

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairman Melvin Neufeld at 9:00 a.m. on February 25, 2003, in Room 514-S of the Capitol.

All members were present:

Committee staff present:

Alan Conroy, Legislative Research Department
J. G. Scott, Legislative Research Department
Melissa Calderwood, Legislative Research Department
Amy Deckard, Legislative Research Department
Becky Krahl, Legislative Research Department
Carolyn Rampey, Legislative Research Department
Leah Robinson, Legislative Research Department
Paul West, Legislative Research Department
Jim Wilson, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Nikki Feuerborn, Administrative Analyst
Sue Fowler, Committee Secretary

Conferees appearing before the committee:

Mr. Howard Fricke, Secretary, Department of Administration

Others attending: See Attached

Committee members received a report from the Division of Personnel Services of the Department of Administration on Classification and Job Rate Study for Health Care Classes regarding **SB 509** (2002 Session).

HB 2410 was referred to Tax, Transportation, Judiciary and Retirement Budget Committee.

Representative Shultz, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas State School for the Blind for FY 2003 and moved for the adoption of the Budget Committee recommendations for FY 2003 (Attachment 1). Motion was seconded by Representative Huebert. Motion carried.

Representative Shultz, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas State School for the Blind for FY 2004 and moved for the adoption of the Budget Committee recommendations with exceptions and notations for FY 2004 (Attachment 1). Motion was seconded by Representative McLeland. Motion carried.

In addition to their recommendations, the Education Budget Committee encourages intensive conversation between the Kansas State School for the Blind and the Department of Social Rehabilitation Services to ensure all possible federal funds are leveraged through maximizing federal medicaid funds in order to better serve the students. Committee members discussed special education services and how they all originate from the Individual Education Plan (IEP) developed at the local school level or at the Kansas State School for the Blind. Outreach services and adequately funded summer school programs are essential in this special education area.

Kansas State School for the Deaf serves approximately 150 students, half are local students and half are residential. The Kansas State School for the Deaf has outreach services with 230 students being enrolled in auditory training programs, consultation and evaluation for another 25-30.

Representative Nichols, Member of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas State School for the Deaf for FY 2003 and moved for the adoption of the Budget Committee recommendations with adjustment for FY 2003 (Attachment 1). Motion was seconded by Representative Shultz. Motion carried.

Representative Nichols, Member of the Education Budget Committee, presented the Budget Committee report

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS at 9:00 a.m. on February 25, 2003,
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on the Governor's budget recommendations for the Kansas State School for the Deaf for FY 2004 and moved for the adoption of the Budget Committee recommendations with exceptions and notations for FY 2004 (Attachment 1). Motion was seconded by Representative Shultz. Motion carried.

Representative Shultz, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the State Library for FY 2003 and moved for the adoption of the Budget Committee recommendations for FY 2003 (Attachment 1). Motion was seconded by Representative McLeland. Motion carried.

Representative Shultz, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the State Library for FY 2004 and moved for the adoption of the Budget Committee recommendations for FY 2004 (Attachment 1). Motion was seconded by Representative Newton. Motion carried.

Hearing and Action on HB 2369 – State employee suggestions program bonus award procedures.

Leah Robinson, Legislative Research Department, explained the bill which would change the time when bonuses could be paid to the employee.

Mr. Howard Fricke, Secretary of Administration, presented testimony supporting the suggested changes in the bonus award program (Attachment 2). He stated that it was not fair to penalize award-winning employees by forcing them to work for another year after their cost-cutting idea had been implemented. Currently, the cost savings would be realized by the state for one year before the employee would receive compensation. Also, the state agency might not implement the cost-saving idea for more than a year but that would not be the fault of the employee. Mr. Fricke explained that there would be more of an incentive to participate in the cost-savings bonus award program if the award was more immediate.

Chair Neufeld announced the hearing on **HB 2369** was closed.

Representative Feuerborn moved to report favorably **HB 2369**. Motion was seconded by Representative Gatewood. Motion carried.

In Secretary Fricke's update on the Department of Administration (DOA) to the Committee, he reviewed planned improvements to the state purchasing plan which include the functioning of all areas within the DOA as a team unit. A study is underway regarding the possibility of taking advantage of Federal General Services Administration contracts which are now available to states. He introduced Stuart Leighty who has been hired as the Director of the newly organized Division of Facilities Management, Purchasing and Printing. Secretary Fricke stated the state lease issue is being investigated as well as the "kickback purchasing" program which has been in operation for some time. He did remind the Committee of the problem of privatization of purchasing items which are currently purchased through state work programs (e.g. prisons and other state institutions).

Representative Shultz, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Arts Commission for FY 2003 and moved for the adoption of the Budget Committee recommendations for FY 2003 (Attachment 3). Motion was seconded by Representative Newton. Motion carried.

Representative Shultz, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Arts Commission for FY 2004 and moved for the adoption of the Budget Committee recommendations for FY 2004 (Attachment 3). Motion was seconded by Representative Huebert.

Representative Shultz moved for an amendment to recommend a change in the wording in Item 1 of the Education Budget Committee report on the Governor's budget recommendations for FY 2004 as follows: "Delete \$100,000 from the State General Fund and ~~add~~ recommend that \$50,000 be added to the Medical Loan Program at the University of Kansas Medical Center and recommend that \$50,000 be added to the Graduate Medical Education Program at the University of Kansas Medical Center–Wichita." Motion was

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS at 9:00 a.m. on February 25, 2003,
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seconded by Representative Huebert. Motion carried.

Representative Shriver moved to remove Item 1 of the Education Budget Committee report on the Governor's budget recommendation for FY 2004. Motion seconded by Representative Pottorff. Motion carried.

Representative Shultz moved adoption of the amended Education Budget Committee report on the Governor's budget recommendations for the Kansas Arts Commission for FY 2004 as amended (Attachment 3). Motion seconded by Representative Heubert. Motion carried.

Representative Pottorff, Chair of the General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Guardianship Program for FY 2003 and moved for the adoption of the Budget Committee recommendations for FY 2003 (Attachment 4). Motion was seconded by Representative Shriver. Motion carried.

Representative Pottorff, Chair of the General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Guardianship Program for FY 2004 and moved for the adoption of the Budget Committee recommendations with observations for FY 2004 (Attachment 4). Motion was seconded by Representative Shriver. Motion carried.

Representative Shultz, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the State Historical Society for FY 2003 and moved for the adoption of the Budget Committee recommendations for FY 2003 (Attachment 5). Motion was seconded by Representative McLeland. Motion carried.

Representative Shultz, Chair of the Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the State Historical Society for FY 2004 and moved for the adoption of the Budget Committee recommendations with exceptions for FY 2004 (Attachment 5). Motion was seconded by Representative Shriver.

Representative Shultz moved for an amendment to his motion to recommend a change in the wording in Item 1, of the Education Budget Committee report on the Governor's budget recommendations for FY 2004 (Attachment 5) after the word as follows: "Delete \$300,000 from the State General Fund and *add recommend that \$150,000 be added* to the Medical Loan Program at the University of Kansas Medical Center and *recommend that \$150,000 be added* to the Graduate Medical Education Program at the University of Kansas Medical Center-Wichita." Motion was seconded by Representative Huebert. Motion carried.

Representative Shriver moved to remove Item 1 of the Education Budget Committee report on the Governor's budget recommendations for FY 2004 (Attachment 5). Motion seconded by Representative Feuerborn. Motion carried.

Representative Shultz noted the Budget Committee's respect and support for the State Historical Society, the Kansas Arts Commission and the Kansas Humanities Council and the value of their programs to the culture of Kansas.

Representative Shultz moved the amended report for the State Historical Society report on the Governor's budget recommendations for FY 2004 as amended (Attachment 5). Motion seconded by Representative Heubert. Motion carried.

Representative Schwartz, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Human Rights Commission for FY 2003 and moved for the adoption of the Budget Committee recommendations for FY 2003 (Attachment 6). Motion was seconded by Representative Gatewood. Motion carried.

Representative Schwartz, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Human Rights Commission for FY 2004 and moved for the adoption of the Budget Committee recommendations with

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS at 9:00 a.m. on February 25, 2003,
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notations for FY 2004 (Attachment 6). Motion was seconded by Representative Osborne. Motion carried.

Representative Ballard congratulated the Kansas Human Rights Commission for their creativity and recent recognition as one of the premier agencies in state governments of the nation.

Chair Neufeld announced the appointees to a Subcommittee on Medicaid Funding for the Kansas State School for the Blind and the Kansas State School for the Deaf: Chair Neufeld, Representative Nichols, Representative Shultz, Representative Landwehr and Representative Ballard.

Meeting was adjourned at 10:40 a.m. The next meeting is scheduled for March 5, 2003.



Melvin Neufeld, Chair

APPROPRIATIONS COMMITTEE GUEST LIST

DATE: February 25, 2003

NAME	REPRESENTING
Bill Minner	KS. Human Rights Commission
Mike Hollar	" " "
Dan Wilson	KS Arts Commission
Robert Maile	KS School for the Deaf
Kerrieth Mihner	KS School for the Deaf Alumni Association
Jeanette Magathan	School for the Deaf
Mary Allman	Kansas State Historical Society
David Haury	Kansas State Historical Society
Marion Cott	KS Humanities Council
KA McTeal	KS Dept. of Revenue
Karen Wolney	Doc A / DPS
Rosanne Goble	Kansas Library Association
JANE Johnson	Library
Donnie Stein	State Library
LUCAS BELL	Rep. Wenfeld's Intern
Joshua Cassatt	Rep. McLeLand
Stuart Lighty	Doc Adm
HOWARD FRICKED	D of Adm
John Polan	D of Admin

2003 EDUCATION BUDGET COMMITTEE

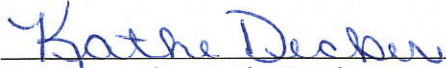
School for the Blind

School for the Deaf

State Library




Representative Clark Shultz, Chairperson



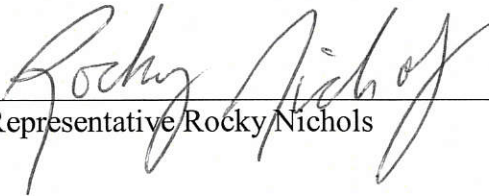
Representative Kathe Decker



Representative Steve Huebert



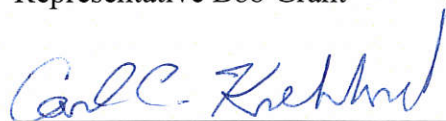
Representative Joe McLeland



Representative Rocky Nichols



Representative Bob Grant



Representative Carl Krehbiel



Representative Dean Newton



Representative Bill Reardon

HOUSE APPROPRIATIONS

DATE 2-25-03

ATTACHMENT 1

Senate Subcommittee Report

Agency: School for the Blind

Bill No.

Bill Sec.

Analyst: Deckard

Analysis Pg. No. 881

Budget Page No. 83

Expenditure Summary	Agency Est. FY 03	Governor's Recommendation FY 03	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 4,821,782	\$ 4,821,782	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 4,821,782	\$ 4,821,782	\$ 0
Capital Improvements	59,435	146,558	0
TOTAL	<u>\$ 4,881,217</u>	<u>\$ 4,968,340</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 4,377,205	\$ 4,377,205	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 4,377,205	\$ 4,377,205	\$ 0
Capital Improvements	0	0	0
TOTAL	<u>\$ 4,377,205</u>	<u>\$ 4,377,205</u>	<u>\$ 0</u>
FTE Positions	93.5	93.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>93.5</u>	<u>93.5</u>	<u>0.0</u>

Agency Est./Governor's Recommendation

The School requests \$4,821,782 for FY 2003 operating expenditures, including expenditures of \$4,377,205 from the State General Fund. The School also requests \$59,435 for capital improvements, all from the State Institutions Building Fund. The operating expenditures include: salaries and wages, \$3,776,055; contractual services, \$738,838; commodities, \$194,109; capital outlay, \$112,780.

The Governor concurs with the School's estimate and adds an additional \$87,123 for capital improvements from the State Institutions Building Fund. This amount was reappropriated from the FY 2002 State Institutions Building Fund. The Governor's recommendation reflects the August 2002 allotment which reduced State General Fund expenditures for this agency by \$36,891, but was exempted from the November 2002 allotments.

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the recommendations of the Governor with the following notation:

1. The Subcommittee recommends that the LCC conduct an interim study to determine the structure and funding method that would best serve the needs of this agency now and in the future. The Subcommittee is concerned that the current salary plan for teachers places those valuable faculty at a disadvantage, when compared to what the surrounding school districts pay their teachers. The inadequate teacher pay results in turnover and the loss of experienced faculty to neighboring schools, which ultimately impacts the quality of education that the students of this fine institution receive.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendations with the following adjustment:

1. In addition to item #1 above, the Committee requests that the School and the Department of Education discuss the advantages and disadvantages of placing the School within the school financing formula and report back prior to Omnibus.

Senate Committee of the Whole

The Senate Committee of the Whole has not yet considered this budget.

House Budget Committee Report

Agency: School for the Blind

Bill No.

Bill Sec.

Analyst: Deckard

Analysis Pg. No. 881

Budget Page No. 83

Expenditure Summary	Agency Est. FY 03	Governor's Recommendation FY 03	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 4,821,782	\$ 4,821,782	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 4,821,782	\$ 4,821,782	\$ 0
Capital Improvements	59,435	146,558	0
TOTAL	<u>\$ 4,881,217</u>	<u>\$ 4,968,340</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 4,377,205	\$ 4,377,205	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 4,377,205	\$ 4,377,205	\$ 0
Capital Improvements	0	0	0
TOTAL	<u>\$ 4,377,205</u>	<u>\$ 4,377,205</u>	<u>\$ 0</u>
FTE Positions	93.5	93.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>93.5</u>	<u>93.5</u>	<u>0.0</u>

Agency Est./Governor's Recommendation

The School requests \$4,821,782 for FY 2003 operating expenditures, including expenditures of \$4,377,205 from the State General Fund. The School also requests \$59,435 for capital improvements, all from the State Institutions Building Fund. The operating expenditures include: Salaries and Wages, \$3,776,055; Contractual Services, \$738,838; Commodities, \$194,109; Capital Outlay, \$112,780.

The Governor concurs with the School's estimate and adds an additional \$87,123 for capital improvements from the State Institutions Building Fund. This amount was reappropriated from the FY 2002 State Institutions Building Fund. The Governor's recommendation reflects the August 2002 allotment which reduced State General Fund expenditures for this agency by \$36,891, but was exempted from the November 2002 allotments.

House Budget Committee Recommendations

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

Senate Subcommittee Report

Agency: School for the Blind

Bill No.

Bill Sec.

Analyst: Deckard

Analysis Pg. No. 881

Budget Page No. 83

Expenditure Summary	Agency Req. FY 04	Governor's Recommendation FY 04	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 5,410,744	\$ 4,628,167	\$ 219,318
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 5,410,744	\$ 4,628,167	\$ 219,318
Capital Improvements	123,241	123,241	0
TOTAL	<u>\$ 5,533,985</u>	<u>\$ 4,751,408</u>	<u>\$ 219,318</u>
State General Fund:			
State Operations	\$ 5,026,315	\$ 4,223,738	\$ 219,318
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 5,026,315	\$ 4,223,738	\$ 219,318
Capital Improvements	0	0	0
TOTAL	<u>\$ 5,026,315</u>	<u>\$ 4,223,738</u>	<u>\$ 219,318</u>
FTE Positions	93.5	89.5	4.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>93.5</u>	<u>89.5</u>	<u>4.0</u>

Agency Req./Governor's Recommendation

The School for the Blind requests \$5,410,744 for FY 2004 operating expenditures, of which \$5,026,315 is from the State General Fund. Requested enhancements consist of funding for 7.5 FTE teachers and assistants, \$288,532; funding for 2.0 FTE positions for dorm instructors, \$63,412; funding for 2.0 FTE positions for security officers and 1.0 FTE position for a maintenance employee, \$84,797; Restoration of one week of summer school, \$54,047; equity pay increases for teaching staff, \$87,545. In addition, the School requests capital improvement projects totaling \$123,241 from the State Institutions Building Fund.

The Governor recommends operating expenditures of \$4,628,167 for FY 2004, of which \$4,223,738 is from the State General Fund. The Governor does not recommend the inclusion of the agency's enhancement packages, but does include the 5.0 percent reduced resources package. The reduced resources package includes: Layoff of 2.0 FTE dorm instructors, (\$53,952); Layoff two part-time outreach teachers, (\$57,272); Reduce summer school by an additional week, (\$54,047);

Furlough non-teaching staff for three days, (\$20,836); Reduce all teaching contracts by two days, (\$18,137); Increase fees to USDs, (\$20,000). The Governor recommends capital improvement projects totaling \$123,241 from the State Institutions Building Fund. Under the Governor's FY 2004 **statutory budget recommendation**, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$889,173.

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with Governor's recommendations with the following exceptions and notations:

1. Restore part of the \$224,244 (5.0 percent) reduced resources package that the Governor deleted. The Senate Subcommittee recommends restoring:
 - a. Two part-time outreach teachers scheduled for layoff, \$57,272;
 - b. 2.0 FTE positions of dorm instructors scheduled for layoff, \$53,952;
 - c. Restore one week of summer school scheduled to be cancelled, \$54,047.

The Subcommittee feels that the School for the Blind should be held harmless as was the rest of education in the Governor's recommendation. The above recommendations are intended to ensure that the education of the students of the School for the Blind is not impeded upon.

2. In addition to the restoration contained in item 1c above, restore an additional week of summer school at the cost of an additional \$54,047 State General Fund. The recommendation would bring summer school back to the original four week program. The Subcommittee felt it was vital to restore the additional week as children across the state find it an essential means of learning the Skills of Blindness such as Braille and cane usage. The majority of students who attend summer school do not attend the School during the year.
3. The Subcommittee recommends restoring 1.0 FTE position that the agency erroneously submitted as part of their reduced resources package. The Governor deleted this position in her recommendation. The Subcommittee at the request of the agency restores this FTE position. There is no funding associated with this adjustment.
4. The Subcommittee recommends that the LCC conduct an interim study to determine the structure and funding method for this agency in the future. The Subcommittee is concerned that the current salary plan for teachers places those valuable faculty at a disadvantage, when compared to what the surrounding school districts pay their teachers. The inadequate teacher pay results in turnover and the loss of experienced faculty to neighboring schools, which ultimately impacts the quality of education that the students of this fine institution receive.

Senate Committee Recommendations

The Senate Committee concurs with the Subcommittee's recommendation with the following adjustments:

1. Change the language in #1 above to read that the School will be treated in a similar fashion as the rest of education was in the Governor's recommendation. The above recommendations are intended to ensure that the education of the students of the School for the Blind is not neglected.
2. Does not recommend items contained in items #1 and 2, but recommends reviewing these items at Omnibus.
3. Requests a GBA to correct the FTEs discussed in item #3 above.
4. In addition to item #4 above, the Committee requests that the School and the Department of Education discuss the advantages and disadvantages of placing the School within the school financing formula and report back prior to Omnibus.

Senate Committee of the Whole

The Senate Committee of the Whole has not yet considered this budget.

House Budget Committee Report

Agency: School for the Blind

Bill No.

Bill Sec.

Analyst: Deckard

Analysis Pg. No. 881

Budget Page No. 83

Expenditure Summary	Agency Req. FY 04	Governor's Recommendation FY 04	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 5,410,744	\$ 4,628,167	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 5,410,744	\$ 4,628,167	\$ 0
Capital Improvements	123,241	123,241	0
TOTAL	<u>\$ 5,533,985</u>	<u>\$ 4,751,408</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 5,026,315	\$ 4,223,738	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 5,026,315	\$ 4,223,738	\$ 0
Capital Improvements	0	0	0
TOTAL	<u>\$ 5,026,315</u>	<u>\$ 4,223,738</u>	<u>\$ 0</u>
FTE Positions	93.5	89.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>93.5</u>	<u>89.5</u>	<u>0.0</u>

Agency Req./Governor's Recommendation

The School for the Blind requests \$5,410,744 for FY 2004 operating expenditures, of which \$5,026,315 is from the State General Fund. Requested enhancements consist of funding for 7.5 FTE teachers and assistants, \$288,532; funding for 2.0 FTE positions for dorm instructors, \$63,412; funding for 2.0 FTE positions for security officers and 1.0 FTE position for a maintenance employee, \$84,797; Restoration of one week of summer school, \$54,047; equity pay increases for teaching staff, \$87,545. In addition, the School requests capital improvement projects totaling \$123,241 from the State Institutions Building Fund.

The Governor recommends operating expenditures of \$4,628,167 for FY 2004, of which \$4,223,738 is from the State General Fund. The Governor does not recommend the inclusion of the agency's enhancement packages, but does include the 5.0 percent reduced resources package. The reduced resources package includes: Layoff of 2.0 FTE dorm instructors, (\$53,952); Layoff two part-time outreach teachers, (\$57,272); Reduce summer school be an additional week, (\$54,047);

Furlough non-teaching staff for three days, (\$20,836); Reduce all teaching contracts by two days, (\$18,137); Increase fees to USDs, (\$20,000). The Governor recommends capital improvement projects totaling \$123,241 from the State Institutions Building Fund. Under the Governor's FY 2004 **statutory budget recommendation**, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$889,173.

House Budget Committee Recommendations

The House Budget Committee concurs with Governor's recommendations with the following exceptions and notations:

1. The Budget Committee wishes to revisit the issue of the agency's funding at Omnibus. The Budget Committee feels that the Governor's recommendation was inconsistent with the manner in which the rest of Education was treated.
2. The Budget Committee notes that the School currently only expects to draw down \$37,000 for FY 2003 and \$38,000 for FY 2004 in Medicaid reimbursement. The Budget Committee encourages intensive conversation between the School and SRS to ensure all possible federal funds are leveraged. The Budget Committee requests that the School report back as soon as possible.
3. The Budget Committee draws attention to the fact that the teachers at the School are technically state employees who have had substantially less in salary increases than the local school districts. The Budget Committee notes this is a cause for concern and notes the need to review this issue further.
4. The Budget Committee requests the schools look into utilizing KAN-ED to maximize the effectiveness of their outreach programs. The School is requested to respond back on or before Omnibus.
5. The Budget Committee requests an explanation of the difference in the per pupil costs between the School for the Deaf and the School for the Blind prior to Omnibus.
6. The Budget Committee notes that it understands the School's admission process. The Budget Committee notes that the process begins in the local school districts with a IEP (Individual Education Plan), followed by an assessment by the School, and a placement decision. The Budget Committee notes that most youth with developmental and physical disabilities have been on a waiting list for HCBS services since 1998. For youth who are blind or deaf, however, there is no waiting list for services obtained for their respective schools.

Senate Subcommittee Report

Agency: School for the Deaf

Bill No.

Bill Sec.

Analyst: Deckard

Analysis Pg. No. 897

Budget Page No. 135

Expenditure Summary	Agency Est. FY 03	Governor's Recommendation FY 03	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 7,713,549	\$ 7,713,549	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal- Operating	\$ 7,713,549	\$ 7,713,549	\$ 0
Capital Improvements	1,100,662	1,100,662	0
TOTAL	<u>\$ 8,814,211</u>	<u>\$ 8,814,211</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 7,089,885	\$ 7,089,885	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal- Operating	\$ 7,089,885	\$ 7,089,885	\$ 0
Capital Improvements	0	0	0
TOTAL	<u>\$ 7,089,885</u>	<u>\$ 7,089,885</u>	<u>\$ 0</u>
FTE Positions	161.2	161.2	12.3
Non FTE Uncl. Perm. Pos.	12.3	12.3	(12.3)
TOTAL	<u>173.5</u>	<u>173.5</u>	<u>0.0</u>

Agency Est./Governor's Recommendation

The School for the Deaf estimates FY 2003 operating expenditures at \$7,713,549, of which \$7,089,885 is from the State General Fund. The estimate includes: salaries and wages, \$6,147,821; contractual services, \$1,051,979; commodities, \$411,649; capital outlay, \$102,100. Capital Improvements in the amount of \$1,100,662 are requested from the State Institutions Building Fund.

The Governor concurs with the agency's estimate for FY 2003. The Governor's recommendation reflects the August 2002 allotment which reduced State General Fund expenditures for this agency by \$55,815, but was exempted from the November 2002 allotment.

Senate Subcommittee Recommendations

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

1. Restore 12.3 FTE positions that the agency erroneously submitted as Non FTE positions in its budget submission. The Governor also reflected the positions in this manner in her recommendation. The Subcommittee at the request of the agency restores these to FTE positions. There is no funding associated with this adjustment.
2. The Subcommittee recommends that the LCC conduct an interim study to determine the structure and funding method for this agency in the future. The Subcommittee is concerned that the current salary plan for teachers places those valuable faculty at a disadvantage, when compared to what the surrounding school districts pay their teachers. The inadequate teacher pay results in turnover and the loss of experienced faculty to neighboring schools, which ultimately impacts the quality of education that the students of this fine institution receive.

Senate Committee Recommendations

The Senate Committee concurs with the Senate Subcommittee's recommendations with the following adjustment:

1. Requests a Governor's Budget Amendment to correct the FTEs discussed in item #1.
2. In addition to item #2 above, the Committee requests that the School and the Department of Education discuss the advantages and disadvantages of placing the School within the school financing formula and report back prior to Omnibus.

Senate Committee of the Whole

The Senate Committee of the Whole has not yet considered this budget.

House Budget Committee Report

Agency: School for the Deaf

Bill No.

Bill Sec.

Analyst: Deckard

Analysis Pg. No. 897

Budget Page No. 135

Expenditure Summary	Agency Est. FY 03	Governor's Recommendation FY 03	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 7,713,549	\$ 7,713,549	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal- Operating	\$ 7,713,549	\$ 7,713,549	\$ 0
Capital Improvements	1,100,662	1,100,662	0
TOTAL	<u>\$ 8,814,211</u>	<u>\$ 8,814,211</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 7,089,885	\$ 7,089,885	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal- Operating	\$ 7,089,885	\$ 7,089,885	\$ 0
Capital Improvements	0	0	0
TOTAL	<u>\$ 7,089,885</u>	<u>\$ 7,089,885</u>	<u>\$ 0</u>
FTE Positions	161.2	161.2	0.0
Non FTE Uncl. Perm. Pos.	12.3	12.3	0.0
TOTAL	<u>173.5</u>	<u>173.5</u>	<u>0.0</u>

Agency Est./Governor's Recommendation

The School for the Deaf estimates FY 2003 operating expenditures at \$7,713,549, of which \$7,089,885 is from the State General Fund. The estimate includes: Salaries and Wages, \$6,147,821; Contractual Services, \$1,051,979; Commodities, \$411,649; Capital Outlay, \$102,100. Capital Improvements in the amount of \$1,100,662 are requested from the State Institutions Building Fund.

The Governor concurs with the agency's estimate for FY 2003. The Governor's recommendation reflects the August 2002 allotment which reduced State General Fund expenditures for this agency by \$55,815, but was exempted from the November 2002 allotment.

House Budget Committee Recommendations

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

1. Requests a Governor's Budget Amendment to restore the 12.3 FTE positions that the agency erroneously submitted as Non FTE positions in its submission. The Governor also reflected the positions in this manner in her recommendation. There is no funding associated with this adjustment.

Senate Subcommittee Report

Agency: School for the Deaf

Bill No.

Bill Sec.

Analyst: Deckard

Analysis Pg. No. 897

Budget Page No. 135

Expenditure Summary	Agency Req. FY 04	Governor's Recommendation FY 04	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 7,939,116	\$ 7,158,443	\$ 362,735
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 7,939,116	\$ 7,158,443	\$ 362,735
Capital Improvements	662,923	564,944	0
TOTAL	\$ 8,602,039	\$ 7,723,387	\$ 362,735
State General Fund:			
State Operations	\$ 7,616,821	\$ 6,836,148	\$ 362,735
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 7,616,821	\$ 6,836,148	\$ 362,735
Capital Improvements	0	0	0
TOTAL	\$ 7,616,821	\$ 7,616,148	\$ 362,735
FTE Positions	166.2	157.2	16.3
Non FTE Uncl. Perm. Pos.	12.3	12.3	(12.3)
TOTAL	178.5	169.5	4.0

Agency Req./Governor's Recommendation

The School requests \$7,939,116 for FY 2004 operating expenditures, of which \$7,616,821 is from the State General Fund, including \$427,938 for enhancements. Requested enhancements consist of decreased shrinkage, \$110,230; parity increases for teachers, \$157,708; and 5.0 FTE positions to begin a new program for multi-disable deaf students, \$160,000. In addition, the School requests capital improvement projects totaling \$662,923 from the State Institutions Building Fund.

The Governor recommends FY 2004 operating expenditures of \$7,158,443, of which \$6,836,148 is from the State General Fund. The Governor does not recommend any of the enhancement requests, but does recommend the agency's reduced resources package which includes: cut the extended school year, (\$54,702); reduce vehicle replacement, (\$18,850); reduce auditory training equipment replacement, (\$30,000); reduce all other capital outlay replacement, (\$53,250); delete 4.0 fte positions, (\$110,000); reduce number of teaching contract days, (\$95,933). The Governor recommends \$564,944 for capital improvements, all from the State Institutions

Building Fund. Under the Governor's FY 2004 **statutory budget recommendation**, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$1,439,133.

The Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the Governor's recommendations with the following exceptions and notations:

1. Restore the \$362,735 (5.0 percent) reduced resources package that the Governor deleted. This includes:
 - a. Restore extended school year, \$54,702;
 - b. Vehicle replacement, \$18,850;
 - c. Auditory Training Equipment Replacement, \$30,000;
 - d. All other capital outlay replacement, \$53,250;
 - e. Restore 4.0 FTE direct care positions, \$110,000;
 - f. Restore number of teaching contract days, \$95,933.

The Subcommittee feels that the School for the Deaf should be held harmless as was the rest of education in the Governor's recommendation. The above recommendations are intended to ensure that the education of the students of the School for the Deaf is not impacted by these proposed reductions.

2. Restore 12.3 FTE positions that the agency erroneously submitted as Non FTE positions in its budget submission. The Governor also reflected the positions in this manner in her recommendation. The Subcommittee at the request of the agency restores these to FTE positions. There is no funding associated with this adjustment.
3. The Subcommittee recommends that the LCC conduct an interim study to determine the structure and funding method for this agency in the future. The Subcommittee is concerned that the current salary plan for teachers places those valuable faculty at a disadvantage, when compared to what the surrounding school districts pay their teachers. The inadequate teacher pay results in turnover and the loss of experienced faculty to neighboring schools, which ultimately impacts the quality of education that the students of this fine institution receive.

Senate Committee Recommendations

The Senate Committee concurs with the Subcommittee's recommendation with the following adjustments:

1. Change the language in #1 above to read that the School will be treated in a similar fashion as the rest of education was in the Governor's recommendation. The above recommendations are intended to ensure that the education of the students of the School for the Deaf is not neglected.
2. Does not recommend items contained in items #1, but recommends reviewing these items at Omnibus.
3. In place of item #2 above, the Committee requests a GBA to correct the FTEs at issue.
4. In addition to item #3 above, the Committee requests that the School and the Department of Education discuss the advantages and disadvantages of placing the School within the school financing formula and report back prior to Omnibus.

Senate Committee of the Whole

The Senate Committee of the Whole has not yet considered this budget.

House Budget Committee Report

Agency: School for the Deaf

Bill No.

Bill Sec.

Analyst: Deckard

Analysis Pg. No. 897

Budget Page No. 135

Expenditure Summary	Agency Req. FY 04	Governor's Recommendation FY 04	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 7,939,116	\$ 7,158,443	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 7,939,116	\$ 7,158,443	\$ 0
Capital Improvements	662,923	564,944	0
TOTAL	<u>\$ 8,602,039</u>	<u>\$ 7,723,387</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 7,616,821	\$ 6,836,148	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 7,616,821	\$ 6,836,148	\$ 0
Capital Improvements	0	0	0
TOTAL	<u>\$ 7,616,821</u>	<u>\$ 7,616,148</u>	<u>\$ 0</u>
FTE Positions	166.2	157.2	0.0
Non FTE Uncl. Perm. Pos.	12.3	12.3	0.0
TOTAL	<u>178.5</u>	<u>169.5</u>	<u>0.0</u>

Agency Req./Governor's Recommendation

The School requests \$7,939,116 for FY 2004 operating expenditures, of which \$7,616,821 is from the State General Fund, including \$427,938 for enhancements. Requested enhancements consist of decreased shrinkage, \$110,230; parity increases for teachers, \$157,708; and 5.0 FTE positions to begin a new program for multi-disable deaf students, \$160,000. In addition, the School requests capital improvement projects totaling \$662,923 from the State Institutions Building Fund.

The Governor recommends FY 2004 operating expenditures of \$7,158,443 of which \$6,836,148 is from the State General Fund. The Governor does not recommend any of the enhancement requests, but does recommend the agency's reduced resources package which includes: Cut the extended school year, (\$54,702); Reduce vehicle replacement, (\$18,850); Reduce Auditory Training Equipment Replacement, (\$30,000); Reduce all other capital outlay replacement,

(\$53,250); Delete 4.0 FTE positions, (\$110,000); Reduce number of teaching contract days, (\$95,933). The Governor recommends \$564,944 for capital improvements, all from the State Institutions Building Fund. Under the Governor's FY 2004 **statutory budget recommendation**, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$1,439,133.

House Budget Committee Recommendations

The House Budget committee concurs with the Governor's recommendations with the following exceptions and notations:

1. The Budget Committee wishes to revisit the issue of the agency's funding at Omnibus. The Budget Committee feels that the Governor's recommendation was inconsistent with the manner in which the rest of Education was treated.
2. The Budget Committee notes that the School currently only expects to draw down \$60,000 in Medicaid reimbursement for both FY 2003 and FY 2004. The Budget Committee encourages intensive conversation between the School and SRS to ensure all possible federal funds are leveraged. The Budget Committee requests that the School report back as soon as possible.
3. The Budget Committee draws attention to the fact that the teachers at the School are technically state employees who have had substantially less in salary increases than the local school districts. The Budget Committee notes this is a cause for concern and notes the need to review this issue further.
4. The Budget Committee requests the schools look into utilizing KAN-ED to maximize the effectiveness of their outreach programs. The School is requested to respond back on or before Omnibus.
5. The Budget Committee requests an explanation of the difference in the per pupil costs between the School for the Deaf and the School for the Blind prior to Omnibus.
6. The Budget Committee notes that it understands the School's admission process. The Budget Committee notes that the process begins in the local school districts with a IEP (Individual Education Plan), followed by an assessment by the School, and a placement decision. The Budget Committee notes that most youth with developmental and physical disabilities have been on a waiting list for HCBS services since 1998. For youth who are blind or deaf, however, there is no waiting list for services obtained from their respective schools.
7. The Budget Committee requests a Governor's Budget Amendment to restore the 12.3 FTE positions that the agency erroneously submitted as Non FTE positions in its submission. The Governor also reflected the positions in this manner in her recommendation. There is no funding associated with this adjustment.

Senate Subcommittee Report

Agency: Kansas State Library

Bill No.

Bill Sec.

Analyst: Krahl

Analysis Pg. No. 940

Budget Page No. 319

Expenditure Summary	Agency Estimate FY 03	Governor's Recommendation FY 03	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 2,195,192	\$ 2,192,059	\$ 0
Aid to Local Units	4,181,543	3,982,415	0
Other Assistance	386,623	386,623	0
TOTAL	\$ 6,763,358	\$ 6,561,097	\$ 0
State General Fund:			
State Operations	\$ 1,442,397	\$ 1,439,260	\$ 0
Aid to Local Units	3,716,943	3,517,815	0
Other Assistance	5,775	5,775	0
TOTAL	\$ 5,165,115	\$ 4,962,850	\$ 0
All Other Funds			
State Operations	\$ 752,795	\$ 752,799	\$ 0
Aid to Local Units	464,600	464,600	0
Other Assistance	380,848	380,848	0
TOTAL	\$ 1,598,243	\$ 1,598,247	\$ 0
FTE Positions	27.0	27.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	27.0	27.0	0.0

Agency Estimate/Governor's Recommendation

The agency estimate for FY 2003 expenditures of \$6,763,358, is an increase of \$198,587 (3.0 percent) from the approved budget. The estimate does not include the November allotment State General Fund reduction of \$202,261. The estimate includes: \$1,128,867 for salaries and wages, \$935,542 for contractual services, \$130,783 for commodities, \$4,181,543 for aid to local units, \$386,623 for other assistance. State General Fund of \$5,165,115, is an increase of \$202,265 (4.1 percent) from the approved budget. All Other Funds of \$1,598,243 is a decrease of \$3,678 (0.2 percent) from the approved budget.

The Governor recommends for FY 2003 expenditures of \$6,561,097, which is a decrease of \$3,674 (0.1 percent) from the approved budget. The Governor's recommendation reflects the August 2002 allotment which reduced State General Fund expenditures for this agency by \$108,860, and the November 2002 allotments which reduced State General Fund expenditures by an additional \$202,261.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee recommendation.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole has not yet considered this budget.

House Budget Committee Report

Agency: Kansas State Library

Bill No.

Bill Sec.

Analyst: Krahl

Analysis Pg. No. 940

Budget Page No. 319

Expenditure Summary	Agency Estimate FY 03	Governor's Recommendation FY 03	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 2,195,192	\$ 2,192,059	\$ 0
Aid to Local Units	4,181,543	3,982,415	0
Other Assistance	386,623	386,623	0
TOTAL	\$ 6,763,358	\$ 6,561,097	\$ 0
State General Fund:			
State Operations	\$ 1,442,397	\$ 1,439,260	\$ 0
Aid to Local Units	3,716,943	3,517,815	0
Other Assistance	5,775	5,775	0
TOTAL	\$ 5,165,115	\$ 4,962,850	\$ 0
All Other Funds			
State Operations	\$ 752,795	\$ 752,799	\$ 0
Aid to Local Units	464,600	464,600	0
Other Assistance	380,848	380,848	0
TOTAL	\$ 1,598,243	\$ 1,598,247	\$ 0
FTE Positions	27.0	27.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	27.0	27.0	0.0

Agency Estimate/Governor's Recommendation

The agency estimate for FY 2003 expenditures of \$6,763,358, is an increase of \$198,587 (3.0 percent) from the approved budget. The estimate does not include the November allotment State General Fund reduction of \$202,261. The estimate includes: \$1,128,867 for salaries and wages, \$935,542 for contractual services, \$130,783 for commodities, \$4,181,543 for aid to local units, \$386,623 for other assistance. State General Fund of \$5,165,115, is an increase of \$202,265 (4.1 percent) from the approved budget. All Other Funds of \$1,598,243 is a decrease of \$3,678 (0.2 percent) from the approved budget.

The Governor recommends for FY 2003 expenditures of \$6,561,097, which is a decrease of \$3,674 (0.1 percent) from the approved budget. The Governor's recommendation reflects the August 2002 allotment which reduced State General Fund expenditures for this agency by \$108,860, and the November 2002 allotments which reduced State General Fund expenditures by an additional \$202,261. The recommendation includes: \$1,128,867 for salaries and wages, \$932,409 for contractual services, \$130,783 for commodities, \$3,982,415 for aid to local units, and \$386,623 for other assistance.

House Budget Committee Recommendation

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

Senate Subcommittee Report

Agency: Kansas State Library

Bill No.

Bill Sec.

Analyst: Krahl

Analysis Pg. No. 940

Budget Page No. 319

Expenditure Summary	Agency Request FY 04	Governor's Recommendation FY 04	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 2,303,502	\$ 2,146,152	\$ 0
Aid to Local Units	6,970,076	3,983,329	0
Other Assistance	386,623	386,623	0
TOTAL	\$ 9,660,201	\$ 6,516,104	\$ 0
State General Fund:			
State Operations	\$ 1,550,703	\$ 1,393,353	\$ 0
Aid to Local Units	6,505,476	3,518,729	0
Other Assistance	5,775	5,775	0
TOTAL	\$ 8,061,954	\$ 4,917,857	\$ 0
All Other Funds			
State Operations	\$ 752,799	\$ 752,799	\$ 0
Aid to Local Units	464,600	464,600	0
Other Assistance	380,848	380,848	0
TOTAL	\$ 1,598,247	\$ 1,598,247	\$ 0
FTE Positions	27.0	27.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	27.0	27.0	0.0

Agency Request/Governor's Recommendation

The agency requests for FY 2004 expenditures of \$9,660,201, which is an increase of \$2,896,843 (42.8 percent) from the FY 2003 agency estimate. The request includes: \$1,148,746 for salaries and wages, \$936,425 for contractual services, \$218,331 for commodities, \$6,970,076 for aid to local units, and \$386,623 for other assistance. The request includes enhancement packages of \$2,879,533 State General Fund including \$2,659,025 in state aid to local libraries, \$91,000 for research and information services and \$129,508 to upgrade READS equipment.

The Governor recommends for FY 2004 expenditures of \$6,516,104, which is a decrease of \$44,993 (0.7 percent) from the FY 2003 recommendation. The recommendation includes: \$1,148,746 for salaries and wages, \$870,075 for contractual services, \$127,331 for commodities, \$3,983,329 for aid to local units, and \$386,623 for other assistance. The Governor does not

recommend the enhancement requests. The Governor recommends a reduced resources package of \$264,564 State General Fund including \$66,350 for operating expenditures and \$198,214 in aid to local libraries. Under the Governor's FY 2004 **Statutory budget recommendation**, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$1,035,298.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee recommendation.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole has not yet considered this budget.

House Budget Committee Report

Agency: Kansas State Library

Bill No.

Bill Sec.

Analyst: Krahl

Analysis Pg. No. 940

Budget Page No. 319

<u>Expenditure Summary</u>	<u>Agency Request FY 04</u>	<u>Governor's Recommendation FY 04</u>	<u>House Budget Committee Adjustments</u>
All Funds:			
State Operations	\$ 2,303,502	\$ 2,146,152	\$ 0
Aid to Local Units	6,970,076	3,983,329	0
Other Assistance	386,623	386,623	0
TOTAL	\$ 9,660,201	\$ 6,516,104	\$ 0
State General Fund:			
State Operations	\$ 1,550,703	\$ 1,393,353	\$ 0
Aid to Local Units	6,505,476	3,518,729	0
Other Assistance	5,775	5,775	0
TOTAL	\$ 8,061,954	\$ 4,917,857	\$ 0
All Other Funds			
State Operations	\$ 752,799	\$ 752,799	\$ 0
Aid to Local Units	464,600	464,600	0
Other Assistance	380,848	380,848	0
TOTAL	\$ 1,598,247	\$ 1,598,247	\$ 0
FTE Positions	27.0	27.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	27.0	27.0	0.0

Agency Request/Governor's Recommendation

The agency requests for FY 2004 expenditures of \$9,660,201, which is an increase of \$2,896,839 from the FY 2003 agency estimate. The request includes: \$1,148,746 for salaries and wages, \$936,425 for contractual services, \$218,331 for commodities, \$6,970,076 for aid to local units, and \$386,623 for other assistance. The request includes enhancement packages of \$2,879,533 State General Fund including \$2,659,025 in state aid to local libraries, \$91,000 for research and information services and \$129,508 to upgrade READS equipment.

The Governor recommends for FY 2004 expenditures of \$6,516,104, which is a decrease of \$44,993 (0.7 percent) from the FY 2003 recommendation. The recommendation includes: \$1,148,746 for salaries and wages, \$870,075 for contractual services, \$127,331 for commodities, \$3,983,329 for aid to local units, and \$386,523 for other assistance. The Governor does not

recommend the enhancement requests. The Governor recommends a reduced resources package of \$264,564 including \$66,350 for operating expenditures and \$198,214 in aid to local libraries. Under the Governor's FY 2004 **statutory budget recommendation**, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$1,035,298.

House Budget Committee Recommendation

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

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**Testimony to the
House Committee on Appropriations
By
Howard Fricke, Secretary
Department of Administration**

February 25, 2003

**House Bill 2369
Employee Suggestion Program**

Good morning Mr. Chairman and members of the committee. I am Howard Fricke, Secretary of the Department of Administration. I appreciate this opportunity to appear before you today to talk about House Bill 2369.

In her State of the State Address, Governor Sebelius mentioned that one of the goals of her administration was to implement the Employee Suggestion Program passed last year – known as S.B. 429. She directed me to examine this program, and implement a way to provide incentives for state employees who root out waste and inefficiency in government; which in turn, better helps us serve the people of Kansas.

The Employee Suggestion Program that passed last session is an excellent program, but I believe that H.B. 2369 has the potential to make it even more attractive to employees. One of the most important aspects of a good award or recognition program is presenting the award or recognition in a timely manner. Under the current policy, an employee is not eligible to receive the award until the savings generated by the suggestion has been documented for 12 months. However, the state begins to experience savings immediately once the suggestion is implemented.

Because of this, I do not feel that the current policy adequately conveys the worth of this program to employees, and therefore may not entice them to contribute suggestions. The amendment to House Bill 2369 addresses this situation, by allowing the employee to receive the award once the cost-saving suggestion is adopted.

The award is based on the estimated cost reduction of their suggestion, and must be approved by both the chief fiscal officer and appointing authority of their agency. The amount of the award would still be 10% of the cost reduction, up to a maximum of \$37,500. Again, this would now be based on the estimated annual cost reduction of the suggestion, rather than the actual annual cost reduction.

HOUSE APPROPRIATIONS

DATE 2-25-03
ATTACHMENT 2

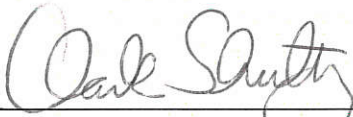
By making the award contingent upon approval of both the chief fiscal officer and appointing authority of the agency, the amendment suggested in House Bill 2369 ensures that the agency carefully considers the suggestion and estimated cost savings.

This amendment allows for a timelier award to employees and provides an additional incentive for state employees to participate in this program. While this is a worthwhile and beneficial program under normal circumstances, it is even more important today, given the fiscal situation facing the State of Kansas.

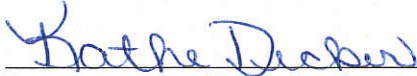
I request your favorable consideration of House Bill 2369. I welcome the opportunity to respond to any questions you may have.

2003 EDUCATION BUDGET COMMITTEE

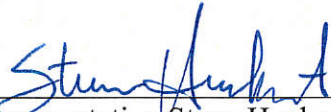
Kansas Arts Commission



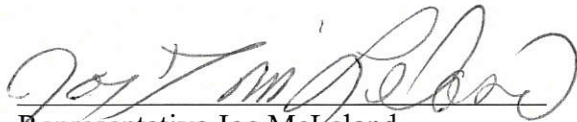
Representative Clark Shultz, Chairperson



Representative Kathe Decker



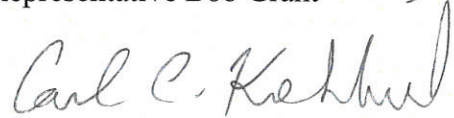
Representative Steve Huebert



Representative Joe McLeland

Representative Rocky Nichols

Representative Bob Grant



Representative Carl Krehbiel



Representative Dean Newton

Representative Bill Reardon

HOUSE APPROPRIATIONS

DATE 2-25-03
ATTACHMENT 3

Senate Subcommittee Report

Agency: Kansas Arts Commission

Bill No.

Bill Sec.

Analyst: Krahl

Analysis Pg. No. 928

Budget Page No. 59

<u>Expenditure Summary</u>	<u>Agency Estimate FY 03</u>	<u>Governor's Recommendation FY 03</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 531,683	\$ 531,683	\$ 0
Aid to Local Units	1,583,264	1,521,200	0
Other Assistance	31,000	31,000	0
TOTAL	\$ 2,145,947	\$ 2,083,883	\$ 0
State General Funds:			
State Operations	\$ 332,002	\$ 332,002	\$ 0
Aid to Local Units	1,237,412	1,175,348	0
Other Assistance	15,500	15,500	0
TOTAL	\$ 1,584,914	\$ 1,522,850	\$ 0
FTE Positions	8.0	8.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	8.0	8.0	0.0

Agency Estimate/Governor's Recommendation

The agency estimate for FY 2003 is \$2,145,947, which is an increase of \$154,573 (7.8 percent) from the approved budget. The increase includes \$62,064 State General Fund, which is the agency's November allotment reduction and an increase in All Other Funds from a federal grant. The estimate includes: \$408,528 for salaries and wages, \$118,407 for contractual services, \$4,748 for commodities, \$1,583,264 for aid to local units, and \$31,000 for other assistance.

The Governor, after making the allotment adjustment, concurs with the agency request. The Governor's recommendation reflects the August 2002 allotment which reduced State General Fund expenditures for this agency by \$34,372 and the November 2002 allotment which reduced State General Fund expenditures by an additional \$62,064.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee recommendation.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole has not yet considered this budget.

House Budget Committee Report

Agency: Kansas Arts Commission	Bill No.	Bill Sec.
Analyst: Krahl	Analysis Pg. No. 928	Budget Page No. 59

<u>Expenditure Summary</u>	<u>Agency Estimate FY 03</u>	<u>Governor's Recommendation FY 03</u>	<u>House Budget Committee Adjustments</u>
All Funds:			
State Operations	\$ 531,683	\$ 531,683	\$ 0
Aid to Local Units	1,583,264	1,521,200	0
Other Assistance	<u>31,000</u>	<u>31,000</u>	<u>0</u>
TOTAL	<u>\$ 2,145,947</u>	<u>\$ 2,083,883</u>	<u>\$ 0</u>
State General Funds:			
State Operations	\$ 332,002	\$ 332,002	\$ 0
Aid to Local Units	1,237,412	1,175,348	0
Other Assistance	<u>15,500</u>	<u>15,500</u>	<u>0</u>
TOTAL	<u>\$ 1,584,914</u>	<u>\$ 1,522,850</u>	<u>\$ 0</u>
FTE Positions	8.0	8.0	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>8.0</u>	<u>8.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency estimate for FY 2003 is \$2,145,947, which is an increase of \$154,573 (7.8 percent) from the approved budget. The increase includes \$62,064 State General Fund, which is

the agency's November allotment reduction and an increase in All Other Funds from a federal grant. The estimate includes: \$408,528 for salaries and wages, \$118,407 for contractual services, \$4,748 for commodities, \$1,583,264 for aid to local units, and \$31,000 for other assistance.

The Governor, after making the allotment adjustment, concurs with the agency request. The Governor recommendation reflects the August 2002 allotment which reduced State General Fund expenditures for this agency by \$34,372 and the November 2002 allotment which reduced State General Fund expenditures by an additional \$62,064.

House Budget Committee Recommendation

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

Senate Subcommittee Report

Agency: Kansas Arts Commission

Bill No.

Bill Sec.

Analyst: Krahl

Analysis Pg. No. 928

Budget Page No. 59

<u>Expenditure Summary</u>	<u>Agency Request FY 04</u>	<u>Governor's Recommendation FY 04</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 594,316	\$ 537,159	\$ 0
Aid to Local Units	1,571,270	1,427,141	0
Other Assistance	31,000	31,000	0
TOTAL	\$ 2,196,586	\$ 1,995,300	\$ 0
State General Fund:			
State Operations	\$ 389,159	\$ 332,002	\$ 0
Aid to Local Units	1,300,577	1,156,448	0
Other Assistance	15,500	15,500	0
TOTAL	\$ 1,705,236	\$ 1,503,950	\$ 0
FTE Positions	8.0	8.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	8.0	8.0	0.0

Agency Request/Governor's Recommendation

The agency requests for FY 2004 \$2,196,586, which is an increase of \$50,639 (2.4 percent) from the FY 2003 estimate. The request includes: \$414,004 for salaries and wages, \$174,900 for contractual services, \$4,950 for commodities, \$462 for capital outlay, \$1,571,270 for aid to local units, and \$31,000 for other assistance. The increase includes enhancement packages of \$120,322 State General Fund including \$63,165 to restore grant funding, \$7,157 to restore operations funding and \$50,000 for an economic impact study.

The Governor recommends for FY 2004 expenditures of \$1,995,330, which is a decrease of \$88,583 (4.3 percent) from the FY 2003 recommendation and a decrease of \$201,286 (9.2 percent) from the agency request. The recommendation includes: \$414,004 for salaries and wages, \$118,407 for contractual services, \$4,748 for commodities, \$1,427,141 for aid to local units and \$31,000 for other assistance. The recommendation does not include the enhancement requests but does include a reduced resources package of \$80,964 State General Fund for a reduction in aid to local units. Under the Governor's FY 2004 **statutory budget recommendation**, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$316,609.

Senate Subcommittee Recommendation

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

1. The Subcommittee would like to commend the Kansas Arts Commission for excellent work the Commission performs for the advancement of arts and cultural events throughout Kansas through its numerous grant opportunities and education programs.
2. The Subcommittee notes how additional funding would benefit the Kansas Arts Commission as outlined in the attached summary.

Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee recommendation.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole has not yet considered this budget.

House Budget Committee Report

Agency: Kansas Arts Commission

Bill No.

Bill Sec.

Analyst: Krahl

Analysis Pg. No. 928

Budget Page No. 59

Expenditure Summary	Agency Request FY 04	Governor's Recommendation FY 04	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 594,316	\$ 537,159	\$ 0
Aid to Local Units	1,571,270	1,427,141	0
Other Assistance	31,000	31,000	0
TOTAL	\$ 2,196,586	\$ 1,995,300	\$ 0
State General Fund:			
State Operations	\$ 389,159	\$ 332,002	\$ 0
Aid to Local Units	1,300,577	1,156,448	(100,000)
Other Assistance	15,500	15,500	0
TOTAL	\$ 1,705,236	\$ 1,503,950	\$ (100,000)
FTE Positions	8.0	8.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	8.0	8.0	0.0

Agency Request/Governor's Recommendation

The agency requests for FY 2004 \$2,196,586, which is an increase of \$50,639 (2.4 percent) from the FY 2003 estimate. The request includes: \$414,004 for salaries and wages, \$118,407 for contractual services, \$4,950 for commodities, \$462 for capital outlay, \$1,571,270 for aid to local units, and \$31,000 for other assistance. The increase includes enhancement packages of \$120,322 State General Fund including \$63,165 to restore grant funding, \$7,157 to restore operations funding and \$50,000 for an economic impact study.

The Governor recommends for FY 2004 expenditures of \$1,995,330, which is a decrease of \$88,583 (4.3 percent) from the FY 2003 recommendation and a decrease of \$201,286 (9.2 percent) from the agency request. The recommendation includes: \$414,004 for salaries and wages, \$118,407 for contractual services, \$4,748 for commodities, \$1,427,141 for aid to local units and \$31,000 for other assistance. The recommendation does not include the enhancement requests but does include a reduced resources package of \$80,964 State General Fund in reduction in aid to local units. Under the Governor's FY 2004 **statutory budget recommendation**, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$316,609.

House Budget Committee Recommendation


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

1. Delete \$100,000 from the State General Fund and add \$50,000 to the Medical Loan Program at the University of Kansas Medical Center and add \$50,000 to the Graduate Medical Education Program at the University of Kansas Medical Center–Wichita.

FY 2003 and FY 2004

General Government and Commerce Budget Committee

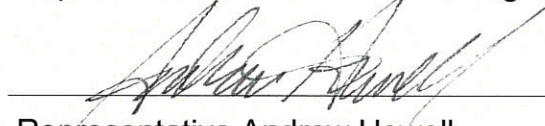
Kansas Guardianship Program



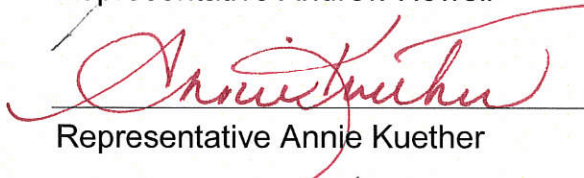
Representative Jo Ann Pottorff, Chair



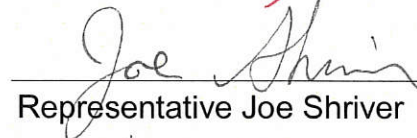
Representative Patricia Barbieri-Lightner



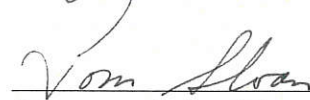
Representative Andrew Howell



Representative Annie Kuether



Representative Joe Shriver



Representative Tom Sloan



Representative Dan Thimesch

HOUSE APPROPRIATIONS

DATE 2-25-03
ATTACHMENT 4

House Budget Committee Report

Agency: Kansas Guardianship Program **Bill No.**

Bill Sec.

Analyst: Calderwood

Analysis Pg. No. 548

Budget Page No. 171

<u>Expenditure Summary</u>	<u>Agency Estimate FY 03</u>	<u>Governor's Recommendation FY 03</u>	<u>Budget Committee Adjustments</u>
State General Fund:			
State Operations	\$ 1,038,983	\$ 998,297	\$ 0
Employee Positions*	13.0	12.0	0.0

* Employees of the Kansas Guardianship Program are not state employees, but are listed for informational purposes.

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 2003 operating expenditures of \$1,038,983 is an increase of \$40,686 (4.1 percent) from the FY 2003 approved budget. The increase is due to the agency's submission of its budget prior to the November allotment. The request includes \$539,645 for salaries and wages, \$484,552 for contractual services, \$14,786 for commodities, and \$0 for capital outlay. On August 15, 2002, the Governor imposed a State General Fund allotment against executive branch agencies. The State General Fund allotment against this agency was \$22,506 or 2.1 percent. The second allotment for this agency was \$40,686 or 3.9 percent.

The Governor recommends \$998,297 for FY 2003 operating expenditures which is consistent with the approved budget. The request includes \$513,959 in salaries and wages, \$469,552 in contractual services, \$14,786 for commodities, and \$0 for capital outlay. The Governor's FY 2003 recommendation reflecting the second allotment includes:

- \$11,256 increase in shrinkage.
- \$10,000 reduction in travel expenditures.
- \$14,430 reduction of salaries and wages through the elimination of 1.0 employee position for the second half of the current year.

House Budget Committee Recommendation

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

House Budget Committee Report

Agency: Kansas Guardianship Program **Bill No.**

Bill Sec.

Analyst: Calderwood

Analysis Pg. No. 548

Budget Page No. 171

Expenditure Summary	Agency Request FY 04	Governor's Recommendation FY 04	Budget Committee Adjustments
State General Fund:			
State Operations	\$ 1,144,713	\$ 1,000,506	\$ 0
Employee Positions*	15.0	12.0	0.0

* Employees of the Kansas Guardianship Program are not state employees, but are listed for informational purposes.

Agency Request/Governor's Recommendation

The agency's request for FY 2004 operating expenditures of \$1,144,713 is an increase of \$105,730 (10.2 percent) from the FY 2003 estimate. The request includes \$620,567 for salaries and wages, \$502,646 for contractual services, \$15,500 for commodities, and \$6,000 for capital outlay. The request includes an enhancement package for two recruiter/facilitator positions (\$71,864) and related operating expenses (\$18,500).

The Governor recommends FY 2004 operating expenditures of \$1,000,506, which is an increase of \$2,209 (0.2 percent) from the FY 2003 recommendation. The recommendation includes \$519,834 for salaries and wages, \$465,672 for contractual services, \$15,000 for commodities, and \$0 for capital outlay. The Governor did not recommend the enhancement package.

STATUTORY BUDGET SUBMISSION

KSA 75-6701 requires that the budget submitted by the Governor and the budget ultimately approved by the Legislature provide for a State General Fund ending balance of at least 7.5 percent of expenditures for FY 2004. To comply with this provision, Volume 1 of the *Governor's Budget Report* includes a "statutory budget" designed to provide for a 7.5 percent ending balance. In general, this requires a 21.1 percent reduction to the FY 2004 State General Fund budget recommendations submitted by the Governor. That reduction has not been applied to school finance funding in the Department of Education or to the Board of Regents and its institutions. **For this agency, the reduction to the Governor's recommended FY 2004 State General Fund budget would total \$210,625.**

House Budget Committee Recommendation

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

1. The Budget Committee expresses its support for maintaining the FY 2004 level of funding for stipend funds for program volunteers, as was recommended by the Governor. The Budget Committee cited correspondence from program co-founder, Joan Strickland, requesting that stipend funds not be cut. The Budget Committee recognizes the importance of program volunteers and further notes that during FY 2002, the Kansas Guardianship Program volunteers provided guardianship/conservatorship services to 1,647 wards and conservatees. As of June 30, 2002, approximately 815 volunteers were serving in the program and over the years approximately 3,152 Kansans have been recruited to serve as volunteers in the program.
2. The Budget Committee notes the Governor's recommendation for the establishment of a gifts and donations fund, so that the program may utilize fund raising revenue to supplement funding when state resources are reduced. The program is currently financed entirely through the State General Fund. The Budget Committee recommends that the program request assistance from service foundations across the state, including the Sunflower Foundation, to secure additional resources for program operations. The Budget Committee also recommends that the program explore the availability of federal moneys.

FY 2003 and FY 2004 Budget Committee Report

STATE HISTORICAL SOCIETY



Representative Clark Shultz, Chair



Representative Carl Krehbiel



Representative Kathe Decker



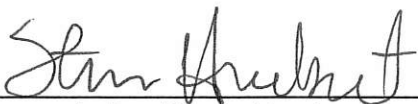
Representative Joe McLeland



Representative Bob Grant



Representative Dean Newton



Representative Steve Huebert

Representative Rocky Nichols



Representative Bill Reardon

HOUSE APPROPRIATIONS

DATE 2-25-03

ATTACHMENT 5

Senate Subcommittee Report

Agency: Historical Society

Bill No.

Bill Sec.

Analyst: Rampey

Analysis Pg. No. 913

Budget Page No. 201

<u>Expenditure Summary</u>	<u>Agency Est. FY 03</u>	<u>Governor's Recommendation FY 03</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 6,911,828	\$ 6,690,700	\$ 0
Aid to Local Units	1,475,700	1,460,985	0
Other Assistance	0	0	0
Subtotal--Operating	\$ 8,387,528	\$ 8,151,685	\$ 0
Capital Improvements	49,000	269,891	0
TOTAL	<u>\$ 8,436,528</u>	<u>\$ 8,421,576</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 5,566,789	\$ 5,345,661	\$ 0
Aid to Local Units	455,700	440,985	0
Other Assistance	0	0	0
Subtotal--Operating	\$ 6,022,489	\$ 5,786,646	\$ 0
Capital Improvements	49,000	47,089	0
TOTAL	<u>\$ 6,071,489</u>	<u>\$ 5,833,735</u>	<u>\$ 0</u>
FTE Positions	136.5	136.5	0.0
Non FTE Uncl. Perm. Pos.	3.5	3.5	0.0
TOTAL	<u>140.0</u>	<u>140.0</u>	<u>0.0</u>

Agency Est./Governor's Recommendation

The Historical Society estimates expenditures of \$8,436,528 in FY 2003, of which \$6,071,489 is from the State General Fund.

The Governor recommends expenditures of \$8,421,576, of which \$5,833,735 is from the State General Fund. The Governor's recommendation reflects the August 2002 allotment which reduced State General Fund expenditures for the Historical Society by \$128,058 and the November 2002 allotment which reduced State General Fund expenditures by an additional \$237,754. The Governor's recommendation adds \$39,700 in federal grants from the National Parks Service which will be used for construction projects at the Native American Heritage Museum near Highland (\$19,200) and at the Grinter Place in Kansas City (\$20,500). The Governor also budgets \$183,202 in federal funding for ongoing renovation work at the William Allen White House, which was acquired by the state in 2001 and is being renovated entirely with federal funds.

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the recommendations of the Governor.

Senate Committee Recommendations

The Senate Committee concurs with the recommendations of the Subcommittee.

House Budget Committee Report

Agency: Historical Society **Bill No.** **Bill Sec.**
Analyst: Rampey **Analysis Pg. No.** 913 **Budget Page No.** 201

Expenditure Summary	Agency Est. FY 03	Governor's Recommendation FY 03	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 6,911,828	\$ 6,690,700	\$ 0
Aid to Local Units	1,475,700	1,460,985	0
Other Assistance	0	0	0
Subtotal--Operating	\$ 8,387,528	\$ 8,151,685	\$ 0
Capital Improvements	49,000	269,891	0
TOTAL	\$ 8,436,528	\$ 8,421,576	\$ 0
State General Fund:			
State Operations	\$ 5,566,789	\$ 5,345,661	\$ 0
Aid to Local Units	455,700	440,985	0
Other Assistance	0	0	0
Subtotal--Operating	\$ 6,022,489	\$ 5,786,646	\$ 0
Capital Improvements	49,000	47,089	0
TOTAL	\$ 6,071,489	\$ 5,833,735	\$ 0
FTE Positions	136.5	136.5	0.0
Non FTE Uncl. Perm. Pos.	3.5	3.5	0.0
TOTAL	140.0	140.0	0.0

Agency Est./Governor's Recommendation

The Historical Society estimates expenditures of \$8,436,528 in FY 2003, of which \$6,071,489 is from the State General Fund.

The Governor recommends expenditures of \$8,421,576, of which \$5,833,735 is from the State General Fund. The Governor's recommendation reflects the August 2002 allotment which reduced State General Fund expenditures for the Historical Society by \$128,058 and the November 2002 allotment which reduced State General Fund expenditures by an additional \$237,754. The Governor's recommendation adds \$39,700 in federal grants from the National Parks Service which will be used for construction projects at the Native American Heritage Museum near Highland (\$19,200) and at the Grinter Place in Kansas City (\$20,500). The Governor also budgets \$183,202 in federal funding for ongoing renovation work at the William Allen White House, which was acquired by the state in 2001 and is being renovated entirely with federal funds.

House Budget Committee Recommendations

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

Senate Subcommittee Report

Agency: Historical Society

Bill No.

Bill Sec.

Analyst: Rampey

Analysis Pg. No. 913

Budget Page No. 201

Expenditure Summary	Agency Req. FY 04	Governor's Recommendation FY 04	Subcommittee Adjustments
All Funds:			
State Operations	\$ 7,250,655	\$ 6,681,732	\$ 0
Aid to Local Units	1,132,700	1,127,065	0
Other Assistance	0	0	0
Subtotal--Operating	\$ 8,383,355	\$ 7,808,797	\$ 0
Capital Improvements	1,058,922	46,550	0
TOTAL	\$ 9,442,277	\$ 7,855,347	\$ 0
State General Fund:			
State Operations	\$ 6,022,257	\$ 5,400,291	\$ 0
Aid to Local Units	112,700	107,065	0
Other Assistance	0	0	0
Subtotal--Operating	\$ 6,134,957	\$ 5,507,356	\$ 0
Capital Improvements	1,058,922	46,550	0
TOTAL	\$ 7,193,879	\$ 5,553,906	\$ 0
FTE Positions	136.5	136.5	0.0
Non FTE Uncl. Perm. Pos.	3.5	3.5	0.0
TOTAL	140.0	140.0	0.0

Agency Req./Governor's Recommendation

The Historical requests a total of \$9,442,277, of which \$7,193,879 is from the State General Fund. Capital improvements total \$1,058,922 and include the first year of a three-year plan to rehabilitate and interpret the historic sites.

The Governor recommends expenditures of \$7,855,347, of which \$5,553,906 is from the State General Fund. The total, excluding expenditures for capital improvements, is a reduction of \$342,888 from the Governor's recommendation for FY 2003. Under the Governor's FY 2004 **statutory budget recommendation**, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$1,169,197.

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the recommendations of the Governor, with the following comment:

1. Like all state agencies, the Historical Society has had to deal with cutbacks and reductions in a time of severe fiscal constraint. The Subcommittee wishes to commend the staff of the Historical Society and its new Executive Director, Mary Allman, for their willingness to confront the situation with determination and innovation. An example is a project the Historical Society and the State Department of Education have proposed for several years whereby the two agencies would work to develop Kansas history teaching materials for teachers to use in their Kansas history classes. The project, which totals about \$1.4 million over a three-year period, has never been funded, but the Executive Director informed the Subcommittee that she has negotiated a contract with a publisher to publish a Kansas history textbook for middle-school children. The publisher will bear the cost of printing and promoting the book if the staff of the Historical Society will write the text and provide photographs, maps, and other resource material. The textbook should be available for use by the 2004-05 school year.

Senate Committee Recommendations

The Senate Committee concurs with the recommendations of the Subcommittee.

House Budget Committee Report

Agency: Historical Society

Bill No.

Bill Sec.

Analyst: Rampey

Analysis Pg. No. 913

Budget Page No. 201

<u>Expenditure Summary</u>	<u>Agency Req. FY 04</u>	<u>Governor's Recommendation FY 04</u>	<u>House Budget Committee Adjustments</u>
All Funds:			
State Operations	\$ 7,250,655	\$ 6,681,732	\$ (300,000)
Aid to Local Units	1,132,700	1,127,065	0
Other Assistance	0	0	0
Subtotal--Operating	\$ 8,383,355	\$ 7,808,797	\$ (300,000)
Capital Improvements	1,058,922	46,550	0
TOTAL	\$ 9,442,277	\$ 7,855,347	\$ (300,000)
State General Fund:			
State Operations	\$ 6,022,257	\$ 5,400,291	\$ (300,000)
Aid to Local Units	112,700	107,065	0
Other Assistance	0	0	0
Subtotal--Operating	\$ 6,134,957	\$ 5,507,356	\$ (300,000)
Capital Improvements	1,058,922	46,550	0
TOTAL	\$ 7,193,879	\$ 5,553,906	\$ (300,000)
FTE Positions	136.5	136.5	0.0
Non FTE Uncl. Perm. Pos.	3.5	3.5	0.0
TOTAL	140.0	140.0	0.0

Agency Req./Governor's Recommendation

The Historical requests a total of \$9,442,277, of which \$7,193,879 is from the State General Fund. Capital improvements total \$1,058,922 and include the first year of a three-year plan to rehabilitate and interpret the historic sites.

The Governor recommends expenditures of \$7,855,347, of which \$5,553,906 is from the State General Fund. The total, excluding expenditures for capital improvements, is a reduction of \$342,888 from the Governor's recommendation for FY 2003. Under the Governor's FY 2004 **statutory budget recommendation**, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$1,169,197.

Budget Committee Recommendation


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

1. Delete \$300,000 from the State General Fund and add \$150,000 to the Medical Loan Program at the University of Kansas Medical Center and add \$150,000 to the Graduate Medical Education Program at the University of Kansas Medical Center–Wichita.

FY 2003 and FY 2004

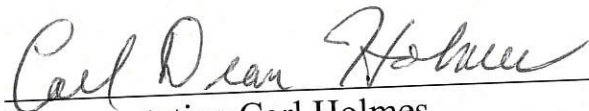
Agriculture and Natural Resources Budget Committee

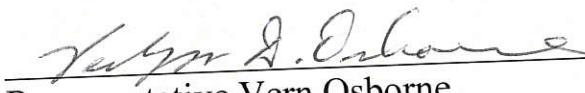
Human Rights Commission

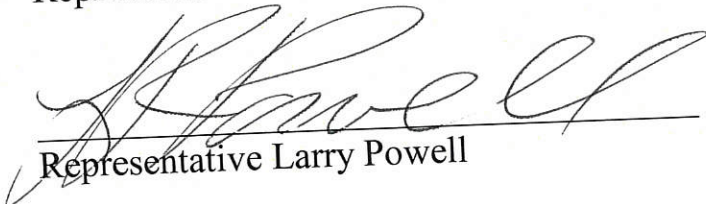

Representative Sharon Schwartz, Chair


Representative Vaughn Flora


Representative Doug Gatewood


Representative Carl Holmes


Representative Vern Osborne


Representative Larry Powell


Representative Tom Thull

HOUSE APPROPRIATIONS

DATE 2-25-03
ATTACHMENT 6

Senate Subcommittee Report

Agency: Kansas Human Rights Commission **Bill No.** **Bill Sec.**

Analyst: Krahl **Analysis Pg. No.** 1339 **Budget Page No.** 229

Expenditure Summary	Agency Estimate FY 03	Governor's Recommendation FY 03	Senate Subcommittee Adjustments
State Operations:			
State General Fund	\$ 1,460,544	\$ 1,403,350	\$ 0
Special Revenue Funds	459,201	459,201	0
TOTAL	1,919,745	1,862,551	0
FTE Positions	37.0	37.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	37.0	37.0	0.0

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 2003 operating expenditures of \$1,919,745, is an increase of \$57,194 (4.1 percent) from the approved budget. This is the amount of the Governor's November allotment which was after the agency submitted its budget. The agency's estimate includes: \$1,476,241 for salaries and wages, \$409,704 for contractual services, \$17,800 for commodities, and \$16,000 for capital outlay.

The Governor's recommendation for FY 2003 operating expenditures of \$1,862,551 is consistent with the approved budget and the agency's estimate adjusted for the November allotment. The recommendation reflects the August 2002 allotment which reduced State General Fund expenditures for this agency by \$31,196 (2.1 percent), and the November 2002 allotment which reduced State General Fund expenditures by an additional \$57,194 (3.9 percent).

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee recommendation.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole has not yet considered this budget.

House Budget Committee Report

Agency: Kansas Human Rights Commission **Bill No.** **Bill Sec.**

Analyst: Krahl **Analysis Pg. No.** 1339 **Budget Page No.** 229

<u>Expenditure Summary</u>	<u>Agency Estimate FY 03</u>	<u>Governor's Recommendation FY 03</u>	<u>House Budget Committee Adjustments</u>
State Operations:			
State General Fund	\$ 1,460,544	\$ 1,403,350	\$ 0
Special Revenue Funds	459,201	459,201	0
TOTAL	<u>\$ 1,919,745</u>	<u>\$ 1,862,551</u>	<u>\$ 0</u>
FTE Positions	37.0	37.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>37.0</u>	<u>37.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency's estimate for FY 2003 operating expenditures of \$1,919,745 is an increase of \$57,194 (4.1 percent) from the approved budget. This is the amount of the Governor's November allotment which was after the agency submitted its budget. The agency's estimate includes: \$1,476,241 for salaries and wages, \$409,704 for contractual services, \$17,800 for commodities, and \$16,000 for capital outlay.

The Governor recommendation for FY 2003 operating expenditures of \$1,862,551 is consistent with the approved budget and the agency's estimate adjusted for the November allotment. The recommendation reflects the August 2002 allotment which reduced State General Fund expenditures for this agency by \$31,196 (2.1 percent), and the November 2002 allotment which reduced State General Fund expenditures by an additional \$57,194 (3.9 percent).

House Budget Committee Recommendation

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

Senate Subcommittee Report

Agency: Kansas Human Rights Commission **Bill No.** **Bill Sec.**

Analyst: Krahl **Analysis Pg. No.** 1339 **Budget Page No.** 229

Expenditure Summary	Agency Request FY 04	Governor's Recommendation FY 04	Senate Subcommittee Adjustments
State Operations:			
State General Fund	\$ 1,520,108	\$ 1,333,830	\$ 0
Special Revenue Funds	394,159	372,343	0
TOTAL	\$ 1,914,267	\$ 1,706,173	\$ 0
FTE Positions	37.0	36.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	37.0	36.0	0.0

Agency Request/Governor's Recommendation

The agency requests for FY 2004 operating expenditures of \$1,914,267, is a decrease of \$5,478 (0.3 percent) from the agency's estimate for FY 2003. The agency's request includes enhancements of \$106,012. The request includes: \$1,466,878 for salaries and wages, \$413,589 for contractual services, \$17,800 for commodities and \$16,000 for capital outlay.

The Governor's recommendation for FY 2004 operating expenditures of \$1,706,173, is a decrease of \$156,378 (8.4 percent) from the FY 2003 recommendation and a decrease of \$208,094 (10.9 percent) from the FY 2004 agency request. The recommendation does not include the agency's enhancement requests, however, the recommendation does include a reduced resources package of \$102,082, including the elimination of 1.0 FTE position. The recommendation includes: \$1,284,784 for salaries and wages, \$403,589 for contractual services, \$17,800 for commodities and no funding for capital outlay. Under the Governor's 2004 **statutory budget recommendation**, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$280,795.

Senate Subcommittee Recommendation

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

1. The Senate Subcommittee wishes to commend the agency for their excellent work in resolving cases as the number of open cases has dropped from a high of 2,667 in FY 1995 to 597 in FY 2002. The amount of time to process each case has also declined from 21.1 months in FY 1995 to 6.4 months in FY 2002.

Also, during this time the number of FTE's in the agency have dropped from 45.0 in FY 1995 to 37.0 in FY 2002.

Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee recommendation.

Senate Committee of the Whole Recommendation

The Senate Committee of the Whole has not yet considered this budget.

House Budget Committee Report

Agency: Kansas Human Rights Commission **Bill No.** **Bill Sec.**
Analyst: Krahl **Analysis Pg. No.** 1339 **Budget Page No.** 229

<u>Expenditure Summary</u>	<u>Agency Request FY 04</u>	<u>Governor's Recommendation FY 04</u>	<u>House Budget Committee Adjustments</u>
State Operations:			
State General Fund	\$ 1,520,108	\$ 1,333,830	\$ 0
Special Revenue Funds	394,159	372,343	0
TOTAL	<u>\$ 1,914,267</u>	<u>\$ 1,706,173</u>	<u>\$ 0</u>
FTE Positions	37.0	36.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>37.0</u>	<u>36.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency requests for FY 2004 operating expenditures of \$1,914,267, is a decrease of \$5,478 (03 percent) from the agency's estimate for FY 2003. The agency's request includes enhancements of \$106,012. The request includes: \$1,466,878 for salaries and wages, \$413,589 for contractual services, \$17,800 for commodities and \$16,000 for capital outlay.

The Governor's recommendation for FY 2004 operating expenditures of \$1,706,173, is a decrease of \$156,378 (8.4 percent) from the FY 2003 recommendation and a decrease of \$208,094 (10.9 percent) from the FY 2004 agency request. The recommendation does not include the agency's enhancement requests, however, the recommendation does include a reduced resources

package of \$102,082, including the elimination of 1.0 FTE position. The recommendation includes: \$1,284,784 for salaries and wages, \$403,589 for contractual services, \$17,800 for commodities and no funding for capital outlay. Under the Governor's 2004 **statutory budget recommendation**, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$280,795.

House Budget Committee Recommendation

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

1. The Budget Committee commends the Kansas Human Rights Commission for being recognized by the Executive Board of the National Association on Human Rights Workers as being one the top Human Rights Organizations in the United States.
2. The Budget Committee commends the agency for their mediation program which has lowered the number of open cases from 2,667 in FY 1995 to 597 in FY 2002 and dropped the process time per case from 21.1 months in FY 1999 to 6.4 months in FY 2002.
3. The Budget Committee notes that the 40 percent increase in KANS-A-N rates would adversely affect the agency's ability to investigate discrimination complaints as 65 to 75 percent of investigations are completed using the telephone.