

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Stephen Morris at 10:35 a.m on March 7, 2002 in Room 123-S of the Capitol.

All members were present except: Senator Nick Jordan - excused

Committee staff present:

Alan Conroy, Chief Fiscal Analyst, Kansas Legislative Research Department  
William Wolff, Associate Director, Kansas Legislative Research Department  
Leah Robinson, Kansas Legislative Research Department  
Deb Hollon, Kansas Legislative Research Department  
Martha Dorsey, Kansas Legislative Research Department  
Paul West, Kansas Legislative Research Department  
Audrey Nogle, Kansas Legislative Research Department  
Julian Efird, Kansas Legislative Research Department  
Amy Kramer, Kansas Legislative Research Department  
Norman Furse, Revisor of Statutes  
Michael Corrigan, Assistant Revisor of Statutes  
Mary Shaw, Committee Secretary

Conferees appearing before the committee: None

Others attending: See attached list

**Bill Introduction**

Senator Salmans moved, with a second by Senator Schodorf, to delay one year the move of permanent color technology, tattooing and body piercing to the Department of Health and Environment (1rs2237). Motion carried on a voice vote.

Senator Salmans moved, with a second by Senator Jackson, to approve the minutes of the February 7, February 11, February 12 and February 13, 2002 committee meetings. Motion carried on a voice vote.

Subcommittee reports on:

**Department of Agriculture (Attachment 1)**

Senator Downey reported for Subcommittee Chairman Morris that the Subcommittee concurs with the Governor's recommendations for FY 2002.

Senator Downey reported for Subcommittee Chairman Morris that the Subcommittee concurs with the Governor's recommendations for FY 2003 with adjustments and notations as listed in the subcommittee budget report.

Senator Downey moved, with a second by Senator Jackson, to adopt the subcommittee budget report on the Department of Agriculture for the FY 2002 and FY 2003 budget. Motion carried on a voice vote.

**Animal Health Department (Attachment 2)**

Senator Downey reported for Subcommittee Chairman Morris that the Subcommittee concurs with the Governor's recommendations for FY 2002.

Senator Downey reported for Subcommittee Chairman Morris that the Subcommittee concurs with the Governor's recommendations for FY 2003 with notations as listed in the subcommittee budget report.

CONTINUATION SHEET

Senator Feleciano moved, with a second by Senator Downey, to consider the addition of \$58,750.00 in Item Number 1, FY 2003, at Omnibus. Motion carried on a voice vote.

Senator Downey moved, with a second by Senator Feleciano, to adopt the subcommittee budget report on the Animal Health Department for the FY 2002 and FY 2003 budget as amended. Motion carried on a voice vote.

**Kansas State Fair (Attachment 3)**

Senator Downey reported for Subcommittee Chairman Morris that the Subcommittee concurs with the Governor's recommendations for FY 2002 with an adjustment as listed in the subcommittee budget report.

Senator Downey reported for Subcommittee Chairman Morris that the Subcommittee concurs with the Governor's recommendations for FY 2003 with an observation as listed in the subcommittee budget report.

Senator Downey moved, with a second by Senator Huelskamp, to adopt the subcommittee budget report on the Kansas State Fair for the FY 2002 and FY 2003 budget. Motion carried on a voice vote.

**Kansas Water Office (Attachment 4)**

Senator Jackson reported for Subcommittee Chairman Jordan that the Subcommittee concurs with the Governor's recommendations for FY 2002.

Senator Jackson reported for Subcommittee Chairman Jordan that the Subcommittee concurs with the Governor's recommendations for FY 2003 with adjustments and notations as listed in the subcommittee budget report.

A copy of the State Water Plan Fund Expenditures was distributed to the Committee (Attachment 5).

Senator Jackson moved, with a second by Senator Downey, to adopt the subcommittee budget report on the Kansas Water Office for the FY 2002 and FY 2003 budget. Motion carried on a voice vote.

**State Conservation Commission (Attachment 6)**

Senator Jackson reported for Subcommittee Chairman Morris that the Subcommittee concurs with the Governor's recommendations for FY 2002.

Senator Jackson reported for Subcommittee Chairman Morris that the Subcommittee concurs with the Governor's recommendations for FY 2003 with recommendations as listed in the subcommittee budget report.

Senator Downey moved, with a second by Senator Jackson, to amend the subcommittee report to add the non-point Source Pollution subprogram to the programs utilizing the lapsed funds described in Item Number 1, FY 2003. Motion carried on a voice vote.

Senator Downey moved, with a second by Senator Jackson, to amend the subcommittee report to eliminate the last sentence in Item Number 1, FY 2003, beginning with "The enhancement would provide...". Motion carried on a voice vote.

Senator Downey moved, with a second by Senator Jackson, to adopt the subcommittee budget report on the State Conservation Commission for the FY 2002 and FY 2003 budget as amended. Motion carried on a voice vote.

**Department of Wildlife and Parks (Attachment 7)**

Senator Jackson reported for Subcommittee Chairman Jordan that the Subcommittee concurs with the Governor's recommendations for FY 2002.

## CONTINUATION SHEET

Senator Jackson reported for Subcommittee Chairman Jordan that the Subcommittee concurs with the Governor's recommendations for FY 2003 with additional recommendations as listed in the subcommittee budget report.

Senator Jackson moved, with a second by Senator Schodorf, to adopt the subcommittee budget report on the Department of Wildlife and Parks for the FY 2002 and FY 2003 budget. Motion carried on a voice vote.

Chairman Morris called the Committee's attention to discussion of:

### **SB 557--Community developmental disability services federal financial participation**

Senator Huelskamp moved, with a second by Senator Salmans, to amend SB 557 to restore the language on page 2 of the bill, Section (d) (2) and on page 1 of the bill Section (d) (1), remove the language relating to the special tiers. Motion carried on a voice vote.

Senator Downey moved, with a second by Senator Schodorf, to recommend SB 557 favorably for passage as amended. Motion carried on a roll call vote.

### **SB 421--Social and Rehabilitation Services; fixing of certain fees and disposition thereof**

Laura Howard, Assistant Secretary, Health Care Policy, Department of Social and Rehabilitation Services (SRS), spoke to the Committee upon request of Chairman Morris and the Committee regarding an update on progress of developing parameters for parent fee schedule as authorized by **SB 421** (Attachment 8). Ms. Howard explained proposed SRS amendments to the bill as reflected in their Attachment C of the balloon attached to their testimony regarding:

- require the Secretary of SRS to take into consideration the parents' income and ability to pay in establishing the fee, and
- require that the minimum fee set be based on fees and standards set by the Secretary in the Kansas children's health insurance program (HealthWave). This change would set a threshold so that families with incomes less than 150 percent of the federal poverty level (FPL) would not be charged a fee and families with incomes from 151 percent FPL to 200 percent FPL would be charged the same fees as under the HealthWave program (\$10.00 or \$15.00 a month).

Committee discussion followed and the Chairman thanked Ms. Howard for the requested information.

Senator Barone moved, with a second by Senator Feleciano, to amend the balloon for SB 421 to change the threshold from 150 percent of federal poverty level to 200 percent of federal poverty level threshold and on line 17 take into consideration the parents' income and the ability to pay. Motion carried on a voice vote.

Senator Schodorf moved, with a second by Senator Huelskamp, to recommend SB 421 favorably for passage as amended. Motion carried on a roll call vote.

### **SB 517--Claims against the state**

A letter was distributed from Janet Schalansky, Secretary, Department of Social and Rehabilitation Services (SRS), in response to additional information requested by the Committee regarding public policy implications of awarding claims to be paid by SRS based on the court's resolution of a disagreement over the best interests of a particular child (Attachment 9).

Senator Jackson moved, with a second by Senator Schodorf, to amend SB 517, on page 9, line 35, Section 7, part (f), to change the amount from \$1,880.04 to \$1,000.00 and page 9, line 43, Section 7, part (g), and

CONTINUATION SHEET

to change the amount from \$1,525.35 to \$1,175.00. The vote on the motion was divided. A vote was taken on Section 7, part (g) to change the amount to \$1,175.00 and the motion carried on a voice vote. A vote was taken on Section 7, part (f) change the amount to \$1,000.00 and the motion carried on a voice vote.

Senator Feleciano moved, with a second by Senator Barone, to recommend **SB 517** favorably for passage as amended. Motion carried on a roll call vote.

The meeting adjourned at 12:10 p.m. The next meeting is scheduled for March 8, 2002.

**SENATE WAYS AND MEANS COMMITTEE  
GUEST LIST**

DATE March 7, 2002

NAME	REPRESENTING
Shelly Dechand	Budget
Julie Thomas	" "
Keith Spudshaw	" "
Bill Schup	DOB
Lisa Mendoza	KDOC
Tracy Steeter	CONSERVATION COMMISSION
Trudy Kacive	SRS
Laura Howard	SRS
Allen Silver	Kansas State Fair
Denny Stoecklein	Kansas State Fair
Scott Heiden	KS Ass Insurance & Financial Advisors
Ray Dalton	SRS - Operations
Jennifer McAdam	Kansas Action for Children
Crystal Williams	Partnership for Children
Cindy D'Ercole	Kansas Action for Children
Roberta Sue McKenna	SRS
ANDY SANCHEZ	KAPPE
Lou Prusa	Inglis Center for Human Development
Joe Furd	KWO
Clark Duffy	KWO
Dick Kuehth	KIDWP
Jamie Cloree Adams	KDA.

SENATE WAYS AND MEANS COMMITTEE  
GUEST LIST

DATE March 7, 2002

NAME	REPRESENTING
Janet McPherson	Ks Farm Bureau
Michelle Hyslop	Kansas Advocacy & Protective Services
Dale Huffman	Families Together Inc
Doug Bowman	Ks Coordinating Council on Early Childhood
Josie Tater	KCDN
Jean Kuhn	KOP
Kelly Snyder	Martin Luther Homes
Mike Puffles	Alliance for Kansas w/ Dev. Disabilities
Betsy Manning	Secretary
Signe Barnes	Ness Co. Farm Bureau
Wes Schmidt-Trieger	Bowel High School
Veronika Nagy	Goessel High School
Katie Schroeder	Goessel High School
Kimberly Voth	Goessel High School
Jane Adan	Keep for Wildlife
Mike Hammer	Assoc. of Counties
<b>Sarah Adams</b>	<b>Keys for Networking</b>
Amy Campbell	KMHC
Callie Richmond	Foster parent (th Farmville)

## House Budget Committee Report

**Agency:** Department of Agriculture      **Bill No.** 2743      **Bill Sec.** 43  
**Analyst:** Kramer      **Analysis Pg. No.** Vol. 1-3      **Budget Pg. No.** 49

Expenditure Summary	Agency Request FY 2002	Governor Recommendation FY 2002	House Budget Committee Adjustments
<b>All Funds:</b>			
State Operations	\$ 20,488,804	\$ 21,198,804	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 20,488,804	\$ 21,198,804	\$ 0
Capital Improvements	0	0	0
<b>TOTAL</b>	<b>\$ 20,488,804</b>	<b>\$ 21,198,804</b>	<b>\$ 0</b>
<b>State General Fund:</b>			
State Operations	\$ 10,086,303	\$ 10,086,303	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 10,086,303	\$ 10,086,303	\$ 0
Capital Improvements	0	0	0
<b>TOTAL</b>	<b>\$ 10,086,303</b>	<b>\$ 10,086,303</b>	<b>\$ 0</b>
FTE Positions	302.5	302.5	0.0
Non-FTE Unclass. Perm. Positions	15.2	15.2	0.0
<b>TOTAL</b>	<b>317.7</b>	<b>317.7</b>	<b>0.0</b>

### Agency Request/Governor's Recommendation

**The Department of Agriculture estimates** FY 2002 expenditures of \$20,488,804, which is an increase of \$497,636 (2.5 percent) from the amount approved by the 2001 Legislature.

**The Governor recommends** \$21,198,804 for FY 2002 operating expenditures which is an increase of \$1,207,636 (6.0 percent) from the amount approved by the 2001 Legislature. The Governor concurs with the agency's estimated request and adds \$710,000 for a federal Speciality Crops Grant. The grant was awarded after the submission of the agency FY 2002 budget request and may be used for special projects designated by the federal government.

Senate Ways and Means  
 3-7-02  
 Attachment 1

### House Budget Committee Recommendations

The Budget Committee concurs with the Governor's recommendation with the following observation:

1. The Budget Committee commends the agency for pursuing a \$710,000 Speciality Crops Block Grant from the United States Department of Agriculture. In coordination with the Agricultural Products Development Division of the Department of Commerce and Housing, the grant will be used for the following programs:
    - Sponsor an agricultural terrorism conference;
    - KDA organic certification for meat processing;
    - WIC Farmers Market Nutrition Program/Senior's Farmers Market Program (if possible);
    - Basic research for manure composting project; and
    - Individual competitive grants for speciality crop producers.
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**Senate Subcommittee Report**

**Agency:** Department of Agriculture      **Bill No.** 2743      **Bill Sec.** 43  
**Analyst:** Kramer      **Analysis Pg. No.** Vol. I-3      **Budget Pg. No.** 49

<u>Expenditure Summary</u>	<u>Agency Request FY 2002</u>	<u>Governor Recommendation FY 2002</u>	<u>Senate Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 20,488,804	\$ 21,198,804	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 20,488,804	\$ 21,198,804	\$ 0
Capital Improvements	0	0	0
<b>TOTAL</b>	<b>\$ 20,488,804</b>	<b>\$ 21,198,804</b>	<b>\$ 0</b>
<b>State General Fund:</b>			
State Operations	\$ 10,086,303	\$ 10,086,303	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 10,086,303	\$ 10,086,303	\$ 0
Capital Improvements	0	0	0
<b>TOTAL</b>	<b>\$ 10,086,303</b>	<b>\$ 10,086,303</b>	<b>\$ 0</b>
FTE Positions	302.5	302.5	0.0
Non-FTE Unclass. Perm. Positions	15.2	15.2	0.0
<b>TOTAL</b>	<b>317.7</b>	<b>317.7</b>	<b>0.0</b>

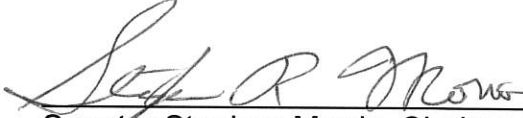
**Agency Request/Governor's Recommendation**

**The Department of Agriculture estimates FY 2002 expenditures of \$20,488,804**, which is an increase of \$497,636 (2.5 percent) from the amount approved by the 2001 Legislature.

**The Governor recommends \$21,198,804** for FY 2002 operating expenditures which is an increase of \$1,207,636 (6.0 percent) from the amount approved by the 2001 Legislature. The Governor concurs with the agency's estimated request and adds \$710,000 for a federal Speciality Crops Grant. The grant was awarded after the submission of the agency FY 2002 budget request and may be used for special projects designated by the federal government.

**Senate Subcommittee Recommendations**

The Subcommittee concurs with the Governor's recommendation.

  
\_\_\_\_\_  
Senator Stephen Morris, Chairman

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

  
\_\_\_\_\_  
Senator Tim Huelskamp

## House Budget Committee Report

**Agency:** Department of Agriculture      **Bill No.** --      **Bill Sec.** --  
**Analyst:** Kramer      **Analysis Pg. No.** Vol. 1-3      **Budget Pg. No.** 49

<u>Expenditure Summary</u>	<u>Agency Request FY 2003</u>	<u>Governor Recommendation FY 2003</u>	<u>House Budget Committee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 20,970,521	\$ 20,223,221	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 20,970,521</u>	<u>\$ 20,223,221</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
<b>TOTAL</b>	<u><u>\$ 20,970,521</u></u>	<u><u>\$ 20,223,221</u></u>	<u><u>\$ 0</u></u>
<b>State General Fund:</b>			
State Operations	\$ 10,360,319	\$ 9,811,542	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 10,360,319</u>	<u>\$ 9,811,542</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
<b>TOTAL</b>	<u><u>\$ 10,360,319</u></u>	<u><u>\$ 9,811,542</u></u>	<u><u>\$ 0</u></u>
FTE Positions	304.5	300.5	0.0
Non-FTE Unclass. Perm. Positions	<u>14.2</u>	<u>14.2</u>	<u>0.0</u>
<b>TOTAL</b>	<u><u>318.7</u></u>	<u><u>314.7</u></u>	<u><u>0.0</u></u>

### Agency Request/Governor's Recommendation

**The Department of Agriculture requests \$20,970,521** for FY 2003 operating expenditures which is an increase of \$481,717 (2.4 percent) from the FY 2002 estimate. The request includes \$10,360,319 from the State General Fund, which is an increase of \$274,016 from the FY 2002 request and \$10,610,202 from federal and special revenue funds which is an increase of \$207,701 from the FY 2002 request. The agency also requests \$13,826,195 for salaries and wages for 318.7 positions (304.5 FTE positions and 14.2 non-FTE unclassified permanent positions) which is an increase of \$74,788 (0.5 percent) from the FY 2002 estimate. The agency's four percent reduced resources package is a \$403,434 reduction in State General Fund expenditures. The package includes a reduction of services in the water resources program and statistical services subprogram including leaving nine FTE positions unfunded and abandoning membership in the National Association of State Departments of Agriculture.

**The Governor recommends** \$20,223,221 for FY 2003 operating expenditures which is a decrease of \$975,583 (4.6 percent) from the FY 2002 recommendation and a decrease of \$747,300 (3.6 percent) from the agency's FY 2003 request. The recommendation includes \$9,811,542 from the State General Fund, which is a decrease of \$274,761 from the FY 2002 estimate and \$10,411,679 from federal and special revenue funds which is a decrease of \$700,822 from the FY 2002 estimate. The Governor also recommends \$13,502,041 for salaries and wages for 314.7 positions (300.5 FTE positions and 14.2 non-FTE unclassified permanent positions) which is a decrease of \$249,366 (1.8 percent) from the FY 2002 estimate. The Governor recommends a reduced resources package of \$387,144 from all sources (\$403,434 SGF) including the replacement of \$16,290 from the State General Fund with special revenue funding. The package includes a reduction of services in the water resources program and statistical services subprogram including leaving nine FTE positions unfunded.

### **House Budget Committee Recommendations**

The Budget Committee concurs with the Governor's recommendation with the following comment:

1. The Budget Committee appreciates the efforts of the agency to provide the committee with extensive information regarding the operations of the agency.
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**Senate Subcommittee Report**

**Agency:** Department of Agriculture      **Bill No.** - -      **Bill Sec.** - -  
**Analyst:** Kramer      **Analysis Pg. No.** Vol. 1-3      **Budget Pg. No.** 49

<u>Expenditure Summary</u>	<u>Agency Request FY 2003</u>	<u>Governor Recommendation FY 2003</u>	<u>Senate Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 20,970,521	\$ 20,223,221	\$
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 20,970,521	\$ 20,223,221	\$ 0
Capital Improvements	0	0	0
<b>TOTAL</b>	<b>\$ 20,970,521</b>	<b>\$ 20,223,221</b>	<b>\$</b>
<b>State General Fund:</b>			
State Operations	\$ 10,360,319	\$ 9,811,542	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 10,360,319	\$ 9,811,542	\$ 0
Capital Improvements	0	0	0
<b>TOTAL</b>	<b>\$ 10,360,319</b>	<b>\$ 9,811,542</b>	<b>\$ 0</b>
FTE Positions	304.5	300.5	0.0
Non-FTE Unclass. Perm. Positions	14.2	14.2	0.0
<b>TOTAL</b>	<b>318.7</b>	<b>314.7</b>	<b>0.0</b>

**Agency Request/Governor's Recommendation**

**The Department requests \$20,970,521** for FY 2003 operating expenditures which is an increase of \$481,717 (2.4 percent) from the FY 2002 estimate. The request includes \$10,360,319 from the State General Fund, which is an increase of \$274,016 from the FY 2002 request and \$10,610,202 from federal and special revenue funds which is an increase of \$207,701 from the FY 2002 request. The agency also requests \$13,826,195 for salaries and wages for 318.7 positions (304.5 FTE positions and 14.2 non-FTE unclassified permanent positions) which is an increase of \$74,788 (0.5 percent) from the FY 2002 estimate. The agency's four percent reduced resources package is a \$403,434 reduction in State General Fund expenditures. The package includes a reduction of services in the water resources program and statistical services subprogram including leaving nine FTE positions unfunded and abandoning membership in the National Association of

State Departments of Agriculture.

**The Governor recommends \$20,223,221** for FY 2003 operating expenditures which is a decrease of \$975,583 (4.6 percent) from the FY 2002 recommendation and a decrease of \$747,300 (3.6 percent) from the agency's FY 2003 request. The recommendation includes \$9,811,542 from the State General Fund, which is a decrease of \$274,761 from the FY 2002 estimate and \$10,411,679 from federal and special revenue funds which is a decrease of \$700,822 from the FY 2002 estimate. The Governor also recommends \$13,502,041 for salaries and wages for 314.7 positions (300.5 FTE positions and 14.2 non-FTE unclassified permanent positions) which is a decrease of \$249,366 (1.8 percent) from the FY 2002 estimate. The Governor recommends a reduced resources package of \$387,144 from all sources (\$403,434 SGF) including the replacement of \$16,290 from the State General Fund with special revenue funding. The package includes a reduction of services in the water resources program and statistical services subprogram including leaving nine FTE positions unfunded.

### **Senate Subcommittee Recommendations**

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

1. The Governor's recommendation includes the reduction of funding for 5.0 FTE positions in the Water Resources program and 4.0 FTE positions in the Statistical Services subprogram. The Subcommittee recommends that 4.0 additional FTE positions in the Statistical Services subprogram be left unfunded and those dollars be transferred to fund 3.0 FTE positions of the 5.0 positions reduced in the Water Resources program. The result would be the reduction of 8.0 FTE positions in the Statistical Services subprogram and 2.0 FTE positions in the Water Appropriations subprogram. This would reduce state funded staffing in the Statistical Services subprogram to 1.0 FTE position and would retain a Economic Development Representative II in the field office in Garden City, the individual who produces the Hay Market News publication. The Subcommittee further notes that SB 435, SB 436, SB 437, and SB 438 contain fee increases for the agency which could provide the necessary resources for these positions to be funded in FY 2003. The Subcommittee recommends further consideration of this item during the omnibus session.
2. The Subcommittee notes that in recent years the agency has been working to lessen the number of backlogged water right permits in the agency's processing system. The agency submitted the following numbers related to the number of permits filled annually.

**Status of Water Rights Permit Processing**

Number of new applications in process:

	Reporting Date					
	5/2/01	7/3/01	9/5/01	11/8/01	12/27/01	2/20/02
Subtotal waiting or in process at DWR	363	368	377	365	373	439
Subtotal waiting on others outside DWR	170	167	169	177	189	157

Status of change applications processing:

	Approved	
	Received	or Denied
Headquarters	51	52
Topeka Field Office	8	8
Stafford Field Office	20	18
Stockton Field Office	19	15
Garden City Field Office	39	48
Total	137	141

According to the agency, if progress is made at the same pace as in the past two years, all outstanding files will be certified within the current calendar with the exception of those files with non-use questions. As required by law, a file with a non-use question requires a hearing where abandonment is a possible cause for non-use. The following statistics were reported to the Subcommittee by the agency.

**Certification of Water Rights**

Field Office	Number of files			Season Total	Non-Use		Other Status	Drafted and Sent	Remaining to Certify this Season	Files to Certify 2002-2003
	1999	2000	2001		10 yrs	5-10 yrs				
Topeka	109	14	111	234	103	49	0	35	47	203
Stafford	468	45	115	628	101	65	50	17	398	237
Stockton	1	0	24	25	16	9	8	2	23	136
Garden City	39	5	141	185	41	28	6	66	54	93
Total	617	64	391	1072	261	151	64	120	522	669

The Subcommittee is concerned that with the current budget the agency will lose staff members who process these applications which may result in a further backlog of permits.

3. The Subcommittee notes that the agency is funded by the State General Fund, fees, and federal funds. The agency presented the following table to the Subcommittee summarizing the type of funding utilized by each subprogram.

**FY 2003 - Current Services Budget  
Funding Type - By Subprogram**

<u>Program</u>	<u>SGF</u>	<u>Fees</u>	<u>Federal</u>	<u>Total</u>	<u>SGF</u>	<u>Fees</u>	<u>Federal</u>
Admin. Services	\$ 1,858,986	\$ 1,592,627	\$ 512,856	\$ 3,964,469	46.89%	40.17%	12.94%
Records Center	329,538	91,510	19,390	440,438	74.82%	20.78%	4.40%
Statistical Services	364,298	62,250	15,036	441,584	82.50%	14.10%	3.41%
Subtotal	<u>\$ 2,552,822</u>	<u>\$ 1,746,387</u>	<u>\$ 547,282</u>	<u>\$ 4,846,491</u>	<u>52.67%</u>	<u>36.03%</u>	<u>11.29%</u>
Meat & Poultry	\$ 1,444,572	\$ 68,112	\$ 1,421,946	\$ 2,934,630	49.23%	2.32%	48.45%
Dairy	254,208	254,203	0	508,411	50.00%	50.00%	0.00%
ACAP Inspection	0	355,336	49,100	404,436	0.00%	87.86%	12.14%
Weights & Measures	678,001	737,812	0	1,415,813	47.89%	52.11%	0.00%
Grain Warehouse	0	519,903	0	519,903	0.00%	100.00%	0.00%
Subtotal	<u>\$ 2,376,781</u>	<u>\$ 1,935,366</u>	<u>\$ 1,471,046</u>	<u>\$ 5,783,193</u>	<u>41.10%</u>	<u>33.47%</u>	<u>25.44%</u>
Water Management	\$ 781,552	\$ 1,500	\$ 0	\$ 783,052	99.81%	0.19%	0.00%
Water Appropriations	2,608,541	308,249	0	2,916,790	89.43%	10.57%	0.00%
Water Structures	633,279	88,814	1,039,252	1,761,345	35.95%	5.04%	59.00%
State Water Plan	0	1,033,835	0	1,033,835	0.00%	100.00%	0.00%
Subtotal	<u>\$ 4,023,372</u>	<u>\$ 1,432,398</u>	<u>\$ 1,039,252</u>	<u>\$ 6,495,022</u>	<u>61.95%</u>	<u>22.05%</u>	<u>16.00%</u>
Laboratory	\$ 303,936	\$ 617,359	\$ 60,334	\$ 981,629	30.96%	62.89%	6.15%
Plant Prot. & Weeds	\$ 662,428	\$ 112,217	\$ 47,800	\$ 822,445	80.54%	13.64%	5.81%
Pesticide/Fertilizer	166,512	881,906	527,741	1,576,159	10.56%	55.95%	33.48%
Subtotal	<u>\$ 828,940</u>	<u>\$ 994,123</u>	<u>\$ 575,541</u>	<u>\$ 2,398,604</u>	<u>34.56%</u>	<u>41.45%</u>	<u>23.99%</u>
<b>AGENCY TOTAL</b>	<u><u>\$ 10,085,851</u></u>	<u><u>\$ 6,725,633</u></u>	<u><u>\$ 3,693,455</u></u>	<u><u>\$ 20,504,939</u></u>	<u><u>49.19%</u></u>	<u><u>32.80%</u></u>	<u><u>18.01%</u></u>

4. The Subcommittee notes the following information received from the agency concerning the Blatant and Recurring Overpump Project (BRO).



Steps in the overpumping/compliance process

November 1	Determine number of groups that diverted greater than their authorized quantity. Top 50 meet the definition of blant
December 1	Field offices conduct field investigation to obtain present year water use data. Two years of overpumping meets the definition of recurring.
December 15	Meet with Kansas Water Office, KSU Extension, Division and Water Resources, and Groundwater Management Districts to set the scope of action in the technical assistance meetings. This meeting determines the BRO candidates.
January 1	Meet with Legal Section to review enforcement plan for overpumping.
January 15	Technical assistance meeting with BRO candidates to clarify information, determine exact violation and discuss options for solution.
February 15	Meter and conservation plan requirement by order
March 15	Conservation plan submitted for approval that includes planned solution.
Prior to irrigation season	DWR conducts meter check to ensure accuracy
Irrigation season	Water user monitors quantity pumped by submitting required monthly water use reports.

Field Office	Group Total	Potential Candidates	BRO Candidates	In Compliance	Carryover to next Season	Reasons for Carryover
<b>1999 and 2000 reporting seasons, participation in 2001 season</b>						
Stafford	320	50	13	12		1 requested stay of order
Stockton	23	23	8	5		3 various
Garden City/GMD 1	28	28	2	1		1 change app. approval will correct problem
Garden City	316	50	10	9		1 requested stay of order
<b>2000 and 2001 reporting seasons, participation in 2002 season</b>						
Stafford	619	50	9	In process	N/A	In process
Stockton	119	50	5	In process	N/A	In process
Stockton/GMD 1	57	50	13	In process	N/A	In process
Garden City	765	50	15	In process	N/A	In process

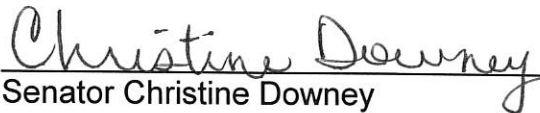
- The Subcommittee notes that the Water Resources program staff has dedicated significant amounts of time to the interstate lawsuits against Colorado and Nebraska. The following table contains the amount of time the agency has spent on the litigation.

**Time in Hours Reported for Activity on Interstate Lawsuits**

<u>Fiscal Year</u>	<u>KS vs. CO</u>	<u>KS vs. NE</u>	<u>Total</u>	<u>FTEs</u>
1988	3,431	586	4,017	1.93
1989	2,700	798	3,498	1.68
1990	5,458	376	5,834	2.80
1991	6,519	379	6,898	3.32
1992	2,972	402	3,374	1.62
1993	2,482	217	2,699	1.30
1994	349	2,682	3,031	1.46
1995	649	2,711	3,360	1.62
1996	912	3,788	4,700	2.26
1997	1,215	4,627	5,842	2.81
1998	672	6,118	6,790	3.26
1999	665	4,387	5,052	2.43
2000	262	1,134	1,396	0.67
2001	890	2,744	3,634	1.75
2002	786	3,244	4,030	1.94
Total	29,962	34,193	64,155	30.85

The Subcommittee is also concerned that Colorado is not complying to the conditions of the agreement. The Subcommittee notes that monitoring is important to ensure Colorado is in compliance.

  
\_\_\_\_\_  
Senator Stephen Morris, Chairman

  
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Senator Christine Downey

  
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Senator Tim Huelskamp

## House Budget Committee Report

**Agency:** Animal Health Department    **Bill No. --**    **Bill Sec. --**  
**Analyst:** Kramer    **Analysis Pg. No.** Vol. I - 20    **Budget Pg. No.** 61

Expenditure Summary	Agency Request FY 2002	Gov. Rec. FY 2002	House Budget Committee Adjustments
<b>All Funds:</b>			
State Operations	\$ 2,005,232	\$ 2,005,232	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 2,005,232	\$ 2,005,232	\$ 0
Capital Improvements	0	0	0
<b>TOTAL</b>	<b>\$ 2,005,232</b>	<b>\$ 2,005,232</b>	<b>\$ 0</b>
<b>State General Fund:</b>			
State Operations	\$ 628,999	\$ 628,999	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 628,999	\$ 628,999	\$ 0
Capital Improvements	0	0	0
<b>TOTAL</b>	<b>\$ 628,999</b>	<b>\$ 628,999</b>	<b>\$ 0</b>
FTE Positions	31.0	31.0	0.0
Non-FTE Unclass. Perm. Positions	0.0	0.0	0.0
<b>TOTAL</b>	<b>31.0</b>	<b>31.0</b>	<b>0.0</b>

### Agency Request/Governor's Recommendation

The Animal Health Department estimates \$2,005,232 for FY 2002 operating expenditures, which is a decrease of \$600 from the amount approved by the 2001 Legislature. The decrease results from adjustments in fee funding.

The Governor recommends \$2,005,232 for FY 2001 operating expenditures. The recommendation is a decrease of \$600 from the amount approved by the 2001 Legislature and is consistent with the amount estimated by the agency.

### House Budget Committee Recommendations

The Budget Committee concurs with the Governor's recommendation.

Senate Ways and means  
 3-7-02  
 Attachment 2

**House Committee Recommendation**

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

**House Recommendation**

The House has not yet considered this budget.

**Senate Subcommittee Report**

**Agency:** Animal Health Department

**Bill No. --**

**Bill Sec. --**

**Analyst:** Kramer

**Analysis Pg. No.** Vol. I - 20

**Budget Pg. No.** 61

Expenditure Summary	Agency Request FY 2002	Gov. Rec. FY 2002	Senate Subcommittee Adjustments
<b>All Funds:</b>			
State Operations	\$ 2,005,232	\$ 2,005,232	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	<u>\$ 2,005,232</u>	<u>\$ 2,005,232</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
<b>TOTAL</b>	<u><u>\$ 2,005,232</u></u>	<u><u>\$ 2,005,232</u></u>	<u><u>\$ 0</u></u>
<b>State General Fund:</b>			
State Operations	\$ 628,999	\$ 628,999	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	<u>\$ 628,999</u>	<u>\$ 628,999</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
<b>TOTAL</b>	<u><u>\$ 628,999</u></u>	<u><u>\$ 628,999</u></u>	<u><u>\$ 0</u></u>
FTE Positions	31.0	31.0	0.0
Non-FTE Unclass. Perm. Positions	0.0	0.0	0.0
<b>TOTAL</b>	<u><u>31.0</u></u>	<u><u>31.0</u></u>	<u><u>0.0</u></u>


### Agency Request/Governor's Recommendation

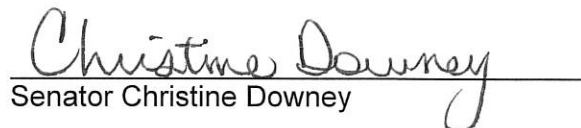
The Animal Health Department estimates \$2,005,232 for FY 2002 operating expenditures, which is a decrease of \$600 from the amount approved by the 2001 Legislature. The decrease results from adjustments in fee funding.

The Governor recommends \$2,005,232 for FY 2001 operating expenditures. The recommendation is a decrease of \$600 from the amount approved by the 2001 Legislature and is consistent with the amount estimated by the agency.

### Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

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

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

  
\_\_\_\_\_  
Senator Tim Huelskamp

## House Budget Committee Report

**Agency:** Animal Health Department    **Bill No. --**    **Bill Sec. --**  
**Analyst:** Kramer    **Analysis Pg. No. Vol. I - 20**    **Budget Pg. No. 61**

Expenditure Summary	Agency Request FY 2003	Gov. Rec. FY 2003	House Budget Committee Adjustments
<b>All Funds:</b>			
State Operations	\$ 2,198,515	\$ 2,090,004	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<b>\$ 2,198,515</b>	<b>\$ 2,090,004</b>	<b>\$ 0</b>
<b>State General Fund:</b>			
State Operations	\$ 764,965	\$ 616,995	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<b>\$ 764,965</b>	<b>\$ 616,995</b>	<b>\$ 0</b>
FTE Positions	33.0	31.0	0.0
Non-FTE Unclass. Perm. Positions	0.0	0.0	0.0
<b>TOTAL</b>	<b>33.0</b>	<b>31.0</b>	<b>0.0</b>

### Agency Request/Governor's Recommendation

**The Animal Health Department requests \$2,198,515** for FY 2003 operating expenditures, which is an increase of \$193,283 (9.6 percent) above the FY 2002 estimate. The request includes \$764,965 from the State General Fund, which is 43.8 percent of the total request, and \$1,433,550 from special revenue funds, which is 65.2 percent of the total request. The request also includes \$1,391,771 for salaries and wages for 33.0 FTE positions, which is an increase of \$142,364 (11.4 percent) over the FY 2002 estimate. The request includes an enhancement package of \$131,976 from the State General Fund. The agency's 4 percent reduced resource package of \$25,160 from the State General Fund includes reductions in travel from the Animal Disease Control and Animal Facilities Inspection programs.

**The Governor recommends \$2,090,004** for FY 2003 operating expenditures, which is an increase of \$84,772 (4.2 percent) from the FY 2002 estimate. The recommendation is a decrease of \$108,511 (4.9 percent) from the enhanced agency's FY 2003 request, and the recommendation is an increase of \$23,465 (1.1 percent) from the agency's FY 2003 current services budget request. The Governor recommends \$616,995 from the State General Fund, which is 29.5 percent of the

total FY 2003 operating expenditures recommendation, and \$1,473,009 from special revenue funds, which is 70.5 percent of the total recommendation. The recommendation also includes \$1,288,260 for salaries and wages for 31.0 FTE positions, which is an increase of \$38,853 (3.1 percent) over the FY 2002 estimate. The Governor does not recommend the agency's enhancement or reduced resources packages. The Governor recommends an increase of \$23,465 from the State General Fund to fully fund group health insurance and to implement a six-month moratorium on contributions to the KPERS death and disability fund.

### **House Budget Committee Recommendations**

The Budget Committee concurs with the Governor's recommendation with the following observations:

1. The Budget Committee encourages the agency to explore the feasibility of conducting biannual feedlot inspections in an effort to reduce agency expenditures.

### **House Committee Recommendation**

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

### **House Recommendation**

The House has not yet considered this budget.

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### Senate Subcommittee Report

Agency: Animal Health Department

Bill No. --

Bill Sec. --

Analyst: Kramer

Analysis Pg. No. Vol. I - 20

Budget Pg. No. 61

Expenditure Summary	Agency Request FY 2003	Gov. Rec. FY 2003	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 2,198,515	\$ 2,090,004	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<b>\$ 2,198,515</b>	<b>\$ 2,090,004</b>	<b>\$ 0</b>
State General Fund:			
State Operations	\$ 764,965	\$ 616,995	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<b>\$ 764,965</b>	<b>\$ 616,995</b>	<b>\$ 0</b>
FTE Positions	33.0	31.0	0.0
Non-FTE Unclass. Perm. Positions	0.0	0.0	0.0
<b>TOTAL</b>	<b>33.0</b>	<b>31.0</b>	<b>0.0</b>

#### Agency Request/Governor's Recommendation

**The Animal Health Department requests \$2,198,515** for FY 2003 operating expenditures, which is an increase of \$193,283 (9.6 percent) above the FY 2002 estimate. The request includes \$764,965 from the State General Fund, which is 43.8 percent of the total request, and \$1,433,550 from special revenue funds, which is 65.2 percent of the total request. The request also includes \$1,391,771 for salaries and wages for 33.0 FTE positions, which is an increase of \$142,364 (11.4 percent) over the FY 2002 estimate. The request includes an enhancement package of \$131,976 from the State General Fund. The agency's 4 percent reduced resource package of \$25,160 from the State General Fund includes reductions in travel from the Animal Disease Control and Animal Facilities Inspection programs.

**The Governor recommends \$2,090,004** for FY 2003 operating expenditures, which is an increase of \$84,772 (4.2 percent) from the FY 2002 estimate. The recommendation is a decrease of \$108,511 (4.9 percent) from the enhanced agency's FY 2003 request, and the recommendation is an increase of \$23,465 (1.1 percent) from the agency's FY 2003 current services budget request.



The Governor recommends \$616,995 from the State General Fund, which is 29.5 percent of the total FY 2003 operating expenditures recommendation, and \$1,473,009 from special revenue funds, which is 70.5 percent of the total recommendation. The recommendation also includes \$1,288,260 for salaries and wages for 31.0 FTE positions, which is an increase of \$38,853 (3.1 percent) over the FY 2002 estimate. The Governor does not recommend the agency's enhancement or reduced resources packages. The Governor recommends an increase of \$23,465 from the State General Fund to fully fund group health insurance and to implement a six-month moratorium on contributions to the KPERS death and disability fund.


### **Senate Subcommittee Recommendations**

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

1. The Subcommittee heard testimony from the agency that they incurred a \$58,750 bill for the boarding and vet care for dogs seized by the agency. The agency seized over 100 dogs in March, 2001. The agency originally won custody of the dogs in an administrative proceeding and relinquished the dogs to a humane society. In June, the kennel owners appealed the administrative order to the district court. On June 10, the district court allowed the defendants to place a personal property bond on the dogs and the agency was ordered to resume custody of the remaining 26 dogs until action was taken on the case. Action was not taken until late January, 2002, requiring the Animal Health Department to board the dogs for nine months. The Subcommittee notes that if a situation like this occurs again, the agency will potentially be exposed to another large expense for completing the agency's charge to enforce the Kansas Pet Animal Act. The Subcommittee recommends that the Judicial Council consider review of this issue to determine if some form of relief would be available to the state in this type of situation.
2. The Subcommittee notes that the agency is responsible for developing an emergency outbreak plan in the event that foot and mouth disease or another foreign animal disease outbreak occurs in Kansas. The Animal Health Department coordinates with other state agencies to develop and potentially implement the plan. The Subcommittee recommends that the Senate Agriculture Committee review this plan, including the review of the coordination among participating agencies and the communication channels established among these agencies in the event of an outbreak.

3. The Subcommittee notes that this agency is approximately 70 percent fee funded. The Subcommittee notes that the agency's fee fund balances have been declining in recent years, and that the balances of these funds will only allow for this level of usage for a few more years before alternative funding will be needed.

  
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Senator Stephen Morris, Chair

  
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Senator Christine Downey

  
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Senator Tim Huelskamp

## House Budget Committee Report

**Agency:** Kansas State Fair

**Bill No. --**

**Bill Sec. --**

**Analyst:** Kramer

**Analysis Pg. No. Vol. I - 37 Budget Page No. 167**

Expenditure Summary	Agency Estimate FY 2002	Governor's Recommendation FY 2002	House Budget Committee Adjustments
<b>All Funds:</b>			
State Operations	\$ 3,490,312	\$ 3,388,865	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal – Operating	\$ 3,490,312	\$ 3,388,865	\$ 0
Capital Improvements	628,898	628,898	0
<b>TOTAL</b>	<b>\$ 4,119,210</b>	<b>\$ 4,017,763</b>	<b>\$ 0</b>
<b>State General Fund:</b>			
State Operations	\$ 134,000	\$ 132,952	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal – Operating	\$ 134,000	\$ 132,952	\$ 0
Capital Improvements	0	0	0
<b>TOTAL</b>	<b>\$ 134,000</b>	<b>\$ 132,952</b>	<b>\$ 0</b>
FTE Positions	22.0	22.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>22.0</b>	<b>22.0</b>	<b>0.0</b>

### Agency Estimate/Governor's Recommendation

**The Kansas State Fair estimates** \$3,490,312 for FY 2002 operating expenditures which is a decrease of \$836,123 (19.3 percent) from the amount approved by the 2001 Legislature. The estimate includes \$134,000 from the State General Fund and \$3,350,946 from the State Fair Fee Fund, and includes \$1,343,555 in salaries and wages to fund 22.0 FTE positions. The decrease is due to poor fair attendance related to the Hutchinson natural gas explosions, the Hepatitis A outbreak in Reno County, and the September 11 attacks which occurred during the fair.

**The Governor recommends** \$3,388,865 for FY 2002 operating expenditures which is a decrease of \$937,570 (21.7 percent) from the amount approved by the 2001 Legislature. The recommendation includes \$132,952 from the State General Fund and \$3,255,913 from the State Fair Fee Fund, and includes \$1,338,189 in salaries and wages to fund 22.0 FTE positions. The decrease is due to poor fair attendance related to the Hutchinson natural gas explosions, the Hepatitis A outbreak in Reno County, and the September 11 attacks which occurred during the fair.

*Senate Ways and Means  
3-7-02  
Attachment 3*

## House Budget Committee Adjustments

The Budget Committee concurs with the Governor's recommendation.

## House Committee Recommendation

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

## House Recommendation

The House has not yet considered this budget.

### Senate Subcommittee Report

**Agency:** Kansas State Fair

**Bill No. --**

**Bill Sec. --**

**Analyst:** Kramer

**Analysis Pg. No. Vol. I - 37**

**Budget Page No. 167**

Expenditure Summary	Agency Estimate FY 2002	Governor's Recommendation FY 2002	Senate Subcommittee Adjustments
<b>All Funds:</b>			
State Operations	\$ 3,490,312	\$ 3,388,865	\$ 300,000
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal – Operating	\$ 3,490,312	\$ 3,388,865	\$ 300,000
Capital Improvements	628,898	628,898	0
<b>TOTAL</b>	<b>\$ 4,119,210</b>	<b>\$ 4,017,763</b>	<b>\$ 300,000</b>
<b>State General Fund:</b>			
State Operations	\$ 134,000	\$ 132,952	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal – Operating	\$ 134,000	\$ 132,952	\$ 0
Capital Improvements	0	0	0
<b>TOTAL</b>	<b>\$ 134,000</b>	<b>\$ 132,952</b>	<b>\$ 0</b>
FTE Positions	22.0	22.0	0.0
Non FTE Uncl. Perm. Positions	0.0	0.0	0.0
<b>TOTAL</b>	<b>22.0</b>	<b>22.0</b>	<b>0.0</b>

## Agency Estimate/Governor's Recommendation


The Kansas State Fair estimates \$3,490,312 for FY 2002 operating expenditures which is a decrease of \$836,123 (19.3 percent) from the amount approved by the 2001 Legislature. The estimate includes \$134,000 from the State General Fund and \$3,350,946 from the State Fair Fee Fund, and includes \$1,343,555 in salaries and wages to fund 22.0 FTE positions. The decrease is due to poor fair attendance related to the Hutchinson natural gas explosions, the Hepatitis A outbreak in Reno County, and the September 11 attacks which occurred during the fair.


The Governor recommends \$3,388,865 for FY 2002 operating expenditures which is a decrease of \$937,570 (21.7 percent) from the amount approved by the 2001 Legislature. The recommendation includes \$132,952 from the State General Fund and \$3,255,913 from the State Fair Fee Fund, and includes \$1,338,189 in salaries and wages to fund 22.0 FTE positions. The decrease is due to poor fair attendance related to the Hutchinson natural gas explosions, the Hepatitis A outbreak in Reno County, and the September 11 attacks which occurred during the fair.

## Senate Subcommittee Adjustments

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

1. Transfer \$300,000 from the State Fair Capital Improvements Fund to the State Fair Fee Fund. Due to the Hutchinson natural gas explosions, the Hepatitis A outbreak in Reno County, and the September 11 attacks which occurred during fair week, the agency experienced a decrease in fair attendance in FY 2002. This resulted in a significant revenue loss for the agency. The Subcommittee recommends the transfer to aid the agency in meeting FY 2002 obligations with the expectation that any amount transferred would be repaid to the State Fair Capital Improvements Fund in FY 2003. The Governor also recommends this transfer, but it was inadvertently excluded from the bill.

  
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Senator Stephen Morris, Chair

  
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Senator Christine Downey

  
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Senator Tim Huelskamp

## House Budget Committee Report

**Agency:** Kansas State Fair

**Bill No. --**

**Bill Sec. --**

**Analyst:** Kramer

**Analysis Pg. No. Vol. I - 37    Budget Page No. 167**

Expenditure Summary	Agency Request FY 2003	Governor's Recommendation FY 2003	House Budget Committee Adjustments
<b>All Funds:</b>			
State Operations	\$ 4,203,989	\$ 3,920,389	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal – Operating	\$ 4,203,989	\$ 3,920,389	\$ 0
Capital Improvements	1,296,546	1,296,546	0
<b>TOTAL</b>	<b>\$ 5,500,535</b>	<b>\$ 5,216,935</b>	<b>\$ 0</b>
<b>State General Fund:</b>			
State Operations	\$ 137,404	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal – Operating	\$ 137,404	\$ 0	\$ 0
Capital Improvements	300,000	300,000	0
<b>TOTAL</b>	<b>\$ 437,404</b>	<b>\$ 300,000</b>	<b>\$ 0</b>
FTE Positions	24.0	22.0	0.0
Non FTE Uncl. Perm. Positions	0.0	0.0	0.0
<b>TOTAL</b>	<b>24.0</b>	<b>22.0</b>	<b>0.0</b>

### Agency Request/Governor's Recommendation

**The Kansas State Fair requests** \$4,203,989 for FY 2003 operating expenditures which is an increase of \$703,677 (20.4 percent) from the FY 2002 estimate. The request includes \$1,465,869 in salaries and wages for 24.0 FTE positions which is an increase of \$122,341 (9.1 percent) from the FY 2002 estimate. Included in the request is enhancements totaling \$162,384 (\$46,384 State Fair Fee Fund, \$116,000 EDIF) for two FTE positions and for increased advertising expenditures.

**The Governor recommends** \$3,920,389 for FY 2003 operating expenditures which is an increase of \$531,524 (15.7 percent) from the FY 2002 estimate. The request includes \$1,438,185 in salaries and wages for 22.0 FTE positions which is an increase of \$531,524 (15.7 percent) from the FY 2002 estimate. The Governor does not recommend the enhancements.

## House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation with the following observations:

1. The Budget Committee is concerned to see a drop in attendance, especially grandstand attendance, in recent years. Even though unusual circumstances caused the attendance decline for the 2001 fair, the Budget Committee notes that these declines will have a significant impact on the State Fair Fee Fund.
2. The Budget Committee notes the shifting of funds from the State Fair Capital Improvements Fund to the State Fair Fee Fund in FY 2002. The State Fair is authorized to annually transfer a minimum of five percent of their total gross receipts from the State Fair Fee Fund to the State Fair Capital Improvements Fund (SCIF) (KSA 2-223). A matching State General Fund transfer not to exceed \$300,000 annually is also authorized. In FY 2002, the fair transferred \$155,033 (five percent) to the SCIF, but transferred \$300,000 from the SCIF back to the fee fund with the intent transferring the \$300,000 back to the SCIF in FY 2003. The Budget Committee is concerned that the agency is borrowing from its capital improvements fund to finance general operation of the fair.
3. The Budget Committee notes HB 2609 which authorizes the State Fair Board to conduct negotiations and enter into contracts for placement of a hotel and convention center on the State Fairgrounds. The Budget Committee is concerned about the potential financial liability the state may incur with the passage of this bill.

## House Committee Recommendation

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

## House Recommendation

The House has not yet considered this budget.

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## Senate Subcommittee Report

**Agency:** Kansas State Fair

**Bill No. --**

**Bill Sec. --**

**Analyst:** Kramer

**Analysis Pg. No. Vol. I - 37    Budget Page No. 167**

Expenditure Summary	Agency Request FY 2003	Governor's Recommendation FY 2003	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 4,203,989	\$ 3,920,389	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal – Operating	\$ 4,203,989	\$ 3,920,389	\$ 0
Capital Improvements	1,296,546	1,296,546	0
TOTAL	<u>\$ 5,500,535</u>	<u>\$ 5,216,935</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 137,404	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal – Operating	\$ 137,404	\$ 0	\$ 0
Capital Improvements	300,000	300,000	0
TOTAL	<u>\$ 437,404</u>	<u>\$ 300,000</u>	<u>\$ 0</u>
FTE Positions	24.0	22.0	0.0
Non FTE Uncl. Perm. Positions	0.0	0.0	0.0
TOTAL	<u>24.0</u>	<u>22.0</u>	<u>0.0</u>

### Agency Request/Governor's Recommendation

The Kansas State Fair requests \$4,203,989 for FY 2003 operating expenditures which is an increase of \$703,677 (20.4 percent) from the FY 2002 estimate. The request includes \$1,465,869 in salaries and wages for 24.0 FTE positions which is an increase of \$122,341 (9.1 percent) from the FY 2002 estimate. Included in the request is enhancements totaling \$162,384 (\$46,384 State Fair Fee Fund, \$116,000 EDIF) for two FTE positions and for increased advertising expenditures.

The Governor recommends \$3,920,389 for FY 2003 operating expenditures which is an increase of \$531,524 (15.7 percent) from the FY 2002 estimate. The request includes \$1,438,185 in salaries and wages for 22.0 FTE positions which is an increase of \$531,524 (15.7 percent) from the FY 2002 estimate. The Governor does not recommend the enhancements.

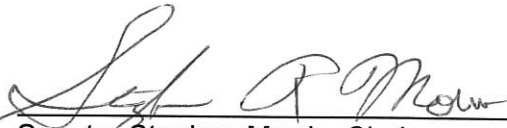
### Senate Subcommittee Recommendation


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

1. The Subcommittee notes that the agency has received state funding for operating expenditures either through the State General Fund (SGF) or the Economic Development Initiatives Fund (EDIF) since FY 1995. This funding was used to



assist the agency in advertising and for awards which had a long range effect on species improvement and marketing of livestock. The agency is not budgeted to receive SGF or EDIF financing in FY 2003.

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

  
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Senator Christine Downey

  
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Senator Tim Huelskamp

## House Budget Committee Report

**Agency:** Kansas Water Office

**Bill No.** 2743

**Bill Sec.** --

**Analyst:** Kramer

**Analysis Pg. No.** Vol. I - 65

**Budget Page No.** --

<u>Expenditure Summary</u>	<u>Agency Est. FY 02</u>	<u>Governor's Recommendation FY 02</u>	<u>Budget Committee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 7,219,774	\$ 7,219,774	\$ 0
Aid to Local Units	0	0	0
Other Assistance	45,000	45,000	0
<b>TOTAL</b>	<b>\$ 7,264,774</b>	<b>\$ 7,264,774</b>	<b>\$ 0</b>
<b>State General Fund:</b>			
State Operations	\$ 1,418,942	\$ 1,418,942	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<b>\$ 1,418,942</b>	<b>\$ 1,418,942</b>	<b>\$ 0</b>
FTE Positions	22.5	22.5	0.0
Non FTE Uncl. Perm. Positions	1.0	1.0	0.0
<b>TOTAL</b>	<b>23.5</b>	<b>23.5</b>	<b>0.0</b>

### Agency Estimate/Governor's Recommendation

The Kansas Water Office estimates operating expenditures for FY 2002 of \$7,264,774 which is an increase of \$1,168,963 (19.2 percent) from the amount approved by the 2001 Legislature. The State General Fund estimate is consistent with the approved amount. The increase results primarily from an increase in contractual services for the planned purchase of storage space at Kanopolis Lake.

The Governor recommends operating expenditures for FY 2002 of \$7264,774 which is consistent with the agency's estimate.

### House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation.

### House Committee Recommendation

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

*Senate Ways and Means  
3-7-02  
Attachment 4*

**House Recommendation**

The House has not yet considered this budget.

**Senate Subcommittee Report**

**Agency:** Kansas Water Office

**Bill No.** 2743

**Bill Sec.** --

**Analyst:** Kramer

**Analysis Pg. No.** Vol. I - 65

**Budget Page No.** --

<u>Expenditure Summary</u>	<u>Agency Est. FY 02</u>	<u>Governor's Recommendation FY 02</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 7,219,774	\$ 7,219,774	\$ 0
Aid to Local Units	0	0	0
Other Assistance	45,000	45,000	0
<b>TOTAL</b>	<b>\$ 7,264,774</b>	<b>\$ 7,264,774</b>	<b>\$ 0</b>
<b>State General Fund:</b>			
State Operations	\$ 1,418,942	\$ 1,418,942	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<b>\$ 1,418,942</b>	<b>\$ 1,418,942</b>	<b>\$ 0</b>
FTE Positions	22.5	22.5	0.0
Non FTE Uncl. Perm. Positions	1.0	1.0	0.0
<b>TOTAL</b>	<b>23.5</b>	<b>23.5</b>	<b>0.0</b>

**Agency Estimate/Governor's Recommendation**

The Kansas Water Office estimates operating expenditures for FY 2002 of \$7,264,774 which is an increase of \$1,168,963 (19.2 percent) from the amount approved by the 2001 Legislature. The State General Fund estimate is consistent with the approved amount. The increase results primarily from an increase in contractual services for the planned purchase of storage space at Kanopolis Lake.

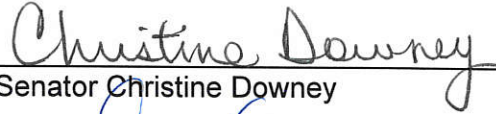
The Governor recommends operating expenditures for FY 2002 of \$7264,774 which is consistent with the agency's estimate.

**Senate Subcommittee Recommendation**

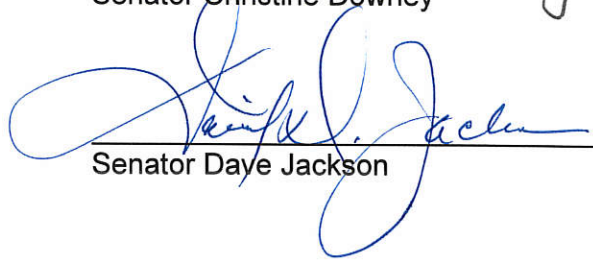
The Subcommittee concurs with the Governor's recommendation.



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Senator Nick Jordan, Chair



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



\_\_\_\_\_  
Senator Daye Jackson

## House Budget Committee Report

**Agency:** Kansas Water Office

**Bill No. --**

**Bill Sec. --**

**Analyst:** Kramer

**Analysis Pg. No. Vol. I - 65    Budget Page No. 469**

Expenditure Summary	Agency Request FY 2003	Governor's Recommendation FY 2003	House Budget Committee Adjustments
<b>All Funds:</b>			
State Operations	\$ 5,750,057	\$ 5,582,407	\$ 0
Aid to Local Units	0	0	0
Other Assistance	45,000	45,000	0
<b>TOTAL</b>	<b>\$ 5,795,057</b>	<b>\$ 5,627,407</b>	<b>\$ 0</b>
<b>State General Fund:</b>			
State Operations	\$ 1,432,008	\$ 1,390,084	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<b>\$ 1,432,008</b>	<b>\$ 1,390,084</b>	<b>\$ 0</b>
FTE Positions	22.5	22.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>22.5</b>	<b>22.5</b>	<b>0.0</b>

### Agency Request/Governor's Recommendation

**The Kansas Water Office requests \$5,795,057** for FY 2003 operating expenditures which is a decrease of \$1,469,717 (20.2 percent) from the FY 2002 estimate. The request includes \$1,432,008 from the State General Fund, \$2,771,225 from the State Water Plan Fund, and \$1,591,824 from all other funds (including \$1,499,509 from the Water Marketing Fund). The decrease is due to the planned purchase of water storage at Kanopolis Lake that occurred in FY 2002. The agency requests \$1,394,361 in salaries and wages for 22.5 FTE positions, a decrease of \$33,271 (2.3 percent) from the FY 2002 estimate.

**The Governor recommends \$5,627,407** for FY 2003 operating expenditures which is a decrease of \$1,637,367 (22.5 percent) from the FY 2002 estimate. The recommendation includes \$1,390,084 from the State General Fund, \$2,652,558 from the State Water Plan Fund, and \$1,584,765 from all other funds (including \$1,500,316 from the Water Marketing Fund). The decrease is due to the planned purchase of water storage at Kanopolis Lake that occurred in FY 2002. The Governor recommends \$1,410,676 in salaries and wages for 22.5 FTE positions, a decrease of \$16,956 (1.2 percent) from the FY 2002 estimate.

## House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation with the following adjustments and notations:

1. The Budget Committee recommends the following provisos and anticipates their inclusion in the FY 2003 appropriations bill which has not yet been introduced. In the event that the provisos are not contained in the bill, the Budget Committee recommends their addition.
  - a) A proviso that prohibits purchasing more water storage. The Committee notes the concern regarding the water storage space in the Milford, Perry, and Tuttle Creek Lakes. The Corps of Engineers could use a maximum of six feet of water from these lakes for navigational purposes so long as the State of Kansas, through the Kansas Water Office, has not called the remaining storage space into service. As a means to remind the Corps of Engineers of the State's potential to exercise its right to this water, the Water Office has requested over the past several years funds to call the water into use in case of drought. Neither the Kansas Water Authority nor the Governor has recommended funding for this water storage space. The Committee is concerned that the agency's annual request is not enough to convince the Corps of the State's interest in this water storage space. Therefore, the Committee wishes to state that should the Corps notify the Kansas Water Office of its intent to use water for navigational purposes on the Missouri River, the agency should take steps to protect the State's interests and, if necessary, notify the Legislature of the need for appropriate action.
  - b) A proviso authorizing the Water Office to transfer money from the sub-accounts of the Water Supply Storage Assurance District Fund to the Water Marketing Fund. Each year the agency receives money from the water assurance districts to repay the State General Fund for the amortized cost of purchasing storage space in federal reservoirs. For accounting purposes, these funds are credited to the district sub-accounts. The money is then transferred to the Water Marketing Fund in order to make repayments to the State General Fund for moneys previously advanced for the payment of water storage space which has been transferred to the Water Assurance Program. The Water Office has routinely made these transfers each fiscal year for the past several years. However, the Division of Accounts and Reports has determined that the agency does not have specific authority to make these transfers. This proviso is necessary for the agency to track the transfer of money, and to be able to make these transfers for more reasons than simply the repayment of the State General Fund (e.g. administration and enforcement expenses).
  - c) A proviso authorizing the agency to borrow money from the Pooled Money Investment Board (PMIB) to stabilize the water marketing rate and to provide for temporary cash flow shortages in the water marketing fund. The Water Marketing Program supplies water to municipal and industrial users. The Water Marketing Fund receives the water fees from this program and makes payments to the U.S. Corps of Engineers for water storage and to the State General Fund for capital and interest payments. This transfer is a partial prepayment on the loan from the State General Fund. Over time the Water Marketing Fund has been collecting an internal reserve to reduce the effect of any dramatic water rate increases. By making a prepayment, the future cost of paying off the loan will decrease and could cause a small decrease in water rates. Since the Water Marketing Program operates on a calendar year rather than a fiscal year, this transfer could cause some short term cash flow difficulties. To help alleviate this concern, the Committee recommends allowing the Water Office to obtain a short term loan from the Pooled

Money Investment Board to meet the financial obligations of the Water Marketing Program.

- d) A proviso creating a fund for receiving and passing through local match funds for federal cost-share programs. These are federal programs which provide planning assistance to states and other entities and technical assistance to state, tribes, and other entities. A one-to-one match of state to federal dollars is required.
2. The Budget Committee recommends that the water in the Cedar Bluff Reservoir under the control of the Kansas Water Office not be released for environmental, domestic, municipal, industrial, and irrigation purposes.

**House Committee Recommendation**

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

**House Recommendation**

The House has not yet considered this budget.

**Senate Subcommittee Report**

**Agency:** Kansas Water Office                      **Bill No. --**                                      **Bill Sec. --**

**Analyst:** Kramer    **Analysis Pg. No. Vol. I - 65**    **Budget Page No. 469**

<u>Expenditure Summary</u>	<u>Agency Request FY 2003</u>	<u>Governor's Recommendation FY 2003</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 5,750,057	\$ 5,582,407	\$ 0
Aid to Local Units	0	0	0
Other Assistance	45,000	45,000	0
<b>TOTAL</b>	<b>\$ 5,795,057</b>	<b>\$ 5,627,407</b>	<b>\$ 0</b>
<b>State General Fund:</b>			
State Operations	\$ 1,432,008	\$ 1,390,084	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<b>\$ 1,432,008</b>	<b>\$ 1,390,084</b>	<b>\$ 0</b>
FTE Positions	22.5	22.5	0.0
Non FTE Uncl. Perm. Positions	0.0	0.0	0.0
<b>TOTAL</b>	<b>22.5</b>	<b>22.5</b>	<b>0.0</b>

## Agency Request/Governor's Recommendation

The Kansas Water Office requests \$5,795,057 for FY 2003 operating expenditures which is a decrease of \$1,469,717 (20.2 percent) from the FY 2002 estimate. The request includes \$1,432,008 from the State General Fund, \$2,771,225 from the State Water Plan Fund, and \$1,591,824 from all other funds (including \$1,499,509 from the Water Marketing Fund). The decrease is due to the planned purchase of water storage at Kanopolis Lake that occurred in FY 2002. The agency requests \$1,394,361 in salaries and wages for 22.5 FTE positions, a decrease of \$33,271 (2.3 percent) from the FY 2002 estimate.

The Governor recommends \$5,627,407 for FY 2003 operating expenditures which is a decrease of \$1,637,367 (22.5 percent) from the FY 2002 estimate. The recommendation includes \$1,390,084 from the State General Fund, \$2,652,558 from the State Water Plan Fund, and \$1,584,765 from all other funds (including \$1,500,316 from the Water Marketing Fund). The decrease is due to the planned purchase of water storage at Kanopolis Lake that occurred in FY 2002. The Governor recommends \$1,410,676 in salaries and wages for 22.5 FTE positions, a decrease of \$16,956 (1.2 percent) from the FY 2002 estimate.

## Senate Subcommittee Recommendation

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

1. The Subcommittee notes that Total Maximum Daily Loads (TMDL) have been established in six basins with three being completed this year and three being completed next year. In FY 2002, \$2,590,369 from the State Water Plan Fund was used to fund TMDL from the following agencies and programs:

### TMDL Funding Status

State Conservation Commission	
Buffer Initiative	\$ 265,134
Water Resources Cost Share Program	730,308
Nonpoint Source Pollution	707,000
Riparian and Wetland Program	50,000
Subtotal	<u>\$ 1,752,442</u>
Department of Health and Environment	
TMDL Development	\$ 305,000
Local Environmental Protection Program	349,927
Nonpoint Source Pollution	123,000
Subtotal	<u>\$ 777,927</u>
Department of Wildlife and Parks	
Biological Monitoring	\$ 50,000
Kansas Water Office	
Public Education (KCARE contract)	\$ 10,000
TOTAL	<u><u>\$ 2,590,369</u></u>



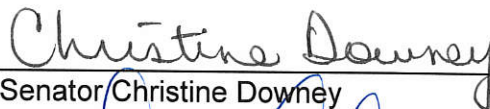
2. The Subcommittee notes that the Governor's recommendation includes funding decreases to several important programs financed through the State Water Plan Fund. The Subcommittee is especially concerned about the funding declines in the Nonpoint Source Pollution program and the Water Resources Cost Share program in the State Conservation Commission and the Technical Assistance to Water Users program in the Kansas Water Office. Declines in these areas may impair the agencies in their ability to implement and maintain TMDLs.
3. The Subcommittee notes that the State Water Plan Fund (SWPF) was originally created for the establishment and implementation of water-related projects including related technical assistance (K.S.A. 82a-951). In recent years, a portion of SWPF monies have been shifted to support administrative and operational activities of agencies expending the funds. For example, a portion of the SWPF monies are allocated to the Kansas Department of Agriculture, part of which is utilized for administration of Interstate Water Issues. The Subcommittee notes that in order to keep with the intent of the law, these administrative and operational activities may be more appropriately funded through the State General Fund.
4. The Subcommittee recommends the following provisos and anticipates their inclusion in the FY 2003 appropriations bill which has not yet been introduced. In the event that the provisos are not contained in the bill, the Subcommittee recommends their addition.
  - a) A proviso that prohibits purchasing more water storage space in the Milford, Perry, and Tuttle Creek Lakes. The Corps of Engineers contends that it could use a maximum of six feet of water from these lakes for navigational purposes so long as the State of Kansas, through the Kansas Water Office, has not called the remaining storage space into service. As a means to remind the Corps of Engineers of the State's potential to exercise its right to this water, the Water Office has requested over the past several years funds to call the water into use in case of drought. Neither the Kansas Water Authority nor the Governor has recommended funding for this water storage space. The Committee is concerned that the agency's annual request is not enough to convince the Corps of the State's interest in this water storage space. Therefore, the Committee wishes to state that should the Corps notify the Kansas Water Office of its intent to use water for navigational purposes on the Missouri River, the agency should take steps to protect the State's interests and, if necessary, notify the Legislature of the need for appropriate action.
  - b) Add a proviso creating the Water Supply Storage Assurance District Fund and authorizing expenditures from the fund. Each year the agency receives money from the Water Assurance Districts, which must be used to pay: (1) the federal government, for the annual capital cost of water supply storage space in reservoirs under the Water Assurance Act; (2) the Pooled Money Investment Board, for repayment of costs associated with the purchase of storage space in federal reservoirs for use by Assurance Districts; (3) the Water Marketing Fund, for water supply storage space previously paid for with revenue from Water Marketing Fund, when such storage has been transferred to the Water Assurance Program; (4) the federal government, for annual operational, maintenance, and repair costs associated with the water supply storage space dedicated for the use of Water Assurance Districts,

and; (5) the Water Marketing Fund and the State General Fund, for costs incurred by the state for the administration and enforcement of applicable laws governing the operations and management of the Water Assurance Program, as provided in contracts with the Assurance Districts. The Subcommittee notes that the agency has routinely made these transactions since the inception of the Water Assurance Program. However, in 1998, the statute that established the Water Supply Storage Assurance District Fund was inadvertently abolished. The Subcommittee believes that this proviso is necessary for the agency to receive and expend monies in accordance with the Water Assurance Act.

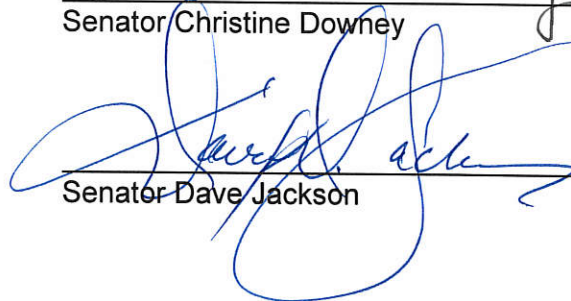
- c) Add a proviso authorizing the agency to borrow money with interest from the Pooled Money Investment Board (PMIB), for up to five years, to stabilize the Water Marketing rate charged to customers, due to unusual operational maintenance and repair costs, and for an interest-free loan of less than one year in those years when there are short-term cash flow shortages. The Subcommittee notes that K.S.A. 82a-1315(c)(b)(5) was enacted in 1991 to allow the Water Office to maintain a reserve account within the Kansas Water Marketing Fund to meet any shortfalls in revenue or unusual expenses, thus stabilizing the annual rate charged to water customers. This proviso would allow the agency to accomplish this objective through a short-term loan rather than by a "reserve account."
- d) A proviso creating a fund for receiving and passing through local match funds for federal cost-share programs. These are federal programs which provide planning assistance to states and other entities and technical assistance to state, tribes, and other entities. A one-to-one match of state to federal dollars is required.



\_\_\_\_\_  
Senator Nick Jordan, Chair



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Senator Christine Downey



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Senator Dave Jackson

**State Water Plan Fund Expenditures**

**Expenditures**

<b>Agency/Program</b>	<b>Actual FY 2001</b>	<b>Agency Est. FY 2002</b>	<b>Gov. Rec. FY 2002</b>	<b>Agency Req. FY 2003</b>	<b>KWA Rec. FY 2003</b>	<b>Gov. Rec. FY 2003</b>
<i>State Conservation Commission</i>						
Water Quality Buffer Initiative	70,383	265,134	265,134	386,634	336,634	386,634
Aid to Conservation Districts	1,035,500	1,038,000	1,038,000	1,042,500	1,042,500	1,042,500
Multipurpose Small Lakes	230,000	230,000	230,000	-	-	-
Nonpoint Source Pollution Asst.	2,910,375	3,471,715	3,471,715	3,500,000	3,150,000	3,150,000
Riparian and Wetland Program	200,000	250,000	250,000	250,000	250,000	250,000
Water Resources Cost Share	4,266,299	5,079,950	5,079,950	4,600,000	4,329,744	4,329,744
Watershed Dam Construction	805,000	805,000	805,000	805,000	705,000	705,000
Water Rights Purchase	-	69,433	69,433	347,200	69,433	69,433
<b>Total--Conservation Commission</b>	<b>\$ 9,517,557</b>	<b>\$ 11,209,232</b>	<b>\$ 11,209,232</b>	<b>\$ 10,931,334</b>	<b>\$ 9,883,311</b>	<b>\$ 9,933,311</b>
<i>Kansas Water Office</i>						
Assessment and Evaluation	199,400	200,000	200,000	250,000	230,000	230,000
Federal Cost-Share Programs	250,000	250,000	250,000	180,000	160,267	160,285
GIS Administrative Support	17,800	-	-	-	-	-
GIS Data Access and Support Center	159,500	143,773	143,773	81,824	76,824	76,824
GIS Data Base Development	250,000	250,000	250,000	250,000	225,000	225,000
Groundwater Condition Evaluation	70,000	-	-	-	-	-
MOU - Storage Operations and Maintenance	430,927	437,833	437,833	390,715	405,448	390,715
Ogallala Aquifer Institute	-	45,000	45,000	45,000	40,000	40,000
PMIB Loan Payment for Storage	268,895	263,991	263,991	261,810	261,810	261,810
Public Information	30,000	30,000	30,000	40,000	35,000	35,000
Stream Gauging Program	377,628	416,000	416,000	392,448	392,448	392,448
Technical Assistance to Water Users	440,116	440,795	440,795	451,298	436,298	436,298
Water Planning Process	-	55,552	55,552	164,077	154,077	154,077
Water Resource Education	60,000	60,000	60,000	60,000	55,000	55,000
Weather Modification	345,563	178,000	178,000	178,000	173,000	173,000
Kansas Water Authority	-	-	-	26,053	26,053	22,101
Kansas River Study	143,573	-	-	-	-	-
<b>Total--Kansas Water Office</b>	<b>\$ 3,043,402</b>	<b>\$ 2,770,944</b>	<b>\$ 2,770,944</b>	<b>\$ 2,771,225</b>	<b>\$ 2,671,225</b>	<b>\$ 2,652,558</b>
<i>Department of Wildlife and Parks</i>						
River Recreation	-	-	-	100,000	100,000	-
Stream (Biological) Monitoring	50,000	50,000	50,000	50,000	50,000	50,000
<b>Total--Department of Wildlife and Parks</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 50,000</b>
<i>Department of Agriculture</i>						
Floodplain Management	70,267	136,578	136,578	143,068	142,290	143,042
Best Management Practices	50,000	-	-	-	-	-
Interstate Water Issues	215,092	243,905	243,905	313,264	240,016	242,552
Subbasin Water Resources Management	590,003	644,450	644,450	748,525	543,254	548,342
<b>Total--Department of Agriculture</b>	<b>\$ 925,362</b>	<b>\$ 1,024,933</b>	<b>\$ 1,024,933</b>	<b>\$ 1,204,857</b>	<b>\$ 925,560</b>	<b>\$ 933,936</b>
<i>Department of Health and Environment</i>						
Assessment of Sediment Quality	-	50,000	50,000	-	-	-
Contamination Remediation	1,396,240	1,397,506	1,397,506	1,400,000	1,350,000	1,351,840
Local Environmental Protection Program	1,799,789	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Nonpoint Source Program	490,925	434,335	434,335	428,112	428,112	431,043
TMDL Initiatives	254,830	454,147	454,147	511,792	461,792	461,792
Use Attainability Analysis	109,531	-	-	-	-	-
<b>Total--Department of Health and Environment</b>	<b>\$ 4,051,315</b>	<b>\$ 4,135,988</b>	<b>\$ 4,135,988</b>	<b>\$ 4,139,904</b>	<b>\$ 4,039,904</b>	<b>\$ 4,044,675</b>
<i>KCC--Well Plugging</i>	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
<i>University of Kansas--Geological Survey</i>	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 40,000	\$ 50,000
<b>Total Water Plan Expenditures</b>	<b>\$ 17,987,636</b>	<b>\$ 19,641,097</b>	<b>\$ 19,641,097</b>	<b>\$ 19,647,320</b>	<b>\$ 18,110,000</b>	<b>\$ 18,064,480</b>

<b>State Water Plan Resource Est.</b>	<b>Actual FY 2001</b>	<b>Agency Est. FY 2002</b>	<b>Gov. Rec. FY 2002</b>	<b>Agency Req. FY 2003</b>	<b>KWA Rec. FY 2003</b>	<b>Gov. Rec. FY 2003</b>
Beginning Balance	\$ 2,431,325	\$ 2,550,678	\$ 2,550,678	\$ 147,581	\$ 582,000	\$ 494,477
Adjustments						
Released Encumbrances	1,613,995	-	-	300,000	300,000	300,000
Transfer to State General Fund	-	(250,000)	(250,000)	-	-	-
Revenues						
State General Fund Transfer	4,750,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Economic Development Fund Transfer	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Municipal Water Fees	3,610,375	3,550,000	3,603,419	3,550,000	3,550,000	3,550,000
Industrial Water Fees	1,392,046	1,225,000	1,225,000	1,235,000	1,235,000	1,235,000
Stock Water Fees	368,180	325,000	334,880	315,000	315,000	315,000
Pesticide Registration Fees	910,300	910,000	910,000	910,000	910,000	910,000
Fertilizer Registration Fees	3,039,987	3,038,000	3,311,597	3,038,000	3,038,000	3,038,000
Pollution Fines and Penalties	31,650	75,000	75,000	75,000	75,000	75,000
Sand Royalty Receipts	390,456	375,000	375,000	405,000	405,000	405,000
<b>Total Receipts</b>	<b>\$ 16,492,994</b>	<b>\$ 17,498,000</b>	<b>\$ 17,834,896</b>	<b>\$ 17,528,000</b>	<b>\$ 17,528,000</b>	<b>\$ 17,528,000</b>
<b>Total Available</b>	<b>\$ 20,538,314</b>	<b>\$ 19,798,678</b>	<b>\$ 20,135,574</b>	<b>\$ 17,975,581</b>	<b>\$ 18,410,000</b>	<b>\$ 18,322,477</b>
Less Expenditures	17,987,636	19,651,097	19,641,097	19,647,320	18,110,000	18,064,480
<b>Ending Balance</b>	<b>\$ 2,550,678</b>	<b>\$ 147,581</b>	<b>\$ 494,477</b>	<b>\$ (1,671,739)</b>	<b>\$ 300,000</b>	<b>\$ 257,997</b>

## House Budget Committee Report

**Agency:** State Conservation Commission **Bill No.** 2743

**Bill Sec.** 44

**Analyst:** Kramer

**Analysis Pg. No.** Vol. 1-51

**Budget Page No.** 109

Expenditure Summary	Agency Estimate FY 2002	Governor's Recommendation FY 2002	House Budget Committee Adjustments
<b>All Funds:</b>			
State Operations	\$ 2,358,727	\$ 2,358,727	\$ 0
Aid to Local Units	2,072,000	2,072,000	0
Other Assistance	8,063,201	8,063,201	0
TOTAL	\$ 12,493,928	\$ 12,493,928	\$ 0
<b>State General Fund:</b>			
State Operations	\$ 612,365	\$ 612,365	\$ 0
Aid to Local Units	0	0	0
Other Assistance	6,000,000	6,000,000	0
TOTAL	\$ 6,612,365	\$ 6,612,365	\$ 0
FTE Positions	14.5	14.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	14.5	14.5	0.0

### Agency Estimate/Governor's Recommendation

The State Conservation Commission estimates \$12,493,928 for FY 2002 operating expenditures which is an increase of \$642,869 (5.4 percent) from the approved budget. The increase is due to adjustments in federal funding.

The Governor recommends \$12,493,928 for FY 2002 operating expenditures, which is an increase of \$642,869 from the approved budget and is consistent with the agency estimate.

### House Budget Committee Recommendations

The Budget Committee concurs with the Governor's recommendation.

### House Committee Recommendation

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

*Senate ways and means  
3-7-02  
Attachment 6*

**House Recommendation**

The House has not yet considered this budget.

**Senate Subcommittee Report**

**Agency:** State Conservation Commission **Bill No.** 2743

**Bill Sec.** 44

**Analyst:** Kramer

**Analysis Pg. No.** Vol. 1-51

**Budget Page No.** 109

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2002</u>	<u>Governor's Recommendation FY 2002</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 2,358,727	\$ 2,358,727	\$ 0
Aid to Local Units	2,072,000	2,072,000	0
Other Assistance	8,063,201	8,063,201	0
TOTAL	<u>\$ 12,493,928</u>	<u>\$ 12,493,928</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 612,365	\$ 612,365	\$ 0
Aid to Local Units	0	0	0
Other Assistance	6,000,000	6,000,000	0
TOTAL	<u>\$ 6,612,365</u>	<u>\$ 6,612,365</u>	<u>\$ 0</u>
FTE Positions	14.5	14.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>14.5</u>	<u>14.5</u>	<u>0.0</u>

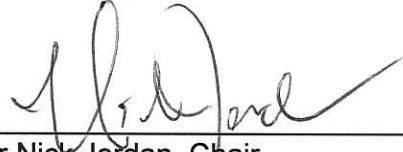
**Agency Estimate/Governor's Recommendation**

The State Conservation Commission estimates \$12,493,928 for FY 2002 operating expenditures which is an increase of \$642,869 (5.4 percent) from the approved budget. The increase is due to adjustments in federal funding.

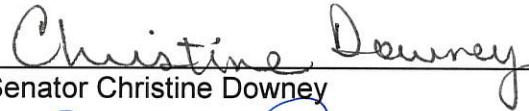
The Governor recommends \$12,493,928 for FY 2002 operating expenditures, which is an increase of \$642,869 from the approved budget and is consistent with the agency estimate.

**Senate Subcommittee Recommendation**

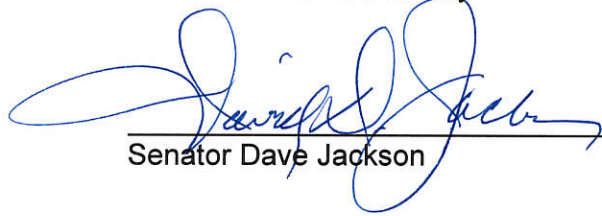
The Subcommittee concurs with the Governor's recommendation.



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Senator Nick Jordan, Chair



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Senator Christine Downey



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Senator Dave Jackson

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## House Budget Committee Report

Agency: State Conservation Commission Bill No. --

Bill Sec. --

Analyst: Kramer

Analysis Pg. No. Vol. 1-51

Budget Page No. 109

Expenditure Summary	Agency Request FY 2003	Governor's Recommendation FY 2003	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 2,044,681	\$ 1,919,635	\$ 0
Aid to Local Units	1,846,500	1,452,811	0
Other Assistance	8,180,130	7,600,242	0
TOTAL	\$ 12,071,311	\$ 10,973,242	\$ 0
State General Fund:			
State Operations	\$ 702,210	\$ 600,594	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	\$ 702,210	\$ 600,594	\$ 0
FTE Positions	15.5	15.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	15.5	15.5	0.0

### Agency Request/Governor's Recommendation

**The State Conservation Commission requests \$12,071,311** for FY 2003 expenditures which is a decrease of \$422,617 (3.4 percent) from the FY 2002 estimate. The request includes \$702,210 from the State General Fund, \$10,931,334 from the State Water Plan Fund, and \$437,767 from all other funds.

**The Governor recommends \$10,973,242** for total FY 2003 operating expenditures which is a decrease of \$1,520,686 (12.2 percent) from the FY 2002 recommendation and a decrease of \$1,098,069 from the agency's FY 2003 request. The recommendation includes \$600,594 from the State General Fund, \$9,933,311 from the State Water Plan Fund, and \$439,337 from all other funds.

The Budget Committee concurs with the Governor's recommendation, with the following recommendations.

1. Add a proviso capturing lapsed State Water Plan Funds over \$300,000 from the Water Resources Cost-Share and Non-Point Source Pollution subprograms and utilize those funds for enhancements to the Total Maximum Daily Loads and Water Resources Cost-Share subprograms. The Budget Committee notes that this proviso is a proactive way to enhance water conservation, water quality, and irrigation water use efficiency. The enhancement would provide a financial incentive to irrigation water use efficiency. The enhancement would provide a financial incentive to irrigators to retrofit irrigation water use meters to more accurately report and manage water use.

### House Committee Recommendation

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

### House Recommendation

The House has not yet considered this budget.

### Senate Subcommittee Report

**Agency:** State Conservation Commission **Bill No. --** **Bill Sec. --**

**Analyst:** Kramer **Analysis Pg. No.** Vol. 1-51 **Budget Page No.** 109

<u>Expenditure Summary</u>	<u>Agency Request FY 2003</u>	<u>Governor's Recommendation FY 2003</u>	<u>Senate Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 2,044,681	\$ 1,919,635	\$ 0
Aid to Local Units	1,846,500	1,452,811	0
Other Assistance	8,180,130	7,600,242	0
TOTAL	<u>\$ 12,071,311</u>	<u>\$ 10,973,242</u>	<u>\$ 0</u>
<b>State General Fund:</b>			
State Operations	\$ 702,210	\$ 600,594	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	<u>\$ 702,210</u>	<u>\$ 600,594</u>	<u>\$ 0</u>
FTE Positions	15.5	15.5	0.0
Non FTE Uncl. Perm. Positions	0.0	0.0	0.0
TOTAL	<u>15.5</u>	<u>15.5</u>	<u>0.0</u>

### Agency Request/Governor's Recommendation

**The State Conservation Commission requests \$ 12,071,311 for FY 2003 expenditures which is a decrease of \$422,617 (3.4 percent) from the FY 2002 estimate. The request includes \$702,210 from the State General Fund, \$10,931,334 from the State Water Plan Fund, and \$437,767 from all other funds.**

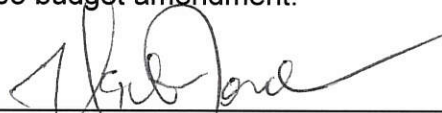



The Governor recommends \$10,973,242 for total FY 2003 operating expenditures which is a decrease of \$1,520,686 (12.2 percent) from the FY 2002 recommendation and a decrease of \$1,098,069 from the agency's FY 2003 request. The recommendation includes \$600,594 from the State General Fund, \$9,933,311 from the State Water Plan Fund, and \$439,337 from all other funds.


### Senate Subcommittee Recommendation

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

1. Add a proviso capturing lapsed State Water Plan Funds over \$300,000 from the Water Resources Cost-Share and Non-Point Source Pollution subprograms and utilize those funds for enhancements to the Water Resources Cost-Share subprogram. The Subcommittee notes that this proviso is a proactive way to enhance water conservation, water quality, and irrigation water use efficiency. The enhancement would provide a financial incentive to irrigators to retrofit irrigation water use meters to more accurately report and manage water use.
2. The Subcommittee is concerned about the Governor's decision to decrease funding of the Total Maximum Daily Loads (TMDL) which are financed through the Non-Point Source Pollution subprogram. Inadequate funding may hinder the agency's ability to allocate enhanced funding in new TMDL priority areas without shifting funding from existing TMDL priority areas. The Subcommittee is concerned that these shifts may result in a change of focus from prevention to remediation.
3. The Subcommittee notes the possibility of receiving additional federal financing for the State Conservation Commission's programs as part of the 2002 Federal Farm Bill.
4. The Subcommittee notes that the agency is concerned about the equity of salary and benefits for its technical staff compared to similar positions in other state agencies. Seven positions in the agency are unclassified as prescribed by statute, so they do not benefit from reclassification studies and are not eligible for longevity pay. The agency is currently conducting a comparative study with similar positions in other state agencies to determine if a request for adjustments is warranted. Depending on the outcome of the study, the agency plans to provide this information to the Governor's office and possibly request a FY 2003 budget amendment.

  
\_\_\_\_\_  
Senator Nick Jordan, Chair

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

  
\_\_\_\_\_  
Senator Dave Jackson

## Senate Subcommittee Report

**Agency:** Department of Wildlife  
and Parks

**Bill No.** 2743

**Bill Sec.** --

**Analyst:** Efird

**Analysis Pg. No.** Vol. 1 - 80 **Budget Page No.** 473

Expenditure Summary	Agency Est. FY 02	Governor's Recommendation FY 02	Subcommittee Adjustments
State Operations	\$ 3,586,707	\$ 3,586,707	\$ 0
State Aid	1,735,000	1,735,000	0
Total-All Funds	<u>\$ 5,321,707</u>	<u>\$ 5,321,707</u>	<u>\$ 0</u>
State General Fund	\$ 4,282,387	\$ 4,282,387	\$ 0
All Other Funds	33,309,320	33,309,320	0
Total-All Funds	<u>\$ 37,591,707</u>	<u>\$ 37,591,707</u>	<u>\$ 0</u>
FTE Positions	407.0	407.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>407.0</u>	<u>407.0</u>	<u>0.0</u>

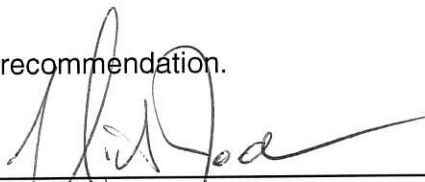
### Agency Est./Governor's Recommendation

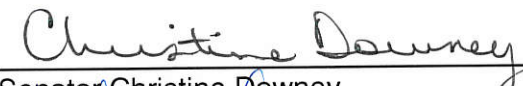
The agency requests modest adjustments with a net reduction of \$24,130 in its operating budget. These changes result from an increase of \$12,829 in the State General Fund (SGF) expenditures from KSIP and a reduction of \$36,959 from all other funds for state operations.

The Governor concurs with the agency's revised FY 2002 budget for reduced expenditures of \$24,130 from the approved amount, including an increase of \$12,829 in the SGF expenditures from KSIP financing and a reduction of \$36,959 from all other funds for state operations.

### Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

  
 \_\_\_\_\_  
 Senator Nick Jordan, Chairperson

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

  
 \_\_\_\_\_  
 Senator Dave Jackson

## Senate Subcommittee Report

**Agency:** Department of Wildlife  
and Parks

**Bill No.**

**Bill Sec.**

**Analyst:** Efird

**Analysis Pg. No.** Vol. I - 80 **Budget Page No.** 473

<u>Expenditure Summary</u>	<u>Agency Req. FY 03</u>	<u>Governor's Recommendation FY 03</u>	<u>Subcommittee Adjustments</u>
State Operations	\$ 36,092,795	\$ 36,270,602	\$ 0
State Aid	2,235,000	1,735,000	0
Total-All Funds	<u>\$ 38,327,795</u>	<u>\$ 38,005,602</u>	<u>\$ 0</u>
State General Fund	\$ 4,310,753	\$ 4,220,301	\$ 0
All Other Funds	34,017,042	33,785,301	0
Total-All Funds	<u>\$ 38,327,795</u>	<u>\$ 38,005,602</u>	<u>\$ 0</u>
FTE Positions	407.0	407.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>407.0</u>	<u>407.0</u>	<u>0.0</u>

### Agency Req./Governor's Recommendation

The **agency requests** a net expenditure increase of \$736,088, with \$28,366 financed from the SGF and \$707,722 from all other funds for operating expenses.

- Program enhancements constitute \$600,000 of the requested FY 2003 increase in operating expenditures.
- Salary and benefits adjustments comprise most of the additional net growth of \$136,088 in FY 2003 increased expenditures. The agency's budget includes a 3.0 percent growth in salary and wage financing to provide an increase of \$601,248 in FY 2003 over the current fiscal year, primarily to reduce the shrinkage rate and fund additional fringe benefit increases.
- Reductions in spending are requested for commodities (\$88,684) and capital outlay (\$279,641) in order to reallocated funds to reduce the shrinkage rate in FY 2003 and to add financing for salaries and benefits with the other operating savings.

The **Governor recommends** a net expenditure increase of \$413,895, with a reduction of \$62,086 financed from the SGF and an increase of \$475,981 from all other funds for operating expenses, exclusive of capital improvements.

- One program enhancement is recommended in FY 2003: an additional \$100,000 for the walk-in-hunting access program.

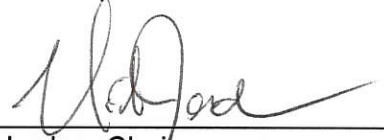
- Salary and benefits adjustments comprise most remaining net \$313,895 growth in FY 2003 expenditures. The Governor's recommended budget includes a 4.7 percent increase for salary and wage financing to provide an additional \$926,901 in FY 2003 over the current fiscal year.
- Reductions in spending are recommended for commodities (\$88,684) and capital outlay (\$452,487) in order to shift financing for reducing the shrinkage rate in FY 2003 and funding salaries and benefits, and in conjunction with a 2.0 percent reduction package of \$86,423 in capital outlay.

### **Senate Subcommittee Recommendation**

The Subcommittee concurs with the Governor's recommendation and makes the following additional recommendations:

1. Express concern about the potential closure of the corrections facilities (Stockton, Osawatomie and Toronto) and the impact of reducing inmate labor currently used at the State Parks. The agency does not have adequate resources to replace inmate labor and also perform needed maintenance and cleanup at the parks.
2. Review at Omnibus the availability of new federal grant money and the amount of state match required to secure additional federal resources. The Secretary indicated that new federal legislation has authorized money for the states that must be matched with state or local resources.
3. Note that Kansas, with only three percent, has the smallest proportion of land under public control of any state. The pressure for additional hunting, fishing and recreation areas continues to grow, especially close to urban areas. The Subcommittee is pleased that an additional \$100,000 enhancement for the walk-in hunting program is recommended by the Governor in FY 2003 and notes that 900,000 acres will be available to the public under this program with the enhancement. The Subcommittee recognizes the need to balance public and private land use, and would support the Secretary's efforts in conjunction with Kansas State University to begin tracking how much private land is being used under lease for hunting and other recreational purposes. There is concern about decreasing wildlife populations for pheasants and quail, with increasing populations for deer and turkey. Additional hunting days for the latter two may be considered for public lands.
4. The Subcommittee encourages the Secretary to review the fees charged for activities under its jurisdiction, especially at the State Parks. With the nearing completion of work associated with the \$10 million park improvement program, enhanced revenues will allow the agency to preserve what has been renovated for public use. In addition, higher permit fees for additional hunting limits and days may yield more revenues for the wildlife activities. The Subcommittee understands that hunting on private lands leased by outfitters is generating considerable revenue for the private sector. Additional revenue for the public sector may be available given this trend.
5. Note the financial support from the State Highway Fund for maintaining roads and bridges recommended by the Governor in FY 2002 and FY 2003 at \$1.7 million each fiscal year and urge the Secretary to consider using funds for improved signage for the state facilities. In FY 2003, for instance, work is anticipated for

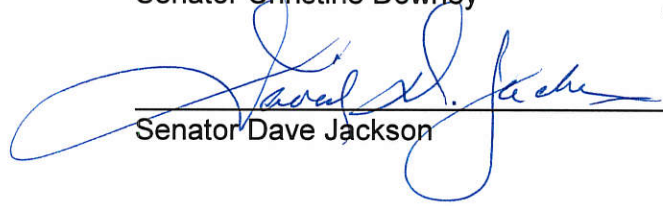
Clinton, Hillsdale, Perry, Tuttle Creek, and Milford state parks. New signs could be erected in conjunction with such road and bridge work at these parks to enhance visibility for travelers and tourists to visit the parks and facilities.



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Senator Nick Jordan, Chairperson



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Senator Christine Downey



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Senator Dave Jackson



KANSAS DEPARTMENT OF SOCIAL  
AND REHABILITATION SERVICES

915 SW HARRISON STREET, TOPEKA, KANSAS 66612

JANET SCHALANSKY, SECRETARY

March 6, 2002

The Honorable Stephen Morris  
Chair, Senate Ways and Means Committee  
300 SW 10<sup>th</sup> Ave., Room 120-S  
Topeka, KS 66612-1504

Re: SB 421

Dear Senator Morris:

The Committee asked SRS to provide an up-date on progress of developing parameters for a parent fee schedule authorized by SB 421. In developing the parameters for a fee schedule we focused on the concepts of fairness, reasonableness, and shared responsibility. We also looked to the States Children's Health Insurance Program/HealthWave (S-CHIP) as a model because its fee schedule has worked effectively for both the families and SRS.

By way of brief review, families whose children are on HealthWave/S-CHIP with countable income between 151% and 175% of the federal poverty level (FPL) pay a \$10 per month premium. Families with countable income between 176% and 200% of the FPL pay a \$15 per month premium. Children of families above 200% of FPL are not eligible for S-CHIP. In determining countable income for HealthWave/S-CHIP, \$200 per month is deducted from the family's gross income for each wage earner in the family.

If SB 421 passes, SRS expects to establish a parent fee schedule for the SED waiver, DD waiver, TA waiver, and Family Preservation that begins with the fees charged in S-CHIP and extends upward from there. This means for families with incomes between 151% and 175% of the FPL, there would be a \$10 monthly fee, and for families with incomes between 176% and 200% of the FPL, there would be a \$15 fee. Many families receiving services through these programs have incomes exceeding 200% of the FPL. For these families the fee would be higher. Although no final decisions have been made on the specific fee schedule, two examples of possible fee schedules for these families are attached for the Committee's information (Attachment B).

SRS has held three meetings with key stakeholders in the mental health, developmental disability, and family preservation service systems. (See Attachment A for a list of participants.) Reaching consensus within this group on a reasonable and fair parent fee has proven difficult. SRS appreciates the view shared by members of the group that parents already provide a fair share of the resources needed to support their children through the day to day efforts of raising a child with special challenges. Many of the stakeholders expressed a preference that parents not be assessed a fee until they earn at least 200% of FPL and that the fee at this income level be between \$10 and \$15 per month. With due respect for their views and preferences, SRS believes a nominal fee equal to HealthWave/S-CHIP premiums is reasonable and fair and contributes to the goal of shared responsibility. Of course, the concerns and recommendations of the advocates and stakeholders would be considered during the open, public process SRS will use in establishing the final fee schedules. We have also committed to families that we will consider circumstances where families may be

Senate Ways and Means  
3-7-02  
Attachment 8

Senator Morris  
March 6, 2002  
Page Two

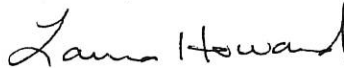
paying multiple fees for services as well as those hardship circumstances under which we would not aggressively pursue collection.

SRS is proposing amendments to the bill as reflected on the attached bill balloon (Attachment C) . Specifically, these changes would:

- require the Secretary to take into consideration the parents' income and ability to pay in establishing the fee; and
- require that the minimum fee set be based on fees and standards set by the Secretary in the Kansas children's health insurance program (HealthWave). This change sets a threshold, so that families with incomes less than 150% of the federal poverty level would not be charged a fee; and families with incomes from 151% FPL to 200% FPL would be charged the same fees as under the HealthWave program - \$10 or \$15 per month.

I would request that the Committee support the bill with these proposed amendments.

Sincerely,



Laura Howard  
Assistant Secretary

Attachments

Attachment A

Ad-Hoc Parental Fee Advisory Group

Name	Organization
Greg Wintle	SRS/Health Care Policy/CSS
Rick Shults	SRS/Health Care Policy/MO
Josie Torrez	KS Council on Developmental Disabilities
Michele Heydon	KS Advocacy & Protective Services
Lesli Girard	Families Together
Dale Huffman	Families Together
Deb Wiley	SRS/Economic & Employment Support
Paula Ellis	SRS/Children & Family Policy
Patti Dawson	SRS/Children & Family Policy
Pam Alger	SRS/Health Care Policy/MHSATR
Tom Buell	DCCCA Fam. Pres.
Brad Kirmer	SRS/Health Care Policy/MHSATR
Mike Hammond	Assoc. of Community MH Centers
Kim Miller	InterHab
Jeanne Abraham-Lunz	Self-Advocate Coalition of KS
Kathy Lobb	Self-Advocate Coalition of KS
Jennifer Schwartz	Independence, Inc.
Doug Bowman	Coordinating Council on Early Childhood Dev. Svcs
Elizabeth Adams	National Alliance for Mentally Ill
Krista Cowger	Family Member/Pawnee MHC
Jane Adams	Keys for Networking
Sherri Luthe	MH Assoc. of South Central KS



**Attachment B  
EXAMPLE ONE  
POTENTIAL PARENT FEE SCHEDULE  
March 6, 2002**

Per Cent Federal Poverty	Family of 2			Family of 3			Family of 4			Family of 5 & larger		
	Annual Income	Monthly Income	Monthly Fee	Annual Income	Monthly Income	Monthly Fee	Annual Income	Monthly Income	Monthly Fee	Annual Income	Monthly Income	Monthly Fee
100%	\$ 11,610	\$ 968	\$ -	\$ 14,630	\$ 1,219	\$ -	\$ 17,650	\$ 1,471	\$ -	\$ 20,670	\$ 1,723	\$ -
151%	\$ 17,531	\$ 1,461	\$ 10.00	\$ 22,091	\$ 1,841	\$ 10.00	\$ 26,652	\$ 2,221	\$ 10.00	\$ 31,212	\$ 2,601	\$ 10.00
176%	\$ 20,434	\$ 1,703	\$ 15.00	\$ 25,749	\$ 2,146	\$ 15.00	\$ 31,064	\$ 2,589	\$ 15.00	\$ 36,379	\$ 3,032	\$ 15.00
201%	\$ 23,336	\$ 1,945	\$ 20.00	\$ 29,406	\$ 2,451	\$ 20.00	\$ 35,477	\$ 2,956	\$ 20.00	\$ 41,547	\$ 3,462	\$ 20.00
226%	\$ 26,239	\$ 2,187	\$ 22.50	\$ 33,064	\$ 2,755	\$ 22.50	\$ 39,889	\$ 3,324	\$ 22.50	\$ 46,714	\$ 3,893	\$ 22.50
251%	\$ 29,141	\$ 2,428	\$ 25.00	\$ 36,721	\$ 3,060	\$ 25.00	\$ 44,302	\$ 3,692	\$ 25.00	\$ 51,882	\$ 4,323	\$ 25.00
276%	\$ 32,044	\$ 2,670	\$ 27.50	\$ 40,379	\$ 3,365	\$ 27.50	\$ 48,714	\$ 4,060	\$ 27.50	\$ 57,049	\$ 4,754	\$ 27.50
301%	\$ 34,946	\$ 2,912	\$ 30.00	\$ 44,036	\$ 3,670	\$ 30.00	\$ 53,127	\$ 4,427	\$ 30.00	\$ 62,217	\$ 5,185	\$ 30.00
326%	\$ 37,849	\$ 3,154	\$ 32.50	\$ 47,694	\$ 3,974	\$ 32.50	\$ 57,539	\$ 4,795	\$ 32.50	\$ 67,384	\$ 5,615	\$ 32.50
351%	\$ 40,751	\$ 3,396	\$ 35.00	\$ 51,351	\$ 4,279	\$ 35.00	\$ 61,952	\$ 5,163	\$ 35.00	\$ 72,552	\$ 6,046	\$ 35.00
376%	\$ 43,654	\$ 3,638	\$ 37.50	\$ 55,009	\$ 4,584	\$ 37.50	\$ 66,364	\$ 5,530	\$ 37.50	\$ 77,719	\$ 6,477	\$ 37.50
401%	\$ 46,556	\$ 3,880	\$ 40.00	\$ 58,666	\$ 4,889	\$ 40.00	\$ 70,777	\$ 5,898	\$ 40.00	\$ 82,887	\$ 6,907	\$ 40.00
426%	\$ 49,459	\$ 4,122	\$ 42.50	\$ 62,324	\$ 5,194	\$ 42.50	\$ 75,189	\$ 6,266	\$ 42.50	\$ 88,054	\$ 7,338	\$ 42.50
451%	\$ 52,361	\$ 4,363	\$ 45.00	\$ 65,981	\$ 5,498	\$ 45.00	\$ 79,602	\$ 6,633	\$ 45.00	\$ 93,222	\$ 7,768	\$ 45.00
476%	\$ 55,264	\$ 4,605	\$ 47.50	\$ 69,639	\$ 5,803	\$ 47.50	\$ 84,014	\$ 7,001	\$ 47.50	\$ 98,389	\$ 8,199	\$ 47.50
501%	\$ 58,166	\$ 4,847	\$ 50.00	\$ 73,296	\$ 6,108	\$ 50.00	\$ 88,427	\$ 7,369	\$ 50.00	\$ 103,557	\$ 8,630	\$ 50.00
526%	\$ 61,069	\$ 5,089	\$ 52.50	\$ 76,954	\$ 6,413	\$ 52.50	\$ 92,839	\$ 7,737	\$ 52.50	\$ 108,724	\$ 9,060	\$ 52.50
551%	\$ 63,971	\$ 5,331	\$ 55.00	\$ 80,611	\$ 6,718	\$ 55.00	\$ 97,252	\$ 8,104	\$ 55.00	\$ 113,892	\$ 9,491	\$ 55.00
576%	\$ 66,874	\$ 5,573	\$ 57.50	\$ 84,269	\$ 7,022	\$ 57.50	\$ 101,664	\$ 8,472	\$ 57.50	\$ 119,059	\$ 9,922	\$ 57.50
601%	\$ 69,776	\$ 5,815	\$ 60.00	\$ 87,926	\$ 7,327	\$ 60.00	\$ 106,077	\$ 8,840	\$ 60.00	\$ 124,227	\$ 10,352	\$ 60.00

Parents earning over 601% of the federal poverty level would be assessed 1.03% of their countable income.

**EXAMPLE TWO**  
**POTENTIAL PARENT FEE SCHEDULE**  
 March 6, 2002

Per Cent Federal Poverty	Family of 2			Family of 3			Family of 4			Family of 5 & larger		
	Annual Income	Monthly Income	Monthly Fee	Annual Income	Monthly Income	Monthly Fee	Annual Income	Monthly Income	Monthly Fee	Annual Income	Monthly Income	Monthly Fee
100%	\$ 11,610	\$ 968	\$ -	\$ 14,630	\$ 1,219	\$ -	\$ 17,650	\$ 1,471	\$ -	\$ 20,670	\$ 1,723	\$ -
151%	\$ 17,531	\$ 1,461	\$ 10.00	\$ 22,091	\$ 1,841	\$ 10.00	\$ 26,652	\$ 2,221	\$ 10.00	\$ 31,212	\$ 2,601	\$ 10.00
176%	\$ 20,434	\$ 1,703	\$ 15.00	\$ 25,749	\$ 2,146	\$ 15.00	\$ 31,064	\$ 2,589	\$ 15.00	\$ 36,379	\$ 3,032	\$ 15.00
201%	\$ 23,336	\$ 1,945	\$ 20.00	\$ 29,406	\$ 2,451	\$ 20.00	\$ 35,477	\$ 2,956	\$ 20.00	\$ 41,547	\$ 3,462	\$ 20.00
226%	\$ 26,239	\$ 2,187	\$ 25.00	\$ 33,064	\$ 2,755	\$ 25.00	\$ 39,889	\$ 3,324	\$ 25.00	\$ 46,714	\$ 3,893	\$ 25.00
251%	\$ 29,141	\$ 2,428	\$ 30.00	\$ 36,721	\$ 3,060	\$ 30.00	\$ 44,302	\$ 3,692	\$ 30.00	\$ 51,882	\$ 4,323	\$ 30.00
276%	\$ 32,044	\$ 2,670	\$ 35.00	\$ 40,379	\$ 3,365	\$ 35.00	\$ 48,714	\$ 4,060	\$ 35.00	\$ 57,049	\$ 4,754	\$ 35.00
301%	\$ 34,946	\$ 2,912	\$ 40.00	\$ 44,036	\$ 3,670	\$ 40.00	\$ 53,127	\$ 4,427	\$ 40.00	\$ 62,217	\$ 5,185	\$ 40.00
326%	\$ 37,849	\$ 3,154	\$ 45.00	\$ 47,694	\$ 3,974	\$ 45.00	\$ 57,539	\$ 4,795	\$ 45.00	\$ 67,384	\$ 5,615	\$ 45.00
351%	\$ 40,751	\$ 3,396	\$ 50.00	\$ 51,351	\$ 4,279	\$ 50.00	\$ 61,952	\$ 5,163	\$ 50.00	\$ 72,552	\$ 6,046	\$ 50.00
376%	\$ 43,654	\$ 3,638	\$ 55.00	\$ 55,009	\$ 4,584	\$ 55.00	\$ 66,364	\$ 5,530	\$ 55.00	\$ 77,719	\$ 6,477	\$ 55.00
401%	\$ 46,556	\$ 3,880	\$ 60.00	\$ 58,666	\$ 4,889	\$ 60.00	\$ 70,777	\$ 5,898	\$ 60.00	\$ 82,887	\$ 6,907	\$ 60.00
426%	\$ 49,459	\$ 4,122	\$ 65.00	\$ 62,324	\$ 5,194	\$ 65.00	\$ 75,189	\$ 6,266	\$ 65.00	\$ 88,054	\$ 7,338	\$ 65.00
451%	\$ 52,361	\$ 4,363	\$ 70.00	\$ 65,981	\$ 5,498	\$ 70.00	\$ 79,602	\$ 6,633	\$ 70.00	\$ 93,222	\$ 7,768	\$ 70.00
476%	\$ 55,264	\$ 4,605	\$ 75.00	\$ 69,639	\$ 5,803	\$ 75.00	\$ 84,014	\$ 7,001	\$ 75.00	\$ 98,389	\$ 8,199	\$ 75.00
501%	\$ 58,166	\$ 4,847	\$ 80.00	\$ 73,296	\$ 6,108	\$ 80.00	\$ 88,427	\$ 7,369	\$ 80.00	\$103,557	\$ 8,630	\$ 80.00
526%	\$ 61,069	\$ 5,089	\$ 85.00	\$ 76,954	\$ 6,413	\$ 85.00	\$ 92,839	\$ 7,737	\$ 85.00	\$108,724	\$ 9,060	\$ 85.00
551%	\$ 63,971	\$ 5,331	\$ 90.00	\$ 80,611	\$ 6,718	\$ 90.00	\$ 97,252	\$ 8,104	\$ 90.00	\$113,892	\$ 9,491	\$ 90.00
576%	\$ 66,874	\$ 5,573	\$ 95.00	\$ 84,269	\$ 7,022	\$ 95.00	\$101,664	\$ 8,472	\$ 95.00	\$119,059	\$ 9,922	\$ 95.00
601%	\$ 69,776	\$ 5,815	\$ 100.00	\$ 87,926	\$ 7,327	\$ 100.00	\$106,077	\$ 8,840	\$ 100.00	\$124,227	\$ 10,352	\$ 100.00

For parent whose countable income exceeds 601% the fee schedule would continue upward using the same pattern as shown for those families below 600%.

Session of 2002

SENATE BILL No. 421

By Committee on Ways and Means

1-23

AN ACT authorizing the fixing and collecting of certain fees by the secretary of social and rehabilitation services and providing for the disposition thereof.

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

Section 1. (a) The secretary of social and rehabilitation services may fix, charge and collect fees from parents for services provided to their children by the department. The fee for each child provided with services shall be reasonable and directly related to the costs of such service and shall be fixed in order to recover all or part of the expenses incurred in providing such services,

shall take into consideration the parents' income and ability to pay,

and the minimum fee shall be based on the fees and standards set by the secretary in the Kansas children's health insurance program administered under K.S.A. 38-2001, et seq.

(b) The secretary of social and rehabilitation services shall remit all moneys received by or for the secretary from fees collected under this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the social welfare fund of the department of social and rehabilitation services.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.



KANSAS DEPARTMENT OF SOCIAL  
AND REHABILITATION SERVICES

915 SW HARRISON STREET, TOPEKA, KANSAS 66612

JANET SCHALANSKY, SECRETARY

March 7, 2002

The Honorable Stephen Morris  
Chair, Senate Ways & Means Committee  
Statehouse, Room 120-S  
Topeka, Kansas 66612

Re: SB 517, Section 5

Dear Senator Morris,

You had requested additional information in regard to the letter we had previously submitted on this bill. That letter is attached.

I have asked this Committee to consider the public policy implications of awarding claims to be paid by SRS based on the court's resolution of a disagreement over the best interests of a particular child. These issues may be stated as:

- ◆ Is it appropriate to award financial compensation to litigants who ultimately prevail in a child in need of care action?
- ◆ If so, should this be dependent upon individual claims to the joint committee or routinely provided to all prevailing parties in every child in need of care action?
- ◆ Should awards be made prior to or in the absence of the family having pursued other avenues available to resolve the issue (i.e. civil lawsuit)?

**Roles of SRS, Courts, and Law Enforcement in Child Welfare**

Agency staff and law enforcement are required by law to receive and investigate allegations of abuse and neglect of children. Evidence gathered is provided to the prosecutor. The prosecutor independently determines whether or not to file a petition. Only a judge may order out of home placement and custody to the Secretary. Information continues to be gathered and provided to the court throughout the proceedings. Much like criminal prosecutions and civil litigation, the court ultimately must make a decision. Child welfare cases are complex and decisions difficult.

Senate Ways and means  
3-7-02  
Attachment 9

Reintegration is our goal in almost every case and, in most cases, the child returns to parental custody. In every case the family has experienced an enormously traumatic event. It is also important to note a child is removed from his or her home due to concerns regarding the child's safety, not as punishment for the parent. Under current Kansas law, a child remains out of the home until it is safe for the child to return. Usually this is a judicial determination based on all the facts and circumstances of each case and the needs of individual children. This decision may be based on a determination about the original concerns, but more frequently is influenced by changed circumstances or new information.

### **Checks and Balances in the System**

The Kansas child welfare system has built in safeguards to protect families from unnecessary intrusion by limiting the power and decision making of SRS, law enforcement, prosecutors and the court. While both SRS and law enforcement are authorized to receive and investigate allegations of abuse or neglect, only law enforcement is authorized to take a child into protective custody. Police protective custody is limited to 72 hours unless a court hears evidence and determines, based on criteria set out in the law, that parental custody is not in the child's best interests.

When a child does not return home a petition is filed, the parents notified and a hearing held within the 72 hours. At or before this temporary custody hearing, the court is required to appoint a guardian ad litem for the child. When the parent is indigent, an attorney is appointed for the parent. While grandparents are automatically parties and may be represented by counsel, they are not entitled to court appointed attorneys. Currently the county is responsible for the cost of appointed counsel representing the child and for indigent parents. When the final decision is to return the child to the custody of parents, should the cost of retained counsel for all parties be reimbursed? This, of course, is not the practice in other civil litigation or in criminal prosecutions.

This separation of power acts to check and balance decision making but it takes time. When a child and family is separated, both pay a price. Delay of any kind is unfortunate but also unavoidable. Children and Family Policy Division of SRS and the Office of Judicial Administration are both working to minimize delays and facilitate prompt, good decision making. The system is likely to remain imperfect. When the removal and delay in reintegration is perceived by the family to be egregious, yet was entirely legal, should the family be compensated? Should expenses be reimbursed only to those who file special claims?

### **Confidentiality**

Key information that guides SRS opinion and decision making is confidential. Claimants may request reimbursement before the Joint Committee on Special Claims and the department is provided the opportunity to respond. Unfortunately, K.S.A. 38-1507 limits the information which

Senate Ways and Means Committee  
March 7, 2002  
Page Three

may be provided. As a result, SRS is very limited in information which may be supplied to the Joint Committee on Special Claims. This places the committee in the situation of deciding the merits without complete understanding of all issues involved in the situation. Had the claim been filed with a court, discovery orders would have authorized disclosure and both parties would have an opportunity to fully present their perception of events according to the rules of evidence.

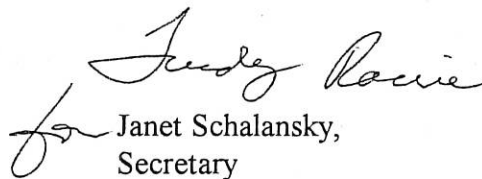
**Concerns about awarding claims when SRS has followed law, regulation and policy**

I am concerned about the legislative precedent set when awarding claims and I am also concerned about the message received by staff. It is critical that I understand the message and communicate it clearly to the front line social workers. Positive staff morale and retention are necessary components of an effective child welfare system. When an error is identified or the agency has been negligent, the special claims process facilitates accountability and correction. However, it is difficult for staff to understand the message when law, regulation and policy have been followed. When staff have worked in concert with law enforcement, prosecutor and court, yet SRS is singled out for payment of one family's claim, I am at a loss to explain the message.

Finally, if no error is necessary for claimants to succeed, it seems unfair that others, who are similarly situated, should not be similarly reimbursed. Should we establish a system of reimbursement for the cost of retained counsel, lost wages and other expenses which may result from each child in need of care action?

If there are other issues that we should discuss, please feel free to contact me at your convenience at (785) 296- 3271.

Sincerely,

  
for Janet Schalansky,  
Secretary

cc: Marilyn Jacobson  
John W. Badger



KANSAS DEPARTMENT OF SOCIAL  
AND REHABILITATION SERVICES

915 SW HARRISON STREET, TOPEKA, KANSAS 66612

JANET SCHALANSKY, SECRETARY

February 18, 2002

Honorable Stephen Morris  
Chair, Senate Ways & Means Committee  
Statehouse, Room 120-S  
Topeka, KS 66612

Re: SB 517, Section 5

Dear Senator Morris:

This is to advise the Committee of SRS's position with regard to the payments authorized in Sections 5(a) and (b) of Senate Bill No. 517.

SRS presented testimony in opposition to the claims of Scott and Susan House and Clair and Shirley Gordon when the Joint Committee on Special Claims held hearings in December 14, 2001.

We would ask the Committee consider the public policy implications of awarding claims based on the court's resolution of a disagreement over the best interests of a particular child. Is it appropriate to award litigants who ultimately prevail? If so, should this be dependent upon individual claims to the joint committee or routinely provided to all prevailing parties in every child in need of care action?

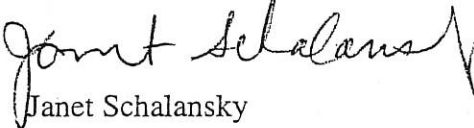
Agency staff and law enforcement are required by law to receive and investigate allegations of abuse and neglect of children. Evidence gathered is provided to the prosecutor. The prosecutor independently determines whether or not to file a petition. Only a judge may order out of home placement and custody to the Secretary. Information continues to be gathered and provided to the court. Much like criminal prosecutions and civil litigation, the court ultimately must make a decision. In most cases, the child returns to parental custody.

The court is required to appoint counsel for the child and, when the parent is indigent, the parent. While grandparents are automatically parties, they are not entitled to court appointed attorneys. Currently the county is responsible for the cost of appointed counsel representing the child and for indigent parents. When the final decision is to return the child to the custody of parents, should the cost of retained counsel for all parties be reimbursed? This, of course, is not the practice in other civil litigation or in criminal prosecutions.

RE: BS 517, Section 5  
February 18, 2002  
Page 2 of 2

If there are other issues that we should discuss, please feel free to contact me at your convenience at (785) 296- 3271.

Sincerely,

  
Janet Schalansky  
Secretary

JS:RSM/clh

cc: Marilyn Jacobson  
John W. Badger