount of \$73.00 per day to \$100 per day (fiscal note of \$603,269 - State General Fund)
- change the legislator daily subsistence amount from the current \$85.00 per day to \$100 per day (fiscal note of \$313, 000 - State General Fund); and
- change the legislator monthly non-session expense amount from \$600 per month to \$1,064.12 per month (fiscal note of \$762,698 - State General Fund).
- all three of the above would then be indexed to whatever increase state employees receive (step movement and cost-of-living adjustment) receive in the future.

The Budget Committee realizes that the issue of legislator pay is difficult, but the discussion of what is an appropriate level of legislator compensation is necessary in order assure that Kansas will continue to have a "citizen legislature" which has served our state so well through the years.

HOUSE BILL No. 2040

By Legislative Post Audit Committee

1-16

Proposed Amendments
For Consideration By Committee on Apprc
February 9, 2001

HOUSE APPROPRIATIONS

DATE 2/09/01
ATTACHMENT #2

9 AN ACT concerning real estate owned by state agencies; relating to sur-
10 plus real estate; amending K.S.A. 2000 Supp. 75-6609 and repealing
11 the existing ~~Section~~

K.S.A. 75-3043a and

13 *Be it enacted by the Legislature of the State of Kansas:*

sections

ec. 2. ~~Section 1~~ K.S.A. 2000 Supp. 75-6609 is hereby amended to read as
15 follows: 75-6609. (a) When used in this section, "surplus real estate"
16 means real estate which is no longer needed by the state agency which
17 owns such real estate *as determined in accordance with this section.*

Section 1. K.S.A. 75-3043a is hereby amended to read as follows: 75-3043a. Except as otherwise specifically provided by this or other statute or rule and regulation, prior to the state of Kansas or any agency thereof purchasing or disposing of any real property by deed, mortgage, gift or other means of conveyance, transfer or exchange, such property shall be appraised by three (3) disinterested appraisers, to who shall be appointed by the judicial administrator, to determine the market-value appraisal of such property; but nothing in this section shall be construed as establishing or limiting the consideration for the acquisition or disposition of any such property. Any appraiser selected pursuant to this section shall receive reasonable fees or compensation from legislative appropriations made available therefor. No state real property that is being sold by public auction shall be required to be appraised pursuant to this section.

18 (b) (1) The secretary of administration shall develop criteria for the
19 identification of surplus real estate, *including but not limited to, a review*
20 *of any legal restrictions associated with the real estate and the reasons for*
21 *the state agency to keep the real estate.* In accordance with such criteria,
22 the secretary shall assist state agencies in the identification of surplus real
23 estate. *The secretary of administration shall periodically review the status*
24 *of all real estate of state agencies subject to this section to determine if*
25 *any of the real estate owned by state agencies is potentially surplus real*
26 *estate. If any real estate owned by a state agency is determined by the*
27 *secretary of administration, in consultation with the head of the state*
28 *agency, to be surplus real estate in accordance with the criteria developed*
29 *under subsection (a), then the secretary of administration shall recom-*
30 *mend to the governor that such real estate be sold under the procedures*
31 *prescribed by this section.*

32 (2) The secretary of administration shall develop guidelines for the
33 sale of surplus real estate. In accordance with such guidelines and upon
34 the ~~written consent of approval of the governor, after consultation with~~
35 the head of the state agency which owns such surplus real estate, *and*
36 *after approval by the state finance council under subsection (c), the sec-*
37 *retary may offer such property for sale by one of the following means: (1)*
38 *(A) Public auction; (2) (B) by listing the surplus property with a li-*
39 *icensed real estate broker or salesperson; or (3) (C) by sealed bid. Sub-*
40 *ject to the approval of the state finance council as required by subsection*
41 *(c), the secretary of administration may sell surplus real estate and any*
42 *improvements thereon on behalf of the state agency which owns such*
43 *property.*

1 (c) Prior to the sale of any surplus real estate under subsection (b),
 2 the state finance council shall approve the sale, which is hereby charac-
 3 terized as a matter of legislative delegation and subject to the guidelines
 4 prescribed in subsection (c) of K.S.A. 75-3711, and amendments thereto.
 5 The matter may be submitted to the state finance council for approval at
 6 any time, including periods of time during which the legislature is in
 7 session.

8 (d) Prior to offering any real estate for sale, such property shall be
 9 appraised pursuant to K.S.A. 75-3043a, and amendments thereto. The
 10 costs of such appraisal may be paid from the proceeds of the sale.

[, other than any real estate offered for sale
 by public auction

11 (e) Conveyance of title in surplus real estate offered for sale by the
 12 secretary of administration shall be executed on behalf of the state agency
 13 by the secretary of administration. The deed for the conveyance may be
 14 by warranty deed or by quitclaim deed as determined to be in the best
 15 interests of the state by the secretary of administration in consultation
 16 with the head of the state agency which owns the surplus real estate.

17 (f)(1) Any proceeds from the sale of surplus real estate and any im-
 18 provements thereon, after deduction of the expenses of such sale and ~~the~~
 19 ~~cost of the~~ appraisal of the surplus real estate, shall be deposited in the
 20 state treasury and credited to the state general fund as prescribed by this
 21 subsection, unless otherwise authorized by law. On and after the effective
 22 date of this act, a portion of the proceeds from each such sale deposited
 23 in the state treasury shall be determined and designated by the state fi-
 24 nance council acting on this matter which is hereby characterized as a
 25 matter of legislative delegation and subject to the guidelines prescribed in
 26 subsection (c) of K.S.A. 75-3711c and amendments thereto and acting on
 27 this matter in conjunction with approval of such sale under subsection
 28 (c), to be credited to the surplus real estate fund or another appropriate
 29 special revenue fund of the state agency which owned the surplus real
 30 estate, except that such portion shall not exceed the amount equal to 50%
 31 of such proceeds. After crediting the amount designated by the state fi-
 32 nance council, the remainder of the proceeds from each such sale depos-
 33 ited in the state treasury shall be credited to the state general fund.

[any cost of

[, as is prescribed by law or as may be
 determined by the state agency

34 (2) The amount of expenses and the cost of appraisal for each sale of
 35 surplus real estate pursuant to this section shall be transferred and cred-
 36 ited to the property contingency fund created under K.S.A. 75-3652, and
 37 amendments thereto, and may be expended for any operations of the
 38 department of administration.

[In the case of proceeds from the sale of surplus real estate at a state
 mental health institution or a state mental retardation institution,
 such portion of the proceeds shall be credited to the client benefit
 fund of such institution or to another special revenue fund of such
 institution for (A) rehabilitation and repair or other capital
 improvements for such institution, or (B) one-time expenditures for
 community mental health organizations if the real estate sold was at
 a state mental health institution or for community developmental
 disabilities organizations if the real estate sold was at a state mental
 retardation institution, and, in any such case, shall be expended in
 accordance with the provisions of appropriation acts.

39 (3) Any state agency owning real estate may apply to the director of
 40 accounts and reports to establish a surplus real estate special revenue fund
 41 in the state treasury. Subject to the provisions of appropriation acts, mon-
 42 eys in a surplus real estate special revenue fund may be expended for the
 43 operating expenditures of the state agency.

2-3

1 (g) Any sale of property by the secretary of transportation pursuant
 2 to K.S.A. 68-413, and amendments thereto, shall not be subject to the
 3 provisions of this section.
 4 ~~[Sec. 2] K.S.A. 2000 Supp. 75-6609 hereby repealed.~~
 5 ~~[Sec. 3] This act shall take effect and be in force from and after its~~
 6 publication in the statute book

New Sec. 3. If a mental health institution or mental
 retardation institution is closed and all or part of the real
 estate of such institution is sold, the proceeds from the sale of
 such real estate, after deduction of the costs of the sale and
 any costs of appraisal of such surplus real estate, shall be
 deposited in the state treasury to the credit of a new or
 existing special revenue fund. All expenditures of such
 moneys in any such special revenue fund shall be in
 accordance with the provisions of appropriation acts and shall
 be used (a) for capital improvements or operating
 expenditures for another state institution providing either
 mental health services or mental retardation services,
 whichever were provided by the closed institution or (b) to
 provide either mental health services or mental retardation
 services, whichever was provided by the closed institution,
 through community organizations in communities.

K.S.A. 75-3043a and K.S.A 2000 Supp. 75-6609
 are