

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 a.m. on February 10, 2004 in Room 514-S of the Capitol.

All members were present except:

Representative Bill Light- excused

Committee staff present:

Alan Conroy, Legislative Research
J. G. Scott, Legislative Research
Amy VanHouse, Legislative Research
Michele Alishahi, Legislative Research
Melissa Calderwood, Legislative Research
Amy Deckard, Legislative Research
Jim Wilson, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Nikki Feuerborn, Administrative Analyst
Shirley Jepson, Committee Secretary

Conferees appearing before the committee:

Henry Helgerson, Senator, State of Kansas
Shelby Smith, former Lieutenant Governor, State of Kansas

Others attending:

See Attached List.

- Attachment 1 Testimony by Shelby Smith, former Lieutenant Governor, State of Kansas
- Attachment 2 Budget recommendations from the Education Budget Committee for the School for the Blind, School for the Deaf, State Library, Kansas Arts Commission and State Historical Society

Representative McCreary moved to introduce legislation concerning unitizing oil leases. The motion was seconded by Representative Campbell. Motion carried.

Representation Feuerborn moved to introduce legislation relating to health care policy and partnership. The motion was seconded by Representative Ballard. Motion carried.

Hearing on HCR 5024 -Constitutional amendment to limit the duration of regular sessions of the Kansas legislature.

The Chair recognized J. G. Scott, Legislative Research Department, who explained that the resolution is a constitutional amendment that would limit the duration of the regular session of the Kansas Legislature, removing the existing limit of ninety days in even-numbered years. It places an eighty-eight days limit on the length of the regular session. It also would eliminate the two-thirds vote needed to extend the session, allowing in its place, a vote approved by a majority, to extend the session by a maximum of two days. In response to questions from the Committee, Mr. Scott stated that this bill does not apply to special sessions of the Legislature. The cost of a fully-staffed legislative day is approximately \$55,000.

Chairman Neufeld recognized Representative Pottorff, who presented comments in support of **HCR 5024**. Representative Pottorff felt that shortening the number of days of the legislative session would make the legislature more efficient and save additional money.

The Chair recognized Senator Henry Helgerson, who presented comments in support of **HCR 5024** stating that the Legislature works best when it has structure. Senator Helgerson recommended separating the discussion of session length and legislator's salaries. The Senator also recommended changing the format by receiving the Governor's budget recommendations at an earlier date in the session in order for work to begin

CONTINUATION SHEET

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE at 9:00 a.m. on February 10, 2004 in Room 514-S of the Capitol.

on the budget sooner than is now possible. During the question segment, the Committee voiced concern about legislators' obligation to the citizens of Kansas, allowing citizens to have more input in the legislative process. The Committee also voiced concern about exempt committees being allowed to introduce legislation at any date during the session which sometimes has led to not working proposed legislation until late in the session. In response to another question, the Senator stated that he did not know the cost of putting the constitutional amendment on the ballot.

The Chair recognized Shelby Smith, former Lieutenant Governor of Kansas, who presented written testimony in support of **HCR 5024** (Attachment 1). Responding to a question from the Committee with regard to statistical information statements contained in the presentation, Mr. Smith indicated that the information he presented was his opinion only. Mr. Smith noted that the resolution would have no effect on interim meetings. Mr. Smith also noted that he felt a special session should be limited specifically to the issue which initiated the call for the special session..

Chairman Neufeld closed the hearing on **HCR 5024**.

Representative Feuerborn, member of the House Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the School for the Blind for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004(Attachment 2). Motion was seconded by Representative Huebert. Motion carried.

Representative Feuerborn, member of the House Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the School for the Blind for FY 2005 and moved for the adoption of the Budget Committee recommendation with notations for FY 2005 (Attachment 2). Motion was seconded by Representative Shultz. Motion carried.

Responding to questions from the Committee, Representative Feuerborn stated that a 3% salary increase for teachers was included in the Governor's budget recommendation. With regard to the Budget Committee notation on the disparity between teachers salaries, Representative Feuerborn stated that the amount needed to correct this disparity, would be approximately \$300,000 total for the School for the Blind and the School for the Deaf. The Budget Committee has requested more information on this disparity. Representative Feuerborn did not have an estimate on the cost of the services provided to other school districts by the School for the Blind.

Representative Feuerborn, member of the House Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the School for the Deaf for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 2). Motion was seconded by Representative Shultz. Motion carried.

Representative Feuerborn, member of the House Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the School for the Deaf for FY 2005 and moved for the adoption of the Budget Committee recommendation with notations for FY 2005 (Attachment 2). Motion was seconded by Representative Huebert. Motion carried.

Representative Shultz, Chair of the House Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the State Library for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 2). Motion was seconded by Representative Feuerborn. Motion carried.

Representative Shultz, Chair of the House Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the State Library for FY 2005 and moved for the adoption of the Budget Committee recommendation with notation for FY 2005 (Attachment 2). Motion was seconded by Representative Feuerborn. Motion carried.

Representative McLeland, member of the House Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Arts Commission for FY 2004

CONTINUATION SHEET

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE at 9:00 a.m. on February 10, 2004 in Room 514-S of the Capitol.

and FY 2005 and moved for the adoption of the Budget Committee recommendations for FY 2004 and FY 2005 (Attachment 2). Motion was seconded by Representative Huebert.

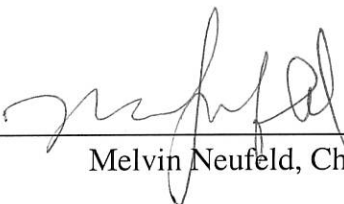
The Committee voiced concern about the \$35,000 reduction in state aid to local government as recommended in the Governor's budget. The Budget Committee indicated that they did not have discussion on this aspect of the budget.

Representative Shriver moved to amend the Budget Committee report by restoring the \$35,000 reduction in state aid to local government in the Governor's budget recommendation to the Kansas Arts Commission for FY 2005. The motion was seconded by Representative Klein. Motion carried.

Representative McLeland moved to renew the motion to adopt the Budget Committee recommendations on the Governor's budget recommendations for the Kansas Arts Commission for FY 2004 as presented and FY 2005 as amended. The motion was seconded by Representative Feuerborn. Motion carried.

Representative Huebert, member of the House Education Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the State Historical Society for FY 2004 and FY 2005 and moved for the adoption of the Budget Committee recommendations for FY 2004 and FY 2005 (Attachment 2). Motion was seconded by Representative Feuerborn. Motion carried.

The meeting was adjourned at 10:55 a.m. The next meeting of the Committee will be held at 9:00 a.m. on February 11, 2004.



Melvin Neufeld, Chair

Testimony

Shelby Smith

CONSTITUTIONAL LIMIT ON LENGTH OF LEGISLATIVE SESSIONS
House Concurrent Resolution No. 5024
Appropriations Committee
February 10, 2004

The proposal before you grew from a Legislative Coordinating Council's assigned study of a constitutional amendment to limit the length of legislative sessions. It would limit the Legislature to 88 calendar days with an extension of the session limited to a maximum of 2 days. The status quo means no constitutional limit on a session held in odd-numbered years, and no limit on extension of a 90-day constitutional session held in even-numbered years.

While I am no de facto fan of amendments, I can see the absolute necessity when it deals with the basic structure of government. Our shared American experience of federal, state, local government, has demonstrated time and again the value of constitutional structure.

Session creep is clear. The evidence supporting a long-range solution, a constitutional amendment, is compelling. The 17-day wrap-up session of the 123 day 2002 Kansas Legislature cost our state taxpayers about \$900,000 eclipsing the 1991 record of 103 days, \$700,000. But the record-setting sessions are not the exception. In the past 20 years, a 90-day session has only been achieved once. In 4 of those years, total calendar days have numbered 100 or higher. In the past 15 years, we have experienced 7 of the longest legislative sessions in Kansas history. All told, extended legislative sessions have cost taxpayers millions of dollars.

Even more chilling is the virus which eats at the heart of our electoral process, growing more anemic every day. We are losing fellow citizens from Atchison to Liberal who are willing to take a short-term leave from their homes and farms and ranches and businesses. The indefinite commitment of time to legislative sessions and the interim committee work (last year 28 committees, over 55 assigned topics, over 125 meeting days) is, understandably, affecting the willingness of Kansans to serve in Topeka. In the 2002 election, the House saw more than half of the body, 70 seats, go uncontested.

Additionally, the ill-conceived "wrap-up session" – formalized procrastination – is generating an utterly corrupt combination of subjects, unknown to the public and unknown to the caucuses of both the majority and minority parties, to wit: 540 provisos in last year's budget bill; 222 or 70 percent more than were included in budget bills 10 years ago. It is also important to note the futility of gubernatorial vetoes in curbing micromanagement provisos. (See Governor Sebelius and Governor Graves veto messages.)

Nine states have a full-time legislature. Twenty-eight of the 41 citizen legislatures in the United States have a constitutional limit on the length of legislative sessions. The National Conference of State Legislatures has determined that this is the most effective mechanism in preserving a citizen legislature.

As Kansans, as Americans, the ultimate power belongs to us, not to institutionalized bureaucracies, not to entrenched and myopic lobbies. Historically, never have voters in any state ... ever, ever ... turned down a constitutional amendment limiting the length of a part-time citizen legislature.

This amendment will help mold the Kansas of tomorrow. It deserves your complete support.

Footnote: Citizen legislatures are not defined by paid days, not by legislative days, not by journal days, not by days of the regular session, not by wrap-up days. Citizen legislatures are defined only in terms of calendar days.

HOUSE APPROPRIATIONS

DATE 2-10-2004
ATTACHMENT 1

FY 2004 and FY 2005

Education Budget Committee

School for the Blind
School for the Deaf
State Library
Kansas Arts Commission
State Historical Society



Representative Clark Shultz, Chair



Representative Carl Krehbiel



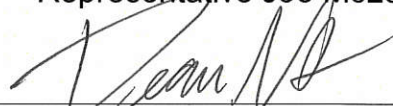
Representative Kathe Decker



Representative Joe McLeland



Representative Bill Feuerborn



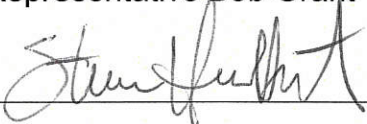
Representative Dean Newton



Representative Bob Grant



Representative Bill Reardon



Representative Steve Huebert

HOUSE APPROPRIATIONS

DATE 2-10-2004
ATTACHMENT 2

House Budget Committee Report

Agency: School for the Blind

Bill No.

Bill Sec.

Analyst: Deckard

Analysis Pg. No. 154

Budget Page No. 83

Expenditure Summary	Agency Estimate FY 04	Governor's Recommendation FY 04	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 4,943,801	\$ 4,943,801	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 4,943,801	\$ 4,943,801	\$ 0
Capital Improvements	207,741	130,151	0
TOTAL	\$ 5,151,542	\$ 5,073,952	\$ 0
State General Fund:			
State Operations	\$ 4,484,762	\$ 4,484,762	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 4,484,762	\$ 4,484,762	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 4,484,762	\$ 4,484,762	\$ 0
FTE Positions	93.5	93.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	93.5	93.5	0.0

Agency Estimate/Governor's Recommendation

The **agency** estimates FY 2004 operating expenditures at \$4,943,801, an increase of \$53,476 or 1.1 percent from the approved amount. The estimated State General Fund expenditures are \$4,484,762, the same amount that was approved by the 2003 Legislature. Special revenue fund expenditures are estimated at \$459,039, an increase of \$53,476, or 13.2 percent from the amount approved by the 2003 Legislature.

The **Governor** recommends operating expenditures of \$4,943,801 an increase of \$53,476 or 1.1 percent from the approved amount. The recommendation is the same as the agency's request.

House Budget Committee Recommendation

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

House Budget Committee Report

Agency: School for the Blind

Bill No.

Bill Sec.

Analyst: Deckard

Analysis Pg. No. 154

Budget Page No. 83

Expenditure Summary	Agency Request FY 05	Governor's Recommendation FY 05	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 5,104,201	\$ 5,020,829	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 5,104,201	\$ 5,020,829	\$ 0
Capital Improvements	146,230	142,460	0
TOTAL	\$ 5,250,431	\$ 5,163,289	\$ 0
State General Fund:			
State Operations	\$ 4,719,652	\$ 4,646,699	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 4,719,652	\$ 4,646,699	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 4,719,652	\$ 4,646,699	\$ 0
FTE Positions	93.5	93.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	93.5	93.5	0.0

Agency Request/Governor's Recommendation

The **agency** requests an FY 2005 operating expenditure limitation of \$5,104,201, an increase of \$160,400 or 3.2 percent from the FY 2004 estimate. The request includes \$4,719,652 State General Fund, an increase of \$234,890 or 5.2 percent from the FY 2004 estimate. In addition, the request includes \$384,549 in special revenue funds, a decrease of \$74,490 or 16.2 percent from the FY 2004 estimate.

The request includes two enhancement packages totaling \$104,169 State General Fund: restoration of one week of the extended school year at the cost of \$54,000 State General Fund and an equity pay increase for the teachers at the School for the Blind at a cost of \$50,169 State General Fund.

The **Governor** recommends operating expenditures of \$5,020,829 for FY 2005, an increase of \$77,028 or 1.6 percent from the FY 2004 recommendation. The recommendation is a decrease of \$83,372 or 1.6 percent from the agency's request. The Governor does recommend a reduction of \$43,928 State General Fund in salaries and wages. The Governor does not recommend the

inclusion of the agency's enhancement packages totaling \$104,169 State General Fund. In addition the Governor recommends a reduction of \$42,995 (\$29,673 State General Fund) for the BEST recommendations and the addition of \$107,720 (\$104,817 State General Fund) for the three percent state employee pay plan increase.

House Budget Committee Recommendation

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

1. The House Budget Committee requests that the agency investigate the possibility of membership in KAN-ED and benefits that could be derived from the association with this organization and report back to the Budget Committee prior to Omnibus.
2. The House Budget Committee notes that there is a disparity between teachers salaries at the local school districts and at the School for the Blind, and that even though this phenomenon has been historically true, that does not mean it is correct. The House Budget Committee feels strongly that this issue should be corrected and will review this issue again and present a funding mechanism to the House Committee prior to Omnibus. The House Budget Committee requests that the agency provide detailed salary levels for their teachers and a comparison to the current salary levels at local school districts.

House Budget Committee Report

Agency: School for the Deaf

Bill No.

Bill Sec.

Analyst: Deckard

Analysis Pg. No. 169

Budget Page No. 133

Expenditure Summary	Agency Estimate FY 04	Governor's Recommendation FY 04	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 7,893,458	\$ 7,893,458	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 7,893,458	\$ 7,893,458	\$ 0
Capital Improvements	1,127,197	1,101,663	0
TOTAL	\$ 9,020,655	\$ 8,995,121	\$ 0
State General Fund:			
State Operations	\$ 7,264,758	\$ 7,264,758	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 7,264,758	\$ 7,264,758	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 7,264,758	\$ 7,264,758	\$ 0
FTE Positions	169.9	173.5	0.0
Non FTE Uncl. Perm. Pos.	3.5	0.0	0.0
TOTAL	173.4	173.5	0.0

Agency Estimate/Governor's Recommendation

The **agency's** estimate for operating expenditures for FY 2004 is \$7,893,458, an increase of \$305,365 from the approved amount. The agency estimates \$7,264,758 in State General Fund expenditures, the same as the FY 2004 approved amount. The increase is attributable to the agency budgeting fee funds expenditures in the current year which were originally planned in FY 2003 but which did not occur do to anticipated funding reductions.

The agency's estimate for FTE positions was 3.6 FTE less than the approved amount. There was a corresponding increase of 3.5 Non-FTE Permanent Unclassified positions.

In addition, the agency is requesting capital improvements of \$1,127,197, the same as the approved amount. This includes \$564,274 in reappropriated capital improvement funds from the State Institutions Building Fund (SIBF).

The **Governor** recommends \$7,893,458 for FY 2004 operating expenditures, the same as the agency's estimate. The Governor recommends a reduction of \$25,534 in capital improvement funds from the State Institutions Building Fund. The Governor also makes a technical correction to the FTE request to bring it to 173.5 FTE positions.

House Budget Committee Recommendation

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

House Budget Committee Report

Agency: School for the Deaf

Bill No.

Bill Sec.

Analyst: Deckard

Analysis Pg. No. 169

Budget Page No. 133

Expenditure Summary	Agency Request FY 05	Governor's Recommendation FY 05	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 8,006,817	\$ 7,713,429	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 8,006,817	\$ 7,713,429	\$ 0
Capital Improvements	901,794	901,794	0
TOTAL	\$ 8,908,611	\$ 8,615,223	\$ 0
State General Fund:			
State Operations	\$ 7,652,186	\$ 7,382,250	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal-Operating	\$ 7,652,186	\$ 7,382,250	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 7,652,186	\$ 7,382,250	\$ 0
FTE Positions	169.9	173.5	0.0
Non FTE Uncl. Perm. Pos.	3.0	0.0	0.0
TOTAL	172.9	173.5	0.0

Agency Request/Governor's Recommendation

The **agency** requests an FY 2005 appropriation limitation for operating expenditures of \$8,006,817, an increase of \$113,359 or 1.4 percent from the FY 2004 estimate. The increase is attributable to two of the agency's enhancement packages: \$109,933 to decrease the salary and wage shrinkage rate from 5.1 percent to 3.5 percent; and \$121,386 to increase unclassified merit pay to achieve parity. The request includes a reduction in fee fund balances in FY 2005, due to using increased fee funds in FY 2004 to offset State General Fund reductions. The FY 2005 request reflects a return to more normal State General Fund expenditure patterns.

In addition, the agency submitted an enhancement request that the General Fees Fund be appropriated with a no-limit designation.

The agency is requesting capital improvements expenditures of \$901,794 from the State Institutions Building Fund (SIBF).

The **Governor** recommends \$7,713,429 for FY 2005 operating expenditures, a decrease of \$180,029 from the FY 2004 recommendation. The recommendation is a decrease of \$293,388 from the agency's request. The decrease is attributable to: the Governor not recommending two of the agency's enhancement packages totaling \$231,315 State General Fund; the reduction of \$107,850 (\$82,575 State General Fund) for the BEST recommendations; the reduction of \$102,100 State General Fund in reduced resources packages; a reduction of \$19,121 State General Fund for the vehicle moratorium; the reduction of \$4,813 State General Fund for a revised calculation; and the addition of \$171,811 (\$169,988 State General Fund) for the three percent state employee salary increase. The Governor also makes a technical correction to the FTE request to bring it to 173.5 FTE positions.

The **Governor** recommends FY 2005 capital improvement expenditures of \$901,794 from the State Institutions Building Fund (SIBF). The Governor does not recommend the \$100,000 land acquisition requested by the agency, but does increase the amount for the dorm renovation project by \$100,000 from the agency's request.

House Budget Committee Recommendation

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

1. The House Budget Committee requests that the agency investigate the possibility of membership in KAN-ED and benefits that could be derived from the association with this organization and report back to the Budget Committee prior to Omnibus.
2. The House Budget Committee notes that there is a disparity between teachers salaries at the local school districts and at the School for the Deaf, and that even though this phenomenon has been historically true, that does not mean it is correct. The House Budget Committee feels strongly that this issue should be corrected and will review this issue again and present a funding mechanism to the House Committee prior to Omnibus. The House Budget Committee requests that the agency provide detailed salary levels for their teachers and a comparison to the current salary levels at local school districts.

House Budget Committee Report

Agency: Kansas State Library

Bill No.

Bill Sec.

Analyst: Alishahi

Analysis Pg. No.

Budget Page No. 110

Expenditure Summary	Agency Estimate FY 04	Governor's Recommendation FY 04	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 4,924,294	\$ 4,924,294	\$ 0
Other Funds	1,594,832	1,594,832	0
TOTAL	\$ 6,519,126	\$ 6,519,126	\$ 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's** estimate for FY 2004 operating expenditures of \$6,519,126 is a decrease of \$5,460 (0.1 percent) from the approved budget. The State General Fund estimate of \$4,924,294 is consistent with the approved budget.

The **Governor's** recommendation for FY 2004 operating expenditures of \$6,519,126 is a decrease of \$5,460 (0.1 percent) from the approved budget. The State General Fund recommendation of \$4,924,294 is consistent with the approved budget. The Governor's recommendation is also consistent with the agency's FY 2004 estimate.

House Budget Committee Recommendations

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

House Budget Committee Report

Agency: Kansas State Library

Bill No.

Bill Sec.

Analyst: Alishahi

Analysis Pg. No.

Budget Page No. 110

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 8,774,429	\$ 4,954,803	\$ 0
Other Funds	1,594,832	1,598,020	0
TOTAL	\$ 10,369,261	\$ 6,552,823	\$ 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's** request for FY 2005 operating expenditures of \$10,369,261 is an increase of \$3,850,135 (59.1 percent) from the FY 2004 estimate. The State General Fund request of \$8,774,429 is an increase of \$3,850,135 (78.2) from the FY 2004 estimate. The agency's request includes three enhancement requests totaling \$3,818,30 from the State General Fund.

The **Governor's** recommendation for FY 2005 operating expenditures of \$6,552,823 is an increase of \$33,697 (0.5 percent) from the FY 2004 recommendation. The State General Fund recommendation of \$4,954,803 is an increase of \$30,509 (0.6 percent) from the FY 2004 recommendation. The Governor recommends a 3.0 percent base salary increase of \$30,609 (\$25,857 from the State General Fund), and a BEST reduction of \$28,717 (\$27,153 from the State General Fund) in contractual services. The Governor's recommendation is \$3,816,438 (36.8 percent) less than the agency's FY 2005 request; and does not include the three enhancement requests.

Under the Governor's FY 2005 **statutory budget recommendation**, the Governor's recommendation for the agency's budget would have to be reduced by an additional \$733,816.

House Budget Committee Recommendations

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

1. The House Budget Committee commends the agency for joining together with the KAN-ED Network, the Board of Regents libraries, and large urban public libraries in the state to purchase licenses to use research and education databases. The House Budget Committee encourages the State Library to include more agencies in its cooperative buying efforts.

House Budget Committee Report

Agency: Kansas Arts Commission

Bill No.

Bill Sec.

Analyst: Alishahi

Analysis Pg. No.

Budget Page No. 110

Expenditure Summary	Agency Estimate FY 04	Governor's Recommendation FY 04	House Budget Committee Adjustments
Operating Expenditures			
State General Fund	\$ 1,503,391	\$ 1,503,391	\$ 0
Other Funds	720,702	720,702	0
TOTAL	\$ 2,224,093	\$ 2,224,093	\$ 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's** estimate for FY 2004 operating expenditures of \$2,224,093 is an increase of \$226,933 (11.4 percent) from the approved budget. The State General Fund estimate of \$1,503,391 is a decrease of \$647 (0.04 percent) from the approved budget. In addition, the agency's estimate for all other funds operating expenditures of \$720,702 is an increase of \$227,580 (46.2 percent) from the approved budget. The increase in all other funds includes the agency's one-time withholding of 15.0 percent of federal grant funds from FY 2003 totaling \$225,757 that was carried forward to FY 2004 to soften the decrease in arts funding since FY 2002.

The **Governor's** recommendation for FY 2004 operating expenditures of \$2,224,093 is an increase of \$226,933 (11.4 percent) from the approved budget. The State General Fund recommendation of \$1,503,391 is a decrease of \$647 (0.04 percent) from the approved budget. The Governor's recommendation is consistent with the agency's FY 2004 estimate.

House Budget Committee Recommendations

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

House Budget Committee Report

Agency: Kansas Arts Commission

Bill No.

Bill Sec.

Analyst: Alishahi

Analysis Pg. No.

Budget Page No. 110

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,706,345	\$ 1,481,857	\$ 0
Other Funds	495,900	499,891	0
TOTAL	\$ 2,202,245	\$ 1,981,748	\$ 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's** request for FY 2005 operating expenditures of \$2,202,245 is a decrease of \$21,848 (1.0 percent) from the FY 2004 estimate. The State General Fund request of \$1,706,345 is an increase of \$202,954 (13.5 percent) from the FY 2004 estimate. In addition, the agency's request for all other funds operating expenditures of \$495,900 is a decrease of \$224,802 (31.2 percent) from the FY 2004 estimate. The agency's request includes three enhancement requests totaling \$196,067 from the State General Fund.

The **Governor's** recommendation for FY 2005 operating expenditures of \$1,981,748 is a decrease \$242,345 (10.9 percent) from the FY 2004 recommendation. The State General Fund recommendation of \$1,481,857 is a decrease of \$21,534 (1.4 percent) from the FY 2004 recommendation. The Governor recommends a 3.0 percent base salary increase of \$11,668 (\$7,585 from the State General Fund), and a BEST reduction of \$1,098 (\$1,006 from the State General Fund) in contractual services and commodities. The Governor's recommendation is \$220,497 (10.0 percent) less than the agency's FY 2005 request; and does not include the three enhancement requests.

Under the Governor's FY 2005 **statutory budget recommendation**, the Governor's recommendation for the agency's budget would have to be reduced by an additional \$219,466.

House Budget Committee Recommendations

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

House Budget Committee Report

Agency: State Historical Society

Bill No.

Bill Sec.

Analyst: Calderwood

Analysis Pg. No.

Budget Page No. 197

Expenditure Summary	Agency Estimate FY 04	Governor's Recommendation FY 04	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 6,742,015	\$ 6,742,015	\$ 0
Aid to Local Units	1,159,760	1,159,760	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 7,901,775	\$ 7,901,775	\$ 0
Capital Improvements	147,076	147,076	0
TOTAL	<u>\$ 8,048,851</u>	<u>\$ 8,048,851</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 5,426,453	\$ 5,426,453	\$ 0
Aid to Local Units	109,760	109,760	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 5,536,213	\$ 5,536,213	\$ 0
Capital Improvements	47,076	47,076	0
TOTAL	<u>\$ 5,583,289</u>	<u>\$ 5,583,289</u>	<u>\$ 0</u>
FTE Positions	136.5	136.5	0.0
Non FTE Uncl. Perm. Pos.	4.0	4.0	0.0
TOTAL	<u>140.5</u>	<u>140.5</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency's current year estimate for operating expenditures of \$7,901,775 is an increase of \$57,022 or 0.7 percent from the approved budget. The agency estimates State General Fund expenditures of \$5,536,213, an increase of \$2,161 from the approved budget. The State General Fund increase includes an unlimited reappropriation of \$2,161. Aid to local units was increased by \$30,000. Federal and fee fund revenue increased, primarily due to the Museum and Historic Sites charging an admission fee beginning in February 2003. The agency estimates FY 2004 capital improvements expenditures of \$147,076, including \$47,076 from the State General Fund, for emergency repairs and routine maintenance and special projects. The estimate includes an unlimited reappropriation of \$526 in rehabilitation and repair funds.

The Governor concurs with the agency estimates for operating expenditures and capital improvements.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2004.

House Budget Committee Report

Agency: State Historical Society **Bill No.** **Bill Sec.**

Analyst: Calderwood **Analysis Pg. No.** **Budget Page No. 197**

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 6,976,185	\$ 6,790,374	\$ 0
Aid to Local Units	1,159,760	1,159,760	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 8,135,945	\$ 7,950,134	\$ 0
Capital Improvements	649,255	125,000	0
TOTAL	\$ 8,785,200	\$ 8,075,134	\$ 0
State General Fund:			
State Operations	\$ 5,629,678	\$ 5,450,504	\$ 0
Aid to Local Units	109,760	109,760	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 5,739,438	\$ 5,560,264	\$ 0
Capital Improvements	649,255	125,000	0
TOTAL	\$ 6,388,693	\$ 5,685,264	\$ 0
FTE Positions	136.5	136.5	0.0
Non FTE Uncl. Perm. Pos.	4.0	4.0	0.0
TOTAL	140.5	140.5	0.0

Agency Estimate/Governor's Recommendation

The agency requests FY 2005 operating expenditures of \$8,135,945, an increase of \$234,170 or 3.0 percent from the revised current year estimate. The agency request includes \$5,739,438 in State General Fund expenditures, an increase of \$203,225 or 3.7 percent from the revised current year estimate. The request includes an enhancement request of \$61,000 from the State General Fund for computer and technology needs. The agency request includes \$5,252,876 for salaries and wages, an increase of \$156,150 or 3.1 percent from the current year estimate. Salaries and wages are adjusted to reflect the recommended benefits provided in the agency's budget instructions for FY 2005. The agency requests \$649,255 from the State General Fund for FY 2005 capital improvements. The request includes \$46,550 for routine maintenance and emergency repairs and an enhancement package of \$602,705 which includes routine maintenance and emergency repairs, ongoing work at the state's historic sites based on a three-year plan of rehabilitation and repair, signs and alarms to make the Museum compliant with the Americans With Disabilities Act, and development of a cyclical maintenance plan for the historic sites and the Kansas History Center.

The Governor recommends FY 2005 operating expenditures of \$7,950,134, an increase of \$48,359 or 0.6 percent from the current year recommendation. The recommendation includes \$5,560,264 from the State General Fund, an increase of \$24,051 or 0.4 percent from the current year recommendation. The recommendation is a decrease of \$185,811 from the FY 2005 agency request. The adjustments in the recommendation include \$195,808 in reduced resources, a decrease of \$55,818 in BEST reductions of agency OOE, and a 3.0 percent pay plan increase. The Governor did not recommend the enhancement request. The Governor recommends \$125,000 from the State General Fund to allow the agency to complete repair projects that have been delayed due to limited State General Fund financing during FY 2003 and FY 2004.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation for FY 2005.