

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson Representative Kenny Wilk at 9:00 a.m. on February 7, 2002 in Room 514-S of the Capitol.

All members were present except: Representative McCreary, Excused  
Representative Clark Shultz, Excused  
Representative Doug Spangler, Excused  
Representative Jeff Peterson, Excused

Committee staff present: Alan Conroy, Legislative Research  
Amy Kramer, Legislative Research  
Becky Krahl, Legislative Research  
Leah Robinson, Legislative Research  
Carolyn Rampey, Legislative Research  
Jim Wilson, Revisor of Statutes  
Mike Corrigan, Revisor of Statutes  
Nikki Feuerborn, Committee Secretary

Conferees appearing before the committee: Chief Justice Kay McFarland  
Kathy Porter, Judicial Center  
Jerry Sloan, Judicial Center  
Jim Bush, President, Kansas Bar Association  
Pedro Irigonegaray, Kansas Trial Lawyers Association  
Mike Auchard, KU Classified Senate  
Dianne Nutt, Pittsburg State Classified Senate  
Reggie Robinson, Chief of Staff for KU Chancellor  
Andy Sanchez, KS Association of Public Employees  
Robert Hayes, Health Care Stabilization Fund

**Hearing on HB 2179 - Submittance of judicial branch budget to the legislature without executive branch revision**

The fiscal note indicated that if the Director of the Budget was prevented from making any revision to the budget for the Judicial Branch, based on the current budget cycle, the Judiciary would have \$5.0 million more in expenditures and 42.8 more FTE positions for FY 2002 than was recommended to the Legislature (Attachment 1).

Chief Justice McFarland addressed the Committee and explained the budgeting process used by the Judicial Branch (Attachment 2). She explained the desperate need for supplemental funding in the amount of \$600,000 for the FY 2002 budget if the Judiciary system is to continue operating throughout the state. She requested an early indicator in order to plan three-day furloughs for employees if the supplemental is not forthcoming. Chief McFarland explained in detail her reasoning for requesting the Judicial Branch budget be presented directly to the Legislature without the recommended budget cuts by the Governor's Director of the Budget. The Judicial Branch budget is a basic maintenance budget with 97% being salaries. The unreasonable cuts recommended by the Director of the Budget were irresponsible and made without the knowledge necessary to know how their branch of government works. People must have confidence in their judiciary branch and these cuts would destroy such confidence due to the lack of availability of services and timely litigation. Caseloads have increased by 50% in the past few years with a very small increase in personnel to handle this onslaught.

Jerry Sloan, Office of Judicial Administrator, reported that Kansas was recently ranked by USA Today newspaper as being in the top five states in which business can depend on a fair and friendly court atmosphere. Due to the increased workloads and time limitations on criminal cases, civil cases are being postponed or continued.

Kathy Porter, Office of Judicial Administrator, stated that many other states' judicial branches submit their

budgets directly to the legislature for appropriation or send a copy of the proposed budget for the governor's perusal and it is submitted without comments, changes or recommendations.

Jim Bush, President of the Kansas Bar Association, explained that the Judicial Branch is not an agency and should not come under the auspices of the Executive Branch (Attachment 3). The current policy was implemented when the courts were unified in the mid-1970's and the courts did not have the staff support or experience necessary to prepare budgets for the entire state. This is no longer the case. As a co-equal branch of government, it should not be subservient and at the mercy of the Governor.

Pedro Irigonegaray, Kansas Trial Lawyers Association, explained that the Governor reviewing the budget of the Judicial Branch is likened to the Judicial Branch reviewing all bills placed before the Legislature and making their recommendations on which bills should be heard and recommended for passage (Attachment 4). He explained that all three branches are co-equal with the Legislature having the power of the purse.

The research staff was asked to determine how much additional staff and resources they would need if the Governor did not submit a budget and the budget had to be completely developed by the Legislature.

Chairman Wilk closed the hearing on **HB 2179**.

#### **Hearing on HB 2636 - Advisory committee on classified employee issues**

Mike Auchard, President of the Classified Senate of the University of Kansas, spoke in support of the bill which would formalize the process of interpreting and communicating proposed legislation to classified employees and to legislators (Attachment 5).

Written testimony was received from Bobbi Mariani, Director of Personnel Services of the Department of Administration (Attachment 6).

Copies of a fiscal note in the amount of \$235,375 was distributed to the Committee (Attachment 7).

Dianne M. Nutt, President of the Pittsburg State University Classified Senate, explained that the Senate provided them an avenue to communicate with their members in the area of pending legislation that is pertinent to their jobs (Attachment 8). This bill would open the doors for an advisory committee to be established which would be available for all classified employees to be aware of such proposed legislation or policies.

Reginald L. Robinson, Office of the Chancellor of the University of Kansas, praised the work and efforts of the classified staff of the University, and spoke in support of the advocacy effort of this proposed legislation (Attachment 9).

Written testimony was received from Representative Tom Sloan, Douglas County (Attachment 10).

Andy Sanchez, Executive Director of the Kansas Association of Public Employees, KAPE/AFT, AFL-CIO, spoke in opposition to the bill which would conflict with their responsibilities to represent state employees (Attachment 11). He explained their structure and the process which has been developed to assist classified and non-classified employees in the workplace.

Chairman Wilk closed the hearing on **HB 2612**.

#### **Hearing on HB 2612--State finances, biennial budget estimates**

Gerald Schneider, Chief Financial Officer of the Department of Human Resources, opposed the bill due to the complexity and variety of programming, funding, and reporting that the odd year will probably entail (Attachment 12). The level of effort expended would be equal to that of preparing a budget every year.

Robert Hayes, Executive Director of the Health Care Stabilization Fund, said they could work with either an annual budget or biennial budget and had no opposition to either.

Chairman Wilk closed the hearing on **HB 2612**.

Alan Conroy presented an explanation of the State General Fund Receipts which are lower than expected at this point (Attachment 13).

The meeting was adjourned at 10:50 a.m. The next meeting is scheduled for February 12, 2002.

## APPROPRIATIONS COMMITTEE GUEST LIST

DATE:

NAME	REPRESENTING
Barb Conant	KTLA
Sierra Bernhard	KDAA
John Federico	KS District Judges Assn
William Skyles	Federico Consulting
Pedro L. Pugmearay	KTLA
Jim Bush	KBA
Robbie Berry	SRS
Jerry Sloan	Judicial Branch
Kay M. J. J. J. J.	" "
Kathy Ruler	" "
Howard Schwartz	" "
BOB HAYES	HCSTF
Dennis Constance	KU Class. Senate
Sam Hunsaker	KU Classified Senate
Susan Hewitt	KU classified senate
Mike Auchard	KU classified Senate
Deanne M. Nutt	P.S.U. Classified Senate
Reggie Robinson	Univ. of Kansas - Office of Chancellor
Andy Sanchez	KAPF

# APPROPRIATIONS COMMITTEE GUEST LIST

DATE: 2/07/02

NAME	REPRESENTING
Tim McClay	Emporia State
DAVID WYSONG	Citizen
Lois Weeks	SRS
Lois Ryan	DPS
Herald Schuler	KDHR
Kim Fowler	Judicial Branch.
Ron Keefner	" "



DIVISION OF THE BUDGET  
State Capitol Building, Room 152-E  
Topeka, Kansas 66612-1575  
(785) 296-2436  
FAX (785) 296-0231  
<http://da.state.ks.us/budget>  
January 30, 2001

Bill Graves  
Governor

Duane A. Goossen  
Director

The Honorable Kenny Wilk, Chairperson  
House Committee on Appropriations  
Statehouse, Room 514-S  
Topeka, Kansas 66612

Dear Representative Wilk:

SUBJECT: Fiscal Note for HB 2179 by House Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2179 is respectfully submitted to your committee.

HB 2179 would change current law concerning the annual Judiciary budget request. The bill would eliminate the provision that the Director of the Budget may review and recommend budgetary changes to the Governor and the Legislature. Currently, the Judiciary budget is reviewed by the Division of the Budget and revisions to this budget are recommended by the Governor and included in *The Governor's Budget Report*. The bill would specifically prevent the Director of the Budget from revising the Judiciary's budget request and would require that this budget be included, as submitted, in *The Governor's Budget Report*.

The Division of the Budget states that if the Director of the Budget was prevented from making any revisions to the Judiciary budget, the Judiciary, based on the current budget cycle, would have \$5.0 million more in expenditures and 42.8 more FTE positions for FY 2002 than was presented to the Legislature. These amounts are based on the difference between the amount requested by the Judiciary and the amount recommended in *The FY 2002 Governor's Budget Report*. There would not necessarily be any net increase in state expenditures overall. However, the additional \$5.0 million in the Judiciary's budget would have had to be offset by an equal reduction in other state budgets. The fiscal effect of this bill is not accounted for in *The FY 2002 Governor's Budget Report*.

Sincerely,

A handwritten signature in cursive script that reads "Duane A. Goossen".

Duane A. Goossen  
Director of the Budg

HOUSE APPROPRIATIONS

DATE 2/07/02  
ATTACHMENT 1

cc: Jerry Sloan/Ami Hyten, Judiciary



# Supreme Court of Kansas

KAY MCFARLAND  
Chief Justice

Kansas Judicial Center  
Topeka, Kansas 66612-1507

(785) 296-5322

## Testimony on HB 2179

House Appropriations Committee

Thursday, February 7, 2002

Chief Justice Kay McFarland

Thank you for the opportunity to appear this morning to discuss Judicial Branch budget issues, including HB 2179. Anyone who has read a newspaper or listened to a television or radio news report in the last several weeks is well aware that the State of Kansas has serious budgetary issues. Undoubtedly this will be a terribly difficult year as you struggle to make sure the limited dollars available are assigned where the need is greatest.

I am here this morning to address House Bill 2179, which is a carryover bill from the last legislative session. The bill would delete from current law the Director of the Budget's authority to review and make recommendations for proposed changes to the Judicial Branch budget, and would allow the Judicial Branch budget to be presented directly to the Legislature without the budget cuts made as a matter of course by the Director of the Budget and the Governor.

Prior to Court unification, the Supreme Court did submit its budget directly to the Legislature. That only makes sense. Why should one branch of government submit its budget to another branch before submitting it to the Legislature for appropriation? This question is no reflection on any one governor in particular. I have spoken with Governor Graves about the fiscal needs of the Judicial Branch on several occasions, and he is sympathetic to the crisis facing the Kansas courts. The Governor has assured me he is not opposed to this bill. It is not surprising, however, that the Division of the Budget must give the highest priority to its own Executive Branch of government.

The current process is counterproductive for all involved. Once the Judicial Branch budget suffers the significant cuts rendered by the Executive Branch, legislative time is needlessly spent as we attempt to restore funding necessary to the basic needs of the Judicial Branch. These cuts are arbitrary cuts, with no justification, and they are one of the basic reasons the Judicial Branch falls behind each year.

The Division of the Budget spends time going through the Judicial Branch budget which has been submitted with basic requests, with its preconceived plan to make cuts where no reasonable cuts are possible. Therefore, arbitrary cuts are made. As one example, in FY 2003 a preliminary cut of \$400,000 was made from expenditures for contractual services in the district courts. This is the money spent for district judges to travel from one county to another within a district to hear cases. The total request from the State General Fund for all operating expenditures in the district courts is only \$308,163. In addition to cutting more than was requested in the first place, that particular item is one that cannot be cut at all. Cutting all district judge travel to other counties within their districts would mean that, in 56 counties without district judges, no felony criminal trials could be held, no domestic cases could be heard, no major civil cases could be heard, and other matters not within the jurisdiction of district magistrate judges simply could not be heard.

In other years, examples of cuts recommended by the Division of the Budget in its recommendations have included cutting a federally funded position, which would have produced no State General Fund savings, and cutting the only administrative assistant for the Chief Judge of the Court of Appeals. The bottom line is that any significant cut to the Judicial Branch budget will be taken in salaries and wages, regardless where they are recommended initially. Our budget is truly a maintenance budget, and there are no reasonable cuts that can be made therein.

Let me reassure you that the Judicial Branch budget is critically reviewed at many levels before it goes to the Director of Budget. At that point, there is no fat left to trim. Every request made by each judicial district is justified and approved by the chief judge for that district. These requests are then reviewed by both the Office of Judicial Administration and the Supreme Court, who evaluate each district's request in light of caseload analysis and other relevant factors. Chief judges, who often receive drastic cuts from their request, have the opportunity to appeal the cuts from their funding requests to the Supreme Court. This internal process mirrors the Executive Branch budget process.

You are familiar with the difference between the Judicial Branch budget and many of the budgets of agencies within the other two branches of government. Approximately 97% of the funding of the Judicial Branch budget goes to salaries. The remainder is used for the basically fixed costs that are our other operating expenses (OOE). There is essentially no place for the Judicial Branch to absorb a cut in funding, other than by cutting nonjudicial salary expenditures.

You have heard my staff and me speak in previous years about the Judicial Branch history of hiring freezes, and the lack of sufficient staffing to address the overwhelming caseload and increasing number of duties that face our staff each year. These circumstances, although dismal in several preceding years, have become increasingly serious in recent years. The Judicial Branch has fallen into a vicious cycle of needing supplemental funding to complete even a current year, with each year's budget being even more underfunded than the last. In FY 2001, the Judicial Branch's maintenance budget (the cost of just maintaining the salaries and wages of existing employees) was underfunded by \$1.2 million, and supplemental funding of \$300,000 was needed to avert a furlough of our employees. In the current fiscal year, the maintenance

budget is underfunded by approximately \$2 million, and supplemental funding is needed to avert a furlough. I cannot begin to tell you the situation we face in FY 2003, in which the underfunding totals approximately \$3.6 million. In FY 2000, the Judicial Branch ended the fiscal year with a balance of \$106, and in FY 2001 the Judicial Branch ended the fiscal year with a balance of \$12,000. These amounts are too close for comfort in a budget of approximately \$80 million.

Although the most important work of the Kansas courts includes matters that directly impact the lives of Kansas families and public safety, a high quality court system is also vitally important to the Kansas economy. Each year, innumerable business matters are resolved in our courts. Without just and efficient court operations, these cases would not receive timely attention and resolution, costing Kansas businesses money and creating a burden on the Kansas economy. Interestingly, the January 23, 2002, issue of *USA Today* contained the results of a survey conducted by the United States Chamber of Commerce which rated each state's court system on reasonableness and fairness from a business perspective. Kansas ranked in the top five in that survey. However, if the current trend of underfunding continues, the Judicial Branch's ability to maintain these high standards will be severely endangered.

Already, citizens statewide have seen the effects of understaffing in district court clerks' offices which cannot remain open for business from 8:00 a.m. to 5:00 p.m. each work day. Only 34 of our 105 counties have clerk of the district court offices that are open from 8:00 a.m. to 5:00 p.m. The others open late, close early, or are closed over the noon hour because staff cannot keep up with the press of business. I have become accustomed in recent weeks to saying 35 counties, but another county shortened its hours just last week, and another county has been inquiring about shortened hours. As the staffing situation worsens, the court system's work will have to be prioritized, and not everything will be accomplished as quickly as it would have been in the past. There is a possibility some duties will not be accomplished at all.

Returning to the procedural aspects of HB 2179, I have been asked whether the Judicial Branch budget is submitted directly to the Legislature in other states. Research has revealed that, of the fifty states and the District of Columbia, 31, or 61%, do not allow the Executive Branch to amend the state's Judicial Branch budget. I have also been asked whether the ending balance law presents a difficulty. The 2000 - 2001 *Book of the States* shows that all but six states require the Governor to submit a balanced budget, either by statute or constitutional provision, so this obviously is not a stumbling block to direct submission of the Judicial Branch budget to the Legislature. There are separate attachments to address this issue and other questions along this line, and they will be discussed later.

Amending current law to allow the Judicial Branch budget to be submitted directly to the Legislature will not change the budgetary bottom line. The same budget analysis and legislative review would take place. Any amount requested by the Judicial Branch and not approved by the Legislature would simply be available for the Legislature to spend on other items, or would remain unexpended in the State General Fund.



I would argue this gives you, as legislators, much more flexibility and puts you in a better position than does the current law, because you are not forced to cut dollars from some other program or agency to fund the Judicial Branch. Moreover, direct submission of the Judicial Branch budget could help to focus both legislative and judicial time and energy on the real issues present in the Judicial Branch budget, rather than focusing on cuts made by the Executive Branch. I urge you to consider favorably recommending HB 2179.

### **Need for Current Year Supplemental Funding**

I have been pleased with the efforts of the Governor and some legislators to provide the Judicial Branch with a supplemental appropriation in order to complete the present year. Also, the Governor's State of the State address recognized the needs of the Judicial Branch, stating that the judiciary "is strained and limited by the resources we have been providing," and noting that "justice that cannot be accessed is justice denied." These recommendations, as well as the comments I have heard from many of you, make me hopeful that the message we have been delivering over the past few years has been heard and understood.

Without a supplemental appropriation for the current year, the Judicial Branch will be forced to take drastic personnel action in order to make ends meet. The supplemental request represents that portion of the \$1.9 to \$2 million maintenance budget underfunding that remains after we have taken the following steps:

- imposition of an across-the-board 60 to 90 day hiring freeze on all vacant positions;
- reduction of funding for temporary hours by 25%;
- elimination of district magistrate judge travel from outlying districts into districts that do not have district magistrate judges;
- elimination of travel for Court of Appeals hearings, so that all hearings are held in Topeka; and
- imposition of a local savings reduction on each district, which forced additional savings by either further reducing temporary hours or holding positions open beyond 60 to 90 days.

The steps noted above have been necessary, but they have been counterproductive to our need for accurate, thorough, and timely work in a judicial system already struggling with years of caseload growth and hiring freezes in eight of the past ten years. While I would expect our employees to bear with us during difficult budget times, the unfortunate fact is that the current budget cannot be viewed as an anomaly, as we have been chronically underfunded for years. Our employees have borne the brunt of the underfunding for years by struggling to do more and more work while many of the positions around them go unfilled due to lack of funding.

Unfortunately, what the Judicial Branch had been estimating as a \$529,000 remaining shortfall is now closer to \$600,000. The same factors that have been at play in the economy as a whole have impacted the Judicial Branch, and not enough savings have been realized from our

stringent hiring freeze. Employees are not leaving Judicial Branch employment in the numbers experienced historically, and the turnover is less than projected. We are forcing additional turnover, but it does not appear that these efforts will be sufficient.

Without a current year supplemental appropriation, the Judicial Branch will be forced to impose a minimum of three furlough days in the current year. It is difficult to imagine that, for lack of \$600,000, an entire branch of government could be shut down. However, a budget that is approximately 97% salaries and wages leaves few options; either there is funding to meet the payroll, or there is not. Because of the possibility of furlough days, I am requesting that you take action on a bill currently in your committee, HB 2598, which would authorize the state to continue payment of the employer share of Kansas Public Retirement System (KPERs) benefits for employees who are subject to furlough.

If three or more days of furlough were necessary in the current fiscal year, the Judicial Branch had hoped to deal with the situation by giving approximately 60 days notice to our employees and by staggering the days so that employees would not have more than one day without pay per month. We are left with the difficult choice of taking some action now, which ultimately may be determined to have been unnecessary, or waiting to see if the supplemental appropriation will be enacted into law. If it is not and furlough days are not taken until May, Judicial Branch employees will see at least one day without pay in each of the last three pay periods remaining in the year after the Legislature adjourns. For payroll purposes, the last day of the last pay period of FY 2002 is June 8. Leaving this decision until the final days of the legislative session is not a good option for our employees. Last year, the supplemental appropriation approved during the omnibus session was not signed into law by the Governor until May 25.

I am requesting the introduction of a supplemental appropriation bill that is not linked to any other proposal. We need an early indicator that supplemental funding will be forthcoming, or the uncertainty of whether or not a furlough will be necessary will continue to take a toll on our employees.

### **FY 2003 Budget Needs**

The Governor's original budget proposal for FY 2003 underfunds the Judicial Branch maintenance budget by \$3.6 million, which obviously would result in an even more precarious fiscal situation than in the present fiscal year. I have no choice but to pursue this funding from the 2002 Legislature at every opportunity.

If the \$3.6 million reduction from the Judicial Branch maintenance budget stands, it would force furlough weeks instead of furlough days. Because turnover in judicial positions is minimal and the Constitution prohibits salary reductions for judges, these reductions must be in nonjudicial personnel salaries. This would have a tremendous impact on the income of the members of the Judicial Branch who can probably least afford it.

The reductions already implemented have begun to impact the ability of the Judicial Branch to perform essential services. It is difficult to foresee all the adverse consequences that could arise from a \$3.6 million reduction.

I ask you to avoid the shutdown of the Kansas courts.

As always, I appreciate the opportunity to speak with you, as well as your efforts to fund the Judicial Branch and to understand the budget issues we face. Please do not hesitate to contact me or my staff if any additional information would be helpful to you.

Attachments Accompanying Chief Justice Kay McFarland's Remarks

Overview of the Kansas Judicial Branch, Including Budget Issues

House Appropriations Committee

Thursday, February 7, 2002

#### Attachment A

Attachment A shows the history of statutory provisions regarding submitting the Judicial Branch budget to the Governor.

#### Attachment B

Attachment B shows a seven-year history of Judicial Branch State General Fund expenditures for other operating expenditures (OOE). Although it is frequently noted that approximately 97% of the Judicial Branch budget is expended for salaries and wages, this shows the actual State General Fund amounts that are expended for OOE.

#### Attachment C

Attachment C shows the number of nonjudicial personnel in the district courts from FY 1991 to FY 2001. The actual net increase in FTE positions from FY 1991 to FY 2001 has been 30.0 FTE positions.

#### Attachment D

Attachment D shows the number of days vacant nonjudicial positions were held open from FY 1993 to FY 2001. Some years noted as "60 days or more" had 90-day hiring freezes.

#### Attachment E

Attachment E shows a five-year history of the amount requested from the State General Fund, the Governor's recommendation, the dollar difference between those two amounts, the total State General Fund expenditures recommended, and the difference expressed as a percentage of total recommended State General Fund expenditures.

**Judicial Branch Budget Submission to Governor Issue  
History of Statutory Provisions**

L.1976, Ch. 146, §42

*New Sec. 42.* The chief justice of the supreme court shall be responsible for the preparation of the budget for the judicial branch of state government, with such assistance as the chief justice may require from the judicial administrator and shall submit to the director of the budget, at the time prescribed by law, the annual budget request for the judicial branch of state government for inclusion in the annual budget document for appropriations for the judiciary.

L. 1978, Ch. 108, §5

Sec. 5. K.S.A. 1977 Supp. 20-158 is hereby amended to read as follows: 20-158. The chief justice of the supreme court shall be responsible for the preparation of the budget for the judicial branch of state government, with such assistance as the chief justice may require for the judicial administrator ~~and, the chief judge of the court of appeals and the administrative judge of each judicial district.~~ *Each district court and the court of appeals shall submit their budget requests to the chief justice in such form and at such time as the chief justice may require. The chief justice shall submit to the director of the budget, at the time prescribed by law, the annual budget request for the judicial branch of state government for inclusion, without any changes therein, in the annual budget document for appropriations for the judiciary. Such budget shall be prepared and submitted in the manner provided by K.S.A. 75-3716 and 75-3717.*

L. 1979, Ch. 290, §1

Section 1. K.S.A. 1978 supp. 20-158 is hereby amended to read as follows: 20-158. The chief justice of the supreme court shall be responsible for the preparation of the budget for the judicial branch of state government, with such assistance as the chief justice may require from the judicial administrator, the chief judge of the court of appeals and the administrative judge of each judicial district. Each district court and the court of appeals shall submit their budget requests to the chief justice in such form and at such time as the chief justice may require. The chief justice shall submit to the director of the budget the annual budget request for the judicial branch of state government for inclusion, ~~without any changes therein,~~ in the annual budget document for appropriations for the judiciary. Such budget shall be prepared and submitted in the manner provided by K.S.A. 75-3716 and K.S.A. 1978 Supp. 75-3717. *The director of the budget shall review and may make such recommendations to the legislature for proposed changes in such budget as the director deems necessary and appropriate.*

**Attachment A**

# Kansas Judicial Branch

## State General Fund OOE Expenditures

Fiscal Year	Expenditures
1996	\$1,727,051
1997	\$1,572,815
1998	\$1,951,482
1999	\$2,406,082
2000	\$1,663,915
2001	\$1,496,230
2002 (est.)	\$1,608,128

2-10

2-10

# Kansas Judicial Branch

## District Court Nonjudicial Personnel

Fiscal Year	FTE
1991	1,404.0
1992	1,349.5
1993	1,348.5
1994	1,367.0
1995	1,380.0
1996	1,387.0
1997	1,389.0
1998	1,404.0
1999	1,419.0
2000	1,434.0
2001	1,433.0



# Kansas Judicial Branch

## Hiring Freeze History 1993 - Present

Fiscal Year	Freeze
1993	60 days or more
1994	60 days or more
1995	60 days or more
1996	60 days or more
1997	60 days or more
1998	45 days or more
1999	
2000	
2001	60 days or more
2002	60 days or more; increased to 90 days or more

**Judicial Branch SGF Request History**

2-13

Judicial Branch SGF Request	Governor's Recommended SGF for Judicial Branch	Difference Between Judicial Branch Request and Governor's Recommendations for all State Government*	Total Governor's Recommendation for SGF Expenditures	Difference as a Percentage of SGF Recommended Expenditures
FY 2001 \$82,415,555**	\$77,502,339	(\$4,913,216)	\$4,425,900,000	0.11% (eleven one-hundredths of one percent)
FY 2000 \$79,189,087	\$76,404,385	(\$2,784,702)	\$4,419,200,000	0.06% (six one-hundredths of one percent)
FY 1999 \$74,838,457	\$73,645,877	(\$1,192,580)	\$4,082,200,000	0.03% (three one-hundredths of one percent)
FY 1998 \$70,245,773	\$69,508,739	(\$737,034)	\$3,753,100,000	0.02% (two one-hundredths of one percent)
FY 1997 \$69,672,067	\$66,913,844	(\$2,758,223)	\$3,521,800,000	0.08% (eight one-hundredths of one percent)

\*Amounts rounded to the nearest million as noted in *The Governor's Budget Report*.

\*\*FY 2001 requested expenditures exclude funding of \$2,364,646 requested for the Nonjudicial Salary Initiative, which later was amended as a request from docket fees.

This table shows a five-year history of the amount requested from the State General Fund, the Governor's recommendation, the dollar difference between those two amounts, the total State General Fund expenditures recommended, and the difference expressed as a percentage of total recommended State General Fund expenditures.



State of Kansas

## Office of Judicial Administration

Kansas Judicial Center

301 SW 10<sup>th</sup>

Topeka, Kansas 66612-1507

(785) 296-2256

### **Additional Questions and Answers Regarding Direct Submission of the Judicial Branch Budget to the Legislature**

1. In other states, does the Executive Branch amend the Judicial Branch budget?

According to the U.S. Department of Justice, Bureau of Justice Statistics, the answer is "no" in 31 of the 50 states and the District of Columbia. This equates to a 61% majority. In practice, an even greater number of states may follow the majority in not allowing the Executive Branch to amend the Judicial Branch budget. For example, North Carolina, which is noted as a state in which the Executive Branch can amend the Judicial Branch budget, actually does not follow that practice. In practice, the North Carolina Judicial Branch submits its budget directly to the Legislature, and the Executive Branch does not amend the Judicial Branch budget.

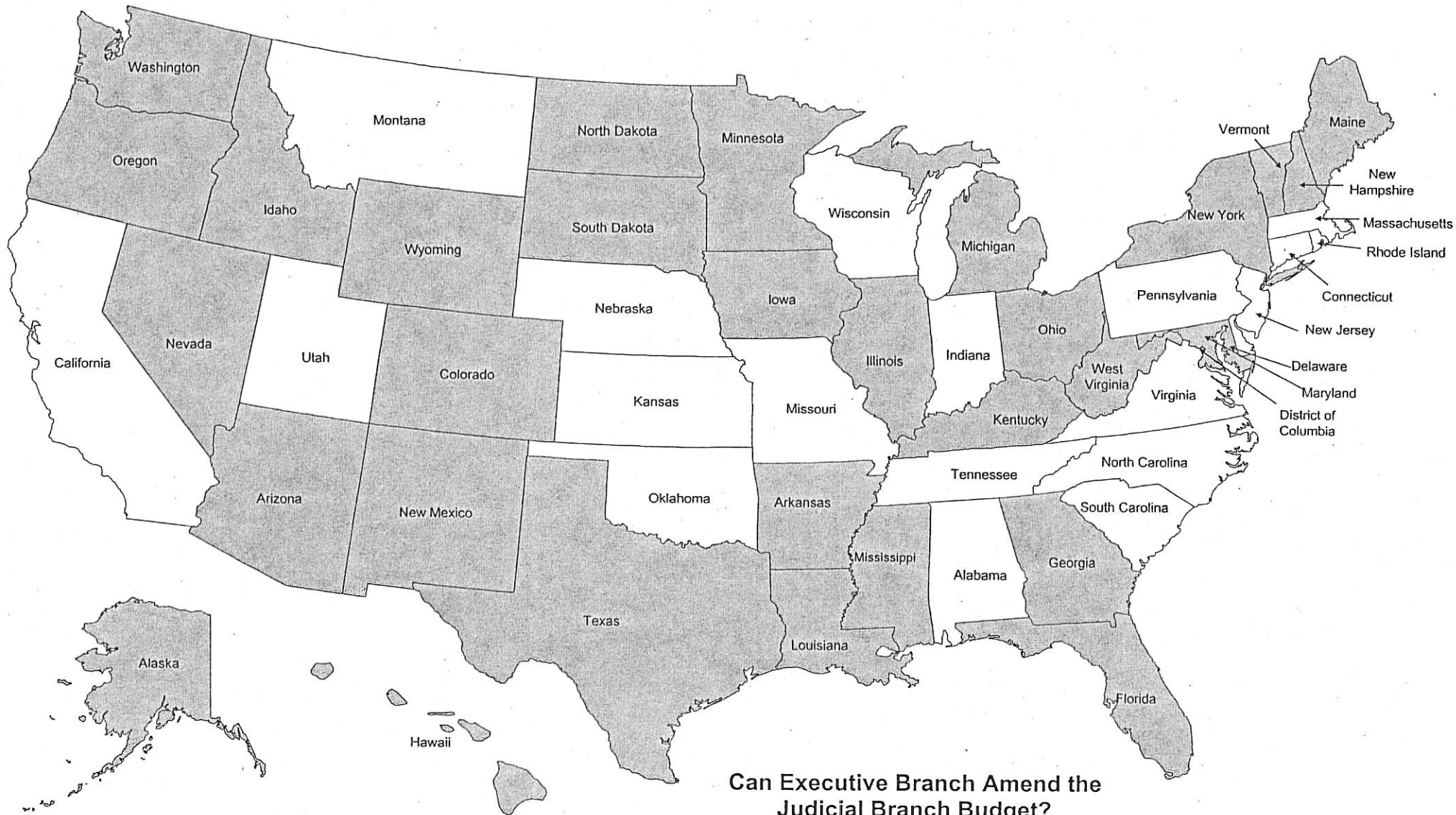
2. Can direct submission of the Judicial Branch budget to the Legislature work, given the fact that the Governor must submit a budget in compliance with the 7.5% ending balance law?

According to *The Book of the States*, published by the Council of State Governments, all but six states require the governor to submit a balanced budget, either by constitutional or statutory provision. Clearly, the ending balance requirement is not an impediment to direct submission of the Judicial Branch budget to the Legislature.

3. Do states that have an Executive budget (initiated by the Governor) differ on this issue from states that have a Legislative budget (initiated by the Legislature)?

Attached materials obtained from the National Conference on State Legislatures show that states with both types of budgets have the Judicial Branch budget submitted directly to the Legislature.

# Submission of State Judicial Branch Budgets



Can Executive Branch Amend the Judicial Branch Budget?

- Yes, 20 39%
- No, 31 61%

Source: *State Court Organization, 1998*  
Bureau of Justice Statistics, US Department of Justice

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**PREPARATION AND SUBMISSION OF JUDICIAL BRANCH BUDGET**  
 State Balanced Budgets: Constitutional and Statutory Provisions, Gubernatorial and Legislative Authority

	Where Submitted?*	Can Executive Branch Amend Budget?*	Governor Must Submit a Balanced Budget**	Entity that Writes the Appropriations Bills***	
				Executive Branch	House, Senate, Nonpartisan Fiscal Staff, or Other
Alabama	To the executive branch	Yes, routinely	C,S	■	
Alaska	To the legislature	No	S	■	
Arizona	To legislature and executive branch	No	C,S		■
Arkansas	To the legislature	No	S		■
California	To legislature and executive branch	Yes, routinely	C	■	
Colorado	To the legislature	No	C		■
Connecticut	To the executive branch	Yes, routinely	S	■	
Delaware	To legislature and executive branch	Yes, routinely <sup>10</sup>	C,S		■
District of Columbia	<sup>-13</sup>	No			
Florida	To the legislature	No	C,S		■
Georgia	To the executive branch	No	C		■
Hawaii	To the legislature	No	C,S	■	
Idaho	To the legislature	No	...		■
Illinois	To the legislature	No	C,S	■	
Indiana	To the executive branch	Yes, routinely	...		■
Iowa	To the legislature	No	C,S		■

	Where Submitted?*	Can Executive Branch Amend Budget?*	Governor Must Submit a Balanced Budget**	Entity that Writes the Appropriations Bills***	
				Executive Branch	House, Senate, Nonpartisan Fiscal Staff, or Other
Kansas	To legislature and executive branch <sup>20</sup>	Yes, routinely	S	■	
Kentucky	To the legislature	No	C,S	■	
Louisiana	To the legislature	No	C,S	■	
Maine	To the executive branch	~ <sup>25</sup>	C,S	■	
Maryland	To the executive branch <sup>27</sup>	No	C	■	
Massachusetts	To the executive branch <sup>29</sup>	Yes	C,S	■	
Michigan	To the legislature <sup>31</sup>	No <sup>32</sup>	C,S	■	
Minnesota	To the executive branch <sup>34</sup>	No	C,S	■	
Mississippi	To the legislature	No	S		■
Missouri	To the executive branch	~ <sup>35</sup>	C	■	
Montana	To the executive branch	Yes, routinely <sup>37</sup>	S	■	
Nebraska	To the legislature	Yes, routinely <sup>38</sup>	C	■	
Nevada	To the legislature	No	S		■
New Hampshire	To the executive branch	No	S		■
New Jersey	To the executive branch <sup>40</sup>	Yes, routinely	C		■
New Mexico	To legislature and executive branch <sup>42</sup>	No	C		■
New York	To legislature and executive branch	No <sup>45</sup>	C	■	
North Carolina	To legislature and executive branch <sup>47</sup>	Yes, occasionally <sup>48</sup>	C,S		■
North Dakota	To the executive branch	No	C	■	
Ohio	To the executive branch	No	C		■

	Where Submitted?*	Can Executive Branch Amend Budget?*	Governor Must Submit a Balanced Budget**	Entity that Writes the Appropriations Bills***	
				Executive Branch	House, Senate, Nonpartisan Fiscal Staff, or Other
Oklahoma	To the legislature	Yes, occasionally	S		■
Oregon	To the legislature	No	C	■	
Pennsylvania	To legislature and executive branch <sup>56</sup>	Yes, routinely	C,S	■	■
Puerto Rico	To the legislature	No	C	■	
Rhode Island	To the legislature	~	C	■	
South Carolina	To the executive branch	Yes, routinely	C		■
South Dakota	To the executive branch	No	C		■
Tennessee	To the executive branch	Yes, routinely	C	■	
Texas	To the legislature	No	...		■
Utah	To the legislature <sup>62</sup>	Yes, routinely <sup>63</sup>	S		■
Vermont	To the legislature	No <sup>64</sup>	...	■	
Virginia	To the executive branch	Yes, routinely	(ii)	■	
Washington	To the legislature	No	S	■	
West Virginia	To the executive branch	No <sup>67</sup>	...	■	
Wisconsin <sup>69</sup>	To legislature and executive branch <sup>70</sup>	Yes, routinely	C	■	
Wyoming	To the legislature	No	C		■

Kentucky - The executive branch drafts the proposed act for the executive branch, the chief justice for the Judicial Branch, and the Legislative Research Commission for the legislative branch.

Sources: \**State Court Organization* 1998, Bureau of Justice Statistics, U.S. Department of Justice

\*\**The Book of the States 2000-2001*, Council of State Governments

\*\*\*National Conference of State Legislatures

Key:~ = Not Applicable

C = Constitutional

S = Statutory

... = No

Table 17. Preparation and Submission of the Judicial Branch Budget

	Who Prepares the Budget?	Branch Review of Budget?	Where Submitted?
Alabama	AOC	Yes, by AOC	To the executive branch
Alaska	AOC <sup>2</sup>	Yes, by COLR	To the legislature
Arizona	AOC	Yes, other <sup>3</sup>	To legislature and executive branch
Arkansas	AOC	Yes, by AOC	To the legislature
California	AOC	Both the AOC and COLR <sup>5</sup>	To legislature and executive branch
Colorado	AOC	Yes, by COLR	To the legislature
Connecticut	AOC	Yes, by AOC	To the executive branch
Delaware	Other <sup>8</sup>	Yes, other <sup>9</sup>	To legislature and executive branch
District of Columbia	AOC	Yes, other <sup>13</sup>	To legislature and executive branch
Florida	AOC	Yes, other <sup>14</sup>	To the legislature
Georgia	Other <sup>15</sup>	Yes, by COLR	To the executive branch
Hawaii	Individual courts	Yes, by AOC <sup>17</sup>	To the legislature
Idaho	COLR	Yes, by COLR	To the legislature
Illinois	AOC	Yes, by COLR	To the legislature
Indiana	COLR <sup>19</sup>	Yes, by COLR	To the executive branch
Iowa	AOC	Yes, by COLR	To the legislature
Kansas	AOC	Yes, by COLR	To legislature and executive branch <sup>20</sup>
Kentucky	AOC	Yes, by COLR	To the legislature
Louisiana	Other <sup>22</sup>	Both the AOC and COLR <sup>23</sup>	To the legislature
Maine	AOC <sup>24</sup>	Yes, by AOC	To the executive branch
Maryland	AOC <sup>26</sup>	Yes, by AOC	To the executive branch <sup>27</sup>
Massachusetts	Other <sup>29</sup>	Yes, other <sup>29</sup>	To the executive branch <sup>29</sup>
Michigan	AOC	Yes, by COLR	To the legislature <sup>31</sup>
Minnesota	AOC	Both the AOC and COLR <sup>33</sup>	To the executive branch <sup>34</sup>
Mississippi	COLR	Yes, by COLR	To the legislature
Missouri	AOC	Yes, by COLR	To the executive branch
Montana	AOC	Yes, by AOC	To the executive branch
Nebraska	AOC	Yes, by COLR	To the legislature
Nevada	AOC	Yes, by COLR	To the legislature
New Hampshire	AOC	Yes, by COLR	To the executive branch
New Jersey	AOC <sup>39</sup>	Yes, by AOC	To the executive branch <sup>40</sup>
New Mexico	Individual courts	Yes, other <sup>41</sup>	To legislature and executive branch <sup>42</sup>
New York	AOC <sup>44</sup>	Yes, by AOC	To legislature and executive branch
North Carolina	AOC	Yes, by AOC	To legislature and executive branch <sup>47</sup>
North Dakota	AOC <sup>52</sup>	Yes, by COLR	To the executive branch
Ohio	AOC	Yes, by AOC	To the executive branch
Oklahoma	AOC	Yes, by COLR	To the legislature
Oregon	Other <sup>54</sup>	Yes, by AOC	To the legislature
Pennsylvania	AOC <sup>55</sup>	Yes, by AOC	To legislature and executive branch <sup>56</sup>
Puerto Rico	AOC	Yes, by AOC	To the legislature
Rhode Island	Individual courts	Yes, by AOC	To the legislature
South Carolina	COLR	Yes, by COLR	To the executive branch
South Dakota	AOC	Yes, by COLR <sup>57</sup>	To the executive branch
Tennessee	Other <sup>58</sup>	Yes, by COLR	To the executive branch
Texas	Individual courts	Yes, by AOC <sup>59</sup>	To the legislature
Utah	Other <sup>60</sup>	Yes, other <sup>61</sup>	To the legislature <sup>62</sup>
Vermont	AOC	Yes, by COLR	To the legislature
Virginia	AOC	Yes, by AOC	To the executive branch
Washington	AOC <sup>65</sup>	Yes, by COLR	To the legislature
West Virginia	AOC	Yes, by COLR <sup>66</sup>	To the executive branch
Wisconsin <sup>69</sup>	AOC	Yes, by COLR	To legislature and executive branch <sup>70</sup>
Wyoming	Individual courts <sup>72</sup>	No <sup>73</sup>	To the legislature

Legend: ~=Not applicable  
AOC=Administrative Office of the Courts



Table 17. Preparation and Submission of the Judicial Branch Budget

Can Executive Branch Amend Budget?	Does Legislature Take Official Cognizance of Budget?	Is Judicial Appropriation Filed as Separate Bill?	Budget Period	Judicial Percentage of State Budget Appropriation	
Yes, routinely	No <sup>1</sup>	No	Biennial, Oct-Sep	1.9	Alabama
No	No	No	Annual, Jul-Jun	1.3	Alaska
No	Yes	No	Biennial, <sup>4</sup> Jul-Jun	2.4	Arizona
No	Yes	Yes <sup>5</sup>	Biennial, Jul-Jun	.5	Arkansas
Yes, routinely	Yes	No	Annual, Jul-Jun	2.0	California
No	Yes	No	Annual, Jul-Jun	3.0 <sup>7</sup>	Colorado
Yes, routinely	Yes	No	Biennial, Jul-Jun	2.0	Connecticut
Yes, routinely <sup>10</sup>	Yes <sup>11</sup>	No	Annual, <sup>12</sup> Jul-Jun	2.9	Delaware
No	-	-	Annual, Oct-Sep	-	District of Columbia
No	Yes	No	Annual, Jul-Jun	.6	Florida
No	Yes <sup>16</sup>	No	Annual, Jul-Jun	1.0	Georgia
No	Yes	Yes	Biennial, <sup>18</sup> Jul-Jun	2.8	Hawaii
No	Yes	No	Annual, Jul-Jun	1.0	Idaho
No	Yes	Yes	Annual, Jul-Jun	.7	Illinois
Yes, routinely	Yes	No	Biennial, Jul-Jun	.4	Indiana
No	Yes	Yes	Annual, Jul-Jun	2.3	Iowa
Yes, routinely	Yes	No	Annual, Jul-Jun	1.0	Kansas
No	Yes	Yes	Annual, <sup>21</sup> Jul-Jun	2.4	Kentucky
No	Yes	Yes	Annual, Jul-Jun	.5	Louisiana
- <sup>25</sup>	-	No	Biennial, Jul-Jun	1.9	Maine
No	Yes <sup>28</sup>	No	Annual, Jul-Jun	1.5	Maryland
Yes	Yes	No <sup>30</sup>	Annual, Jul-Jun	2.0	Massachusetts
No <sup>32</sup>	Yes	Yes	Annual, Oct-Sep	1.0	Michigan
No	Yes	No	Biennial, Jul-Jun	1.0	Minnesota
No	Yes	Yes	Annual, Jul-Jun	1.5	Mississippi
- <sup>35</sup>	- <sup>36</sup>	No	Annual, Jul-Jun	1.4	Missouri
Yes, routinely <sup>37</sup>	Yes	No	Annual, Jul-Jun	1.0	Montana
Yes, routinely <sup>38</sup>	Yes	No	Biennial, Jul-Jun	2.0	Nebraska
No	Yes	Yes	Biennial, Jul-Jun	1.0	Nevada
No	Yes	No	Biennial, Jul-Jun	1.7	New Hampshire
Yes, routinely	Yes	No	Annual, Jul-Jun	2.1	New Jersey
No	Yes	Yes <sup>43</sup>	Annual, Jul-Jun	2.5	New Mexico
No <sup>45</sup>	Yes	Yes <sup>46</sup>	Annual, Apr-Mar	1.2	New York
Yes, occasionally <sup>48</sup>	Yes	No <sup>49</sup>	Biennial, <sup>50</sup> Jul-Jun	3.0 <sup>51</sup>	North Carolina
No	-	Yes	Biennial, Jun-Jun <sup>53</sup>	.9	North Dakota
No	Yes	No	Biennial, Jul-Jun	.4	Ohio
Yes, occasionally	Yes	Yes	Annual, Jul-Jun	1.0	Oklahoma
No	Yes	Yes	Biennial, Jul-Jun	3.6	Oregon
Yes, routinely	Yes	No	Annual, Jul-Jun	.5	Pennsylvania
No	Yes	No	Annual, Jul-Jun	3.0	Puerto Rico
-	-	No	Annual, Jul-Jun	2.0	Rhode Island
Yes, routinely	Yes	No	Annual, Jul-Jun	.8	South Carolina
No	Yes	No	Annual, Jul-Jun	1.2	South Dakota
Yes, routinely	Yes	No	Annual, Jul-Jun	.5	Tennessee
No	Yes	No	Biennial, Sep-Aug	.4	Texas
Yes, routinely <sup>63</sup>	Yes	No	Annual, Jul-Jun	2.5	Utah
No <sup>64</sup>	Yes	No	Annual, Jul-Jun	2.0	Vermont
Yes, routinely	No	No	Biennial, Jul-Jun	1.2	Virginia
No	Yes	No	Biennial, Jun-Jun	.1	Washington
No <sup>67</sup>	Yes <sup>68</sup>	No	Annual, Jul-Jun	1.5	West Virginia
Yes, routinely	No	No	Biennial, <sup>71</sup> Jul-Jun	.9	Wisconsin
No	Yes	No	Biennial, Jul-Jun	2.0	Wyoming

Legend: --= Not applicable;  
AOC = Administrative Office of the Courts

Table 17. Preparation and Submission of the Judicial Branch Budget

FOOTNOTES:

**Alabama:**

<sup>1</sup>The AOC may be asked to appear before the legislature for direct presentation of the budget in budget hearings.

**Alaska:**

<sup>2</sup>Four area Court Administrators create initial input to the Administrative Fiscal Office. The Administrative Office creates the initial budget submission document.

**Arizona:**

<sup>3</sup>Chief Justice and Vice Chief Justice.  
<sup>4</sup>FY99 is annual; FY00-01 is first biennial.

**Arkansas:**

<sup>5</sup>Only judicial salaries are in the General Appropriations Act.

**California:**

<sup>6</sup>Judicial Council also involved.

**Colorado:**

<sup>7</sup>This percentage represents the judicial operating budget from the General Fund. It does not include the Public Defender's Office or the Alternate Defense Counsel.

**Delaware:**

<sup>8</sup>Each court and judicial agency submits a draft budget request to the Chief Justice through the AOC. The Chief Justice for the entire court system prioritizes major adjustments, enhancements, and new initiatives after considering AOC recommendations. The court office making the request strikes requests not shown on the Chief Justice's prioritized listing. The adjusted budget requests are then filed electronically by each area.

<sup>9</sup>Chief Justice through AOC.

<sup>10</sup>The Governor recommends all appropriations to the General Assembly.

<sup>11</sup>The courts' budget requests are available to the General Assembly because they receive copies of it. But it is the Governor's recommended budget that the General Assembly reviews together with the Judiciary's budget requests presented by the Chief Justice.

<sup>12</sup>By law, the period is biennial; by practice it is annual.

**District of Columbia:**

<sup>13</sup>With the enactment of the National Capital Revitalization and Self-Government Improvement Act of 1997, DC Courts began to receive direct funding from the federal government. The AOC continues to have responsibility for the initial preparation of the budget. After review by the Joint Committee on Judicial Administration, the budget is submitted directly to the Office of Management and Budget, through the President and sent to Congress.

**Florida:**

<sup>14</sup>Chief Justice.

**Georgia:**

<sup>15</sup>Court of Last Resort and Councils of Trial Courts (AOC).

<sup>16</sup>Judicial Branch budget is included in Governor's Budget request to legislature. Legislative Budget Office reviews continuation budget, and can make adjustments. The legislature also reviews requests for new funding.

**Hawaii:**

<sup>17</sup>The central budget office directs the preparation and consolidation of the budget.

<sup>18</sup>State operates on a biennial budget cycle; however, a supplemental budget request is prepared for the off years.

**Indiana:**

<sup>19</sup>The Division of State Court Administration, an agency of the Court of Last Resort, prepares most of the state-funded portion of the state judicial branch's budget. The Intermediate Appellate Court prepares a separate budget for its operations.

**Kansas:**

<sup>20</sup>Budget is submitted simultaneously to both the legislature and the Governor.

**Kentucky:**

<sup>21</sup>Annual budgets enacted biennially.

**Louisiana:**

<sup>22</sup>Judicial Budgetary Control Board.

<sup>23</sup>Prior to each session of the legislature, the Judicial Budgetary Control Board submits a proposed budget for the judicial branch to the Supreme Court for its approval.

**Maine:**

<sup>24</sup>In consultation with the Chief Justice.

<sup>25</sup>If the Governor does not include in state's budget anything in the Judicial Branch budget, the reason must be stated.

**Maryland:**

<sup>26</sup>The lower trial court (District Court) prepares its own budget section which is consolidated by the AOC with all other judiciary components.

<sup>27</sup>The executive branch combines the Judicial budget into a single budget for legislative approval. The Executive Branch can comment upon but cannot reduce Judiciary budget.

<sup>28</sup>Legislature can reduce or add to Judiciary budget. Executive Branch can only comment.

**Massachusetts:**

<sup>29</sup>The Chief Justice of the Supreme Judicial Court submits the budget requests of the judicial branch to the budget director for inclusion in the budget submitted by the Governor. (G.L.c. 211, §2A.) In doing so, the Chief Justice may use estimates prepared by the Chief Justice of the Appeals Court and the Trial Court's Chief Justice for Administration and Management. The Governor may amend the Chief Justice's requests.

<sup>30</sup>Copies of judicial branch budget estimates are routinely sent to the House and Senate Committees on Ways and Means when submitted to the Governor. The annual appropriation bill notes the judicial estimates as well as the Governor's requests for the courts.

**Michigan:**

<sup>31</sup>The budget is submitted directly to both the executive and legislative branches.

<sup>32</sup>The Governor makes recommendations regarding the judicial budget.

**Minnesota:**

<sup>33</sup>Conference of Chief Judges is a representative trial court body. Each district elects a Chief Judge and Assistant Chief Judge.

<sup>34</sup>The executive branch incorporates judicial branch budget requests without recommendation.

**Missouri:**

<sup>35</sup>They may recommend a different amount or recommend nothing.

<sup>36</sup>They get a judicial budget request with the governor's recommendation and do what they choose.

**Montana:**

<sup>37</sup>Statute states that the executive branch must submit budget without charge but does not require executive branch to fund the total request.

**Nebraska:**

<sup>38</sup>Executive branch makes a request which includes the Judicial budget—based upon their analysis of AOC's request to the legislature and copied to the executive branch. The practice also is that the legislature introduces its own legislation, which becomes the budget bill.

**New Jersey:**

<sup>39</sup>Each vicinage (judicial district) prepares a request which is reviewed by the AOC and a Budget Committee made up of Assignment Judges (Chief Judges) and senior management. Those requests are consolidated into one judicial branch budget submission.

<sup>40</sup>AOC also sends information to the legislature.

**Table 17. Preparation and Submission of the Judicial Branch Budget**

**New Mexico:**

<sup>41</sup>The Chief Judges Council, primarily through its Budget Committee, reviews all budget submissions and sets priorities among them.

<sup>42</sup>To the legislature and executive branch simultaneously.

<sup>43</sup>As of last year's appropriation process. Some parts of the courts' budget continue to be included in the over-all appropriations legislation, such as across-the-board salary increases.

**New York:**

<sup>44</sup>Courts prepare initial estimates, regional offices (District Administrative Judges Offices) modify and prioritize court estimates and the AOC prepares final state budget request amounts and submission for certification and approval of the Court of Appeals.

<sup>45</sup>The Governor may comment on submission in the executive budget, but may not change the requested amounts.

<sup>46</sup>The judiciary budget and legislative budget are combined in a single appropriation bill.

**North Carolina:**

<sup>47</sup>It is first formally submitted to the executive branch for inclusion in the Governor's budget. In practice, however, it is presented directly to the legislature by the judicial branch.

<sup>48</sup>Yes, but in practice the executive branch does not, and the judicial branch presents its budget directly to the legislature.

<sup>49</sup>Generally, this is no. Judicial branch appropriations are set forth in separate sections of the statewide current operations and/or expansion bill. Separate "omnibus courts" bills have also been used.

<sup>50</sup>Biennial budgets are prepared for each "long session" of the General Assembly (odd-numbered years), subject to revision in the "short session" (even years); a separate budget is prepared for each year.

<sup>51</sup>This includes appropriations for non-core functions placed in the court budget, including prosecution, indigent defense, juvenile probation, and other programs.

**North Dakota:**

<sup>52</sup>Input is provided from each district.

<sup>53</sup>For a two year period, from July 1 of an odd number year to June 30 of an odd number year.

**Oregon:**

<sup>54</sup>Trial courts, appellate courts submit their request to AOC. AOC does its own and all the statewide charges and accounts.

**Pennsylvania:**

<sup>55</sup>The appellate courts each prepare their own initial budget requests (and are reviewed and compiled into a comprehensive budget request by AOC). The AOC prepares the initial requests for the lower courts.

<sup>56</sup>The judiciary submits its budget to the governor in October, and to the legislature in February.

**South Dakota:**

<sup>57</sup>Unified Judicial System is completely state funded. All budgetary matters are administered by the SCAO under the authority of the Supreme Court.

**Tennessee:**

<sup>58</sup>AOC after input from Supreme Court and trial judges.

**Texas:**

<sup>59</sup>The Judiciary section of the Comptroller of Public Accounts Department submits the state-funded portion of the budget for courts, other than the appellate courts, to the legislature.

**Utah:**

<sup>60</sup>Budget recommendations are prepared by each court level and program. They are submitted to the Judicial Council which prepares the final budget through the AOC. In Utah, the Judicial Council is created by Constitution and is the Administrative Authority for the Judiciary.

<sup>61</sup>By Judicial Council

<sup>62</sup>The budget is submitted to both the Governor and the legislature. The Governor, by law, must submit a balanced budget to the legislature. The courts also submit their original request to the legislature.

<sup>63</sup>The Governor submits a budget for the state as a whole—including the state courts. The executive branch is bound by the Governor's request. The courts submit their original request also to the legislature. They are not bound by the Governor's request.

**Vermont:**

<sup>64</sup>The executive branch includes the judiciary's budget (as amended by the executive branch) in its budget submission.

**Washington:**

<sup>65</sup>For appellate courts only. Budgets of trial courts are prepared locally.

**West Virginia:**

<sup>66</sup>Administrative Director of the Courts prepares budget submission for review and approval by the Supreme Court. The Supreme Court may seek supplemental appropriations. The legislature may or may not grant.

<sup>67</sup>The Governor may increase the judicial budget submission, but may not reduce it. WV Const., Art. 6, Section 51 (10).

<sup>68</sup>Legislature may increase, but may not decrease judicial budget submission. WV Const., Art. 6, Section 51 (5).

**Wisconsin:**

<sup>69</sup>The judicial budget, in general, is treated the same as those of executive branch agencies. The primary difference is that 60% of the courts funds is contained in "sum sufficient" rather than "sum certain" appropriations.

<sup>70</sup>By statute, all executive branch agency budgets are submitted simultaneously to the executive branch and the legislature. This procedure is also followed by the judicial branch.

<sup>71</sup>The executive budget bill contains appropriations for the biennium, but is comprised of separate annual appropriations for each year of the biennium.

**Wyoming:**

<sup>72</sup>Each District Court submits their own budget requests. The AOC prepares the budget request that includes the Supreme Court, county courts and law library.

<sup>73</sup>The AOC reviews and makes recommendations to the Supreme Court and county court, law library budget's—Justices are the final review. The District Court judges have a District Court Judges' Budget Review Committee which reviews the District Court requests.

BUDGET

Table 6.3  
STATE BALANCED BUDGETS: CONSTITUTIONAL AND STATUTORY PROVISIONS,  
GUBERNATORIAL AND LEGISLATIVE AUTHORITY

State or other jurisdiction	Constitutional and Statutory Provisions			Gubernatorial Authority			Legislative Authority	
	Governor must submit a balanced budget	Legislature must pass a balanced budget	Governor must sign a balanced budget	Governor has line item veto	Can reduce budget without legislative approval	Restrictions on budget reductions	Votes required to pass revenue increase	Votes required to pass budget
Alabama	C,S	S	...	(a)	*	ATB	Majority	Majority
Alaska	S	S	S	*	...	...	Majority	Majority (c)
Arizona	C,S	C,S	C,S	*	...	...	2/3 elected	Majority
Arkansas	S	S	S	*	(d)	ATB	3/4 elected (b)	3/4 elected (oo)
California	C	...	S	*	...	...	2/3 elected	2/3 elected (pp)
Colorado	C	C	C	*	*	...	Majority (e)	Majority elected
Connecticut	S	C,S	C	*	*	MR	Majority	Majority (f)
Delaware	C,S	C,S	C,S	*	...	*	3/5 elected	Majority
Florida	C,S	C,S	C,S	*	(g)	MR	2/3 elected	Majority
Georgia	C	C	C	*	*	(h)	Majority	Majority
Hawaii	C,S	...	C,S	*	(i)	...	Majority (j)	Majority elected (q)
Idaho	...	C (k)	...	*	(l)	(l)	Majority	Majority
Illinois	C,S	C	S	(m)	...	...	Majority	Majority elected (n)
Indiana	...	...	...	...	*	...	Majority	Majority
Iowa	C,S	S	...	*	*	ATB	Majority	Majority
Kansas	S	C,S	...	*	...	ATB	Majority	Majority
Kentucky	C,S	C,S	C,S	*	...	...	2/5 elected	Majority elected
Louisiana	C,S	C,S	C,S	*	*	MR	2/3 elected	Majority
Maine	C,S	C	C,S	*	*	ATB	Majority	Majority (rr)
Maryland	C	C	(o)	...	(p)	(q)	Majority	Majority elected
Massachusetts	C,S	C,S	C,S	*	*	...	Majority	Majority (s)
Michigan	C,S	C	C,S	*	...	(t)	Majority	Majority
Minnesota	C,S	C,S	C,S	*	*	MR	Majority	Majority elected
Mississippi	S	S	...	*	*	ATB	3/5 elected	Majority elected (ss)
Missouri	C	...	C	*	*	...	Majority	Majority elected
Montana	S	C	...	*	*	MR(u)	Majority	Majority
Nebraska	C	S	...	*	...	*	Majority	Majority elected (tt)
Nevada	S	C	C	...	*	MR	3/5 elected	Majority
New Hampshire	S	...	...	...	...	...	Majority	Majority
New Jersey	C	C	C	*	*	...	Majority	Majority
New Mexico	C	C	C	*	...	...	Majority	Majority
New York	C	...	(v)	(w)	(x)	(x)	Majority	Majority
North Carolina	C,S	S	...	...	(z)	...	Majority	Majority
North Dakota	C	C	C	*	*	ATB	Majority	Majority (uu)
Ohio	C	C	C	(aa)	*	*	Majority	Majority
Oklahoma	S	C (bb)	C (bb)	*	(cc)	*	3/4 elected	Majority elected
Oregon	C	C	C	*	*	MR	2/3 elected	Majority
Pennsylvania	C,S	...	C,S	*	(dd)	...	Majority elected	Majority elected
Rhode Island	C	C	S	...	*	*	Majority	2/3 elected
South Carolina	C	C	C	*	(ee)	*	Majority	Majority
South Dakota	C	C	C	*	...	*	2/3 elected	Majority elected (v)
Tennessee	C	C	C	*	...	...	Majority	Majority
Texas	...	C,S	C	*	*	...	Majority	Majority
Utah	S	C,S	(ff)	*	*	ATB (gg)	Majority	Majority elected
Vermont	...	...	...	...	(hh)	(hh)	Majority	Majority
Virginia	(ii)	...	C (ii)	(jj)	(nn)	MR	Majority (ll)	Majority elected
Washington	S	...	...	*	*	ATB	Majority	Majority
West Virginia	...	C	C	*	(mm)	*	Majority	Majority elected
Wisconsin	C	C	C,S	*	(nn)	...	Majority	Majority
Wyoming	C	C	...	*	...	...	Majority	Majority
Puerto Rico	C	C	C	*	*	...	Majority	Majority

Sources: The Council of State Governments, the National Association of State Budget Officers, *Budgetary Processes in the States, 1999*, and the National Conference of State Legislatures.

- C Constitutional
- S Statutory
- ATB Across the board
- MR Maximum reduction dictated
- \* Yes
- ... No

(a) The governor may return a bill without limit for recommended amendments for amount and language, as long as the legislature is still in session.

(b) For revenue and appropriation bills. Joint session.

(c) A simple majority is required to pass the budget. In Alaska, a simple majority is required for most annual appropriations, but if expenditures are expected to exceed the appropriation level in the prior year's budget and withdrawal from the budget reserve fund is needed to make up the difference, a three-fourths vote is required. Since the provision became effective in 1991, the supermajority has been necessary for few appropriation items in the budget.

## STATE BALANCED BUDGETS - Continued

- (d) The governor and chief fiscal officer of the state have the authority to reduce general revenue funding to agencies should shortfalls occur in revenue collections.
- (e) All tax increases must be approved by a vote of the people.
- (f) Appropriations require a simple majority of members elected, unless the general fund expenditure ceiling is exceeded. In that case, the Legislature must obtain a three-fifths majority.
- (g) The elected cabinet (Administrative Commission) for the Executive Branch and the Chief Justice of the Supreme Court for the Judicial Branch are authorized to resolve deficits under \$300 million. Deficits over \$300 million shall be resolved by the legislature.
- (h) The governor, during the first six months of a fiscal year in which the current revenue estimate on which appropriations are based is expected to exceed actual revenues, is authorized to require state agencies to reserve such appropriations as specified by the governor for budget reductions to be recommended to the general assembly at its next regular session.
- (i) The governor's authority to reduce, expand and reorganize budgets can be done only pursuant to existing statutes.
- (j) If general fund expenditure ceiling is exceeded, two-thirds vote required; otherwise majority of elected members.
- (k) The constitution requires that the legislature pass a balanced budget. The governor, as the chief budget officer of the state, has always insured that expenditures do not exceed revenues.
- (l) The governor's authority to reduce budgets is temporary. The State Board of Examiners (Governor, Attorney General and Secretary of State) has permanent appropriation reduction authority.
- (m) The governor can veto appropriation items entirely (Item Veto) or merely reduce an item of appropriation to a lesser amount (Reduction Veto). If the governor reduces an item of appropriation, the remaining items in the bill are not affected and can become law immediately.
- (n) A majority vote is required to pass the budget until June 1. After that date, the required vote increases to three-fifths majority.
- (o) The budget bill when and as passed by both houses, shall be a law immediately without further action by the governor.
- (p) With the approval of the Board of Public Works, the governor may reduce by not more than 25 percent any appropriation that the governor considers unnecessary.
- (q) The governor may not, however, reduce an appropriation to the legislative or judicial branches of government; for the payment of principal and interest on state debt; the funding for public schools (K-12); or the salary of a public officer during the term of office.
- (r) Governor has no veto power over the budget bill.
- (s) For capital budget, two-thirds votes required.
- (t) There are both statutory and constitutional restrictions on executive branch authority to make budget reductions, involving approval by both House and Senate appropriations committees.
- (u) Additional restrictions on budget reductions exclude principle and interest on state debt, legislative and judicial branches, school equalization aid and salaries of elected officials.
- (v) The governor is not technically required to sign a balanced budget, but the governor, legislative leaders and the comptroller must certify the budget is in balance in order to meet borrowing requirements.
- (w) Any appropriation added to the governor's budget by the legislature is subject to line item veto.
- (x) May reduce budget without approval only for state operations; only restriction on reductions is that reductions in aid to localities cannot be made without legislative approval.
- (y) The governor has no veto power over the budget bill, except for appropriations for the legislature and judiciary and items added to the governor's original budget proposal. In these cases, two-thirds of elected members in each chamber can vote to override the gubernatorial veto.
- (z) Except for certain block grants. The Governor is required to maintain a balanced budget for the fiscal period and has the authority through the Constitution and General Statutes to make reductions to insure there is no overdraft or deficit.
- (aa) Line item veto in appropriation act only.
- (bb) Legislature could pass and the governor could sign a budget where appropriations exceed cash and estimated revenues, but constitutional and statutory provisions reduce the appropriations so that the budget is balanced.
- (cc) Would require agreement of agency governing boards and or CEO.
- (dd) The governor may reduce budgets selectively; he must provide 10 days prior notice and the reasons for so doing before lapsing current year grant and subsidy money.
- (ee) The Budget and Control Board can authorize an across-the-board agency reduction when there is a revenue shortfall. When in session, the General Assembly has five statewide session days to take action to prevent the reduction.
- (ff) Governor may allow balanced budget to go into law without signature.
- (gg) Statutorily required to include requests from legislature, courts and other elected officials.
- (hh) Reductions based on revenue shortfalls of greater than 1 percent require legislative approval.
- (ii) Requirement applies only to budget execution. The governor is required to insure that actual expenditures do not exceed actual revenues.
- (jj) Governor may return bill without limit for recommended amendments for amount and language. For purposes of a veto, a line item is defined as an indivisible sum of money that may or may not coincide with the way in which items are displayed in an appropriation act.
- (kk) The governor has power to withhold allotments of appropriations, but cannot reduce legislative appropriations.
- (ll) Two-thirds of members present includes a majority of the members elected.
- (mm) The governor can reduce expenditures but not appropriations. Public education has priority.
- (nn) Cannot reduce appropriations, but can withhold allotments.
- (oo) A majority vote is required for education and highways; a three-fourths vote of the elected members is required on all others.
- (pp) A two-thirds majority is required for appropriations from the general fund, except for public school appropriations, which require a simple majority.
- (qq) If the general fund expenditure ceiling is exceeded, a two-thirds vote is required, otherwise, the majority of elected members is required.
- (rr) For emergency enactment, a two-thirds vote is required.
- (ss) A majority is required to pass the agency appropriations bill, unless a bill is considered a donation (e.g., a donation to the Mississippi Burn Center). In this case, Joint Rule 66 requires a two-thirds vote of the elected members.
- (tt) Main budget bills typically have the "e" (emergency) clause attached, thus requiring a two-thirds vote. The "e" clause is necessary for the budget to be operative by the beginning of the fiscal year.
- (uu) Emergency measures and measures that amend a statute that has been referred or enacted through an initiated measure within the last seven years must pass both houses by a two-thirds majority.
- (vv) A two-thirds majority is required for individual spending bills.

#### 4. Development of the Recommended Budget

Table 4-1: ENTITY THAT WRITES THE APPROPRIATIONS BILL(S) TO BE INTRODUCED IN THE LEGISLATURE

State or other Jurisdiction	Executive Branch	Senate Appropriations Committee Staff	Assembly or House Appropriations Committee Staff	Non Partisan Fiscal Staff Office	Other
Alabama	■	—	—	—	—
Alaska	■	—	—	—	—
Arizona	—	—	—	■*	—
Arkansas	—	—	—	■	—
California	■	—	—	—	—
Colorado	—	—	—	■*	—
Connecticut	■	—	—	—	—
Delaware	—	—	—	■*	—
Florida	—	■	■	—	—
Georgia	—	—	—	■	—
Hawaii	■	—	—	—	—
Idaho	—	—	—	■	—
Illinois	■	—	—	—	—
Indiana	—	—	—	—	■*
Iowa	—	■*	■*	—	—
Kansas	■	—	—	—	—
Kentucky	■*	—	—	—	—
Louisiana	■	—	—	—	—
Maine	■	—	—	—	—
Maryland	■	—	—	—	—
Massachusetts	■	—	—	—	—
Michigan	■	—	—	—	—
Minnesota	■*	—	—	—	—
Mississippi	—	■*	■*	—	—
Missouri	■	—	—	—	—
Montana	■*	—	—	—	—
Nebraska	■*	—	—	—	—
Nevada	—	—	—	■	—
New Hampshire	—	—	—	■	—
New Jersey	—	■*	■*	■*	—
New Mexico	—	—	—	■*	—
New York	■	—	—	—	—
North Carolina	—	—	—	—	■
North Dakota	■	—	—	—	—
Ohio	—	—	—	■	—
Oklahoma	—	■*	■*	—	■
Oregon	■*	—	—	—	—
Pennsylvania	■*	■*	■*	—	—
Rhode Island	■	—	—	—	—
South Carolina	—	—	■	—	—

Table 4-1: ENTITY THAT WRITES THE APPROPRIATIONS BILL(S) TO BE INTRODUCED IN THE LEGISLATURE  
(continued)

State or other Jurisdiction	Executive Branch	Senate Appropriations Committee Staff	Assembly or House Appropriations Committee Staff	Nonpartisan Fiscal Staff Office	Other
South Dakota	—	—	—	■	—
Tennessee	■	—	—	—	—
Texas	—	—	—	■*	—
Utah	—	—	—	■*	—
Vermont	■	—	—	—	—
Virginia	■	—	—	—	—
Washington	■	—	—	—	—
West Virginia	■	—	—	—	—
Wisconsin	■*	—	—	—	—
Wyoming	—	—	—	■*	—
American Samoa (N/R)	—	—	—	—	—
District of Columbia (N/R)	—	—	—	—	—
Guam	—	—	—	■*	—
Northern Mariana Islands	—	—	■*	—	—
Puerto Rico	■	—	—	—	—
U.S. Virgin Islands (N/R)	—	—	—	—	—
<b>Total: States</b>	<b>28</b>	<b>6</b>	<b>7</b>	<b>15</b>	<b>3</b>
<b>Total: States and Territories</b>	<b>29</b>	<b>6</b>	<b>8</b>	<b>16</b>	<b>3</b>

Source: National Conference of State Legislatures, December 1997.

Key:

— = Not applicable

N/R = No response

\*Notes:

Arizona—Staff of the Joint Legislative Budget Committee prepare the appropriations bills introduced in the Legislature.

Colorado—Staff of the Joint Budget Committee prepare the appropriations bill introduced in the General Assembly.

Delaware—The Office of the Comptroller General prepares the appropriations bills introduced in the General Assembly.

Indiana—The Budget Committee, which consists of four legislators and the state budget director, reviews requests and makes a recommendation for appropriations.

Iowa—The Senate and House appropriations committees introduce the bills in their respective chambers. The Legislative Fiscal Bureau is the primary staff for the appropriations committees; the actual drafting is completed by the Legislative Service Bureau.

Kentucky—The executive branch drafts the proposed act for the executive branch, the chief justice for the judicial branch, and the Legislative Research Commission for the legislative branch.

Minnesota—The executive branch writes bills for introduction. The House and Senate staff write the bills for each body—they may include much of the language from the executive branch bills.

Mississippi—Both the Senate and the House write appropriations bills. Half the bills start in the Senate, half in the House.

Montana—The executive budget bill is ignored. Legislative staff write all subsequent general appropriations acts.

Nebraska—In the unicameral Legislature, the Appropriations Committee may introduce new bills if the governor's bills are not used.

Development of the Recommended Budget

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- New Jersey**—The Senate and Assembly appropriations committees each act to revise the governor's appropriation recommendations and the Office of Legislative Services drafts separate bills for introduction in each house, at the direction of the chairs.
- New Mexico**—The executive branch shall write the budget to be introduced until 1997 and the Legislative Finance Committee staff shall do so after 1997.
- North Carolina**—The Bill Drafting Division, a nonpartisan legislative office serving both houses, writes the appropriations bills that are introduced in the General Assembly.
- Oklahoma**—The Senate introduces appropriations bills for half the state agencies; the House introduces the other half. The following year the House introduces bills for the agencies the Senate introduced the previous year, etc.
- Oregon**—The executive branch writes the recommended executive budget through legislative counsel.
- Pennsylvania**—The appropriations bill is written by the executive branch, Senate appropriations staff and House appropriations staff. As a practice, the General Assembly can write its own if necessary.
- Texas**—A joint legislative agency, the Legislative Budget Board, writes the budget to be introduced in the Legislature.
- Utah**—Under the direction of the Executive Appropriations Committee.
- Wisconsin**—The executive branch controls content, but the bill is actually drafted by the Legislative Reference Bureau.
- Wyoming**—Nonpartisan fiscal staff is the Joint Appropriations Committee staff.
- Guam**—Unicameral Legislature—Committee on Finance and Taxation.
- Northern Mariana Islands**—All appropriations bills must originate in the House of Representatives.

National Conference of State Legislatures



LEGISLATIVE TESTIMONY

January 30, 2002

TO: CHAIRMAN KENNY WILK AND MEMBERS OF THE  
HOUSE APPROPRIATIONS COMMITTEE

FROM: JAMES L. BUSH, PRESIDENT

RE: HOUSE BILL 2179

Chairman Wilk and Members of the Committee:

It is my pleasure, as President of the Kansas Bar Association, to convey our association's strong support of House Bill 2179 to you this morning. Allowing the judicial branch to submit its budget directly to the legislature is one of the top priorities of the Kansas Bar Association.

Under current law, the budget process for the judicial branch is as follows:

-State agencies have to file budget estimates for the next fiscal year with the Division of the Budget by October 1st;

-Statutes specifically dealing with the Judicial Branch (K.S.A. 2000 Supp. 20-158) require that the Judicial Branch's budget be submitted to the Division of the Budget and that the Budget Director review the budget and, if appropriate, propose changes in the budget to the legislature;

-Under current law, agencies must be notified of any changes to their budget requests by November 1<sup>st</sup>. Agencies may request a hearing before the Secretary of Administration on their tentative budgets, which must be held no later than December 15<sup>th</sup>;

-and, agency requests and the governor's recommended funding for each agency must be included in the *Governor's Budget Report* presented to the legislature at the beginning of each session.

HOUSE APPROPRIATIONS

DATE 2/07/02

ATTACHMENT 3

This process is simply unfair to a co-equal branch of government. Myself of other representatives of the Kansas Bar Association met with Governor Graves several months ago to discuss this issue. My understanding is that Governor Graves is not opposed to this bill provided that it does not impact his requirement to submit a budget with a 7.5% ending balance. Therefore, we recommend the adoption of an amendment to this bill that would address the governor's concerns.

The Kansas Bar Association has for some time recognized the constitutional deficiency in a process which requires an equal branch of government to go through the governor's budget process in order to come before the legislature for appropriations. We think that providing for direct communication by the judicial branch to your committee will enhance communications and an understanding of the concerns of both the judiciary and the legislature. When the courts were first unified in the mid-1970's, the courts did not have the staff support or experience necessary to prepare budgets for the entire state. Now, it does. Those people should be permitted to communicate directly with decision-makers on your committee and in the Legislature.

The Judicial Branch is a co-equal branch of government and, as you are well aware, has been dealing with a very difficult fiscal situation over the past several years. When a branch of government is in a financial crisis, we should all be concerned. I know that the 6,000 members of the Kansas Bar Association are concerned. Allowing the judicial branch to submit their budget directly to you, will enable you, as lawmakers, to see and examine the real fiscal state of the judicial branch and make the appropriate policy decisions based on that information.

I thank you for the opportunity to share the Kansas Bar Association's views with you on this very important issue and I would welcome any questions you have.



KANSAS TRIAL LAWYERS ASSOCIATION

*Lawyers Representing Consumers*

TO: Members of the House Appropriations Committee

FROM: Pedro Irigonegaray  
Kansas Trial Lawyers Association

RE: 2001 HB 2179

DATE: Feb. 7, 2002

Chairman Wilk and members of the House Appropriations Committee, thank you for the opportunity to appear before you today in support of HB 2179. I am Pedro Irigonegaray and I appear today on behalf of the Kansas Trial Lawyers Association. I serve as KTLA's president and am a practicing attorney in Topeka.

Our Kansas Constitution was adopted at Wyandotte, July 29, 1859, and was ratified October 4, 1859, by a vote of 10,421 for to 5,530 against. (Kansas: A history of the Jayhawk State, p.86, et seq.) It has been held that the legislative, executive and judicial powers of government are separate and distinct, *Coleman v. Newby*, 7 Kan. 82-87. Legislative, executive and judicial powers cannot be commingled and interwoven. *State v. Johnson*, 61 Kan. 803, 812, 60 P. 1068. Legislative acts are unassailable when within the limits of the constitution. *Hick v. Davis*, 97 Kan. 312, 154 P. 1030.

The framers of the constitution provided our state with an elegant system for the preservation of freedom. Recognizing the need to have checks and balances on power the framework of the constitution separates governmental powers into three separate and equal branches of government. Each branch is to exercise certain powers and each branch is checked by the powers of the other two. With the checks and balances process, a free people have the best chance of retaining freedom.

In our constitutional process, the legislative branch of government is responsible for the purse. This responsibility requires that the legislative branch be solely responsible for the judiciary's budget.

K.S.A. 2000 Supp. 20-158 is therefore unconstitutional. Presently our laws require the judicial branch to submit its budget to the executive branch for review and recommendations to the legislative branch. The executive branch is constitutionally not authorized to exercise this review. The responsibility of determining the judicial branch's budget is the constitutional duty of the legislative branch. HB 2179 corrects the problem by protecting the delicate balance that has served us as a people so well for so long.

*Terry Humphrey, Executive Director*

Jayhawk Tower • 700 SW Jackson, Suite 706 • Topeka, Kansas 66603-3758 • 785.232

E-Mail: [triallaw@ink.org](mailto:triallaw@ink.org)

**HOUSE APPROPRIATIONS**

DATE 2/07/02

ATTACHMENT 4

The Chief Justice of the Kansas Supreme Court, the Honorable Kay McFarland, asserts that "the red line approach taken by the Division of Budget...is not fitting for the judicial branch." The resolution to the constitutional imbalance we now have is "to follow the spirit of our Constitution and have the legislative branch fulfill its check of the judiciary by dealing directly with our budget rather than through the "middle man" of an executive branch agency... We ask only to present our requested budget directly to the legislative branch."

Again, I thank you for the opportunity to express our support of this bill and I urge you to vote favorably for House Bill No. 2179.

February 7, 2002

Mike Auchard  
University of Kansas  
Classified Senate

Testimony for the House Appropriations Committee  
Concerning House Bill No. 2636

Chairperson Wilks and members of this committee, thank you for this opportunity to testify before you. I come here as president of KU Classified Senate, which is the organization at KU that represents the 1600 state employees who work there.

As most of you probably know, our organization sponsors a Legislative Information Day during which we try to meet with as many of you as possible for a few minutes once a year. During these few minutes we, along with members of the other Regents Universities, try to explain why various issues, bills or positions are important. Sometimes we explain the effect legislation passed in previous sessions has had on employees and agencies after it has been implemented for a while. We also listen to what you have to tell us and leave with a better understanding of the legislative process that we in turn share with our membership.

What Representative Sloan and Findley's bill will accomplish, if it is passed into law, is to strengthen and formalize this process and create an efficient conduit to communicate this type of information.

There is no one in state government who is charged with this type of communication—information from us to you, and information from you to us. It just doesn't happen. At the University of Kansas there is a staff of highly educated professionals who have, as part of their duties the tracking and compiling of information about faculty salaries and the salaries of other professionals, and then communicating that information to the Board of Regents and state government. But of the 4000 employees at KU, no one has, as part of their job description, the duty of conveying this type of information to state government concerning classified employees. The faculty at KU received salary increases averaging close to 6.0% for the last two years, much better than the increases for the classified employees who work in the same university and who send their children to the same schools and who shop in the same stores as the faculty. I believe similar situations exist in many, if not all, agencies across the state. As far as I know the only time you receive this sort of information is once a year when we visit you for Legislative Information Day.

While we value very much the opportunity to meet with you on these occasions, we also feel that the process is somewhat haphazard and that information, which we consider important, might be lost or forgotten as you rush through your busy day.

Also consider the fact that, as far as I know, only Regents System classified employees have organizations such as Classified Senate, and that the majority of state employees have no structure to communicate with state government. This bill addresses these concerns. What the proposed committee would do for you is provide a source of information when you need to know the classified employee perspective as you consider legislation. You will have someone to ask who has been charged with that responsibility and who is a classified employee. I believe this will be a win/win situation for both state government and its employees with little or no additional expense to the taxpayers.

HOUSE APPROPRIATIONS

DATE 2/07/02

ATTACHMENT 5



<http://da.state.ks.us>

**DEPARTMENT OF ADMINISTRATION**  
Division of Personnel Services

**BILL GRAVES**  
Governor

**JOYCE H. GLASSCOCK**  
Acting Secretary of Administration

**BOBBI MARIANI**  
Director of Personnel Services  
900 SW Jackson, Room 951-S  
Landon State Office Building  
Topeka, KS 66612-1251  
(785) 296-4278  
FAX (785) 296-0756

January 28, 2001

The Honorable Kenny Wilk, Chairperson  
House Committee on Appropriations  
Kansas House of Representatives  
State Capitol, Room 514-S  
Topeka, Kansas 66612

Dear Representative Wilk:

This letter regards House Bill 2636 that establishes an advisory committee on classified employees within the Department of Administration. The committee would serve in an advisory capacity to the Secretary of Administration and advise on issues pertaining to the classified pay plan and the pay rates thereunder, as well as training, recruitment, retention, benefits, conditions of employment and other issues. The Department of Administration would provide staff assistance and operating expenditures for the committee.

While in concept this appears to provide the avenue to highlight classified employee interests, two statutes are currently in place that deal with issues to be addressed by the proposed bill. K.S.A. 75-4321 et seq. is the Public Employer/Employee Relations Act and K.S.A. 75-2925 et seq. is the Kansas Civil Service Act. It appears that the proposed legislation could usurp the authority of employee organizations and complicate administration of the Civil Service Act.

Through various mechanisms, such as employee surveys and regularly established contact with agencies, we are aware of current employee issues. However, the underlying problem continues to be one of available funding. For the most part, survey results and agency contacts tell us there is widespread advocacy for similar outcomes regarding training, recruitment, retention, benefits, pay and other issues. However, without sufficient funding, achieving desired goals is increasingly difficult. This bill adds an additional group that would presumably advocate for the same outcomes. Establishing another group to advocate issues identical to the offices and bodies as currently provided in statute has the potential to create unrealistic expectations that continue to be unmet due to funding issues.

**HOUSE APPROPRIATIONS**

DATE 2/07/02  
ATTACHMENT 6

Additionally, this committee is only made up of classified employees and addresses issues facing only classified employees in the state workforce. This focus ignores the approximately 12,400 unclassified employees currently employed by the state. Many of these unclassified employees perform the same or similar work as classified employees and in these cases, agencies often model unclassified employee pay on the classified pay plan.

I am also concerned about the impact that this legislation may have on the Public Employer/Employee Relations Act (PEERA) and other meet and confer legislation. Labor organizations representing various state employees would perceive this legislative proposal as a means to undermine their efforts and representation status because many of the advisory topics listed in the bill are also mandatory topics of negotiation for these employee organizations. Currently we have eight employee organizations that represent over 13,500 classified state employees. Under many circumstances advisory committees can be considered employer dominated labor organizations and subject to prohibited practice charges, so caution needs to be exercised when considering their use. Legal precedents in this area have created a confusing and often changing array of requirements for employers such as the state.

For these reasons, the Department of Administration is concerned about the impact of the legislation and that it may not achieve the hoped for results. I would ask the committee to consider these issues when reviewing the bill.

If you have questions, I can be reached at 296-2541.

Sincerely,



Bobbi Mariani  
Director of Personnel Services

BJM: KRK

STATE OF KANSAS



DIVISION OF THE BUDGET  
State Capitol Building, Room 152-E  
Topeka, Kansas 66612-1575  
(785) 296-2436  
FAX (785) 296-0231  
<http://da.state.ks.us/budget>

Bill Graves  
Governor

Duane A. Goossen  
Director

January 29, 2002

The Honorable Kenny Wilk, Chairperson  
House Committee on Appropriations  
Statehouse, Room 514-S  
Topeka, Kansas 66612

Dear Representative Wilk:

SUBJECT: Fiscal Note for HB 2636 by Representatives Sloan and Findley

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2636 is respectfully submitted to your committee.

HB 2636 establishes a seven-member advisory committee in the Department of Administration. The committee would advise the Secretary of Administration on issues regarding the classified pay plan, training, recruitment, retention, benefits, and conditions of employment. The advisory committee would also be authorized to collect information on classified employees, advocate on their behalf, and educate the public on the role of state employees. The members of the advisory committee must be classified employees with five or more years of classified service.

The Department of Administration estimates the fiscal effect to be \$235,375 from the State General Fund for FY 2003 as a result of the passage of this bill. The estimate is detailed in the following table:

Human Resource Professional II	\$ 48,125
Administrative Specialist	36,774
Classified employee survey	90,175
Salary survey	<u>60,301</u>
Total	\$235,375

HOUSE APPROPRIATIONS

DATE 2/07/02  
ATTACHMENT 7



The Honorable Kenny Wilk, Chairperson

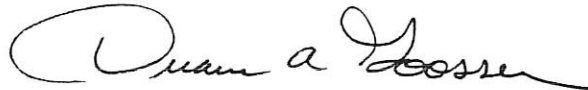
January 29, 2002

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The 2.0 additional positions, which would be dedicated to staff the committee, are based on the description of duties and responsibilities listed in the bill. The surveys represent the kind of information that the committee could require to carry out those duties. The estimate for the classified employee survey is based on actual costs of a survey conducted a year ago. The cost of the salary survey is based on one performed recently by the Highway Patrol. There would also be a cost related to the classified employees serving on the committee in the form of lost work time.

The Division of the Budget notes that the above fiscal effect is based on the assumption that the new committee would be fairly active. It also assumes that the extent to which the existing staff of the Division of Personnel Services could take on additional tasks is limited. Because its level of activity cannot be known at this time, it is possible that the committee's activity could be less and the fiscal note correspondingly smaller.

Sincerely,



Duane A. Goossen  
Director of the Budget

cc: Pat Higgins, Dept. of Administration

In support of HB2636

The Pittsburg State University Classified Senate represents more than 300 classified employees on the PSU campus. Through the Classified Senate, we are able to communicate to our co-workers information, such as pending legislation, that is pertinent to their jobs. Likewise, they correspond their concerns to us so that we may present them to our legislators, such as we are doing today. **Realizing that thousands of classified employees across the state do not have such representation**, we support the passage of HB2636 which would establish an advisory committee on classified employee issues, prescribing powers, duties, and functions. Establishment of this committee is a move in the right direction for the Department of Administration, as they will be gathering information from the employees themselves regarding concerns on pay plans, steps, training, recruitment, retention and benefits. The input the committee will provide will be a benefit to the Department of Administration in conveying to the Legislature the needs of all Kansas classified employees.

As I stated, there are thousands of classified employees across Kansas and many of them doing very critical jobs. For example, when snow, tumbleweeds or sand close roads or inhibit travel anywhere in the state, classified employees are there to reestablish the transportation link for all of us. They are also out in force maintaining compliance of state and federal laws on the roads and on the campuses across the state in all types of weather conditions.

When troubled Kansas's families need services, classified employees are there to provide those services, whether it is assisting in completing forms for financial support, or assisting in their other needs. Classified employees are an important link to the special needs of the population in Kansas, both young and old.

Let's face it. When a light bulb burns out, when a bathroom needs cleaning, when copies need to be made, classified employees are there, making sure the job gets completed. All of these valuable employees have concerns for themselves and their families. Having a committee formed from this very diverse group of classified employees would provide the Department of Administration first-hand accounts of the needs of its state employees. Since our Legislators are not able to visit with their people over the issues as they arise during the busy session, a committee such as this would be invaluable to them as well. For this reason, we fully support passage of HB2636.

Dianne M. Nutt, President  
Pittsburg State University Classified Senate

HOUSE APPROPRIATIONS

DATE 7/1/00

ATTACHMENT 0

**Statement of Reginald L. Robinson  
Office of the Chancellor – The University of Kansas**

**Committee on Appropriations  
Kansas House of Representatives  
February 7, 2002**

**HB 2636 – Bill to Establish Classified Employee Advisory Committee**

Good Morning, Mr. Chairman.

Thank you very much for giving me the opportunity to appear before this committee to offer the views of the University of Kansas regarding House Bill 2636. We are pleased to support the aims of this important legislation.

Over the last many years, I have been associated with the University of Kansas as an undergraduate, a law student, a full-time faculty member, and now as a full-time administrator who teaches part-time. In each of those roles, it has been clear to me that the classified staff members who work at the University of Kansas play essential and vital roles for the institution.

I am proud of our university, but I know that we would not be the kind of place that we are without the contributions that members of our classified staff work force make to advance the enterprise of higher education at KU each and every day. They keep our doors open. They keep us up and running. Without their vital contributions, we would not, literally, be able to function.

Because classified employees at the University of Kansas make such important contributions to the success of our institution, we thought it was particularly important to be here today to express our general views about House Bill 2636. I am confident that leaders of other Regents institutions regard the classified employees who work at their colleges and universities in much the same way that I have described.

Before I go any further, I want to express our appreciation to Representative Sloan and Representative Findley for the leadership they have demonstrated in offering this bi-partisan piece of legislation. Like them, we recognize that classified employees may get lost in the shuffle when the time comes for advocacy on behalf of their interests.

Classified employees constitute a significant slice of the work force at the University of Kansas – about 18 percent. And, as I said earlier, they play a vital role for the institution. Given the size of that work force and the roles they play, issues that are important to them, such as the level of their compensation, are important to us. And we know about their concerns because the University's leadership works hard to communicate in an ongoing way with our institution's classified employees.

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However, in the current structure, which vests primary responsibility for movement on many of these issues with the Department of Administration, we have, as you know, a limited capacity to advance the interests of our classified employees. That is why this legislation is so important.

As we see it, Representatives Sloan and Findley have offered a proposal to provide classified employees with an important and formal advisory voice within the Department of Administration – the agency that exercises central responsibility on matters that are of primary concern for members of the state’s classified work force.

If enacted, this bill would create an advisory committee to provide a useful, productive, and meaningful avenue for classified employees to advise key Department of Administration decision makers regarding issues of importance to them. We hope that the kind of communication envisioned by the legislation will produce real improvements and benefits for classified employees not only at the University of Kansas, but across the state as well.

As a final note, you should know that regardless of whether this legislation becomes law, the leadership at the University of Kansas is committed to ongoing dialogue with our classified employees. We benefit from the advice that we receive from those who represent our classified work force so well, and we know that we will continue to do so. It has been a particular pleasure to work with Michael Auchard, who is also here today. Mr. Auchard is among the outstanding leaders within our classified work force and we value his advice and counsel on these and other important issues.

In a nutshell, we are pleased to support this important legislative step.

Again, thank you, Mr. Chairman, for giving me the opportunity to appear before you this morning. I will be pleased to try to answer any questions from you or other members of the committee.

TOM SLOAN  
REPRESENTATIVE, 45TH DISTRICT  
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TOPEKA

HOUSE OF  
REPRESENTATIVES

SUPPLEMENTAL TESTIMONY  
HOUSE BILL 2636  
House Appropriations Committee  
February 7, 2002

Since I wrote my original testimony, I received a copy of the Department of Administration's Fiscal Note and comment letter. I am vigorously challenging their estimate.

There is nothing in the bill that requires the Department to conduct additional employee or salary surveys. Nor does the bill require additional Department staff. The proposed Advisory Committee has the responsibility to "collect appropriate information from state employees." It does not specify or require surveys paid for by the Department. The only costs to the Department should be incidental to holding meetings and those costs should not be onerous.

Questions about whether the proposed Advisory Committee is in conflict with existing Civil Service and Public Employer/Employee Relations Acts are more intriguing.

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Kansas is a "Meet and Confer" state. Nothing in HB 2636 precludes the Secretary from meeting and conferring with any other individual or group. The bill specifies that the classified employee members of the Advisory Committee shall advise the Secretary and generally advocate on behalf of state employees. These general functions do not conflict with existing statutes, limit the Secretary, or exclude any other group or individual from influencing public policy.

I can understand that the Department may not desire the bill's passage and creation of four additional meetings for the Secretary. However, when a group of state employees want to be "part of the solution," Rep. Findley and I believe the offer should be accepted.

Tom Sloan  
45<sup>th</sup> District Representative

TOM SLOAN  
 REPRESENTATIVE, 45TH DISTRICT  
 DOUGLAS COUNTY

COMMITTEE ASSISTANTS  
 VICE-CHAIR: UTILITIES  
 MEMBER: ENVIRONMENT  
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TOPEKA  
 HOUSE OF  
 REPRESENTATIVES

TESTIMONY  
 HOUSE BILL 2636  
 HOUSE APPROPRIATIONS COMMITTEE  
 January 30, 2002

Mr. Chairman and Members of the Committee:

During the Kansas 2000 Committee hearings in 1999 and 2000 on State employee issues, representatives of the Kansas University Classified Senate testified about problems attracting and retaining quality employees by the State. The representatives offered examples of State employees working two jobs because our compensation system was not sufficient to feed, clothe, and house a family. The problem still exists as a Lawrence-based State employee recently was approved for a Habitat for Humanity built home.

Committee members also heard from the Secretary of Administration, Secretary of Transportation, and other administration officials that not only were the KU employees reporting conditions accurately, but that the problem is statewide.

The Legislature took some affirmative steps (e.g., adding a 16<sup>th</sup> step to the pay matrix), and the Graves Administration took additional actions (e.g., deleting steps 1-3 of the pay matrix). While adequately compensating the employees who

maintain our buildings and provide services to our constituents remains an important issue, the KU Classified Senate leaders recognize that there are many non-financial and communication issues that can be addressed in a collegial manner.

HB 2636 will create an Advisory Committee of Classified State Employees to the Secretary of Administration. While compensation issues will be discussed, many non-financial issues are equally or more important. For example, during the Kansas 2000 Committee deliberations, it became apparent that the employee evaluation process has credibility problems, supervisor training may not be adequate, and employee job satisfaction can be significantly improved if communications between classified employees and decision-makers is enhanced.

The Advisory Committee offers a means by which issues important to classified employees can be raised with the Secretary of Administration. Equally important, communications from the Secretary to employees can be enhanced through the employee representatives on the Advisory Committee. It should not be a surprise to any of us that classified employees are more likely to believe something another classified employee says than something said by the Secretary of Administration, you, or me.

This Advisory Committee will essentially cost no money, will provide enhanced two-way communications between decision-makers and State employees, and will undoubtedly provide invaluable information to the Secretary of



Administration and us on how to improve State employees' performance, morale, and job satisfaction.

KU classified employees are serious about wanting to be part of the solution to our employee recruitment and retention problems. During the summer and fall, I facilitated separate meetings between the KU Classified Senate leaders and the Governor's key staff, the Secretary of Administration, and the Budget Director. While the State employees made the obligatory statement that salaries should be increased, they specifically stated that they recognized such expenditures may be difficult during the current fiscal crisis. The KU Classified employees then stated that they are committed to working with the Administration on issues of mutual interest and concern.

I remain impressed with their desire to be part of the resolution of our employee recruitment and retention problems. All they seek is a formal opportunity to collaborate with the Department of Administration and indirectly with the Governor and Legislature.

Not all of you have large numbers of classified employees in your districts, but all of your constituents rely on State employees for services. Those of us who have educational institutions, correctional facilities, hospitals, or other large agency operations within our legislative districts understand how difficult it can be to staff and operate those facilities. Providing an opportunity for classified State employees' representatives to work in partnership with the State's decision-makers

can only enhance understanding, employee job satisfaction, and service to our citizenry.

Representative Troy Findley is a co-sponsor of this bill. Other legislative responsibilities preclude his joining us today. However, he has read and agrees with this testimony and asked that I reaffirm his support for the bill.

I appreciate your attention and consideration of HB 2636.

Tom Sloan, 45<sup>th</sup> District Representative

Troy Findley, 46<sup>th</sup> District Representative

**Testimony by Andy Sanchez, Executive Director  
The Kansas Association of Public Employees, KAPE/AFT, AFL-CIO  
Before the  
House Appropriations Committee  
February 7, 2002**

Mr. Chairman and members of the Committee, thank you for the opportunity to appear before you today and speak to HB 2636. Our organization will have to oppose this bill as it conflicts with our responsibilities to represent state employees. KAPE is not opposed to lending an ear to the states' classified employees. As an advocate for state employees we encourage more involvement by employees and welcome more employee-management exchange. These are the very same concerns that prompted the Public Employer Employee Relations Act (PEERA). In KAPE's opinion, with PEERA, a framework to provide for employee input is already in existence. Our membership, mostly classified employees, drives the objectives of our organization within the current structure.

I would be remiss in my duties if I were to support this bill, as we have an obligation, and in many cases, a contractual obligation to discuss work place issues within the PEERA framework. That is, by the negotiation process known as "meet and confer" or through our lobbying efforts. KAPE has 50 bargaining units. Some of the larger units are the SRS Clerical and Professional Units, a statewide Clerical Unit, a statewide Technical Unit, and a Department of Corrections Unit. We make every attempt to represent classified employees, and at times, unclassified employees.

The state has a structure and a process we value deeply. HB 2636 is redundant and does not improve upon the process, but instead, circumvents it. I thank you for allowing me to share the concerns of KAPE on this bill and I'll try to answer any of your questions.

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## Testimony to House Appropriations Committee

Thursday, February 7, 2002

By Gerald Schneider

Chief Financial Officer, Kansas Department of Human Resources

Esteemed committee members:

Thank you for the opportunity to appear today and talk about our agency inclusion into a biennial budget cycle. The Legislative Budget Committee report says the state will move in a slow and cautious manner in the direction of a biennial budget. We can only assume that due to our relative small amount of State General Fund that KDHR was identified as a candidate to include a larger state agency into this process. From discussions with agencies already on the biennial cycle, the even year two-year budget does take more work and effort. At KDHR we believe due to the complexity and variety of our programming, funding, and reporting that the odd year will probably entail as much work and time to complete as the current singular year budget. We have federal programs on the state fiscal year and we have several federal programs on the federal fiscal year (Oct. to Sept.). The flow of federal funding would require KDHR to submit an extensive revised budget during the odd years to reflect the latest figures. This level of effort would be the same as currently exerted for the one-year budget. We believe the amount of Legislative staff and hearing work will remain about the same.

Nevertheless, we are open to new approaches and stand ready to move forward as a biennial budget agency if that is the desire of the legislature.

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February 5, 2002

To: Legislative Budget Committee

## STATE GENERAL FUND (SGF) RECEIPTS July through January, FY 2002

This is the third month of experience under the revised estimate of SGF receipts in FY 2002 made by the Consensus Estimating Group on November 2, 2001. The figures in both the "Estimate" and "Actual" columns under FY 2002 on the following table include actual amounts received in July-October. That means that this report deals mainly with the difference between estimated and actual receipts in November through January.

**Total receipts through January of FY 2002 were \$97.6 million or 4.1 percent below the estimate.**

The only taxes that exceeded the estimate by more than \$1.0 million were estate (\$5.6 million) and sales (\$2.2 million). Taxes that fell below the estimate by more than \$1.0 million were corporation income (\$55.3 million), individual income (\$35.0 million), compensating use (\$5.6 million), liquor enforcement (\$2.3 million), and financial institutions privilege (\$1.4 million).

Receipts for January were negatively impacted by the ice storm, which closed state offices on January 29 and part of January 30. This caused tax remittance processing delays in the Department of Revenue. About \$7.8 million in receipts were deposited during the final two days of the month, compared with approximately \$50 million during the final two processing days of January 2001. Additional individual income, sales, and compensating use tax receipts likely will be processed during the first few days of February that otherwise would have been credited to the SGF at the end of January. However, the shortfall in individual income tax receipts appears not to be entirely a result of weather-related processing delays. Estimated payments for December and January (combined) were \$16 million below the same two-month period from a year ago.

Recall also that, due to significantly larger than anticipated refunds, corporation income taxes through the end of December were \$54.6 million below the estimate. An additional refund not contemplated by the current estimate is due because of a Kansas Supreme Court opinion in *In re Tax Appeal of Panhandle Eastern Pipeline Co.* (January 25, 2002). That refund, likely to be in excess of \$26 million, had not been paid by the end of January.

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Interest and agency earnings exceeded the estimate by \$1.6 million and \$1.9 million, respectively. Transfers from the SGF exceeded the estimate by \$8.4 million. On January 18, the Department of Revenue transferred \$9.2 million from the SGF for the final payment to a vendor for the Department's Project 2000. The transfer and subsequent payment, while included in the FY 2002 SGF projections, had not been anticipated for January.

Total taxes for FY 2002 to date fell below last year's collection by \$34.3 million or 1.4 percent.

This report excludes the deposit to the SGF of \$350.0 million due to issuance of certificates of indebtedness in September and December. These certificates will be discharged prior to the end of the fiscal year.

The next meeting of the Consensus Revenue Estimating Group to review and, if necessary, revise SGF estimates for FY 2002 and FY 2003 is scheduled for March 8, 2002. Normally, this meeting would be held on or a day or two before April 4, but is being held earlier this year at the request of the President of the Senate and Speaker of the House in view of the unusually difficult state budget issues with which the Legislature must contend.

STATE GENERAL FUND RECEIPTS  
July-January, FY 2002  
(dollar amounts in thousands)

	Actual FY 2001	FY 2002			Percent Increase-- FY 2002 Over	
		Estimate*	Actual	Difference	FY 2001	Estimate
<b>Property Tax:</b>						
Motor Carriers	\$ 10,925	\$ 11,390	\$ 11,829	\$ 439	8.3 %	3.9 %
<b>Income Taxes:</b>						
Individual	\$ 1,095,579	\$ 1,128,000	\$ 1,092,957	\$ (35,043)	(0.2) %	(3.1) %
Corporation	101,494	90,000	34,713	(55,287)	(65.8)	(61.4)
Financial Inst.	13,194	14,800	13,392	(1,408)	1.5	(9.5)
Total	\$ 1,210,268	\$ 1,232,800	\$ 1,141,063	\$ (91,737)	(5.7) %	(7.4) %
Estate Tax	\$ 22,378	\$ 27,400	\$ 32,958	\$ 5,558	47.3 %	20.3 %
<b>Excise Taxes:</b>						
Retail Sales	\$ 848,262	\$ 874,500	\$ 876,707	\$ 2,207	3.4 %	0.3 %
Comp. Use	133,084	148,000	142,395	(5,605)	7.0	(3.8)
Cigarette	28,733	29,100	28,470	(630)	(0.9)	(2.2)
Tobacco Prod.	2,410	2,500	2,500	(0)	3.7	(0.0)
Cereal Malt Bev.	1,451	1,475	1,420	(55)	(2.1)	(3.7)
Liquor Gallonage	8,689	8,500	8,589	89	(1.2)	1.0
Liquor Enforce.	20,844	22,200	19,936	(2,264)	(4.4)	(10.2)
Liquor Dr. Places	3,613	3,900	3,504	(396)	(3.0)	(10.2)
Corp. Franchise	6,732	7,025	6,933	(92)	3.0	(1.3)
Severance	50,269	37,100	36,693	(407)	(27.0)	(1.1)
Gas	42,427	28,000	27,822	(178)	(34.4)	(0.6)
Oil	7,842	9,100	8,871	(229)	13.1	(2.5)
Total	\$ 1,104,087	\$ 1,134,300	\$ 1,127,148	\$ (7,152)	2.1 %	(0.6) %
<b>Other Taxes:</b>						
Insurance Prem.	\$ 24,615	\$ 24,650	\$ 25,059	\$ 409	1.8 %	1.7 %
Miscellaneous	694	750	583	(167)	(16.0)	(22.3)
Total	\$ 25,309	\$ 25,400	\$ 25,642	\$ 242	1.3 %	1.0 %
<b>Total Taxes</b>	<b>\$ 2,372,967</b>	<b>\$ 2,431,290</b>	<b>\$ 2,338,639</b>	<b>\$ (92,651)</b>	<b>(1.4) %</b>	<b>(3.8) %</b>
<b>Other Revenue:</b>						
Interest	\$ 53,015	\$ 26,500	\$ 28,096	\$ 1,596	(47.0) %	6.0 %
Transfers (net) **	52,694	(103,700)	(112,073)	(8,373)	--	(8.1)
Agency Earnings and Misc.	27,351	29,500	31,378	1,878	14.7	6.4
Total	\$ 133,061	\$ (47,700)	\$ (52,599)	\$ (4,899)	-- %	10.3 %
<b>TOTAL RECEIPTS***</b>	<b>\$ 2,506,028</b>	<b>\$ 2,383,590</b>	<b>\$ 2,286,040</b>	<b>\$ (97,550)</b>	<b>(8.8) %</b>	<b>(4.1) %</b>

\* Consensus estimate as of November 2, 2001.

\*\* Estimates include transfers out attributable to Project 2000 of the Dept. of Revenue.

\*\*\* Does not include the \$350.0 million to the SGF from issuance of the Certificate of Indebtedness.

NOTE: Details may not add to totals due to rounding.