

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Vice-Chairperson David Adkins at 10:30 a.m. on February 14, 2003, in Room 123-S of the Capitol.

All members were present except: Senator Stephen Morris - excused
Senator Jean Schodorf - excused

Committee staff present:

Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Chief Fiscal Analyst, Kansas Legislative Research Department
Martha Dorsey, Kansas Legislative Research Department
Melissa Calderwood, Kansas Legislative Research Department
Robert Waller, Kansas Legislative Research Department
Nicoletta Buonasera, Kansas Legislative Research Department
Michael Corrigan, Assistant Revisor of Statutes
Judy Bromich, Administrative Analyst
Mary Shaw, Committee Secretary

Conferees appearing before the committee: None

Others attending: See attached list

Copies of the Kansas Legislative Research Department Budget Analysis Report for FY 2003 and FY 2004 were distributed to the committee.

Subcommittee reports on:

Ombudsman for Corrections (Attachment 1)

Subcommittee Chairman Jordan reported that the Subcommittee concurs with the recommendation of the Governor for FY 2003.

Subcommittee Chairman Jordan reported that the Subcommittee concurs with the recommendation of the Governor for FY 2004.

Senator Jordan moved, with a second by Senator Barone, to adopt the subcommittee budget report on the Ombudsman for Corrections for the FY 2003 and FY 2004 budget. Motion carried on a voice vote.

Kansas Parole Board (Attachment 2)

Subcommittee Chairman Jordan reported that the Subcommittee concurs with the recommendation of the Governor for FY 2003.

Subcommittee Chairman Jordan reported that the Subcommittee concurs with the recommendation of the Governor with observations for FY 2004.

Senator Jordan moved, with a second by Senator Jackson, to adopt the subcommittee budget report on the Kansas Parole Board for the FY 2003 and FY 2004 budget. Motion carried on a voice vote.

Kansas Bureau of Investigation (Attachment 3)

Subcommittee Chairman Jordan reported that the Subcommittee concurs with the recommendation of the Governor for FY 2003.

CONTINUATION SHEET

Subcommittee Chairman Jordan reported that the Subcommittee concurs with the recommendation of the Governor with notations for FY 2004.

Senator Jordan moved, with a second by Senator Barone, to adopt the subcommittee budget report on the Kansas Bureau of Investigation for the FY 2003 and FY 2004 budget. Motion carried on a voice vote.

Board of Emergency Medical Services (Attachment 4)

Subcommittee Chairman Jackson reported that the Subcommittee concurs with the recommendation of the Governor for FY 2003.

Subcommittee Chairman Jackson reported that the Subcommittee concurs with the recommendation of the Governor with adjustments for FY 2004.

Senator Jackson moved, with a second by Senator Downey, to adopt the subcommittee budget report on the Board of Emergency Medical Services for the FY 2003 and FY 2004 budget. Motion carried on a voice vote.

Kansas Sentencing Commission (Attachment 5)

Subcommittee Chairman Jackson reported that the Subcommittee concurs with the recommendation of the Governor for FY 2003.

Subcommittee Chairman Jackson reported that the Subcommittee concurs with the recommendation of the Governor with adjustments for FY 2004.

Committee questions and discussion followed regarding the Governor's report for elimination of the CJIS Program Director. Senator Feleciano moved, with a second by Senator Downey, to amend the subcommittee budget report on the Kansas Sentencing Commission to flag the item of elimination of the CJIS Program Director for consideration at Omnibus. Motion carried on a voice vote. Senator Feleciano suggested that the Director of CJIS to come back to the committee with a plan of action as to what is left to be done and that more answers are needed.

Senator Jackson moved, with a second by Senator Downey, to adopt the subcommittee budget report on the Kansas Sentencing Commission for FY 2003 and FY 2004 budget as amended. Motion carried on a voice vote.

Kansas Highway Patrol (Attachment 6)

Subcommittee Chairman Bunten reported that the Subcommittee concurs with the recommendation of the Governor for FY 2003.

Subcommittee Chairman Bunten reported that the Subcommittee concurs with the recommendation of the Governor with adjustments for FY 2004.

Senator Bunten moved, with a second by Senator Downey, that the subcommittee budget report be amended to read that the subcommittee agrees with the Governor's recommendations to fund the Kansas Highway Patrol from the State Highway Fund in FY 2003 and FY 2004 but recommends that the decision be reviewed when considering appropriations for the agency for FY 2005 without a transfer to the State General Fund in these two fiscal years. Committee questions and discussion followed.

Senator Kerr made a substitute motion, with a second by Senator Jackson, to transfer the funds in FY 2004 from the State Highway Fund to the State General Fund and fund the agency operations as they have been done in the past. A voice vote was taken on the substitute motion and division was requested. The motion carried on a show of hands.

CONTINUATION SHEET

Senator Bunten moved, with a second by Senator Jackson, to adopt the subcommittee budget report on the Kansas Highway Patrol for the FY 2003 and FY 2004 budget as amended. Motion carried on a voice vote. Senator Downey and Senator Feleciano requested to be recorded as voting "No" on the motion.

State Fire Marshal (Attachment 7)

Subcommittee Chairman Bunten reported that the Subcommittee concurs with the recommendation of the Governor for FY 2003.

Subcommittee Chairman Bunten reported that the Subcommittee concurs with the recommendation of the Governor with adjustments for FY 2004.

Senator Bunten moved, with a second by Senator Downey, to adopt the subcommittee budget report on the State Fire Marshal for the FY 2003 and FY 2004 budget. Motion carried on a voice vote.

Adjutant General (Attachment 8)

Subcommittee Chairman Bunten reported that the Subcommittee concurs with the recommendation of the Governor with adjustments for FY 2003.

Senator Downey reported the Minority Report for the FY 2003 Adjutant General subcommittee budget report (attached to the Adjutant General budget report). Staff distributed copies of the following information:

- Letter to Senator Christine Downey from the Adjutant General, dated February 12, 2003 (Attachment 9)
- List of Maintenance Projects and cost provided by the Adjutant General (Attachment 10)

Senator Downey moved, with a second by Senator Feleciano, to amend the subcommittee report to add \$115,000 (from the State General Fund) to be added to the agency's FY 2003 budget to cover insurance costs so that the agency does not have to take the money out of their maintenance dollars. Committee questions and discussion followed regarding insurance, blanket coverage on the armories by the State, concern regarding insurance premium refunds regarding bonds, insurance companies attempting to recoup big losses after September 11, 2001, and bond-holders concern with the ability to re-pay. Motion failed on a voice vote.

Senator Kerr moved, with a second by Senator Salmans, to flag the item to be considered at Omnibus and put in the subcommittee report regarding where the Adjutant General is on their efforts regarding blanket insurance coverage with the State of Kansas and an update on the progress for the FY 2003 budget. Motion carried on a voice vote.

Senator Downey moved, with a second by Senator Feleciano, to note in the subcommittee report that the subcommittee should be mindful that the deferral of maintenance funds to pay for insurance premiums will result in maintenance being suspended for some armories, in some cases deferred or cancelled, and with the deferred maintenance will come increased costs for the FY 2003 budget. Motion carried on a voice vote.

Senator Bunten moved, with a second by Senator Feleciano, to recommend the establishment of an inaugural expense fund within the Adjutant General's department which was inadvertently omitted from the agency in the FY 2003 supplemental request to be used to pay for expenses associated with State duty activities in support of the inaugural ceremony. Motion carried on a voice vote.

Senator Bunten moved, with a second by Senator Feleciano, to adopt the subcommittee budget report on the Adjutant General for the FY 2003 budget as amended. Motion carried on a voice vote. Senator Downey requested to be recorded as voting "No" on the motion.

Subcommittee Chairman Bunten reported that the Subcommittee concurs with the recommendation of the Governor with adjustments for FY 2004.

CONTINUATION SHEET

Senator Bunten moved, with a second by Senator Feleciano, to adopt the subcommittee budget report on the Adjutant General for the and FY 2004 budget as presented. Motion carried on a voice vote.

Ombudsman for Corrections (Reconsideration):

Senator Jordan moved, with a second by Senator Jackson, to reconsider the Ombudsman for Corrections budget. Motion carried on a voice vote.

Senator Jordan moved, with a second by Senator Jackson, to amend the Ombudsman for Corrections budget in FY 2004 to expand the funds to be considered to include the Work Release Program Fund. Motion carried on a voice vote.

Senator Jordan moved, with a second by Senator Jackson, to consider the subcommittee budget report for the Ombudsman for Corrections budget as amended. Motion carried on a voice vote.

Bill Introductions

Senator Kerr moved, with a second by Senator Jackson, to introduce a bill enacting the efficiency in local government act (3rs0662). Motion carried on a voice vote.

Senator Jordan moved, with a second by Senator Barone, to introduce a bill relating to the redevelopment of property located within a federal enclave in Johnson and Labette counties; authorizing certain powers, including tax increment financing and sales tax revenue bonds; relating to projects of the Kansas Development Finance Authority (3rs0816). Motion carried on a voice vote.

The meeting adjourned at 12:00 p.m. The next meeting is scheduled for February 17, 2003.

**SENATE WAYS AND MEANS COMMITTEE
GUEST LIST**

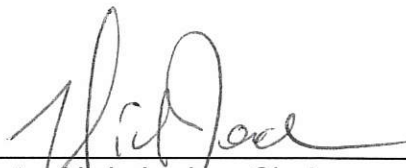
DATE February 14, 2003

NAME	REPRESENTING
Hera Nuss	KSAMO
Pat Lehman	KS FSA
DAVID LAKE	Ks Bd. of EMS
Mary E Mulyan	Ks Bd of EMS
Chwen Sims	Ombudsman for Corrections
Carl Cushinberry	Kansas Parole Board
TERRY MAPLE	KHP
Don Brownlee	KHP
Jan Brant	KSC
Salena Jones	KSC
Twila Drybread	DOB
Dan McLaughlin	KSFMO
W. H. H. H.	KSFP
Remona Dierksen	KLSL
Luise Harper	Adjutant General
Greg Gardner, Maj Gen	" "
Col ASAM King	" "
Kyle Smith	KBI
Adon Dunkel	Division of the Budget
W. H. H.	" " "
Jim Liu	DOB

FY 2003 and FY 2004

SENATE SUBCOMMITTEE REPORTS

Ombudsman for Corrections



Senator Nick Jordan, Chair



Senator Jim Barone



Senator David Jackson

Senate Subcommittee Report

Agency: Ombudsman for Corrections **Bill No.** **Bill Sec.**
Analyst: Martha Dorsey **Analysis Pg. No.** **Budget Page No.**

Expenditure Summary	Agency FY 2003	Governor's Recommendation FY 2003	Senate Public Safety Subcommittee Adjustments
All Funds:			
State Operations	\$ 194,433	\$ 184,745	\$ 0
Aid to Local Units	0	0	0
Claims	0	0	0
Subtotal - Operating	\$ 194,433	\$ 184,745	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 194,433	\$ 184,745	\$ 0
State General Fund:			
State Operations	\$ 177,594	\$ 167,906	\$ 0
Aid to Local Units	0	0	0
Claims	0	0	0
Subtotal - Operating	\$ 177,594	\$ 167,906	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 177,594	\$ 167,906	\$ 0
FTE Positions	3.5	3.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	3.5	3.5	0.0

Agency/Governor's Recommendation

Agency revised FY 2003 estimate of operating expenditures totals \$194,433 (\$177,594 SGF), an increase of \$11,527 or 6.3 percent more than the amount approved by the 2002 Legislature.

- \$164,448 for salaries and wages for 3.5 FTE positions.

The Governor recommends FY 2003 operating expenditures of \$184,745 (\$167,906 SGF), an increase of \$1,839 or 1.0 percent over the amount approved by the 2002 Legislature.

- \$157,605 for salaries and wages for 3.5 FTE positions.
- \$22,999 for contractual services.
- \$4,141 for commodities.
- No funding for capital outlay.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Public Safety Subcommittee Report

Agency: Ombudsman for Corrections **Bill No.** **Bill Sec.**

Analyst: Martha Dorsey **Analysis Pg. No.** **Budget Page No.**

Expenditure Summary	Agency FY 2004	Governor's Recommendation FY 2004	Senate Public Safety Subcommittee Adjustments
All Funds:			
State Operations	\$ 196,950	\$ 0	\$ 0
Aid to Local Units	0	0	0
Claims	0	0	0
Subtotal - Operating	\$ 196,950	\$ 0	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 196,950	\$ 0	\$ 0
State General Fund:			
State Operations	\$ 181,950	\$ 0	\$ 0
Aid to Local Units	0	0	0
Claims	0	0	0
Subtotal - Operating	\$ 181,950	\$ 0	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 181,950	\$ 0	\$ 0
FTE Positions	3.5	0.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	3.5	0.0	0.0

Agency/Governor's Recommendation

Agency FY 2004 operational expenditures request totals \$196,950 (\$181,950 SGF), an increase of \$2,517 or 1.3 percent over the FY 2003 estimate.

- \$167,198 for salaries and wages for 3.5 FTE positions.
- Includes full funding (\$840) for longevity.
- \$25,002 for contractual services.
- \$4,750 for commodities.
- No funding for capital outlay.

The Governor recommends eliminating the agency and its budget.

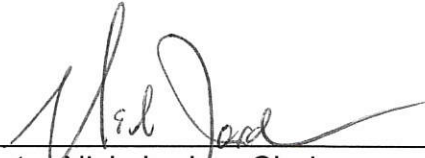
Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation to not fund the Ombudsman's budget out of the State General Fund, given the state's fiscal difficulties. However, because of the agency's value as an objective evaluator of inmate complaints and claims, the Subcommittee recommends the Legislature pursue other sources of funding. As such, the Subcommittee requests the Secretary of Corrections to evaluate whether funding exists from any source or sources associated with the Kansas Department of Corrections, including the Inmate Benefit Fund, and report back on or before Omnibus. If any such funding is not sufficient by itself, the Subcommittee recommends introducing a bill that would establish a multi-tiered fee system for inmates. Such a system could include a fee assessed of all inmates who are able to pay (i.e., not deemed indigent), as well as an application fee charged to only those inmates who requested assistance from the Ombudsman's office.

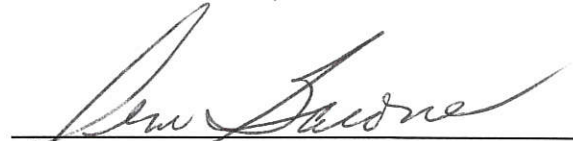
FY 2003 and FY 2004

SENATE SUBCOMMITTEE REPORTS

Kansas Parole Board



Senator Nick Jordan, Chair



Senator Jim Barone



Senator David Jackson

Senate Subcommittee Report

Agency: Kansas Parole Board

Bill No. --

Bill Sec. --

Analyst: Buonasera

Analysis Pg. No.

Budget Page No. 329

Expenditure Summary	Agency Estimate FY 2003	Governor's Recommendation FY 2003	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 522,727	\$ 502,257	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	\$ 522,727	\$ 522,727	\$ 0
State General Fund:			
State Operations	\$ 522,727	\$ 502,257	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	\$ 522,727	\$ 522,727	\$ 0
FTE Positions	4.0	4.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	4.0	4.0	0.0

Agency Estimate/Governor's Recommendation

Kansas Parole Board estimates \$522,727 for FY 2003 operating expenditures which is the same amount approved by the 2002 Legislature. The estimate includes \$456,471 in salaries and wages to fund 4.0 FTE positions and other operating expenditures totaling \$66,256. In order to comply with the first allotment, the agency would hold vacant the next Board member's position that is up for appointment in January 2003 for three pay periods.

The Governor recommends \$502,257 for FY 2003 operating expenditures which is a decrease of \$20,470 (3.9 percent) from the amount approved. The recommendation includes \$436,001 for salaries and wages and concurs with the agency request for other operating expenditures. The governor recommends holding vacant the next Board member's position that is up for appointment in January 2003 until May 2003.

The Governor's recommendation reflects the August 2002 allotment which reduced State General Fund expenditures by \$12,624, and the November 2002 allotment which reduced State General Fund expenditures by an additional \$20,470.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Kansas Parole Board

Bill No. --

Bill Sec. --

Analyst: Buonasera

Analysis Pg. No.

Budget Page No. 329

<u>Expenditure Summary</u>	<u>Agency Request FY 2004</u>	<u>Governor's Recommendation FY 2004</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 521,441	\$ 486,102	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	<u>\$ 521,441</u>	<u>\$ 486,102</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 521,441	\$ 486,102	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	<u>\$ 521,441</u>	<u>\$ 486,102</u>	<u>\$ 0</u>
FTE Positions	3.8	3.0	0.0
Non FTE Uncl. Perm. Positions	0.0	0.0	0.0
TOTAL	<u>3.8</u>	<u>3.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency requests \$521,441 for FY 2004 operating expenditures which is an increase of \$1,286 (0.2 percent) from the FY 2003 estimate. The request includes \$452,647 in salaries and wages to fund 3.8 FTE positions and other operating expenditures totaling \$68,794. The Board proposes to reduce a Board member position from full-time to 0.8 time. At the reduced resource level, the agency proposes to reduce two positions to 0.6 time.

The Governor recommends \$486,102 for FY 2004 operating expenditures which is a decrease of \$16,155 (3.2 percent) from the FY 2003 recommendation. The recommendation includes \$417,308 in salaries and wages to fund 3.0 FTE positions and concurs with the agency request for other operating expenditures. The Governor recommends reducing the Board's membership to three members, all full-time.

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 \$102,333.

Senate Subcommittee Recommendation

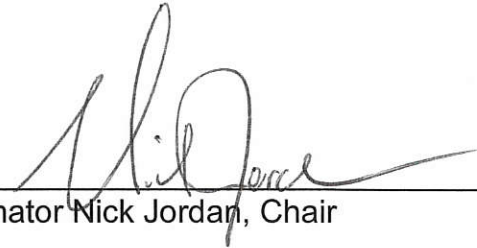
The Senate Subcommittee concurs with the Governor's recommendation with the following observations:

1. The Senate Subcommittee notes that under the Governor's recommendation, the Board's membership is reduced from four to three members. The Subcommittee notes that the Board suggested an alternate proposal to reduce the Parole Board to two part time positions and two full time positions and has reservations that the proposal was not fully considered. The Subcommittee recommends that the Governor re-examine the alternate proposal. There is concern that the elimination of a board member would reduce the diversity of the voting process. A four-member Board brings a broader range of input and perspective, and enhances the fairness of the hearing.
2. Reducing the size of the board would require a statutory change, which includes changing the voting requirements. The current statutory voting requirements for offenders convicted of an A or B felony under consideration for first time release on the current offense must have three votes for parole, except when two members vote to parole, the full membership of the Board must review the decision of the panel and may parole such an inmate upon the vote of four members of the Board. Offenders convicted of C, D, or E felony may be released with two votes for parole. During the 2003 Legislature, the Governor recommends introduction of legislation to reduce the Parole Board members from 4.0 FTE to 3.0 FTE and change the voting requirements to reflect a three-member board.

FY 2003 and FY 2004

SENATE SUBCOMMITTEE REPORTS

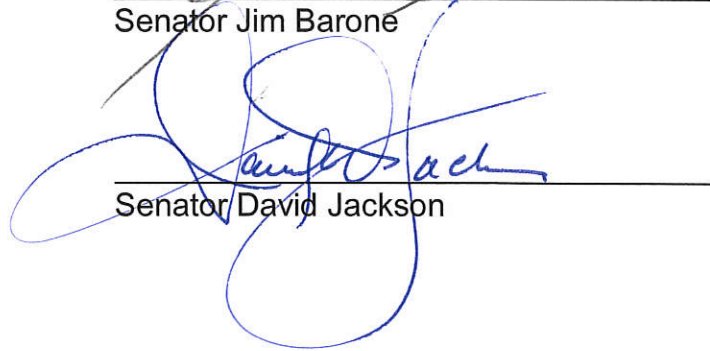
Kansas Bureau of Investigation



Senator Nick Jordan, Chair



Senator Jim Barone



Senator David Jackson

SENATE SUBCOMMITTEE REPORT

Agency: Kansas Bureau of Investigation

Bill No. —

Bill Sec. —

Analyst: Waller

Analysis Pg. No. 378

Budget Page No. 273

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2003</u>	<u>Gov. Rec. FY 2003</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 20,066,890	\$ 19,572,325	\$ 0
Aid to Local Units	188,304	1,888,304	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 20,255,194</u>	<u>\$ 21,460,629</u>	<u>\$ 0</u>
Capital Improvements	205,000	205,000	0
TOTAL	<u><u>\$ 20,460,194</u></u>	<u><u>\$ 21,665,629</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 12,424,634	\$ 11,930,069	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 12,424,634</u>	<u>\$ 11,930,069</u>	<u>\$ 0</u>
Capital Improvements	205,000	205,000	0
TOTAL	<u><u>\$ 12,629,634</u></u>	<u><u>\$ 12,135,069</u></u>	<u><u>\$ 0</u></u>
FTE Positions	200.0	200.0	0.0
Unclassified Temp. Positions	88.0	88.0	0.0
TOTAL	<u><u>288.0</u></u>	<u><u>288.0</u></u>	<u><u>0.0</u></u>

Staff Note: Includes the amount approved by the 2002 Legislature and an unlimited reappropriation of FY 2002 State General Fund savings which exceeded the anticipated reappropriation by \$41,595. In addition, on August 15, 2002, the Governor imposed a State General Fund allotment (reduction) against executive branch agencies. The State General Fund allotment against this agency was \$285,009 or 2.3 percent. Additionally, the Governor approved allotments made on November 26, 2002, in the amount of \$494,565. However, that amount is not included in the agency's FY 2003 estimate.

Agency Estimate/Governor's Recommendation

The agency's estimated FY 2003 operating budget totals \$21,955,194, which is \$1,351,381 or 6.6 percent above the 2002 Legislature's approved funding. The State General Fund estimate is \$285,009 or 2.2 percent below FY 2003 approved expenditures due to the Governor's August 15th allotment package. Revised FY 2003 all other funds total \$9,530,560, which is \$1,636,390 (20.7 percent) above the approved amount due to the availability of additional federal grant funding. The number of FTE positions remain the same, while the number of other unclassified positions increase by 8.0 positions. The additional positions are due to the receipt of Community Oriented Policing Services (COPS) Program funding.

The Governor recommends an FY 2003 operating budget total of \$21,460,629, which is \$856,816 or 4.2 percent above the FY 2003 approved amount. State General Fund expenditures are reduced by \$779,574 (6.1 percent) due to allotments made on August 15th and November 26th of 2002. The Governor concurs with the agency's all other funds increase of \$1,636,390 and the increase in FTE and other unclassified positions.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

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SENATE SUBCOMMITTEE REPORT

Agency: Kansas Bureau of Investigation

Bill No.—

Bill Sec.—

Analyst: Waller

Analysis Pg. No. 378

Budget Page No. 273

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2004</u>	<u>Gov. Rec. FY 2004</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 19,556,058	\$ 17,546,018	\$ 0
Aid to Local Units	1,491,793	1,491,793	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 21,047,851	\$ 19,037,811	\$ 0
Capital Improvements	<u>305,000</u>	<u>210,000</u>	<u>0</u>
TOTAL	<u><u>\$ 21,352,851</u></u>	<u><u>\$ 19,247,811</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 13,635,235	\$ 11,625,195	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 13,635,235	\$ 11,625,195	\$ 0
Capital Improvements	<u>305,000</u>	<u>210,000</u>	<u>0</u>
TOTAL	<u><u>\$ 13,940,235</u></u>	<u><u>\$ 11,835,195</u></u>	<u><u>\$ 0</u></u>
FTE Positions	213.0	200.0	0.0
Non FTE Uncl. Perm. Pos.	<u>75.5</u>	<u>75.5</u>	<u>0.0</u>
TOTAL	<u><u>288.5</u></u>	<u><u>275.5</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency's FY 2004 operating budget request totals \$21,047,851, which is \$907,343 or 4.1 percent below the FY 2003 revised amount. The agency's requested operating total is comprised of \$13,635,235 from the State General Fund. This is an increase of \$1,210,601 or 9.7 percent above the FY 2003 State General Fund operating amount due mostly to the agency's enhancement request, which was offset slightly by the Governor's allotment reduction made during the current year. Requested expenditures from all other funds decrease by \$2,117,944 or 22.2 percent from the FY 2003 figure. The change is due to a reduction in federal grants. The agency's requested FY 2004 enhancement package totals \$1,467,135 (from the State General Fund). The agency's operating budget request includes:

- \$12,911,453 for salaries and wages.

- 213.0 FTE positions.
- \$5,251,106 for contractual services.
- \$884,197 for commodities.
- \$413,622 for capital outlay.
- \$95,680 for debt service interest.
- \$1,491,793 for aid to local units.

Absent the agency's FY 2004 enhancement request, expenditures total \$19,675,716. This is \$2,279,478 or 10.4 percent less than the current year.

The Governor recommends an operating budget total of \$19,037,811. This is decrease of \$2,422,818 or 11.3 percent below the FY 2003 recommendation. State General Fund expenditures decrease by \$304,874 or 2.6 percent mostly due to recommended resource reductions in salaries and wages and other operating expenses. Recommended all other funds decrease by \$2,117,944 or 22.2 percent from FY 2003 figures, due to a reduction in federal grants.

The Governor's operating budget recommendation includes:

- \$11,516,393 for salaries and wages.
 - 200.0 FTE positions.
- \$4,649,876 for contractual services.
- \$870,447 for commodities.
- \$413,622 for capital outlay.
- \$95,680 for debt service interest.
- \$1,491,793 for aid to local units.

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 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 \$2,491,522, for a State General Fund total amount of \$9,343,673 in FY 2004.**

Senate Subcommittee Recommendation

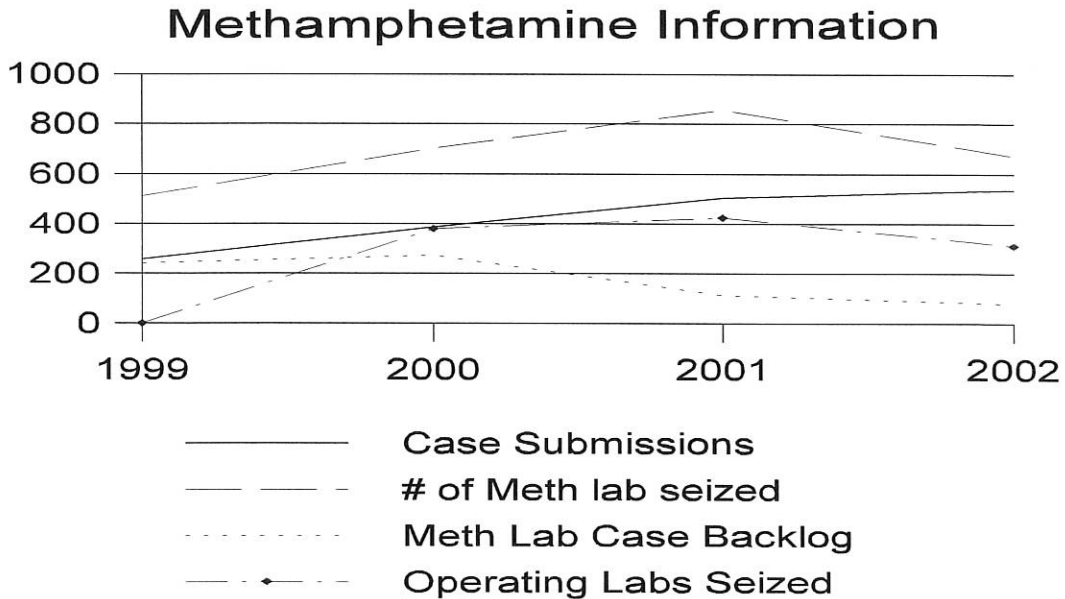
The Senate Subcommittee concurs with the Governor's recommendation, with the following notations:

1. The Senate Subcommittee would like to direct attention to the methamphetamine problem in Kansas. During agency testimony, the Subcommittee was informed that due to the access of federal funds, the KBI has had a greater ability to address the methamphetamine problem. Through the use of the Community Oriented Policing Services (COPS) grant funding, the agency was able to finance

additional laboratory positions. Of the 18 forensic chemists in the KBI, four are funded by the federal COPS grant (along with 1.0 laboratory assistant), and accounted for 22 percent of the total productivity according to the agency. Therefore, the agency was able to reduce the backlog of cases. Within the agency's FY 2004 budget, \$535,697 (from the State General Fund) and 13.0 FTE positions (including 6.0 FTE agents and 2.0 analysts along with the aforementioned laboratory personnel) were requested to continue to address the methamphetamine crisis in Kansas due to COPS funding ending in August of 2003. The agency directed specific attention to the number of admissions to treatment facilities in Kansas for methamphetamine usage to illustrate the growing number of users in Kansas.

<u>Fiscal year</u>	<u>Number Admitted</u>
1996	726
1997	991
1998	995
1999	798
2000	916
2001	1,160

The Subcommittee draws attention to the following chart in providing statistical information on methamphetamine issues.



The Subcommittee provides the aforementioned information to note that although great efforts have been made to curtail the manufacture, usage, and transportation of meth within Kansas, the problem will not be easily fixed. The Subcommittee does not add any additional funding to provide for salary and wage expenses

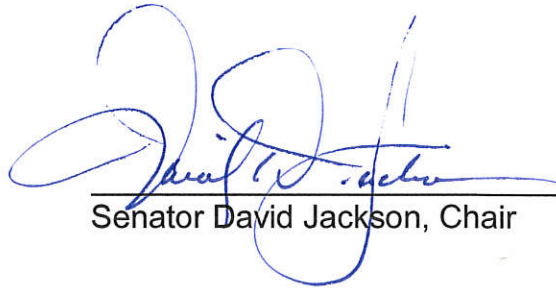
for laboratory scientists, but expresses concern as to the continuously growing meth problem in Kansas. The Subcommittee commends the agency for its use of federal grants to address the methamphetamine problem and would recommend a concurrent resolution be drafted and a letter written to the Kansas Congressional Delegation to encourage Congress to make available additional federal grants to prevent another explosive growth in methamphetamine production in Kansas.

2. The Subcommittee draws attention to the Department of Administration's (DOA) review of the Kansas Bureau of Investigation's use of state-owned vehicles. DOA posed questions relating to the use of state-owned vehicles by KBI personnel for official and alleged "personal" use. The Subcommittee notes that the agency had already implemented some regulatory procedures relating to the use of state-owned vehicles, and was informed that DOA and the KBI are continuing discussions regarding this issue. At a minimum, the Subcommittee recommends that costs incurred in turnpike use for personal transportation in agency vehicles to and from work be reimbursed to the agency.
3. The Senate Subcommittee recommends that the agency review other state statutes which make the possession of ingredients sufficient in quantities to manufacture methamphetamine a felony. Thereby, simplifying and accelerating the process, and reducing the necessity for chemical laboratory analysis.

FY 2003 and FY 2004

SENATE SUBCOMMITTEE REPORTS

Board of Emergency Medical Services
Sentencing Commission



Senator David Jackson, Chair



Senator Christine Downey

SENATE SUBCOMMITTEE REPORT

Agency: Board of Emergency Medical Services **Bill No. —**

Bill Sec.—

Analyst: Waller

Analysis Pg. No. 302

Budget Page No. 159

Expenditure Summary	Agency Estimate FY 2003	Gov. Rec. FY 2003	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 927,515	\$ 927,515	\$ 0
Aid to Local Units	0	0	0
Other Assistance	82,000	82,000	0
Subtotal - Operating	\$ 1,009,515	\$ 1,009,515	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 1,009,515	\$ 1,009,515	\$ 0
 State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 0	\$ 0	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 0	\$ 0	\$ 0
 FTE Positions			
FTE Positions	13.0	13.0	0.0
Unclassified Temp. Positions	1.0	1.0	0.0
TOTAL	14.0	14.0	0.0

Staff Note: On August 15, 2002, the Governor imposed a State General Fund allotment (reduction) against executive branch agencies. Although the State General Fund allotment against this agency was \$640 in Kansas Saving Incentive Program (KSIP) funding, the reduction was due to the shift in financing from State General Fund to fee funds.

Agency Estimate/Governor's Recommendation

The agency's estimated FY 2003 budget totals \$1,009,072, which is \$49,655 or 5.2 percent above the approved amount. The change can be attributed to funding being provided by the Kansas Department of Health and Environment to provide technical assistance to EMS agencies and networks through the Kansas Rural Health Options Project, and the amount of \$443 in federal funds deleted from the agency's FY 2003 estimate. Other unclassified positions are reduced by 1.0 due to the elimination of a vacant position by the agency.

The Governor concurs.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

Agency: Board of Emergency Medical Services **Bill No. —**

Bill Sec.—

Analyst: Waller

Analysis Pg. No. 302

Budget Page No. 159

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2004</u>	<u>Gov. Rec. FY 2004</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 791,474	\$ 840,205	\$ 51,269
Aid to Local Units	0	0	0
Other Assistance	77,500	77,500	0
Subtotal - Operating	<u>\$ 868,974</u>	<u>\$ 917,705</u>	<u>\$ 51,269</u>
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 868,974</u></u>	<u><u>\$ 917,705</u></u>	<u><u>\$ 51,269</u></u>
State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
FTE Positions	13.0	13.0	0.0
Unclassified Temp. Positions	0.0	1.0	0.0
TOTAL	<u><u>13.0</u></u>	<u><u>14.0</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency's FY 2004 operating budget request totals \$868,974, which is \$140,541 or 13.9 percent below the FY 2003 revised estimate. The agency is not financed with State General Fund monies due to the passage of 2002 Senate Sub. for S.B. 508 which provided the agency with .25 percent of fire insurance premium receipts collected by the Insurance Department. Additionally, the agency was granted direct access to its regulatory fees to finance agency operations. Requested all other fund expenditures decrease by \$140,098 due to the loss of federal funding which finances the Emergency Medical Services for Children Program. The agency does expect renewal of the grant during the FY 2004 budget year, and reduces its requested other unclassified positions by 1.0 due to the loss of those funds. Funding for Regional Councils remains unchanged from FY 2003.

The agency's operating budget request (with enhancements) includes:

- \$611,995 for salaries and wages.

- 13.0 FTE positions requested.
- \$168,909 for contractual services.
- \$10,570 for commodities.
- \$0 for capital outlay.
- \$77,500 for aid to local units (Regional Councils).

Absent requested FY 2004 enhancements, the agency's request totals \$858,974. This is a decrease of \$150,098 or 14.9 percent below FY 2003 estimates.

The Governor recommends an operating expenditure total of \$917,705, which is \$91,367 or 9.1 percent below the FY 2003 amount. The Governor recommends no State General Fund financed expenditures for the Board of EMS due to the passage of 2002 Senate Sub. for SB 508. Recommended all other funds are reduced due to the utilization of Rural Health Option Fund financing during the current year and the Governor's recommended transfer of \$51,269 from the EMS Operating Fund to the State General Fund. This was offset by the Governor's recommendation to grant the agency's enhancement request.

The Governor's operating budget recommendation includes:

- \$656,307 for salaries and wages.
 - 13.0 FTE positions recommended.
- \$205,597 for contractual services.
- \$29,570 for commodities.
- \$ 0 for capital outlay.
- \$77,500 for aid to local units (Regional Councils).
- A transfer of \$51,269 from the agency's fee fund to the State General Fund.

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 \$0.**

Senate Subcommittee Recommendation

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

1. The Subcommittee recommends the elimination of \$51,269 being transferred from the agency's operating expenditure limitation to the State General Fund. The Subcommittee directs attention to the number of volunteer personnel currently regulated by the Board of Emergency Medical Services, and the

recommendation to transfer revenue generated by Kansas citizens who perform emergency medical services solely on a volunteer basis. Additionally, the Subcommittee notes its concerns relating to any reduction in funding adversely affecting the rural areas of the state. Within *Governor's FY 2004 Budget Report*, \$10,000 (from the EMS Operating Fund) in enhancement financing was granted to the agency to finance a team of professional service providers to concentrate on providing services in western Kansas. The Board of EMS informed the Subcommittee that the western part of Kansas (approximately two thirds of the state) is under-served and does not have adequate resources to address the training needs of EMS providers. The Subcommittee believes that with an emphasis on ensuring that EMS practitioners in Western Kansas are provided with adequate training, any reduction in funding from the Board of EMS directly effects any effort to provide that training. The Subcommittee directs attention to the balance within the EMS Operating Services Fund (\$188,590), and states that any transfer to the State General Fund should occur directly from excess funds.

SENATE SUBCOMMITTEE REPORT

Agency: Sentencing Commission

Bill No. —

Bill Sec. —

Analyst: Waller

Analysis Pg. No. 364

Budget Page No. 375

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2003</u>	<u>Gov. Rec. FY 2003</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 754,635	\$ 737,145	\$ 0
Aid to Local Units	5,598,269	5,598,269	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 6,352,904</u>	<u>\$ 6,335,414</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 6,352,904</u></u>	<u><u>\$ 6,335,414</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	446,649	429,159	0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 446,649</u>	<u>\$ 429,159</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 446,649</u></u>	<u><u>\$ 429,159</u></u>	<u><u>\$ 0</u></u>
FTE Positions			
FTE Positions	10.0	10.0	0.0
Unclassified Temp. Positions	2.0	2.0	0.0
TOTAL	<u><u>12.0</u></u>	<u><u>12.0</u></u>	<u><u>0.0</u></u>

Staff Note: On August 15, 2002, the Governor imposed a State General Fund allotment (reduction) against executive branch agencies. The State General Fund allotment against this agency was \$10,163 or 2.2 percent. Additionally, the amount of \$17,490 reduced by the Governor's November 26, 2002, State General Fund allotment is not included in the agency's FY 2003 estimate.

Agency Estimate/Governor's Recommendation

The agency's estimated FY 2003 budget totals \$6,352,904. This is an increase of \$2,095,517 or 49.2 percent above the Legislature's approved funding. The State General Fund estimate is reduced by \$10,163 (2.2 percent) due to the Governor's August 15, 2002 State General Fund allotment package. All other funds increase from \$3,800,575 to \$5,906,255 (55.4 percent) from the approved amount. The increase can be attributed to additional criminal justice related federal grants.

*Senate Ways and Means
2-14-03
Attachment 5*

The Governor recommends an FY 2003 estimate of \$6,335,414. This is an increase of \$2,078,027 or 48.8 percent above the approved amount. State General Fund estimates decrease by \$27,653 (6.1 percent) due to the Governor's August 15 and November 26, 2002 allotment reductions. The Governor concurs with agency's FY 2003 all other funds estimate of \$5,906,255.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

Agency: Sentencing Commission

Bill No. - -

Bill Sec. - -

Analyst: Waller

Analysis Pg. No. 364

Budget Page No. 375

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2004</u>	<u>Gov. Rec. FY 2004</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	838,011	386,789	147,505
Aid to Local Units	3,622,050	340,000	0
Other Assistance	0	0	0
Subtotal - Operating	<u>4,460,061</u>	<u>726,789</u>	<u>147,505</u>
Capital Improvements	0	0	0
TOTAL	<u><u>4,460,061</u></u>	<u><u>726,789</u></u>	<u><u>147,505</u></u>
State General Fund:			
State Operations	486,605	316,935	167,311
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>486,605</u>	<u>316,935</u>	<u>167,311</u>
Capital Improvements	0	0	0
TOTAL	<u><u>486,605</u></u>	<u><u>316,935</u></u>	<u><u>167,311</u></u>
FTE Positions	10.0	9.0	(2.0)
Unclassified Temp. Positions	<u>2.0</u>	<u>2.0</u>	<u>(2.0)</u>
TOTAL	<u><u>12.0</u></u>	<u><u>11.0</u></u>	<u><u>(4.0)</u></u>

Agency Estimate/Governor's Recommendation

The agency's FY 2004 operating budget request totals \$4,460,061, which is \$1,892,843 or 29.8 percent below the FY 2003 estimate. Requested State General Fund expenditures increase by \$39,956 or 8.9 percent due mostly to the agency's requested enhancement package. All other funds decrease by \$1,932,799 or 32.7 percent. The decrease can be attributed to a reduction in federal aid to local unit expenditures (from \$5,598,269 to \$3,622,050) and partially to positions requested by the agency in enhancements.

The agency's operating budget request (with enhancements) includes:

- \$639,911 for salaries and wages
 - 12.0 FTE positions
- \$183,600 for contractual services
- \$11,500 for commodities

- \$3,000 for capital outlay
- \$3,622,050 for aid to local units

Absent the agency's requested FY 2004 enhancements, operating expenditures total \$4,396,770. This is a decrease of \$1,956,134 or 30.8 percent below the FY 2003 estimate.

The Governor recommends operating expenditures which total \$726,789. This is a decrease of \$5,608,625 or 88.5 percent below the revised FY 2003 recommendation. State General Fund expenditures decrease by \$112,224 or 26.1 percent due to the elimination of the CJIS Program Director. This is offset by additional salary and wage funding allocated to the Executive Director's position. All other funds decrease by \$5,496,401 or 93.1 percent. The change can be attributed to a reduction in other operating expenses and the transfer of federal grants received by the agency for criminal justice projects (passed to local law enforcement agencies) to the Governor's Office.

The Governor's operating budget recommendation includes:

- \$490,647 for salaries and wages
 - 9.0 FTE positions
- \$138,174 for contractual services
- \$11,500 for commodities
- \$3,000 for capital outlay
- \$340,000 for aid to local units
- \$256,532 in operating adjustment reductions, transferring this amount to the State General Fund.

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 \$66,721.**

Senate Subcommittee Recommendation

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

1. Due to the Governor's recommendation to transfer federal Byrne grants from the Sentencing Commission to the Governor's Office, the Subcommittee was informed of a reduction in agency operating funds. Within the *Governor's FY 2004 Budget Report*, Byrne Grant funding was transferred from the Sentencing Commission to the Governor's Office. However, due to the reliance on the

administrative portion of those funds to finance agency operations, the Sentencing Commission was unable to meet its obligations with the amount of financing recommended. Therefore, the Subcommittee adds \$147,505 (\$167,311 from the State General Fund) of additional funding needed by the agency in FY 2004. The Subcommittee notes that in transferring federal Byrne Grant administrative duties to the Governor's Office, personnel monitoring the grant can be financed by those federal funds in conjunction with regulations imposed by the Department of Justice. Therefore, releasing an amount of State General Fund financing to provide additional monies to the agency would be available. Therefore, the Subcommittee recommends the transfer of the remaining federal funds from the Sentencing Commission to the Governor's Office, not including the Statistical Analysis Center (SAC) grants, and reduces the number of authorized FTE positions, due to the recommended elimination of those duties.

The Subcommittee transfers the following to the Governor's Office: Local Law Enforcement Block Grant (LLEBG) funding which is encompassed by administrative funding in the amount of \$11,853 and grant funding of \$340,000; \$8,000 in administrative funding for the Residential Substance Abuse Treatment (RSAT) grant, along with grant funding in the amount of \$500,000; National Criminal Improvement Program (NCHIP) grant funding totaling \$50,000. Lastly, the Subcommittee recommends the elimination 4.0 positions (2.0 FTE and 2.0 other unclassified positions) due to the transfer of the federal funds.

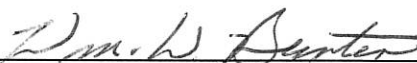
Staff Note: NCHIP and RSAT Grant funding are pass through grants to other state agencies and are therefore categorized as non-expense items to avoid counting those monies twice within the State's accounting system.

2. The Senate Subcommittee does not recommended the transfer of the Statistical Analysis Center (SAC) grant. The Kansas Criminal Justice Coordinating Council was awarded the grant by the Bureau of Justice Statistics (BJS) for the specific purpose of exploring the current sanctions of convicted drug offenders with substance abuse problems. Staff of the Kansas Sentencing Commission will compare current practices versus the changes resulting from the passage of 2003 S.B. 123. The collected and analyzed data would be presented in an incremental report to be completed in September 2003. If 2003 S.B. 123 does not pass, the agency would concentrate its efforts in providing BJS with statistical data on offenders currently in the correctional system.

FY 2003 and FY 2004

SENATE SUBCOMMITTEE REPORTS

**Kansas Highway Patrol
State Fire Marshal
Adjutant General**



Senator Bill Bunten, Chair

Senator Christine Downey

Senate Ways and Means
2-14-03
Attachment 6

SENATE SUBCOMMITTEE REPORT

Agency: Kansas Highway Patrol

Bill No. --

Bill Sec. --

Analyst: Waller

Analysis Pg. No. 335

Budget Page No. 187

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2003</u>	<u>Gov. Rec. FY 2003</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 51,356,868	\$ 51,356,868	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 51,356,868</u>	<u>\$ 51,356,868</u>	<u>\$ 0</u>
Capital Improvements	806,522	806,522	0
TOTAL	<u><u>\$ 52,163,390</u></u>	<u><u>\$ 52,163,390</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 26,223,821	\$ 13,111,909	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 26,223,821</u>	<u>\$ 13,111,909</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 26,223,821</u></u>	<u><u>\$ 13,111,909</u></u>	<u><u>\$ 0</u></u>
FTE Positions	823.8	823.8	0.0
Unclassified Temp. Positions	18.0	18.0	0.0
TOTAL	<u><u>841.8</u></u>	<u><u>841.8</u></u>	<u><u>0.0</u></u>

Staff Note: Within the *Governor's FY 2004 Budget Report* an imposed State General Fund allotment (reduction) against executive branch agencies on August 15, 2002. The State General Fund allotment against this agency was \$563,390 or 2.1 percent.

Agency Estimate/Governor's Recommendation

The agency's revised current year estimate for operating expenditures totals \$51,356,868, which is \$2,229,750 or 4.2 percent below the approved FY 2003 amount. The State General Fund estimate decreases by \$563,390 (2.1 percent) due to the Governor's allotment package. All other funds are estimated to decrease by \$1,666,360. The change is due to a reduction in special revenue funds utilized to finance expenses in various subprograms of the agency. The number of FTE positions within the agency's estimated FY 2003 budget remain the same as those approved by the 2002 Legislature.

The Governor concurs with the agency's request of \$51,356,868. However, the Governor recommends eliminating all State General Fund financing for the last half of the current year, and transfers \$13,111,909 from the State Highway Fund to cover operational costs.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

Agency: Kansas Highway Patrol

Bill No. --

Bill Sec. --

Analyst: Waller

Analysis Pg. No. 335

Budget Page No. 187

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2004</u>	<u>Gov. Rec. FY 2004</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 54,767,856	\$ 57,588,137	\$ (78,267)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 54,767,856</u>	<u>\$ 57,588,137</u>	<u>\$ (78,267)</u>
Capital Improvements	772,940	772,940	(201,733)
TOTAL	<u><u>\$ 55,540,796</u></u>	<u><u>\$ 58,361,077</u></u>	<u><u>\$ (280,000)</u></u>
State General Fund:			
State Operations	\$ 28,576,504	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 28,576,504</u>	<u>\$ 0</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 28,576,504</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
FTE Positions	823.8	823.8	0.0
Unclassified Temp. Positions	18.0	0.0	0.0
TOTAL	<u><u>841.8</u></u>	<u><u>823.8</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The **agency's operating budget request** totals \$54,767,856, which is \$3,410,988 or 6.6 percent greater than the FY 2003 revised estimate. Requested State General Fund expenditures total \$28,576,504 or 9.0 percent above the FY 2003 amount due mostly to the agency's enhancement package. Requested expenditures from special revenue funds increase by \$1,058,305 or 4.2 percent from the FY 2003 amount of \$25,133,047. The change is due to the increased use of special revenue funds to finance the current level of services. Also, the agency requests additional funds be transferred from the State Highway Fund (\$260,000) to finance operating expenditures.

The agency's operating budget request (with enhancements) includes:

- \$40,499,033 for salaries and wages
 - 823.8 FTE positions requested

- \$4,819,373 for contractual services
- \$3,205,635 for commodities
- \$5,839,645 for capital outlay
- \$404,170 for debt service interest payments

Absent requested FY 2004 enhancements, the agency's FY 2004 operating budget totals \$52,396,224 which is \$1,039,356 or 2.0 percent above the revised FY 2003 estimate.

The Governor recommends operating expenditures which total \$57,588,137, which is \$6,231,269 or 12.1 percent above the FY 2003 revised recommendation. State General fund expenditures are reduced to zero, due to Governor's recommendation to finance State General Fund expenditures through the State Highway Fund in FY 2004. Additionally, the Governor utilizes those funds to reduce the amount of shrinkage savings incurred by the agency in the requested year. The Governor also recommends that the Alcohol Beverage Control Program (ABC), which currently resides under the Secretary of Revenue, be transferred under the authority of the Superintendent of the Kansas Highway Patrol.

The Governor's operating budget request recommendation includes:

- \$42,558,937 for salaries and wages
 - 823.8 FTE positions recommended
- \$5,019,566 for contractual services
- \$3,221,153 for commodities
- \$6,384,311 for capital outlay
- \$404,170 for debt service interest payments

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 \$0.**

Senate Subcommittee Recommendation

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

1. The Senate Subcommittee recommends a reduction of \$280,000 in financing from the State Highway Fund to the Kansas Highway Patrol Operations Fund in FY 2004. To reduce the impact that the reduction would create, the Subcommittee eliminates the following expenditures: \$157,776 in capital improvement Motor Carrier Inspection repair and rehabilitation expenditures and debt service

payments on bonds authorized to be issued to redesign weigh stations and upgrade existing facilities in the amount of \$110,863. However, since the bonds have not been issued, debt service payments can be delayed. Lastly, the Subcommittee reduces Kansas Highway Patrol operating expenditures by \$11,361, to coincide with the overall reduction.

SENATE SUBCOMMITTEE REPORT

Agency: State Fire Marshal

Bill No. --

Bill Sec. --

Analyst: Waller

Analysis Pg. No. 314

Budget Page No. 165

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2003</u>	<u>Gov. Rec. FY 2003</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 3,343,472	\$ 3,343,472	\$ 0
Aid to Local Units	0	0	0
Other Assistance	310,350	310,350	0
Subtotal - Operating	<u>\$ 3,653,822</u>	<u>\$ 3,653,822</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 3,653,822</u></u>	<u><u>\$ 3,653,822</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
FTE Positions	46.0	46.0	0.0
Unclassified Temp. Positions	1.0	1.0	0.0
TOTAL	<u><u>47.0</u></u>	<u><u>47.0</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency's estimated FY 2003 operating budget totals \$3,653,822, which is \$110,972 or 3.1 percent above the Legislature's approved funding. The change can be attributed to federal Byrne grants money received to expand the explosives program within the Investigation Division.

The Governor concurs.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

Agency: State Fire Marshal

Bill No. --

Bill Sec. --

Analyst: Waller

Analysis Pg. No. 314

Budget Page No. 165

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2004</u>	<u>Gov. Rec. FY 2004</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 5,170,438	\$ 3,237,477	\$ 0
Aid to Local Units	0	0	0
Other Assistance	275,000	275,000	0
Subtotal - Operating	<u>\$ 5,445,438</u>	<u>\$ 3,512,477</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 5,445,438</u></u>	<u><u>\$ 3,512,477</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
FTE Positions	76.0	46.0	1.0
Unclassified Temp. Positions	0.0	1.0	(1.0)
TOTAL	<u><u>76.0</u></u>	<u><u>47.0</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency requests funding for FY 2004 operating expenditures of \$5,445,438 which is \$1,791,616 or 49.0 percent above the FY 2003 revised estimate. Funding for agency requests in FY 2004 is from the Fire Marshal Fee Fund (\$4,513,333), the Hazardous Material Program Fund (\$614,188), funding to reimburse local entities for hazardous material emergency response activities (\$250,000), monies distributed to local units to finance the purchase of carbon monoxide equipment (\$25,000 from the Fire Marshal Fee Fund), and federal funding in the amount of \$42,917. The increase between FY 2003 and FY 2004 (\$1,791,616) can be mainly attributed to the agency's enhancement package. The agency's FY 2004 enhancement package totaled \$1,753,486 from the Fire Marshal Fee Fund (including \$194,949 in Hazardous Material Program enhancements).

The agency's operating budget request (with enhancements) includes:

- \$3,599,798 for salaries and wages
 - 76.0 FTE positions
- \$1,040,089 for contractual services
- \$229,849 for commodities
- \$300,702 for capital outlay
- \$275,000 in other assistance

Absent requested FY 2004 enhancements, the agency's request totals \$3,691,952. This represents a increase of \$38,130 or 1.0 percent above the FY 2003 amount, and the number of FTE positions would remain unchanged.

The Governor recommends an operating budget of \$3,512,477, which is \$141,345 or 3.9 percent below the FY 2003 revised recommendation. The Governor funds expenditures for FY 2004 from the Fire Marshal Fee Fund (\$2,997,713), the Hazardous Materials Fund (\$419,239), funding to reimburse local entities for hazardous material emergency response activities (\$250,000), and monies distributed to local units to finance the purchase of carbon monoxide equipment (\$25,000 from the Fire Marshal Fee Fund). The decrease can be attributed to the transfer of \$179,475 from the Fire Marshal Fee Fund to the State General Fund and federal grant funding received during the current year. This was offset by increases in other operating expenses for travel, office supplies, and other services.

The Governor's operating budget recommendation includes:

- \$2,384,650 for salaries and wages
 - 46.0 FTE positions
- \$705,488 for contractual services
- \$169,812 for commodities
- \$157,002 for capital outlay
- \$275,000 in other assistance
- \$179,475 operating adjustment or reduction to reflect the transfer of that amount to the State General Fund.

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 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 \$0.**

Senate Subcommittee Recommendation

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

1. The Senate Subcommittee directs that all transfers from the Fire Marshal Fee Fund be made in two disbursements during FY 2004, with those dates being: July 1 and January 1, due to cash flow issues. However, the Subcommittee notes its concerns relating to the amount of Fire Marshal Fee Fund revenue being transferred out, especially funding directed to the State General Fund. The Subcommittee notes that \$1,900,000 will be transferred from the Fire Marshal Fee Fund to the State General Fund in FY 2003, in addition to the transfer being made to the Fire Service Training Commission at the University of Kansas (\$750,000) in FY 2003 and FY 2004. The transfer of these amounts increases the burden upon agency operating revenue, due to the decrease in fire insurance premium receipts from 1.25 to 1.0 percent with the passage of 2002 Senate Substitute for S.B. 508. The Subcommittee makes no change in transfers being made from the Fire Marshal Fee Fund, but notes that the agency will experience a negative cash balance in various months in FY 2003 and FY 2004. Fiscal adjustments by the Department of Administration Division of Accounts and Reports, in conjunction with the Division of Budget and Legislative Research, will be needed to ensure that the agency is able to operate during the current and requested years.
2. Due to a lawsuit initiated by a fire investigator, the court mandated that the Fire Marshal's Office rehire the fire investigator at her previous salary and wage level. The Governor's office granted the agency a permanent, unclassified position. However, the court order indicated "classified." Therefore, the Subcommittee recommends the 1.0 existing unclassified position be converted to a classified FTE position.

SENATE SUBCOMMITTEE REPORT

Agency: Adjutant General

Bill No. --

Bill Sec. --

Analyst: Waller

Analysis Pg. No. 279

Budget Page No. 1

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2003</u>	<u>Gov. Rec. FY 2003</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 21,544,505	\$ 21,396,888	\$ 12,000
Aid to Local Units	20,958,094	20,574,600	0
Other Assistance	71,185	71,185	0
Subtotal - Operating	<u>\$ 42,573,784</u>	<u>\$ 42,042,673</u>	<u>\$ 12,000</u>
Capital Improvements	263,117	263,117	0
TOTAL	<u><u>\$ 42,836,901</u></u>	<u><u>\$ 42,305,790</u></u>	<u><u>\$ 12,000</u></u>
State General Fund:			
State Operations	\$ 4,474,227	\$ 4,326,610	\$ 12,000
Aid to Local Units	5,270,430	4,886,936	0
Other Assistance	21,185	21,185	0
Subtotal - Operating	<u>\$ 9,765,842</u>	<u>\$ 9,234,731</u>	<u>\$ 12,000</u>
Capital Improvements	175,000	175,000	0
TOTAL	<u><u>\$ 9,940,842</u></u>	<u><u>\$ 9,409,731</u></u>	<u><u>\$ 12,000</u></u>
FTE Positions	215.0	215.0	0.0
Unclassified Temp. Positions	102.0	102.0	0.0
TOTAL	<u><u>317.0</u></u>	<u><u>317.0</u></u>	<u><u>0.0</u></u>

Staff Note: On August 15, 2002 the Governor imposed a State General Fund allotment (reduction) against executive branch agencies. The State General Fund allotment against this agency was \$203,620 or 2.0 percent. Additionally, an allotment amount approved by the Governor on November 26, 2002 in the amount of \$383,494 (State General Fund) is not included in the agency's FY 2003 estimate.

Agency Estimate/Governor's Recommendation

The revised FY 2003 agency estimate totals \$42,573,784, which is \$9,117,219 or 27.3 percent above the FY 2003 approved amount. The FY 2003 estimate includes \$9,765,842 from the State General Fund, which is \$74,753 or 0.8 percent below approved. The change is due to the Governor's imposed State General Fund allotment reduction of \$203,620, the agency's supplemental request of \$147,617, and a reduction of \$18,750 in State General Fund financing to match federal dollars due to an Air Force audit deeming the use of aircraft maintenance funds inappropriate. All other funds increase by \$9,191,972 over the approved amount. The increase can be attributed to

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additional funding needed to finance costs associated with the disasters that occurred in due to the ice storm in 2002. The agency also budgeted a supplemental request totaling \$147,617 from the State General Fund.

The Governor recommends an FY 2003 operating budget of \$42,042,673. This is \$8,586,108 or 25.7 percent above the approved amount. Recommended State General Fund expenses decrease by \$605,864 or 6.2 percent due to allotment reductions made on August 15 and November 26 of 2002, and the reduction of operation funding needed to cover costs associated with an audit conducted by the United States Air Force (from \$25,000 to \$6,250). The Governor concurs with the agency's all other funds amount.

Senate Subcommittee Recommendation

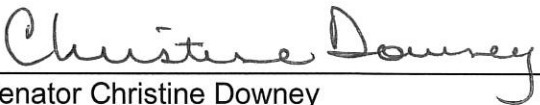
The Senate Subcommittee concurs with the Governor's recommendation, with the following adjustments:

1. The Senate Subcommittee adds \$12,000 (from the State General Fund) in FY 2003 due to an increase in insurance premiums. The Committee was informed that the Adjutant General's Office had previously charged vehicle accident repair costs to Federal/State Cooperative Agreements. However, the agency was informed that those repairs should not have been charged, nor will that practice be allowed to continue in the future.
2. The Senate Subcommittee recommends the repeal of K.S.A. 48-323. Currently, state law mandates the agency maintain fire and extended coverage insurance on armories. Subsequently, the insurance premiums on those policies have increased, thus placing the agency under greater fiscal burden. Although, the agency must continue to carry insurance on the armories as required by bond issuances, the Adjutant General's Office proposes to self insure the remaining armories. The Subcommittee did not recommend adding \$115,000 (from the State General Fund) to finance costs associated with an increase in extended coverage insurance on armories. However, a minority report has been included addressing the issue.

MINORITY REPORT

With the current fiscal outlook of the State General Fund, it is difficult to consider the addition of funds to particular state agencies. All agencies have had to face difficult situations during recent fiscal years, due to necessary reductions to the operating budgets. However, in the case of the Adjutant General, the agency has utilized its resources to maximize the utilization of federal funds, or its operating expenditure limitation to provide the citizens of Kansas with the needs demanded from the Adjutant General's Office. Within the agency's FY 2003 supplement budget, \$115,000 (from the State General Fund) was requested to cover an increase in insurance premium rates on armories currently being repaired and renovated with bond proceeds authorized by 2000 SB 326. Although, the Subcommittee recommends repealing the section that mandates the type of insurance to be carried, the law (if passed) would not provide the agency fiscal relief in FY 2003.

The \$115,000 premium increase for mandated insurance coverage for the armories will have to come from available armory maintenance and repair dollars. The available maintenance and repair funds have steadily decreased over the last four years from \$786,094 in FY 2000 to \$285,640 in FY 2003. The drastic reductions in maintenance and repair dollars have caused the agency to focus bond renovation funds to compensate for necessary critical repairs. There is a long list of backlogged work orders for necessary repairs in which only a handful can be accomplished with the available funds. If critical repairs are not completed soon, further expenditures will be needed to repair related damages. Therefore, I request that \$115,000 (from the State General Fund) be added to the agency's FY 2003 budget to cover those costs.



Senator Christine Downey

SENATE SUBCOMMITTEE REPORT

Agency: Adjutant General

Bill No. --

Bill Sec. --

Analyst: Waller

Analysis Pg. No. 279

Budget Page No. 1

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2004</u>	<u>Gov. Rec. FY 2004</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 22,317,217	\$ 21,463,635	\$ 12,000
Aid to Local Units	15,704,312	15,417,436	0
Other Assistance	4,519	4,519	0
Subtotal - Operating	<u>\$ 38,026,048</u>	<u>\$ 36,885,590</u>	<u>\$ 12,000</u>
Capital Improvements	664,785	304,785	0
TOTAL	<u><u>\$ 38,690,833</u></u>	<u><u>\$ 37,190,375</u></u>	<u><u>\$ 12,000</u></u>
State General Fund:			
State Operations	\$ 4,666,816	\$ 4,258,120	\$ 12,000
Aid to Local Units	981,259	694,383	0
Other Assistance	4,519	4,519	0
Subtotal - Operating	<u>\$ 5,652,594</u>	<u>\$ 4,957,022</u>	<u>\$ 12,000</u>
Capital Improvements	575,000	215,000	0
TOTAL	<u><u>\$ 6,227,594</u></u>	<u><u>\$ 5,172,022</u></u>	<u><u>\$ 12,000</u></u>
FTE Positions	222.0	215.0	0.0
Unclassified Temp. Positions	102.0	102.0	0.0
TOTAL	<u><u>324.0</u></u>	<u><u>317.0</u></u>	<u><u>0.0</u></u>

Staff Note: Within the *Governor's FY 2004 Budget Report*, the fiscal data submitted by the Division of Budget does not match numbers recalculated by the Kansas Legislative Research Department due to specific debt service and bonding proceeds being designated as capital improvement expenditures.

Agency Estimate/Governor's Recommendation

The agency's FY 2004 operating budget request totals \$38,026,048, which is \$4,547,736 or 10.7 percent below the revised FY 2003 estimate. Requested State General Fund expenditures total \$5,652,594. This is a decrease of \$4,113,248 or 42.1 percent below the estimated FY 2003 amount due mostly to State General Fund financed aid to local unit expenditures incurred during FY 2003 (\$5,488,000), the decrease of those costs in FY 2004, and the agency's requested enhancement package. Requested all other fund expenditures decrease by \$434,488 or 1.3 percent from the FY 2003 estimate due to federal disaster-related funding being expended during the current year.

The agency's operating budget request (with enhancements) includes:

- \$12,226,222 for salaries and wages
 - 222.0 FTE positions requested
- \$8,646,552 for contractual services
- \$1,118,552 for commodities
- \$23,000 for capital outlay
- \$15,704,312 for aid to local units
- \$4,519 for other assistance
- \$302,891 in debt service payments

Absent requested FY 2004 enhancements and FY 2003 supplementals, the agency's FY 2004 operating budget totals \$37,222,466m which is \$5,203,701 or 12.3 percent below the revised FY 2003 estimate, and the number of requested FTE positions would remain the same.

The Governor recommends operating expenditures which total \$36,885,590, which is \$5,157,083 or 12.3 percent below the revised FY 2003 recommendation. State General Fund expenditures decrease by \$4,277,709 or 46.3 percent due mostly to aid to local unit funding for the ice storm disaster that occurred in January/February of 2002. All other funds decrease by \$879,374 or 2.7 percent due to federal disaster related funding being expended during FY 2003.

The Governor's operating budget recommendation includes:

- \$11,819,702 for salaries and wages
 - 215.0 FTE positions recommended
- \$8,372,552 for contractual services
- \$1,103,552 for commodities
- \$0 for capital outlay
- \$15,417,436 for aid to local units
- \$4,519 for other assistance
- \$167,829 in debt service payments

Statutory Budget Submission

K.S.A. 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 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 \$1,088,804. The operating State General Fund amount would total \$4,083,218.**

Senate Subcommittee Recommendation

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

1. The Senate Subcommittee adds \$12,000 (from the State General Fund) in FY 2004 due to an increase in insurance premiums. The agency informed the Committee that previously the Adjutant General's Office had charged vehicle accident repair costs to Federal/State Cooperative Agreements. However, they were informed that those repairs should not have been charged, nor will the agency be allowed to maintain this practice in the future.
2. Technical Correction. The Subcommittee recommends the removal of non-expense bond proceeds from the Governor's FY 2004 recommendation. The Subcommittee notes that the agency has not been authorized to commence with the third issuance of bonds to repair and rehabilitate the statewide armories. The Subcommittee directs attention to 2000 SB 326, which sets forth the bond issuance, and the mandated appearance by the agency before the State Finance Council prior to any issuance. The Subcommittee notes that with the third issuance of armory bonds, approximately \$496,838 in debt service principal and interest would be needed to finance those expenditures.



Kathleen Sebelius,
Governor

STATE OF KANSAS
THE ADJUTANT GENERAL

2800 S.W. TOPEKA BLVD.
TOPEKA, KANSAS 66611-1287



Major General Greg Gardner,
Adjutant General

February 12, 2003

The Honorable Christine Downey
Senate Ways and Means Subcommittee
State Capital, Room 126-S
Topeka, KS 66612

Dear Senator Downey:

I am pleased to report a total of \$5,539,936.24 was obligated to complete Kansas Army National Guard projects during the 2002 calendar year including \$1,824,428.89 from the "Aging Armory" Renovation Bond funds and budgeted repair funds to repair, or improve our facilities. In accordance with legislative intent expressed in many committee hearings and in the language of the "Aging Armory" Bill, our agency sought non-state sources of funds and succeeded in obtaining \$3,665,507.35 in federal funds and \$50,000 in private funds to support our facility projects. The facility projects are listed below by property type and funding share (i.e., state, federal, local):

Facilities on Leased Property	100% Federal \$	Location
Construct Cold Storage Building	\$24,500.00	Ft. Leavenworth
Construct Sidewalk and Parking Lot Upgrade	185,308.00	Ft. Leavenworth
Install Electricity & Communications	216,000.00	Ft. Leavenworth
Access Control/Security System	23,611.00	Ft. Leavenworth
Construct Field Tactical Operations Sites	215,040.00	Ft. Leavenworth
Install Perimeter Fence	70,823.00	Ft. Leavenworth
Install Refrigerator/Freezer Bldg 1951	307,418.00	Ft. Leavenworth
Add Security Measures	303,279.00	Ft. Leavenworth
Construct Supply Bldg 1598	484,800.00	Ft. Riley
Repair Storage Compound, Bldg 1980	9,020.38	Ft. Riley
	\$1,839,799.38	
Facilities on State Property	100% Federal \$	Location
Add to Central Issue Facility, Bldg 210	279,703.00	Topeka
Add Air Conditioning, HQ & Barracks Bldgs	\$15,844.67	Salina
Construct Distance Learning Classroom	\$87,400.00	Hays
Construct Vehicle Wash Facility	228,405.00	Iola
	\$611,352.67	

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Other Facilities	State \$	Private*	Location
Drill Hall Air Conditioning	\$43,278.39	\$50,000.00	Kansas City

* Citizens Military Committee

Facilities on State Property	State \$	Federal \$	Location
Replace Carpet and Paint	\$24,630.75	\$73,892.25	Topeka
Metal Reroof	\$44,958.24	\$37,974.00	Cherryvale
Armory Renovation	522,727.81	36,108.68	Emporia
Armory Air Conditioning Upgrade	552,143.57	389,140.42	Kansas City
Metal Reroof	61,004.29	51,302.00	Lawrence
Metal Reroof	54,022.19	45,436.00	Norton
Armory Air Conditioning Upgrade	499,768.65	580,501.95	Topeka
Repair Storm Drainage	\$21,895.00	\$0	Topeka
	\$1,788,150.50	\$1,214,355.30	

In calendar year 2002, this agency obtained 67% of the funds to sustain, maintain or improve Kansas Army National Guard facilities from NON-STATE sources. In the last two years, we compensated for serious cuts in state budgeted maintenance funds (cuts of over 60% of our non-fixed costs) by focusing the first two issuances "Aging Armories" Renovation Bond funds on those needs.

By not including "approval of the FY 03 Bond Issuance" in the State Finance Council agenda (a statutory requirement of the "Aging Armories Bond Bill"), this agency is now in a "Catch 22". We were robbing Peter (Bond renovation funds) to pay Paul (budgeted maintenance funds), and now Peter left town. We CANNOT maintain our facilities even at the emergency repair level in the present situation. State Finance Council approval of the FY03 Bond Issuance will have NO financial impact on the state until FY 05.

Thank you and the members of the committee for their support.

Sincerely,


 Gregory B. Gardner
 Major General, Kansas Air National Guard
 The Adjutant General

Armory	Description	work that can be done in 90 days	work that can be done in 60 days	* O/H - Overhead
Abilene	Repair HVAC	\$ 50.00		
Abilene	Electrical Repair	\$ 130.00		
Atchison	Replace Supply Room Furnace	\$ 4,000.00		
Atchison	Plbg& Htg Repair	\$ 500.00	\$ 500.00	
Augusta	Replace DH Electrical Panel	\$ 5,000.00		
Bldg 605	Repair 2d floor shower plumbing	\$ 3,000.00		
Bldg 605	Replace HVAC Closed Loop W. Lines	\$ 2,500.00		
Bldg 605	Repair electrical services	\$ 230.00	\$ 230.00	
Bldg 605	Start-up for HVAC	\$ 700.00	\$ 700.00	
Burlington	Replace Furnace	\$ 4,000.00		
Burlington	Service O/H heating units	\$ 200.00	\$ 200.00	
Chanute	Replace Furnace	\$ 4,000.00		
Cherryvale	Lighting Upgrade	\$ 2,000.00	\$ 2,000.00	
Clay Center	Replace OH Door	\$ 2,500.00	\$ 2,500.00	Door is old and inoperable/unsafe
	Repair Plbg	\$ 2,500.00		
Concordia	Asphalt / Water Drainage Kitchen Side	\$ 4,000.00		
Council Grove	Replace OH Htr & Furnace	\$ 11,500.00	\$ 11,500.00	Replacement is needed asap
Dodge City	Replace OH Htr & Office Furnace	\$ 12,000.00		
	Replace OH Door	\$ 3,000.00	\$ 3,000.00	O/H door needs to br replaced
DOFE	Service HVAC	\$ 500.00	\$ 500.00	
Emporia	Regrade Driveway Approach	\$ 5,000.00		
Fort Scott	Replace Supply Room Furnace	\$ 12,000.00	\$ 12,000.00	Replacement is needed asap
Garden City	Replace Overhead doors	\$ 5,000.00	\$ 5,000.00	Door is inoperable
Hays	Replace Furnace	\$ 5,000.00		
Goodland	Maintenance Service on HVAC	\$ 250.00	\$ 250.00	
Hiawatha	Chemical Cleaner for Drains	\$ 204.20	\$ 204.20	
Hiawatha	Repair roof	\$ 70,000.00	\$ 70,000.00	Serious internal water damages
Hutchinson	HVAC Repair	\$ 1,000.00	\$ 1,000.00	
Hutchinson	Boiler Repair Parts	\$ 100.00	\$ 100.00	
Hutchinson	Range Hood Fire System Inspection	\$ 50.00		
Iola	Inspection of Backflow device	\$ 175.00	\$ 175.00	
Iola	HVAC Control Service Concract	\$ 697.00	\$ 697.00	
Kansas City	Keys for Key Control	\$ 150.00	\$ 150.00	
Kansas City	Replace Water Lines to Rest Rooms	\$ 3,000.00		
Kansas City	Plbg Repair	\$ 2,500.00	\$ 2,500.00	
Lawrence	Replace Furnace in Rear Office	\$ 3,000.00		
	Upgrade plbg	\$ 2,500.00		
Lenexa	Back-Flow Prevention Tests	\$ 195.00	\$ 195.00	
Liberal	Replace electrical panels	\$ 12,000.00		
	Upgrade plbg	\$ 2,500.00	\$ 2,500.00	Plumbing services lines deteriorated
Manhattan	Service Overhead Heaters	\$ 300.00	\$ 300.00	
	Replace electrical panels	\$ 12,000.00		
Mankato	Replace furnace	\$ 3,000.00		
Marysville	Replace Furnace	\$ 3,000.00		
Olathe	Boiler Start-Up	\$ 400.00	\$ 400.00	
Paola	Plbg Repairs	\$ 150.00		
Pratt	Plbg Repairs	\$ 500.00	\$ 500.00	
Pratt	Elect Repair	\$ 2,000.00	\$ 2,000.00	Repair elec services in assy hall
	Replace OH Heater & Furnace	\$ 14,000.00		

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Russell	Replace Supply Room Furnace	\$ 4,000.00		
Sabetha	Replace OH Heater & Furnace	\$ 12,000.00		
Salina East	Replace electrical panels	\$ 16,000.00		
Salina West	Inspect Range Hood Fire Sup	\$ 50.00	\$ 50.00	
SDB	Repair Chiller & Cooling Tower lines	\$ 190,000.00	\$ 190,000.00	Emergency repairs needed
Topeka	Replace key for Key Control	\$ 800.00	\$ 800.00	
Topeka	Repair Plumbing	\$ 1,500.00	\$ 1,500.00	
Topeka	Repair Firing Range Door	\$ 100.00	\$ 100.00	
State Warehouse	Repair roof	\$ 80,000.00		
Wichita South	Inspect Range Hood	\$ 103.50	\$ 103.50	
Wichita East	Replace electrical panels	\$ 14,000.00		
Wichita West	Electrical repairs	\$ 18,000.00		
Total		\$ 559,534.70	\$ 311,654.70	