

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Stephen Morris at 10:40 a.m. on March 11, 2004, in Room 123-S of the Capitol.

All members were present except:

Senator Bill Buntten- excused
Senator Nick Jordan- excused

Committee staff present:

Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Chief Fiscal Analyst, Kansas Legislative Research Department
Michele Alishahi, Kansas Legislative Research Department
Nicoletta Buonasera, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Robert Waller, Kansas Legislative Research Department
Norman Furse, Revisor of Statutes
Jill Wolters, Senior 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 2004 and FY 2005 were available to the committee.

Subcommittee budget reports on:

**Board of Emergency Medical Service (Attachment 1)
Sentencing Commission**

Subcommittee Chairman Jackson reported that the subcommittee on the Board of Emergency Medical Services concurs with the Governor's recommendation in FY 2004 with adjustments and concurs with the Governor's FY 2005 recommendations with adjustments.

Senator Jackson moved, with a second by Senator Helgerson, to amend the subcommittee report regarding FY 2005, Item No. 2, Bullet No. 2, to change the wording that in the event SB 351 passes, the \$200,000 for an Education Incentive Project would be reviewed at Omnibus. Motion carried on a voice vote.

Senator Buntten moved, with a second by Senator Downey, to adopt the subcommittee budget report on the Board of Emergency Medical Services in FY 2004 and FY 2005 as amended. Motion carried on a voice vote.

Subcommittee Chairman Jackson reported that the subcommittee on the Sentencing Commission concurs with the Governor's recommendation in FY 2004 and concurs with the Governor's FY 2005 recommendations with adjustments.

Senator Jackson moved, with a second by Senator Downey, to adopt the subcommittee budget report on the Sentencing Commission in FY 2004 and FY 2005. Motion carried on a voice vote.

CONTINUATION SHEET

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE at 10:40 a.m. on March 11, 2004, in Room 123-S of the Capitol.

Kansas Bureau of Investigation (Attachment 2)

Subcommittee member Senator Jackson reported that the subcommittee on the Kansas Bureau of Investigation concurs with the Governor's recommendation in FY 2004 with adjustment and concurs with the Governor's FY 2005 recommendations with notations.

Senator Barone moved, with a second by Senator Jackson, to amend the subcommittee report in FY 2004, Item No. 1, that the amount would be determined later would be certified by the Kansas Legislative Research Department and the Division of the Budget up to but not exceeding \$350,000. Motion carried on a voice vote.

Senator Jackson moved, with a second by Senator Barone, to adopt the subcommittee budget report on the Kansas Bureau of Investigation in FY 2004 and FY 2005 as amended. Motion carried on a voice vote.

Kansas Parole Board (Attachment 3)

Subcommittee member Senator Barone reported that the subcommittee on the Kansas Parole Board concurs with the Governor's recommendation in FY 2004 and concurs with the Governor's FY 2005 recommendations with adjustment and notations.

Senator Barone moved, with a second by Senator Jackson, to adopt the subcommittee budget report on the Kansas Parole Board in FY 2004 and FY 2005 as amended. Motion carried on a voice vote.

State Fire Marshal (Attachment 4)

Subcommittee member Senator Salmans reported that the subcommittee on the State Fire Marshal concurs with the Governor's recommendation in FY 2004 and concurs with the Governor's FY 2005 recommendations with adjustment and comment.

Senator Salmans moved, with a second by Senator Jackson, to adopt the subcommittee budget report on the State Fire Marshal in FY 2004 and FY 2005 as amended. Motion carried on a voice vote.

Adjutant General (Attachment 5)

Kansas Highway Patrol

Subcommittee member Senator Salmans reported that the subcommittee on the Adjutant General concurs with the Governor's recommendation in FY 2004 with adjustments and concurs with the Governor's FY 2005 recommendations with adjustments.

Senator Salmans moved, with a second by Senator Jackson, to adopt the subcommittee budget report on the Adjutant General in FY 2004 and FY 2005 as amended. Motion carried on a voice vote.

Subcommittee member Senator Salmans reported that the subcommittee on the Kansas Highway Patrol concurs with the Governor's recommendation in FY 2004 and concurs with the Governor's FY 2005 recommendations with adjustments. Senator Downey reported the Minority Report on the Kansas Highway Patrol.

Senator Downey moved, with a second by Senator Helgerson, to amend the subcommittee to remove the language in the report, Item No. 2, in FY 2005. Discussion followed.

Senator Adkins moved, with a second by Senator Kerr, to remove Item No. 2 in FY 2005 which is contingent on the pay plan being funded and obtain the document regarding how the Kansas Highway Patrol has done in the past. Motion carried on a voice vote.

CONTINUATION SHEET

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE at 10:40 a.m. on March 11, 2004, in Room 123-S of the Capitol.

Senator Adkins moved, with a second by Senator Jackson, to amend the subcommittee report with a paragraph saying that prior to Omnibus the agency is requested to report to the committee its plan to remediate the items raised in the Legislative Post Audit Report regarding hiring practices. Motion carried on a voice vote.

Senator Adkins moved, with a second by Senator Kerr, to amend the subcommittee report with to with explicit language to conform this subcommittee report with the subcommittee report on the Kansas Department of Transportation that the money would be shifted from the State Highway Fund to the State General Fund and then transferred to the Kansas Highway Patrol. Motion carried on a voice vote.

Senator Salmans moved, with a second by Senator Jackson, to adopt the subcommittee budget report on the Kansas Bureau of Investigation in FY 2004 and FY 2005 as amended. Motion carried on a voice vote.

The meeting adjourned at 11:30 a.m. The next meeting is scheduled for March 12, 2004.

SENATE WAYS AND MEANS COMMITTEE
GUEST LIST

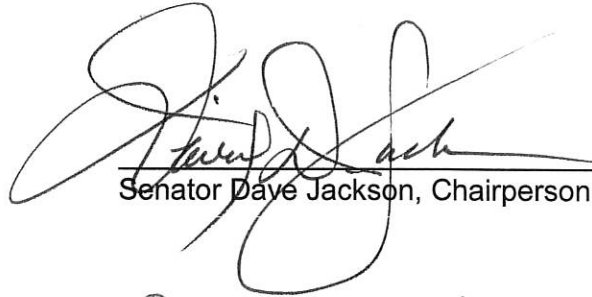
DATE March 11, 2004

NAME	REPRESENTING
Stedraue Buchanan	DOB
Julie Thomas	DOB
Ghan Erickson	DOB
Aaron Dunkel	Budget
ROBERT CHAPMAN	KDOT
Bunda Harmon	KSC
Jan Brasher	KSC
Patricia Biggs	KSC
George Carter	KSFM
Dan M'Laughlin	KSFM
WALT DARLING	HIGHWAY PATROL
WILLIAM R. SECK	HIGHWAY PATROL
Marsha Pappas	KBI
Kyle Smith	KBI
KRI THOMPSON	KBI
DAVID LAKE	KBEMS
Marilyn Sate	KPB
Colene Fischli	KDOC
Karen Walney	IPS
Mike Huffles	Ks. Govt. Consulting

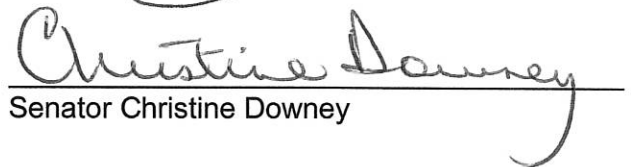
Senate Subcommittee Report

FY 2004-FY 2005

**Board of Emergency Medical Service
Sentencing Commission**



Senator Dave Jackson, Chairperson



Senator Christine Downey

HOUSE BUDGET COMMITTEE REPORT

Agency: Board of Emergency Medical Services **Bill No.** HB 2899

Bill Sec. 47

Analyst: Robert Waller

Analysis Pg. No. Vol. II, p. 1024

Budget Page No. 157

Expenditure Summary	Agency Estimate FY 2004	Gov. Rec. FY 2004	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 857,155	\$ 857,155	\$ 0
Aid to Local Units	39,267	39,267	0
Other Assistance	<u>77,500</u>	<u>77,500</u>	<u>0</u>
Subtotal - Operating	\$ 973,922	\$ 973,922	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 973,922</u></u>	<u><u>\$ 973,922</u></u>	<u><u>\$ 0</u></u>
FTE Positions	13.0	12.0	0.0
Unclassified Temp. Positions*	<u>0.0</u>	<u>1.0</u>	<u>0.0</u>
TOTAL	<u><u>13.0</u></u>	<u><u>13.0</u></u>	<u><u>0.0</u></u>

* Within the *Governor's Budget Report*, the Board of Emergency Medical Services Administrative position was inadvertently counted as a non-FTE permanent unclassified position.

Agency Estimate/Governor's Recommendation

The agency's estimated FY 2004 budget totals \$973,922, which is \$97,554 or 11.1 percent above the approved amount. The change can be attributed to KSIP expenditures and funding provided by the Kansas Department of Health and Environment to assist rural communities in completing a "Community Planning Guide" EMS Project through the Kansas Rural Health Options Project (\$37,878). The purpose of the project is to help those communities build a stronger EMS system in the State of Kansas. The agency also received a federal grant from the Department of Health and Human Services (Rural Access to Emergency Devices Act Grant) to place automated external defibrillators in rural areas of Kansas (\$27,039).

FY 2004 Supplemental Request. The current year estimate also includes \$17,075 for:

Rent and Computer Usage. The agency requests \$17,075 (from special revenue funds) to finance increased office, storage space, and computer usage costs associated with the agency's relocation to Landon State Office Building.

The Governor concurs.

Kansas Savings Incentive Program (KSIP) Expenditures

- \$5,000 for professional development training
- \$10,562 in updated computer parts and equipment

House Budget Committee Recommendation

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

House Committee Recommendations

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

SENATE SUBCOMMITTEE REPORT

Agency: Board of Emergency Medical Services

Bill No. SB 536

Bill Sec. -

Expenditure Summary	Agency Estimate FY 2004	Gov. Rec. FY 2004	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 857,155	\$ 857,155	\$ 0
Aid to Local Units	39,267	39,267	0
Other Assistance	<u>77,500</u>	<u>77,500</u>	<u>0</u>
Subtotal - Operating	\$ 973,922	\$ 973,922	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 973,922</u></u>	<u><u>\$ 973,922</u></u>	<u><u>\$ 0</u></u>
FTE Positions	13.0	12.0	1.0
Unclassified Temp. Positions*	<u>0.0</u>	<u>1.0</u>	<u>(1.0)</u>
TOTAL	<u><u>13.0</u></u>	<u><u>13.0</u></u>	<u><u>0.0</u></u>

* Within the Governor's Budget Report, the Board of Emergency Medical Services Administrative position was inadvertently counted as a non-FTE permanent unclassified position.

Agency Estimate/Governor's Recommendation

The agency's estimated FY 2004 budget totals \$973,922, which is \$97,554 or 11.1 percent above the approved amount. The change can be attributed to KSIP expenditures and funding provided by the Kansas Department of Health and Environment to assist rural communities in completing a "Community Planning Guide" EMS Project through the Kansas Rural Health Options Project (\$37,878). The purpose of the project is to help those communities build a stronger EMS system in the State of Kansas. The agency also received a federal grant from the Department of Health and Human Services (Rural Access to Emergency Devices Act Grant) to place automated external defibrillators in rural areas of Kansas (\$27,039).

FY 2004 Supplemental Request. The current year estimate also includes \$17,075 for:

Rent and Computer Usage. The agency requests \$17,075 (from special revenue funds) to finance increased office, storage space, and computer usage costs associated with the agency's relocation to Landon State Office Building.

The Governor concurs.

Senate Subcommittee Recommendation

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

1. Concur with Governor's Budget Amendment (GBA), No. 1, Page 6 and add 1.0 FTE position. The position was inadvertently reported as an other unclassified positions within the *Governor's FY 2005 Budget Report*.

HOUSE BUDGET COMMITTEE REPORT

Agency: Board of Emergency Medical Services **Bill No.** HB 2900

Bill Sec. 57

Analyst: Robert Waller

Analysis Pg. No. Vol. II, p. 1024

Budget Page No. 157

Expenditure Summary	Agency Request FY 2005	Gov. Rec. FY 2005	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 832,250	\$ 843,051	\$ 0
Aid to Local Units	259,834	259,834	0
Other Assistance	116,250	116,250	0
Subtotal - Operating	\$ 1,208,334	\$ 1,219,135	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 1,208,334	\$ 1,219,135	\$ 0
FTE Positions	13.0	12.0	0.0
Unclassified Temp. Positions*	0.0	1.0	0.0
TOTAL	13.0	13.0	0.0

* Within the *Governor's Budget Report* the Board of Emergency Medical Services Administrative position was inadvertently counted as a non-FTE permanent unclassified position.

Agency Request/Governor's Recommendation

The agency's FY 2005 operating budget request totals \$1,208,334, which is \$234,412 or 24.1 percent above the FY 2004 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 0.25 percent of fire insurance premium receipts collected by the Insurance Department. Additionally, the agency was granted direct access to regulatory fees to finance agency operations. The legislation sunsets at the end of FY 2004. The increase in agency operations can be attributed to the receipt of a grant from the Department of Health and Human Services to place automated external defibrillators in rural areas of Kansas, and the agency's enhancement package. The increase was partially offset by a reduction in capital outlay expenses.

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

- \$609,813 for salaries and wages
 - 13.0 FTE positions requested
- \$211,009 for contractual services
- \$10,678 for commodities
- \$750 for capital outlay
- \$116,250 for other assistance (Regional Councils)
- \$259,834 in aid to local units

Absent requested FY 2005 enhancements, the agency's request totals \$1,169,584. This is an increase of \$212,737 or 22.2 percent above FY 2004 estimates excluding the supplemental request.

The Governor recommends an operating expenditure total of \$1,219,135, which is \$245,213 or 25.2 percent above the FY 2004 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. The recommendation for all other funds increases due to the recommended 3.0 percent salary increase for state employees, a grant received by the agency to provide automated external defibrillators in rural areas of Kansas from the Department Health and Human Services, and the agency enhancement request.

Staff note: In Volume 1 of the Governor's Budget Report, **the Governor recommends the agency be converted to a biennial budget beginning in FY 2006-2007.**

The Governor's operating budget recommendation includes:

- \$626,254 for salaries and wages
 - 13.0 FTE positions recommended
- \$207,306 for contractual services
- \$9,491 for commodities
- \$ 0 for capital outlay
- \$259,834 for aid to local units
- \$116,250 in funding for the Regional Councils

House Budget Committee Recommendation

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

1. The House Budget Committee concurs with the Governor's recommendation to move the Board of Emergency Medical Services to a biennial budgetary cycle beginning in FY 2006.
2. The House Budget Committee concurs with the agency's proposal to move from four Regional Council to six regional councils to match current Advisory Committee on Trauma regions, Emergency Management Regions, and the Hospital Bio-terrorism preparedness regions. Also, the Committee encourages the Regional Councils to provide financial data to the Board of Emergency Medical Services and recommends the Board establish criteria for reporting regional activities to the Legislature through the current budgetary process.

House Committee Recommendations

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

SENATE SUBCOMMITTEE REPORT

Agency: Board of Emergency Medical Services

Bill No. SB 538

Bill Sec. 57

<u>Expenditure Summary</u>	<u>Agency Request FY 2005</u>	<u>Gov. Rec. FY 2005</u>	<u>Senate Subcommittee Adjustments**</u>
All Funds:			
State Operations	\$ 832,250	\$ 843,051	\$ 58,559
Aid to Local Units	259,834	259,834	200,000
Other Assistance	116,250	116,250	0
Subtotal - Operating	\$ 1,208,334	\$ 1,219,135	\$ 258,559
Capital Improvements	0	0	0
TOTAL	\$ 1,208,334	\$ 1,219,135	\$ 258,559
FTE Positions	13.0	12.0	1.0
Unclassified Temp. Positions*	0.0	1.0	(1.0)
TOTAL	13.0	13.0	0.0

* Within the *Governor's Budget Report*, the Board of Emergency Medical Services Administrative position was inadvertently counted as a non-FTE permanent unclassified position.

** Includes a reduction of \$16,441 (all from special revenue funds to reflect deletion of the Governor's recommended pay plan adjustments)

Agency Request/Governor's Recommendation

The agency's FY 2005 operating budget request totals \$1,208,334, which is \$234,412 or 24.1 percent above the FY 2004 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 0.25 percent of fire insurance premium receipts collected by the Insurance Department. Additionally, the agency was granted direct access to regulatory fees to finance agency operations. The legislation sunsets at the end of FY 2004. The increase in agency operations can be attributed to the receipt of a grant from the Department of Health and Human Services to place automated external defibrillators in rural areas of Kansas, and the agency's enhancement package. The increase was partially offset by a reduction in capital outlay expenses.

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

- \$609,813 for salaries and wages
 - 13.0 FTE positions requested
- \$211,009 for contractual services
- \$10,678 for commodities
- \$750 for capital outlay
- \$116,250 for other assistance (Regional Councils)
- \$259,834 in aid to local units

Absent requested FY 2005 enhancements, the agency's request totals \$1,169,584. This is an increase of \$212,737 or 22.2 percent above FY 2004 estimates excluding the supplemental request.

The Governor recommends an operating expenditure total of \$1,219,135, which is \$245,213 or 25.2 percent above the FY 2004 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. The recommendation for all other funds increases due to the recommended 3.0 percent salary increase for state employees, a grant received by the agency to provide automated external defibrillators in rural areas of Kansas from the Department Health and Human Services, and the agency enhancement request.

Staff note: In Volume 1 of the Governor's Budget Report, **the Governor recommends the agency be converted to a biennial budget beginning in FY 2006-2007.**

The Governor's operating budget recommendation includes:

- \$626,254 for salaries and wages
 - 13.0 FTE positions recommended
- \$207,306 for contractual services
- \$9,491 for commodities
- \$ 0 for capital outlay
- \$259,834 for aid to local units
- \$116,250 in funding for the Regional Councils

Senate Subcommittee Recommendation

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

1. Delete \$16,441 from the Emergency Medical Services Operating Fund, to remove pay plan funding recommended by the Governor (a 3.0 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. The Governor's FY 2005 recommendation includes a transfer of \$1,000,000 from the Emergency Medical Services operating fund to the State General Fund. The Senate Subcommittee recommends reducing that transfer by \$275,000, and increasing the agency FY 2005 expenditure limitation by that amount. The funding would be utilized as follows:
 - \$75,000 to initiate a Statewide Data Collection pilot project. One of the major challenges for EMS in Kansas is the scarcity of response data. The lack of statewide data collection makes answering even the most fundamental questions posed by the public and Legislators difficult, if not impossible. Many of the current challenges faced by EMS providers in Kansas could be more easily resolved with accurate and timely EMS response data. After testing the feasibility of electronically submitting EMS data from a sample of licensed ambulance services in the pilot program, the agency would be directed to present its data to the 2005 Legislature to discuss statewide implementation. The funding is contingent upon the agency appearing before the 2004 Legislature during Omnibus to present a detailed plan on provisions of the pilot project.

- \$200,000 for an Education Incentive Project. In conjunction with the provisions and passage of 2004 SB 351, the funding would be provided to help defray the cost of education and training for rural and primarily volunteer EMS agencies who have a documented shortage of personnel. Funds will be distributed through a grant process with grant guidance and awards being determined by the Board of EMS.
3. Concur with Governor's Budget Amendment (GBA), No. 1, Page 6 and adds 1.0 FTE position. The position was inadvertently reported as an other unclassified positions within the *Governor's FY 2005 Budget Report*.

HOUSE BUDGET COMMITTEE REPORT

Agency: Sentencing Commission

Bill No. - -

Bill Sec. - -

Analyst: Robert Waller

Analysis Pg. No. Vol. II - 1013 **Budget Page No.** 375

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2004</u>	<u>Gov. Rec. FY 2004</u>	<u>House Budget Committee Adjustments</u>
All Funds:			
State Operations	\$ 634,256	\$ 634,256	\$ 0
Aid to Local Units	4,057,130	4,057,130	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 4,691,386	\$ 4,691,386	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 4,691,386</u></u>	<u><u>\$ 4,691,386</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 534,243	\$ 534,243	\$ 0
Aid to Local Units	3,842,047	3,842,047	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 4,376,290	\$ 4,376,290	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 4,376,290</u></u>	<u><u>\$ 4,376,290</u></u>	<u><u>\$ 0</u></u>
FTE Positions	<u>7.0</u>	<u>7.0</u>	<u>0.0</u>
Unclassified Temp. Positions	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>
TOTAL	<u><u>10.0</u></u>	<u><u>10.0</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency's estimated FY 2004 budget totals \$4,691,386. This is an increase of \$274,309 or 6.2 percent above the Legislature's approved funding. The State General Fund estimate increases by \$9,213 (0.2 percent) due to re-appropriated balances carried forward from FY 2003. All other funds increase from \$50,000 to \$315,096 (530.2 percent) from the approved amount. The increase can be attributed to funding received as reimbursement from offenders participating in drug treatment programs under 2003 SB 123, and the agency's supplemental appropriation request. The number of FTE positions remains the same, while the number of non-FTE permanent unclassified positions increase due to the supplemental appropriation request.

FY 2004 Supplemental Appropriation Requests. The current year estimated supplemental appropriation request totals \$53,513:

Additional Positions. The agency requests \$53,513 (from special revenue funds) to finance 2.0 other unclassified positions. The first one will perform Juvenile Justice Authority projections (\$21,654). The funding is to be provided through a transfer from the Juvenile Justice Authority. The other unclassified position is an accountant (\$31,859) to be responsible for the substance abuse treatment provider payment and management process of 2003 SB 123. Funding is to be provided by the Department of Corrections from supervision dollars allocated for the provisions of SB 123.

The Governor concurs.

House Budget Committee Recommendation

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

House Committee Recommendations

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

SENATE SUBCOMMITTEE REPORT

Agency: Sentencing Commission

Bill No. - -

Bill Sec. - -

<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	\$ 634,256	\$ 634,256	\$ 0
Aid to Local Units	4,057,130	4,057,130	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 4,691,386	\$ 4,691,386	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 4,691,386</u></u>	<u><u>\$ 4,691,386</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 534,243	\$ 534,243	\$ 0
Aid to Local Units	3,842,047	3,842,047	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 4,376,290	\$ 4,376,290	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 4,376,290</u></u>	<u><u>\$ 4,376,290</u></u>	<u><u>\$ 0</u></u>
FTE Positions	7.0	7.0	0.0
Unclassified Temp. Positions	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>
TOTAL	<u><u>10.0</u></u>	<u><u>10.0</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency's estimated FY 2004 budget totals \$4,691,386. This is an increase of \$274,309 or 6.2 percent above the Legislature's approved funding. The State General Fund estimate increases by \$9,213 (0.2 percent) due to re-appropriated balances carried forward from FY 2003. All other funds increase from \$50,000 to \$315,096 (530.2 percent) from the approved amount. The increase can be attributed to funding received as reimbursement from offenders participating in drug treatment programs under 2003 SB 123, and the agency's supplemental appropriation request. The number of FTE positions remains the same, while the number of non-FTE permanent unclassified positions increase due to the supplemental appropriation request.

FY 2004 Supplemental Appropriation Requests. The current year estimated supplemental appropriation request totals \$53,513:

Additional Positions. The agency requests \$53,513 (from special revenue funds) to finance 2.0 other unclassified positions. The first one will perform Juvenile Justice Authority projections (\$21,654). The funding is to be provided through a transfer from the Juvenile Justice Authority. The

other unclassified position is an accountant (\$31,859) to be responsible for the substance abuse treatment provider payment and management process of 2003 SB 123. Funding is to be provided by the Department of Corrections from supervision dollars allocated for the provisions of SB 123.

The Governor concurs.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

HOUSE BUDGET COMMITTEE REPORT

Agency: Sentencing Commission

Bill No. HB 2900

Bill Sec. 58

Analyst: Robert Waller

Analysis Pg. No. Vol. II - 1013

Budget Page No. 375

<u>Expenditure Summary</u>	<u>Agency Request FY 2005</u>	<u>Gov. Rec. FY 2005</u>	<u>House Budget Committee Adjustments</u>
All Funds:			
State Operations	\$ 676,588	\$ 669,817	\$ 0
Aid to Local Units	6,136,849	5,651,549	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 6,813,437	\$ 6,321,366	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 6,813,437</u></u>	<u><u>\$ 6,321,366</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 544,967	\$ 543,647	\$ 0
Aid to Local Units	5,776,741	5,291,441	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 6,321,708	\$ 5,835,088	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 6,321,708</u></u>	<u><u>\$ 5,835,088</u></u>	<u><u>\$ 0</u></u>
FTE Positions	7.0	7.0	0.0
Unclassified Temp. Positions	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>
TOTAL	<u><u>10.0</u></u>	<u><u>10.0</u></u>	<u><u>0.0</u></u>

Agency Request/Governor's Recommendation

The agency's FY 2005 operating budget request totals \$6,813,437, which is \$2,122,051 or 45.2 percent above the FY 2004 estimate. Requested State General Fund expenditures increase by \$1,945,418 or 44.5 percent due to additional funding for 2003 SB 123. All other funds increase by \$176,633 or 56.1 percent. The increase can be attributed to an increase in funding received by the agency from offenders participating in the drug treatment programs under 2003 SB 123, and the agency's enhancement package.

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

- \$492,324 for salaries and wages
 - 7.0 FTE positions
- \$164,839 for contractual services
- \$11,425 for commodities
- \$8,000 for capital outlay
- \$6,136,849 for aid to local units

Absent the agency's requested FY 2005 enhancements, operating expenditures total \$6,731,816. This is an increase of \$2,093,943 or 45.1 percent above the FY 2004 estimate, with the exclusion of the supplemental package.

The Governor recommends operating expenditures which total \$6,321,366. This is an increase of \$1,629,980 or 34.7 percent above the revised FY 2004 recommendation. State General Fund expenditures increase by \$1,458,798 or 33.3 percent with the inclusion of full year funding for 2003 SB 123, and the Governor's recommended pay plan adjustments. All other funds increase by \$171,182 or 54.3 percent due to funding received by the agency from offenders participating in the drug treatment programs under 2003 SB 123, transfers from other state agencies, and the Governor's enhancement package. This is offset by slight reductions from BEST.

The Governor's operating budget recommendation includes:

- \$505,593 for salaries and wages
 - 7.0 FTE positions
- \$148,904 for contractual services
- \$10,320 for commodities
- \$5,000 for capital outlay
- \$5,651,549 for aid to local units

Fiscal Impact of 2003 SB 123. The following table shows the **FY 2005 request** of \$6,226,536 for implementing SB 123. **The Governor** recommends expenditures totaling \$5,741,239.

<u>Sentencing Commission</u> (includes enhancements)*	<u>State</u> <u>General Fund</u>	<u>All Other</u> <u>Funds</u>	<u>Total</u> <u>Agency Req.</u>
KSC - Treatment Grants Adm.	\$ 5,776,741	\$ 360,108	\$ 6,136,849
KSC - Net Admin./Evaluation	41,866	0	41,866
KSC - Accountant	0	47,824	47,824
TOTAL	\$ 5,818,607	\$ 407,932	\$ 6,226,539

<u>Governor's Recommendation</u>	<u>State</u> <u>General Fund</u>	<u>All Other</u> <u>Funds</u>	<u>Total</u> <u>Gov. Rec.</u>
KSC - Treatment Grants Adm.	\$ 5,291,441	\$ 360,108	\$ 5,651,549
KSC - Net Admin./Evaluation	41,866	0	41,866
KSC - Accountant	0	47,824	47,824
TOTAL	\$ 5,333,307	\$ 407,932	\$ 5,741,239

Under the Governor's FY 2005 statutory budget recommendation, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$864,188 or a State General Fund operating total of \$4,970,900.

House Budget Committee Recommendation

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

House Committee Recommendations

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

SENATE SUBCOMMITTEE REPORT

Agency: Sentencing Commission

Bill No. SB 538

Bill Sec. 58

<u>Expenditure Summary</u>	<u>Agency Request FY 2005</u>	<u>Gov. Rec. FY 2005</u>	<u>Senate Subcommittee Adjustments*</u>
All Funds:			
State Operations	\$ 676,588	\$ 669,817	\$ (13,269)
Aid to Local Units	6,136,849	5,651,549	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 6,813,437	\$ 6,321,366	\$ (13,269)
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 6,813,437</u></u>	<u><u>\$ 6,321,366</u></u>	<u><u>\$ (13,269)</u></u>
State General Fund:			
State Operations	\$ 544,967	\$ 543,647	\$ (13,269)
Aid to Local Units	5,776,741	5,291,441	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 6,321,708	\$ 5,835,088	\$ (13,269)
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 6,321,708</u></u>	<u><u>\$ 5,835,088</u></u>	<u><u>\$ (13,269)</u></u>
FTE Positions	<u>7.0</u>	<u>7.0</u>	<u>0.0</u>
Unclassified Temp. Positions	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>
TOTAL	<u><u>10.0</u></u>	<u><u>10.0</u></u>	<u><u>0.0</u></u>

* The entire reduction reflects deletion of the Governor's recommended pay plan adjustments.

Agency Request/Governor's Recommendation

The agency's FY 2005 operating budget request totals \$6,813,437, which is \$2,122,051 or 45.2 percent above the FY 2004 estimate. Requested State General Fund expenditures increase

by \$1,945,418 or 44.5 percent due to additional funding for 2003 SB 123. All other funds increase by \$176,633 or 56.1 percent. The increase can be attributed to an increase in funding received by the agency from offenders participating in the drug treatment programs under 2003 SB 123, and the agency's enhancement package.

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

- \$492,324 for salaries and wages
 - 7.0 FTE positions
- \$164,839 for contractual services
- \$11,425 for commodities
- \$8,000 for capital outlay
- \$6,136,849 for aid to local units

Absent the agency's requested FY 2005 enhancements, operating expenditures total \$6,731,816. This is an increase of \$2,093,943 or 45.1 percent above the FY 2004 estimate, with the exclusion of the supplemental package.

The Governor recommends operating expenditures which total \$6,321,366. This is an increase of \$1,629,980 or 34.7 percent above the revised FY 2004 recommendation. State General Fund expenditures increase by \$1,458,798 or 33.3 percent with the inclusion of full year funding for 2003 SB 123, and the Governor's recommended pay plan adjustments. All other funds increase by \$171,182 or 54.3 percent due to funding received by the agency from offenders participating in the drug treatment programs under 2003 SB 123, transfers from other state agencies, and the Governor's enhancement package. This is offset by slight reductions from BEST.

The Governor's operating budget recommendation includes:

- \$505,593 for salaries and wages
 - 7.0 FTE positions
- \$148,904 for contractual services
- \$10,320 for commodities
- \$5,000 for capital outlay
- \$5,651,549 for aid to local units

Fiscal Impact of 2003 SB 123. The following table shows the **FY 2005 request** of \$6,226,536 for implementing SB 123. **The Governor** recommends expenditures totaling \$5,741,239.

<u>Sentencing Commission</u> (includes enhancements)*	<u>State</u> <u>General Fund</u>	<u>All Other</u> <u>Funds</u>	<u>Total</u> <u>Agency Req.</u>
KSC - Treatment Grants Adm.	\$ 5,776,741	\$ 360,108	\$ 6,136,849
KSC - Net Admin./Evaluation	41,866	0	41,866
KSC - Accountant	0	47,824	47,824
TOTAL	\$ 5,818,607	\$ 407,932	\$ 6,226,539

<u>Governor's Recommendation</u>	<u>State</u> <u>General Fund</u>	<u>All Other</u> <u>Funds</u>	<u>Total</u> <u>Gov. Rec.</u>
KSC - Treatment Grants Adm.	\$ 5,291,441	\$ 360,108	\$ 5,651,549
KSC - Net Admin./Evaluation	41,866	0	41,866
KSC - Accountant	0	47,824	47,824
TOTAL	\$ 5,333,307	\$ 407,932	\$ 5,741,239

Under the Governor's FY 2005 statutory budget recommendation, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$864,188 or a State General Fund operating total of \$4,970,900.

Senate Subcommittee Recommendation

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

1. Delete \$13,269 from the State General Fund, to remove pay plan funding recommended by the Governor (a 3.0 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. The Subcommittee notes its concern relating to the collection of reimbursement dollars from offenders participating in the provisions of 2003 SB 123. Within the *Governor FY 2005 Budget Report*, \$360,108 was anticipated to be received from offenders. However, during testimony, the Subcommittee was informed that since November 1, 2003 no offenders have provided reimbursement funds to the Sentencing Commission nor have insurance proceeds been received. The Subcommittee is concerned that the State is not receiving its share of monies that it is owed from offenders. This may be due to those funds first going to reimburse judicial costs, providing restitution, or other costs. The Senate Subcommittee directs the agency to report back by Omnibus on the status of offender reimbursement moneys and to recommend procedures that can be instituted to ensure that insurance proceeds are identified and collected.
3. The Subcommittee notes the Governor's recommendation is a reduction of \$485,300 from the agency's requested amount of \$5,776,741 relating to funding

to finance the provisions of 2003 SB 123. Subsequent to the agency budget submission in September, three events occurred which support adjustments recommended by the Governor. Those being:

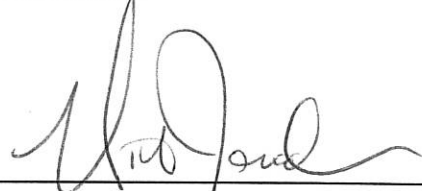
- a. Initial FY 2004 budget allocations were based on the idea that any offender sentenced on or after November 1, 2003 met the criteria for placement into treatment under the provisions of the bill. A reinterpretation resulted in the application of the bill's provisions to those offenders whose offense was on or after July 1, 2003 but who were sentenced *on or after November 1, 2003*. This resulted in a decrease in the number of offenders eligible for treatment.
- b. Timing of assessments was moved to the pre-sentence (post-convictions) phase of court proceedings, instead of occurring after a 2003 SB 123 sentence is imposed. This increases the number of offenders who may go through evaluation services, at a cost-cap of \$200 per occurrence.
- c. The number of eligible offenders increased from a total of 1,421 in calendar year (CY) 2002 to 1,827 based on FY 2003 data.
 - i. Based on CY 2002 data, and under the old interpretation, 966 of the 1421 eligible offenders were assumed to be treatment-bound in FY 2004.
 - ii. Based on FY 2003 data, and under the new interpretation, 844 of the 1827 eligible offenders are now assumed to be treatment-bound in FY 2004.

The Subcommittee offers the information to provide Senate Ways and Means Committee members with more detailed information relating to the Governor's recommended adjustments.

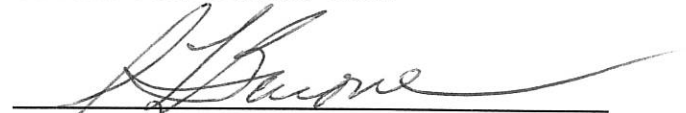
SENATE SUBCOMMITTEE REPORT

FY 2004 and FY 2005

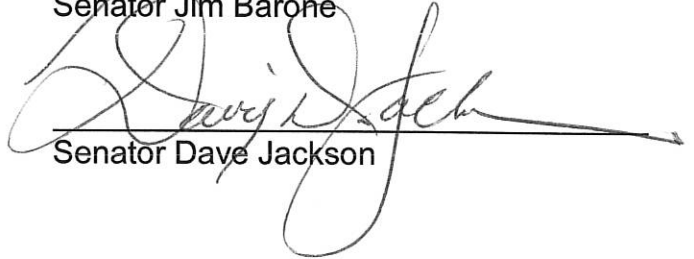
KANSAS BUREAU OF INVESTIGATION



Senator Nick Jordan, Chair



Senator Jim Barone



Senator Dave Jackson

HOUSE BUDGET SUBCOMMITTEE REPORT

Agency: Kansas Bureau of Investigation

Bill No. HB 2899

Bill Sec. - -

Analyst: Robert Waller

Analysis Pg. No. Vol. II-995

Budget Page No. 271

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2004</u>	<u>Gov. Rec. FY 2004</u>	<u>House Budget Committee Adjustments</u>
All Funds:			
State Operations	\$ 20,002,919	\$ 20,002,919	\$ 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	\$ 21,494,712	\$ 21,494,712	\$ 0
Capital Improvements	<u>210,000</u>	<u>210,000</u>	<u>0</u>
TOTAL	<u><u>\$ 21,704,712</u></u>	<u><u>\$ 21,704,712</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 11,705,118	\$ 11,705,118	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 11,705,118	\$ 11,705,118	\$ 0
Capital Improvements	<u>210,000</u>	<u>210,000</u>	<u>0</u>
TOTAL	<u><u>\$ 11,915,118</u></u>	<u><u>\$ 11,915,118</u></u>	<u><u>\$ 0</u></u>
FTE Positions			
FTE Positions	200.0	200.0	0.0
Unclassified Temp. Positions	<u>97.0</u>	<u>97.0</u>	<u>0.0</u>
TOTAL	<u><u>297.0</u></u>	<u><u>297.0</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency's estimated FY 2004 operating budget totals \$21,494,712, which is \$2,350,326 or 12.3 percent above the 2003 Legislature's approved funding. While the State General Fund estimate remains the same as the approved amount, revised all other funds increase by \$2,350,326 due to the availability of additional federal grant funding. The number of FTE positions remains the same, while the number of non-FTE temporary unclassified positions increases by 21.5 positions. The additional positions are due to the reassignment of FTE scientist positions to non-FTE permanent positions to provide a salary increase. Non-FTE permanent unclassified positions are not subject to salary constraints imposed by the salary grid for state employees.

The Governor concurs.

House Budget Committee Recommendation

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

1. The House Budget Committee recommends establishment of a Kansas Bureau of Investigation Motor Vehicle Fund with an expenditure limitation of \$350,000 in FY 2004. During testimony, the agency informed the Committee that with the Governor's recommendation to eliminate the Department of Administration's motor pool, the agency had budgeted \$350,000 to pay for costs associated with leasing those vehicles. To enable the KBI maintain a viable fleet of vehicles to be used for enforcement operations, the House Budget Committee proposes to create a vehicle acquisition and resale program similar to the program active within the Kansas Highway Patrol, and utilize the resale of vehicle proceeds and operating funds to finance the program. However, the Committee notes that no additional funding stream outside the reselling of vehicles is recommended to finance the program.

House Committee Recommendations

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

SENATE SUBCOMMITTEE REPORT

Agency: Kansas Bureau of Investigation

Bill No. SB 536

Bill Sec. - -

<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	\$ 20,002,919	\$ 20,002,919	\$ 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	\$ 21,494,712	\$ 21,494,712	\$ 0
Capital Improvements	<u>210,000</u>	<u>210,000</u>	<u>0</u>
TOTAL	<u><u>\$ 21,704,712</u></u>	<u><u>\$ 21,704,712</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 11,705,118	\$ 11,705,118	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 11,705,118	\$ 11,705,118	\$ 0
Capital Improvements	<u>210,000</u>	<u>210,000</u>	<u>0</u>
TOTAL	<u><u>\$ 11,915,118</u></u>	<u><u>\$ 11,915,118</u></u>	<u><u>\$ 0</u></u>
FTE Positions	200.0	200.0	0.0
Unclassified Temp. Positions	<u>97.0</u>	<u>97.0</u>	<u>0.0</u>
TOTAL	<u><u>297.0</u></u>	<u><u>297.0</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency's estimated FY 2004 operating budget totals \$21,494,712, which is \$2,350,326 or 12.3 percent above the 2003 Legislature's approved funding. While the State General Fund estimate remains the same as the approved amount, revised all other funds increase by \$2,350,326 due to the availability of additional federal grant funding. The number of FTE positions remains the same, while the number of non-FTE permanent unclassified positions increases by 21.5 positions. The additional positions are due to the reassignment of FTE scientist positions to non-FTE permanent positions to provide a salary increase. Non-FTE permanent unclassified positions are not subject to salary constraints imposed by the salary grid for state employees.

The Governor concurs.

Senate Subcommittee Recommendation

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

1. The Senate Subcommittee recommends the establishment of a Kansas Bureau of Investigation Motor Vehicle Fund with an expenditure limitation of \$350,000 in FY 2005. During testimony, the agency informed the Subcommittee that with the Governor's recommendation to eliminate the Department of Administration's motor pool, the agency had budgeted \$350,000 to pay for costs associated with leasing those vehicles. To enable the KBI to maintain a viable fleet of vehicles to be used for enforcement operations, the Senate Subcommittee proposes to create a vehicle acquisition and resale program similar to the program active within the Kansas Highway Patrol, and utilize the resale of vehicle proceeds and operating funds to finance the program. However, the Subcommittee notes that no additional funding stream outside the reselling of vehicles is recommended to finance the program.

HOUSE BUDGET SUBCOMMITTEE REPORT

Agency: Kansas Bureau of Investigation

Bill No. HB 2900

Bill Sec. 56

Analyst: Robert Waller

Analysis Pg. No. Vol. II-995

Budget Page No. 271

<u>Expenditure Summary</u>	<u>Agency Request FY 2005</u>	<u>Gov. Rec. FY 2005</u>	<u>House Budget Committee Adjustments</u>
All Funds:			
State Operations	\$ 20,211,661	\$ 18,658,420	\$ 0
Aid to Local Units	800,000	800,000	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 21,011,661</u>	<u>\$ 19,458,420</u>	<u>\$ 0</u>
Capital Improvements	1,375,000	230,000	0
TOTAL	<u><u>\$ 22,386,661</u></u>	<u><u>\$ 19,688,420</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 13,769,068	\$ 12,242,058	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 13,769,068</u>	<u>\$ 12,242,058</u>	<u>\$ 0</u>
Capital Improvements	1,375,000	230,000	0
TOTAL	<u><u>\$ 15,144,068</u></u>	<u><u>\$ 12,472,058</u></u>	<u><u>\$ 0</u></u>
FTE Positions	215.0	200.0	0.0
Unclassified Temp. Positions	89.0	89.0	0.0
TOTAL	<u><u>304.0</u></u>	<u><u>289.0</u></u>	<u><u>0.0</u></u>

Agency Request/Governor's Recommendation

The agency's FY 2005 operating budget request totals \$21,011,661, which is \$483,051 or 2.2 percent below the FY 2004 revised amount. The agency's requested operating total is comprised of \$13,769,068 from the State General Fund. This is an increase of \$2,063,950 or 17.6 percent above the FY 2004 State General Fund operating amount due mostly to the agency's enhancement request (\$2,055,421 excluding capital improvement enhancements), and an increase in salary and wage expenditures attributed to a full year of funding being provided for pay increases for agents and scientists (which began in FY 2004). Requested expenditures from all other funds decrease by \$2,547,001 or 26.0 percent from the FY 2004 figure. The change is due to a reduction in federal grants (High Intensity Drug Trafficking Area (HIDTA), National Criminal History Improvement (NCHIP), and other criminal justice related federal monies).

The agency's operating budget request includes:

- \$13,550,283 for salaries and wages;
 - 215.0 FTE positions;
- \$5,103,864 for contractual services;
- \$1,127,109 for commodities;
- \$346,500 for capital outlay;
- \$83,905 for debt service interest; and
- \$800,000 for aid to local units.

Absent requested FY 2005 enhancements, the operating budget totals \$18,956,240. This is a decrease of \$2,538,472 or 11.8 percent below FY 2004 estimates.

The Governor recommends an operating budget total of \$19,458,420. This is decrease of \$2,036,292 or 9.5 percent below the FY 2004 recommendation. State General Fund expenditures increase by \$536,940 or 4.6 percent due to the recommended 3.0 percent salary increase for state employees. This is offset by reductions in other operating expenses (BEST and other recommended deletions). Recommended all other funds decrease by \$2,573,232 or 26.3 percent from FY 2004 figures, due to a reduction in federal grants.

The Governor's operating budget recommendation includes:

- \$13,106,433 for salaries and wages;
 - 200.0 FTE positions;
- \$4,310,146 for contractual services;
- \$824,836 for commodities;
- \$333,100 for capital outlay;
- \$83,905 for debt service interest; and
- \$800,000 for aid to local units.

Under the Governor's FY 2005 statutory budget recommendation, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$1,847,136, leaving a State General Fund total of \$10,624,922 including capital improvements.

House Budget Committee Recommendation

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

1. The House Budget Committee recommends the introduction of language to address the issuance of salary increases to state employees without notifying the Legislature. During hearings, the Committee was informed of the reassignment of FTE agent and scientist positions to non-FTE permanent positions to provide a salary increase (Non-FTE temporary unclassified positions are not subject to salary constraints imposed by the salary grid for classified state employees). The House Budget Committee recommends passage of the legislation to monitor such salary increases that fall outside of any recommended pay plan adjustment

recommended by the Governor or promotions within the classified service provided to state employees.

2. During the 2003 Session, \$506,000 was reduced in network support from the Kansas Bureau of Investigation (KBI) to counties. Passing those costs to the counties in maintaining connectivity to the Kansas Criminal Justice Information System (KCJIS) Network. The Kansas Bureau of Investigation subsequently reduced the amount being passed to local units of government by continuing to pay for circuit costs, but not the routers (\$252,000). The router costs, set forth by the Department of Administration Division of Information Services and Communication (DISC), are \$266.67 per site, with the Kansas Highway Patrol paying 25 percent of those costs. The remaining \$200 or 75 percent (which was previously be financed by the KBI) are now being passed to the local units of government.

K.S.A. 74-5702 mandates...."the committee (Kansas Criminal Justice Information Committee) shall establish and upgrade the law enforcement telecommunications network....to interconnect each county of the state into a unified electronic telecommunications system, with at least one designated outlet or terminal in each county....".

Believing that the statute provides a mandate to the Kansas Bureau of Investigation to maintain those sites, the House Budget Committee recommends the Kansas Bureau of Investigation re-initiate the financing of the remaining 75 percent of router costs, along with circuit costs (which the agency is currently financing) in continuing to provide local units of government access to KCJIS.

3. The House Budget Committee recommends establishment of a Kansas Bureau of Investigation Motor Vehicle Fund with an expenditure limitation of \$350,000 in FY 2005. During testimony, the agency informed the Committee that with the Governor's recommendation to eliminate the Department of Administration's motor pool, the agency had budgeted \$350,000 to pay for costs associated with leasing those vehicles. To enable the KBI maintain a viable fleet of vehicles to be used for enforcement operations, the House Budget Committee proposes to create a vehicle acquisition and resale program similar to the program active within the Kansas Highway Patrol, and utilize the resale of vehicle proceeds and operating funds to finance the program. However, the Committee notes that no additional funding stream outside the reselling of vehicles are recommended to finance the program.

House Committee Recommendations

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

House Committee Recommendations

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

SENATE SUBCOMMITTEE REPORT

Agency: Kansas Bureau of Investigation

Bill No. SB 538

Bill Sec. 56

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2005</u>	<u>Gov. Rec. FY 2005</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 20,211,661	\$ 18,658,420	\$ (326,533)
Aid to Local Units	800,000	800,000	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 21,011,661	\$ 19,458,420	\$ (326,533)
Capital Improvements	<u>1,375,000</u>	<u>230,000</u>	<u>0</u>
TOTAL	<u><u>\$ 22,386,661</u></u>	<u><u>\$ 19,688,420</u></u>	<u><u>\$ (326,533)</u></u>
State General Fund:			
State Operations	\$ 13,769,068	\$ 12,242,058	\$ (263,982)
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 13,769,068	\$ 12,242,058	\$ (263,982)
Capital Improvements	<u>1,375,000</u>	<u>230,000</u>	<u>0</u>
TOTAL	<u><u>\$ 15,144,068</u></u>	<u><u>\$ 12,472,058</u></u>	<u><u>\$ (263,982)</u></u>
FTE Positions	215.0	200.0	0.0
Unclassified Temp. Positions	<u>89.0</u>	<u>89.0</u>	<u>0.0</u>
TOTAL	<u><u>304.0</u></u>	<u><u>289.0</u></u>	<u><u>0.0</u></u>

* The adjustment reflects deletion of the Governor's recommended pay plan adjustments.

Agency Estimate/Governor's Recommendation

The agency's FY 2005 operating budget request totals \$21,011,661, which is \$483,051 or 2.2 percent below the FY 2004 revised amount. The agency's requested operating total is comprised of \$13,769,068 from the State General Fund. This is an increase of \$2,063,950 or 17.6 percent above the FY 2004 State General Fund operating amount due mostly to the agency's enhancement request (\$2,055,421 excluding capital improvement enhancements), and an increase in salary and wage expenditures attributed to a full year of funding being provided for pay increases for agents and scientists (which began in FY 2004). Requested expenditures from all other funds decrease by \$2,547,001 or 26.0 percent from the FY 2004 figure. The change is due to a reduction in federal grants (High Intensity Drug Trafficking Area (HIDTA), National Criminal History Improvement (NCHIP), and other criminal justice related federal monies).

The agency's operating budget request includes:

- \$13,550,283 for salaries and wages;
 - 215.0 FTE positions;
- \$5,103,864 for contractual services;

- \$1,127,109 for commodities;
- \$346,500 for capital outlay;
- \$83,905 for debt service interest; and
- \$800,000 for aid to local units.

Absent requested FY 2005 enhancements, the operating budget totals \$18,956,240. This is a decrease of \$2,538,472 or 11.8 percent below FY 2004 estimates.

The Governor recommends an operating budget total of \$19,458,420. This is decrease of \$2,036,292 or 9.5 percent below the FY 2004 recommendation. State General Fund expenditures increase by \$536,940 or 4.6 percent due to the recommended 3.0 percent salary increase for state employees. This is offset by reductions in other operating expenses (BEST and other recommended deletions). Recommended all other funds decrease by \$2,573,232 or 26.3 percent from FY 2004 figures, due to a reduction in federal grants.

The Governor's operating budget recommendation includes:

- \$13,106,433 for salaries and wages;
 - 200.0 FTE positions;
- \$4,310,146 for contractual services;
- \$824,836 for commodities;
- \$333,100 for capital outlay;
- \$83,905 for debt service interest; and
- \$800,000 for aid to local units.

Under the Governor's FY 2005 statutory budget recommendation, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$1,847,136, leaving a State General Fund total of \$10,624,922 including capital improvements.

Senate Subcommittee Recommendation

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

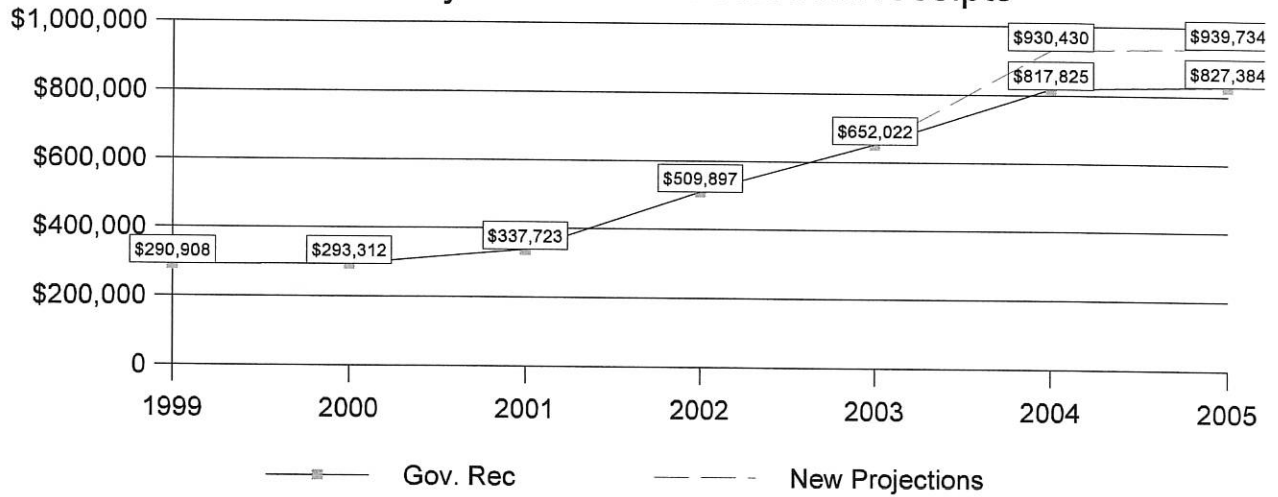
1. Delete \$326,533, including \$263,982 from the State General Fund, to remove pay plan funding recommended by the Governor (a 3.0 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. The Senate Subcommittee notes its concern relating to salary increases provided to forensic scientists which were not approved by the Governor, the Legislature, or the Department of Administration Division of Personnel Services (DPS). During hearings, the Subcommittee was informed of the reassignment of FTE agent and scientist positions to non-FTE permanent positions to provide a salary increase (Non-FTE temporary unclassified positions are not subject to salary constraints imposed by the salary grid for classified state employees). Although the increases were made within the "letter of statutory authority", and the Subcommittee indeed understands the importance of retaining KBI scientists, there is a concern as to the method by which the salary increases were given and the precedent this sets to other agencies.

Therefore, the Senate Subcommittee supports the passage of 2004 HB 2886 to monitor salary increases that fall outside of any recommended pay plan

adjustment recommended by the Governor or promotions within the classified service provided to all state employees.

3. The Senate Subcommittee recommends the separation of State General Fund financed salaries and wages and other operating expenditures within the FY 2005 Appropriations bill (2004 SB 538), to further allow the Legislature the ability to monitor unauthorized salary increases.
4. During the 2003 Session, \$506,000 was reduced in network support from the Kansas Bureau of Investigation (KBI) to counties, passing those costs to the counties in maintaining connectivity to the Kansas Criminal Justice Information System (KCJIS) Network. The Kansas Bureau of Investigation subsequently reduced the amount being passed to local units of government by continuing to pay for circuit costs, but not the routers (\$252,000). The router costs, set forth by the Department of Administration Division of Information Services and Communication (DISC), are \$266.67 per site, with the Kansas Highway Patrol paying 25 percent of those costs. The remaining \$200 or 75 percent (which were previously financed by the KBI) are now being passed to the local units of government. Believing that the statute provides a mandate to the Kansas Bureau of Investigation to maintain those sites, the Senate Subcommittee recommends that the Kansas Bureau of Investigation re-initiate the financing of the remaining 75 percent of router costs, along with circuit costs (which the agency is currently financing) in continuing to provide local units of government access to KCJIS.
5. The Senate Subcommittee recommends establishment of a Kansas Bureau of Investigation Motor Vehicle Fund with an expenditure limitation of \$350,000 in FY 2005. During testimony, the agency informed the Subcommittee that with the Governor's recommendation to eliminate the Department of Administration's motor pool, the agency had budgeted \$350,000 to pay for costs associated with leasing those vehicles. To enable the KBI to maintain a viable fleet of vehicles to be used for enforcement operations, the Senate Subcommittee proposes to create a vehicle acquisition and resale program similar to the program active within the Kansas Highway Patrol, and utilize the resale of vehicle proceeds and operating funds to finance the program. However, the Subcommittee notes that no additional funding stream outside the reselling of vehicles is recommended to finance the program.
6. The Senate Subcommittee notes the increase in projected receipts being deposited in the Laboratory Fee Fund. The Fund is financed through court costs and 20 percent of fees collected for driver license reinstatements. The Senate Subcommittee notes the increase in court costs receipts over time with the increase in fees (from \$150 to \$400) as passed by the 2002 Legislature. Total receipts (including any cash forward balances) total \$1,495,682 for FY 2004 and \$1,070,550 for FY 2005 respectively. The Senate Committee recommends review of the fee fund balances during Omnibus.

Laboratory Fee Fund - Court cost receipts



7. The Senate Subcommittee commends the agency on its efforts in reducing the backlog of cases taking into account the financial outlook of the state, and the subsequent reductions to the Kansas Bureau of Investigations operating budget over the past few fiscal years.

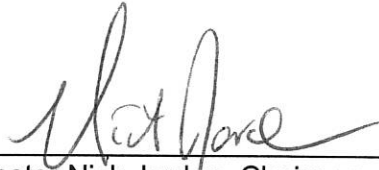
Opened Cases



Senate Subcommittee Report

FY 2004-FY 2005

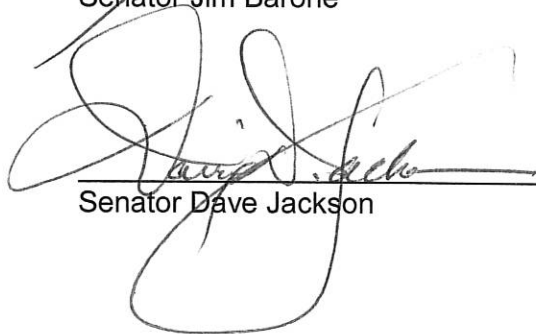
Kansas Parole Board



Senator Nick Jordan, Chairperson



Senator Jim Barone



Senator Dave Jackson

House Budget Committee Report

Agency: Kansas Parole Board

Bill No.

Bill Sec.

Analyst: Buonasera

Analysis Pg. No. Vol. 2 - 952

Budget Page No. 327

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2004</u>	<u>Governor's Rec's FY 2004</u>	<u>House Committee Adjustments</u>
State General Fund:			
State Operations	\$ 431,241	\$ 431,241	\$ 0
FTE Positions	3.0	3.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

Kansas Parole Board estimates \$431,241 for FY 2004 operating expenditures which is an increase of \$4,402 (1.0 percent) from the amount approved by the 2003 Legislature. The estimate includes an unlimited reappropriation of FY 2003 State General Fund savings which exceeded the anticipated reappropriation by \$4,110. Also included in the estimate is an increase of \$9,947 for capital outlay. The increase is comprised of (1) the reappropriation of \$4,110 and (2) the amounts totaling \$5,837 that have been reallocated from salaries and wages and rents. The agency estimates \$354,639 in salaries and wages to fund 3.0 FTE positions and other operating expenditures totaling \$76,602.

The Governor concurs with the agency request.

House Budget Committee Recommendation

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

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Kansas Parole Board

Bill No.

Bill Sec.

Analyst: Buonasera

Analysis Pg. No. Vol. 2 - 952

Budget Page No. 327

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2004</u>	<u>Governor's Rec's FY 2004</u>	<u>Senate Subcommittee Adjustments</u>
State General Fund:			
State Operations	\$ 431,241	\$ 431,241	\$ 0
FTE Positions	3.0	3.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

Kansas Parole Board estimates \$431,241 for FY 2004 operating expenditures which is an increase of \$4,402 (1.0 percent) from the amount approved by the 2003 Legislature. The estimate includes an unlimited reappropriation of FY 2003 State General Fund savings which exceeded the anticipated reappropriation by \$4,110. Also included in the estimate is an increase of \$9,947 for capital outlay. The increase is comprised of (1) the reappropriation of \$4,110 and (2) the amounts totaling \$5,837 that have been reallocated from salaries and wages and rents. The agency estimates \$354,639 in salaries and wages to fund 3.0 FTE positions and other operating expenditures totaling \$76,602.

The Governor concurs with the agency request.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

House Budget Committee Report

Agency: Kansas Parole Board

Bill No. HB 2900

Bill Sec. 54

Analyst: Buonasera

Analysis Pg. No. Vol. 2 - 952

Budget Page No. 327

<u>Expenditure Summary</u>	<u>Agency Request FY 2005</u>	<u>Governor's Rec's FY 2005</u>	<u>House Committee Adjustments</u>
State General Fund:			
State Operations	\$ 432,521	\$ 433,043	\$ 0
FTE Positions	3.0	3.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

Kansas Parole Board requests \$432,521 for FY 2005 operating expenditures which is an increase of \$1,280 (0.3 percent) from the 2004 estimate. The agency submitted a reduced resource package of other operating adjustments totaling \$21,626 from the State General Fund. The request includes \$361,049 in salaries and wages to fund 3.0 FTE positions, \$63,815 for contractual services, \$2,055 for commodities and \$5,602 for capital outlay.

The Governor recommends funding for FY 2005 of \$433,043, an increase of \$1,802 (0.4 percent) from the FY 2004 recommendation. The recommendation includes a portion of the agency's reduction package totaling \$9,302. Also included in the recommendation are adjustments for a 3.0 percent pay plan increase of \$10,070 and reductions in other operating expenditures as recommended by the Budget Efficiency Teams (BEST) of \$246. The Governor recommends \$371,119 for salaries and wages, \$60,105 for contractual services, \$1,819 for commodities and no funds for capital outlay.

Under the Governor's FY 2005 **statutory budget** recommendation, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$64,135 State General Fund.

House Budget Committee Recommendation

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

1. The House Budget Committee notes several items from the testimony of Paul Feleciano, Parole Board Member.
 - a. About 1,500 inmates and 650 parolees, who are honorably discharged veterans, are currently not able to access VA benefits. The Parole Board is actively researching contacts to find ways to provide these benefits to veterans housed in the Department of Corrections (DOC) system and

parolees in the community. This would increase the DOC program options and assist offenders in a successful re-entry into the community.

- b. The available resources and how they are used for the placement of offenders impacts the Board's potential parole decisions. The Board is concerned that significant cuts in DOC programs adversely affect some decisions to parole.
- c. The Board believes that the current law needs to be changed to address new law parole violators in the same manner as old law violators. The post release penalty of 180 days should be eliminated and, the Board would have discretion to hold violators accountable up to their maximum sentence date. The penalty of 180 days creates a revolving door scenario in DOC because when offenders violate their conditions of release they usually only serve 90 days after good time is accounted for and released back into the community. The Board believes the offender is not encouraged to complete programs and strive to be productive members of the community if there is a set sentence.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Kansas Parole Board

Bill No. SB 538

Bill Sec. 54

Analyst: Buonasera

Analysis Pg. No. Vol. 2 - 952

Budget Page No. 327

<u>Expenditure Summary</u>	<u>Agency Request FY 2005</u>	<u>Governor's Rec's FY 2005</u>	<u>Senate Subcommittee Adjustments*</u>
State General Fund:			
State Operations	\$ 432,521	\$ 433,043	\$ (10,070)
FTE Positions	3.0	3.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

* The adjustment reflects deletion of the Governor's recommended pay plan adjustments.

Agency Estimate/Governor's Recommendation

Kansas Parole Board requests \$432,521 for FY 2005 operating expenditures which is an increase of \$1,280 (0.3 percent) from the 2004 estimate. The agency submitted a reduced resource package of other operating adjustments totaling \$21,626 from the State General Fund. The request includes \$361,049 in salaries and wages to fund 3.0 FTE positions, \$63,815 for contractual services, \$2,055 for commodities and \$5,602 for capital outlay.

The Governor recommends funding for FY 2005 of \$433,043, an increase of \$1,802 (0.4 percent) from the FY 2004 recommendation. The recommendation includes a portion of the agency's reduction package totaling \$9,302. Also included in the recommendation are adjustments for a 3.0 percent pay plan increase of \$10,070 and reductions in other operating expenditures as recommended by the Budget Efficiency Teams (BEST) of \$246. The Governor recommends \$371,119 for salaries and wages, \$60,105 for contractual services, \$1,819 for commodities and no funds for capital outlay.

Under the Governor's FY 2005 **statutory budget** recommendation, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$64,135 State General Fund.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustment** - Delete \$10,070 from the State General Fund, to remove pay plan funding recommended by the Governor (a 3.0 percent base salary adjustment for all state employees) for consideration in a separate bill.

2. The Parole Board testified that their statistical data shows a slight decrease in the total number of violators returning to the Department of Corrections (DOC) in FY 2004. According to the parole board, that part of the decrease is attributed to adjustments being made in the management of offenders by the risk reduction model now being implemented by DOC. The Parole Board notes that addressing the needs of the offender is a critical piece of their release plan. Therefore, the subcommittee has concerns that reductions in programs and resources for appropriate placement of the offender in the community may negatively impact the effectiveness of the new risk assessment and case management systems and result in an increase in violators.

3. The Parole Board testified that about 1,500 inmates and 650 parolees, who are honorably discharged veterans, are currently not able to access VA benefits. The Parole Board is actively researching contacts to find ways to provide these benefits to veterans housed in the Department of Corrections (DOC) system and parolees in the community. This would increase the DOC program options and assist offenders in a successful re-entry into the community.

Senate Subcommittee Report

State Fire Marshal

FY 2004 & FY 2005

Bill Bunten

Senator Bill Bunten

Larry D. Salmans

Senator Larry Salmans

Christine Downey

Senator Christine Downey

House Budget Committee Report

Agency: State Fire Marshal

Bill No. 2899

Bill Sec. 46

Analyst: Kannarr

Analysis Pg. No. 961

Budget Page No. 163

Expenditure Summary	Agency Estimate FY 2004	Governor's Recommendation FY 2004	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 3,619,816	\$ 3,619,816	\$ 0
Aid to Local Units	0	0	0
Other Assistance	275,100	275,100	0
TOTAL	\$ 3,894,916	\$ 3,894,916	\$ 0
State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	\$ 0	\$ 0	\$ 0
FTE Positions	49.0	49.0	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	51.0	51.0	0.0

Agency Estimate/Governor's Recommendation

The **agency's** revised FY 2004 budget of \$3,894,916 and 49.0 FTE is an increase of \$354,104 (10.0 percent) and 2.0 FTE from the budget approved by the 2003 Legislature. Expenditures of \$2,954,366 from the Fire Marshal Fee Fund are an increase of \$85,053 from approved expenditures.

The **Governor** concurs with the agency estimate of expenditures for FY 2004.

House Budget Committee Recommendation

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

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: State Fire Marshal

Bill No. 536

Bill Sec. 46

Analyst: Kannarr

Analysis Pg. No. 961

Budget Page No. 163

Expenditure Summary	Agency Estimate FY 2004	Governor's Recommendation FY 2004	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 3,619,816	\$ 3,619,816	\$ 0
Aid to Local Units	0	0	0
Other Assistance	275,100	275,100	0
TOTAL	\$ 3,894,916	\$ 3,894,916	\$ 0
State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	\$ 0	\$ 0	\$ 0
FTE Positions	49.0	49.0	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	51.0	51.0	0.0

Agency Estimate/Governor's Recommendation

The **agency's** revised FY 2004 budget of \$3,894,916 and 49.0 FTE is an increase of \$354,104 (10.0 percent) and 2.0 FTE from the budget approved by the 2003 Legislature. Expenditures of \$2,954,366 from the Fire Marshal Fee Fund are an increase of \$85,053 from approved expenditures.

The **Governor** concurs with the agency estimate of expenditures for FY 2004.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

House Budget Committee Report

Agency: State Fire Marshal

Bill No. 2900

Bill Sec. 53

Analyst: Kannarr

Analysis Pg. No. 961

Budget Page No. 163

Expenditure Summary	Agency Request FY 2005	Governor's Recommendation FY 2005	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 4,918,072	\$ 3,783,773	\$ 0
Aid to Local Units	0	0	0
Other Assistance	250,000	250,000	0
TOTAL	\$ 5,168,072	\$ 4,033,773	\$ 0
State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	\$ 0	\$ 0	\$ 0
FTE Positions	67.0	49.0	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	69.0	51.0	0.0

Agency Request/Governor's Recommendation

The **agency** requests an FY 2005 budget of \$5,168,072, an increase of \$1,273,156, 32.7 percent, from the revised FY 2004 budget. The request includes \$3,943,283 from the Fire Marshal Fee Fund, an increase of \$988,917, 33.5 percent, from the FY 2004 revised request. The requested FY 2005 budget includes six enhancements totaling \$1,167,549 financed almost entirely from the Fire Marshal Fee Fund. The enhancement package also includes 18.0 FTE positions. Absent enhancements, the request of \$4,000,523 is an increase of \$105,586, 2.7 percent, from the FY 2004 revised request.

The **Governor** recommends expenditures of \$4,033,773 for FY 2005. The Governor's budget includes adjustments for BEST recommendations (reduction of \$36,727) and salary plan (addition of \$69,977). The Governor does not recommend the enhancement package. The recommendation also includes a transfer of \$500,000 to the State General Fund and a transfer of \$750,000 to the Fire Service Training Fund at the University of Kansas.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

Senate Subcommittee Report

Agency: State Fire Marshal

Bill No. 538

Bill Sec. 53

Analyst: Kannarr

Analysis Pg. No. 961

Budget Page No. 163

Expenditure Summary	Agency Request FY 2005	Governor's Recommendation FY 2005	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 4,918,072	\$ 3,783,773	\$ (69,977)
Aid to Local Units	0	0	0
Other Assistance	250,000	250,000	0
TOTAL	\$ 5,168,072	\$ 4,033,773	\$ (69,977)
State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	\$ 0	\$ 0	\$ 0
FTE Positions	67.0	49.0	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	69.0	51.0	0.0

*The adjustment reflects deletion of the Governor's recommended pay plan adjustments.

Agency Request/Governor's Recommendation

The **agency** requests an FY 2005 budget of \$5,168,072, an increase of \$1,273,156, 32.7 percent, from the revised FY 2004 budget. The request includes \$3,943,283 from the Fire Marshal Fee Fund, an increase of \$988,917, 33.5 percent, from the FY 2004 revised request. The requested FY 2005 budget includes six enhancements totaling \$1,167,549 financed almost entirely from the Fire Marshal Fee Fund. The enhancement package also includes 18.0 FTE positions. Absent enhancements, the request of \$4,000,523 is an increase of \$105,586, 2.7 percent, from the FY 2004 revised request.

The **Governor** recommends expenditures of \$4,033,773 for FY 2005. The Governor's budget includes adjustments for BEST recommendations (reduction of \$36,727) and salary plan (addition of \$69,977). The Governor does not recommend the enhancement package. The recommendation also includes a transfer of \$500,000 to the State General Fund and a transfer of \$750,000 to the Fire Service Training Fund at the University of Kansas.

Senate Subcommittee Recommendation

The Senate Subcommittee Concurs with the Governor's recommendation with the following adjustment and comment:

1. **Pay Plan Adjustment** - Delete \$69,977, including \$60,166 from the Fire Marshal Fee Fund, to remove pay plan funding recommended by the Governor (a 3.0 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. **S.B. 312** - The Subcommittee notes S.B. 312 which, as passed by the Senate, continues without sunset, the current allocation of the 1.25 percent fire insurance premium levy of 1.0 percent to support the Fire Marshal and 0.25 percent to support the Board of Emergency Medical Services. The House Appropriations Committee amended the bill to reduce the Fire Marshal levy to 0.8 percent, leave EMS at .25 percent and allocate 0.2 percent to the Fire Services Training Institute at the University of Kansas. If the bill remains in this current form it will decrease revenues for the Fire Marshal Fee Fund by approximately \$833,280. However, the \$750,000 from the Fire Marshal to the KU Training Institute (included in the KU budget) will no longer be needed should S.B. 312 pass in it's current form which will partially offset this lost revenue.

In the past, premium levy receipts for EMS have been passed through the Fire Marshal Fee Fund. The Subcommittee recommends that the levy receipts be transferred directly from the Insurance Commissioner to EMS to avoid possible confusion about funding issues for the two agencies.

SENATE SUBCOMMITTEE REPORT

Adjutant General

Kansas Highway Patrol

FY 2004 and FY 2005



Senator Bill Bunten, Chair

Senator Christine Downey



Senator Larry Salmans

HOUSE BUDGET COMMITTEE REPORT

Agency: Adjutant General

Bill No. HB 2899

Bill Sec.

Analyst: Robert Waller

Analysis Pg. No. Vol. II - 974

Budget Page No. 1

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2004</u>	<u>Gov. Rec. FY 2004</u>	<u>House Budget Committee Adjustments</u>
All Funds:			
State Operations	\$ 21,827,276	\$ 21,536,230	\$ 0
Aid to Local Units	22,413,520	22,413,520	0
Other Assistance	171,186	171,186	0
Subtotal - Operating	\$ 44,411,982	\$ 44,120,936	\$ 0
Capital Improvements	215,000	215,000	0
TOTAL	\$ 44,626,982	\$ 44,335,936	\$ 0
State General Fund:			
State Operations	\$ 4,320,634	\$ 4,320,634	\$ 0
Aid to Local Units	1,057,856	1,057,856	0
Other Assistance	46,186	46,186	0
Subtotal - Operating	\$ 5,424,676	\$ 5,424,676	\$ 0
Capital Improvements	215,000	215,000	0
TOTAL	\$ 5,639,676	\$ 5,639,676	\$ 0
FTE Positions	222.0	215.0	0.0
Unclassified Temp. Positions	122.0	122.0	0.0
TOTAL	344.0	337.0	0.0

Agency Estimate/Governor's Recommendation

The revised FY 2004 agency estimate totals \$44,411,982, which is \$7,383,522 or 19.9 percent above the FY 2004 approved amount. The FY 2004 estimate includes \$5,424,676 from the State General Fund, which is \$442,283 or 8.9 percent above approved. The change is due to the reappropriation of \$444,059 in FY 2004, of which \$442,283 is expended in the current year and \$1,776 is expended in FY 2005. All other funds increase by \$6,941,239 over the approved amount. The increase can be attributed to additional funding needed to finance costs associated with the disasters that occurred in 2002. The number of FTE positions increase from 215.0 to 222.0 due to the agency's supplemental appropriation request.

Staff Note: On November 20, 2003, the State Finance Council authorized emergency funds in the amount of \$2,103,577 from the State Emergency Fund to cover the costs of several disasters (including the January 2002 Ice Storm and tornadoes in the Kansas City area). Therefore, the amount of \$2,084,876 previously requested by the agency as a FY 2004 supplemental request was withdrawn.

FY 2004 Supplemental Appropriation Requests Revised. The current year estimated supplemental appropriation requests totaling \$291,046:

Regional Homeland Security Offices. The agency requests \$291,046 (from special revenue funds) and 7.0 FTE positions to finance the expansion of Division of Emergency Management Staff and operating costs to locate seven regional coordinators around the state to create effective and responsive emergency management systems in conjunction with the passage of 2002 SB 629.

The Governor recommends an FY 2004 operating budget of \$44,120,936. This is \$7,092,476 or 19.2 percent above the approved amount. Recommended State General Fund financing remains the same as those approved by the 2003 Legislature. Recommended all other fund expenditures increase by \$6,650,193 or 20.8 percent due to additional funding needed to finance costs associated with the disasters that occurred in 2002 (the \$2,103,577 authorized by the State Finance Council from the State Emergency Fund is included within that amount). **The Governor** does not recommend the agency's supplemental, but does concur with the balance of the agency's estimate.

Kansas Savings Incentive Program (KSIP) Expenditures

- There are no KSIP expenditures for this agency.

House Budget Committee Recommendation

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

1. 2002 SB 629 authorized the creation of a Terrorism Preparedness Program under the Adjutant General's Office. The Terrorism Preparedness Program would consist of the Kansas Division of Emergency Management (DEM) providing training on how to prevent and respond to emergencies and disaster situations across that state. The 2002 Legislature passed the bill, however did not include any funding for the regional teams. Within the agency's FY 2004 budget, 7.0 other unclassified Homeland Security Planner positions were requested along with federal dollars to finance the positions. The Governor did not recommend the positions nor the funding initially due to the fact that the federal funding had not be confirmed. However, during House Budget Committee hearings, the Committee was notified that the agency would receive the funding in FY 2004 and FY 2005, and the Governor was prepared to issue a Governor's Budget Amendment to add the positions and funding. Therefore, the House Budget Committee concurs with the forthcoming Governor's Budget Amendment (GBA) to add 7.0 other unclassified Homeland Security Planner positions and related expenditures. **The Governor** is set to add \$562,000 (federal funds) and 7.0 other unclassified positions in FY 2004.

House Committee Recommendations

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

SENATE SUBCOMMITTEE REPORT

Agency: Adjutant General

Bill No. SB 536

Bill Sec. - -

<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	\$ 21,827,276	\$ 21,536,230	\$ 0
Aid to Local Units	22,413,520	22,413,520	0
Other Assistance	171,186	171,186	0
Subtotal - Operating	<u>\$ 44,411,982</u>	<u>\$ 44,120,936</u>	<u>\$ 0</u>
Capital Improvements	215,000	215,000	0
TOTAL	<u><u>\$ 44,626,982</u></u>	<u><u>\$ 44,335,936</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 4,320,634	\$ 4,320,634	\$ 0
Aid to Local Units	1,057,856	1,057,856	0
Other Assistance	46,186	46,186	0
Subtotal - Operating	<u>\$ 5,424,676</u>	<u>\$ 5,424,676</u>	<u>\$ 0</u>
Capital Improvements	215,000	215,000	0
TOTAL	<u><u>\$ 5,639,676</u></u>	<u><u>\$ 5,639,676</u></u>	<u><u>\$ 0</u></u>
FTE Positions	222.0	215.0	0.0
Unclassified Temp. Positions	122.0	122.0	0.0
TOTAL	<u><u>344.0</u></u>	<u><u>337.0</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The revised FY 2004 agency estimate totals \$44,411,982, which is \$7,383,522 or 19.9 percent above the FY 2004 approved amount. The FY 2004 estimate includes \$5,424,676 from the State General Fund, which is \$442,283 or 8.9 percent above approved. The change is due to the reappropriation of \$444,059 in FY 2004, of which \$442,283 is expended in the current year and \$1,776 is expended in FY 2005. All other funds increase by \$6,941,239 over the approved amount. The increase can be attributed to additional funding needed to finance costs associated with the disasters that occurred in 2002. The number of FTE positions increase from 215.0 to 222.0 due to the agency's supplemental appropriation request.

Staff Note: On November 20, 2003, the State Finance Council authorized emergency funds in the amount of \$2,103,577 from the State Emergency Fund to cover the costs of several disasters (including the January 2002 Ice Storm and tornadoes in the Kansas City area). Therefore, the amount of \$2,084,876 previously requested by the agency as a FY 2004 supplemental request was withdrawn.

FY 2004 Supplemental Appropriation Requests Revised. The current year estimated supplemental appropriation requests totaling \$291,046:

Regional Homeland Security Offices. The agency requests \$291,046 (from special revenue funds) and 7.0 FTE positions to finance the expansion of Division of Emergency Management Staff and operating costs to locate seven regional coordinators around the state to create effective and responsive emergency management systems in conjunction with the passage of 2002 SB 629.

The Governor recommends an FY 2004 operating budget of \$44,120,936. This is \$7,092,476 or 19.2 percent above the approved amount. Recommended State General Fund financing remains the same as those approved by the 2003 Legislature. Recommended all other fund expenditures increase by \$6,650,193 or 20.8 percent due to additional funding needed to finance costs associated with the disasters that occurred in 2002 (the \$2,103,577 authorized by the State Finance Council from the State Emergency Fund is included within that amount). **The Governor** does not recommend the agency's supplemental, but does concur with the balance of the agency's estimate.

Kansas Savings Incentive Program (KSIP) Expenditures

- There are no KSIP expenditures for this agency.

Senate Subcommittee Recommendation

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

1. The Senate Subcommittee concurs with Governor's Budget Amendment (GBA), No. 1, Item 10 which adds \$562,000 (from federal homeland security funding) to finance 7.0 other unclassified homeland security planner positions to provide training on how to prevent and respond to emergency and disaster situations across the state.

HOUSE BUDGET COMMITTEE REPORT

Agency: Adjutant General

Bill No. HB 2900

Bill Sec. 52

Analyst: Robert Waller

Analysis Pg. No. Vol. II - 974

Budget Page No. 1

<u>Expenditure Summary</u>	<u>Agency Request FY 2005</u>	<u>Gov. Rec. FY 2005</u>	<u>House Budget Committee Adjustments</u>
All Funds:			
State Operations	\$ 22,554,882	\$ 21,425,322	\$ 0
Aid to Local Units	14,313,507	13,345,616	0
Other Assistance	4,519	4,519	0
Subtotal—Operating	<u>\$ 36,872,908</u>	<u>\$ 34,775,457</u>	<u>\$ 0</u>
Capital Improvements	1,038,237	490,000	0
TOTAL	<u><u>\$ 37,911,145</u></u>	<u><u>\$ 35,265,457</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 4,752,676	\$ 4,123,259	\$ 0
Aid to Local Units	1,021,361	53,470	0
Other Assistance	4,519	4,519	0
Subtotal—Operating	<u>\$ 5,778,556</u>	<u>\$ 4,181,248</u>	<u>\$ 0</u>
Capital Improvements	768,688	490,000	0
TOTAL	<u><u>\$ 6,547,244</u></u>	<u><u>\$ 4,671,248</u></u>	<u><u>\$ 0</u></u>
FTE Positions	223.0	215.0	0.0
Unclassified Temp. Positions	125.0	122.0	0.0
TOTAL	<u><u>348.0</u></u>	<u><u>337.0</u></u>	<u><u>0.0</u></u>

Agency Request/Governor's Recommendation

Staff Note: The *Governor's Budget Report* categorized FY 2003 actuals capital improvements payments as operations rather than capital improvements, as reflected in this analysis.

The agency's FY 2005 operating budget request totals \$36,872,908, which is \$7,539,074 or 17.0 percent below the revised FY 2004 estimate. Requested State General Fund expenditures total \$5,778,556. This is an increase of \$353,880 or 6.5 percent above the estimated FY 2004 amount due mostly to State General Fund financed enhancements requested by the agency, increased debt service expenditures, and additional salary and wage expenses. Requested all other fund expenditures decrease by \$7,892,954 or 20.2 percent from the FY 2004 estimate due to disaster-related funding being expended during the current year. Specifically, financing was provided by the federal government for disasters occurring in Kansas and State Emergency Fund financing expended in FY 2004.

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

- \$14,389,732 for salaries and wages
 - 223.0 FTE positions requested
- \$6,668,761 for contractual services
- \$1,074,384 for commodities
- \$0 for capital outlay
- \$14,313,507 for aid to local units
- \$4,519 for other assistance
- \$422,005 in debt service payments

Absent requested FY 2005 enhancements, the agency's FY 2005 operating budget totals \$34,957,450 which is \$9,163,486 or 20.8 percent below the revised FY 2004 estimate, with the exclusion of the supplemental request. The number of requested FTE positions would remain the same.

The Governor recommends operating expenditures which total \$34,775,457, which is \$9,345,479 or 21.2 percent below the revised FY 2004 recommendation. State General Fund expenditures decrease by \$1,243,428 or 22.9 percent due mostly to aid to local unit funding for disasters that occurred in Kansas. The Governor does recommend \$53,470 in state matching funds to cover cost associated with the disasters. All other funds decrease by \$8,102,051 or 20.9 percent due to federal disaster related funding being expended during FY 2004.

The Governor's operating budget recommendation includes:

- \$14,024,039 for salaries and wages
 - 215.0 FTE positions recommended
- \$6,016,847 for contractual services
- \$962,431 for commodities
- \$0 for capital outlay
- \$13,345,616 for aid to local units
- \$4,519 for other assistance
- \$422,055 in debt service payments

Under the Governor's FY 2005 statutory budget recommendation, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$691,821 or a State General Fund operating total of \$3,979,427 including capital improvements.

House Budget Committee Recommendation

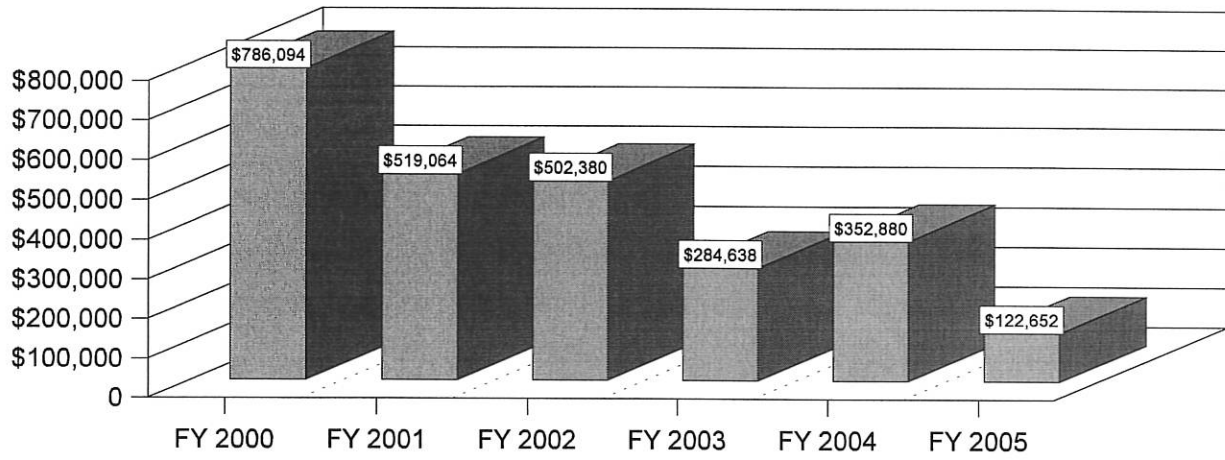
The House Budget Committee concurs with the Governor's recommendation, with the following adjustments:

1. The House Budget Committee concurs with the forthcoming Governor's Budget Amendment (GBA) to account for the recalculation of BEST Team reductions. The original calculation of the BEST Team reductions for the Adjutant General included the Military Fee Fund. Federal dollars were not intended to be part of the reduction, therefore, the Governor is set to recalculate the reduction for the

agency and add \$328,509 (\$289,085 from the State General Fund). The House Budget Committee brings the GBA to the attention of the House Appropriations Committee, however does not include the recalculation in the Committee's recommendation.

2. 2002 SB 629 authorized the creation of a Terrorism Preparedness Program under the Adjutant General's Office. The Terrorism Preparedness Program would consist of the Kansas Division of Emergency Management (DEM) providing training on how to prevent and respond to emergencies and disaster situations across that state. The 2002 Legislature passed the bill, however did not include any funding for the regional teams. Within the agency's FY 2005 budget, 7.0 other unclassified Homeland Security Planner positions were requested along with federal dollars to finance the positions. The Governor did not recommend the positions nor the funding initially due to the fact that the federal funding had not be confirmed. However, during House Budget Committee hearings, the Committee was notified that the agency would receive the funding in FY 2004 and FY 2005, and the Governor was prepared to issue a Governor's Budget Amendment to add the positions and funding. Therefore, the House Budget Committee concurs with the forthcoming Governor's Budget Amendment (GBA) to add 7.0 other unclassified Homeland Security Planner positions and related expenditures. **The Governor** is set to add \$736,000 (federal funds) and 7.0 other unclassified positions in FY 2005.
3. The House Budget Committee flags for Omnibus consideration the addition of 1.0 other unclassified Deputy Adjutant General position and \$92,332 (from federal Homeland Security Funds) to assist the Adjutant General is administering activities as the Homeland Security Officer as designated by the Governor.
4. The House Budget Committee flags for Omnibus consideration the addition of funds to provide the agency with additional financing for repair and rehabilitation costs in conjunction with the passage of 2000 SB 326 (the bill authorized the issuance of 15-year bonds for acquisition, construction, equipping, renovation, reconstruction, and repair of the state's 58 armories). The agency had estimated that along with the aggregate \$22,000,000 in bonding authority authorized by the bill, \$750,000 of funding normally utilized by the agency to provide repair and maintenance of armories, was also going to be available to finance the provisions of the bill. However, over the last five fiscal years, that funding has significantly decreased. Therefore, the House Budget Committee flags this item for Omnibus consideration in the event that additional funding is located, and draws attention to the following chart.

Armories Maintenance and Repair



House Committee Recommendations

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

SENATE SUBCOMMITTEE REPORT

Agency: Adjutant General

Bill No. SB 538

Bill Sec. 52

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2005</u>	<u>Gov. Rec. FY 2005</u>	<u>Senate Subcommittee Adjustments*</u>
All Funds:			
State Operations	\$ 22,554,882	\$ 21,425,322	\$ (358,795)
Aid to Local Units	14,313,507	13,345,616	0
Other Assistance	4,519	4,519	0
Subtotal - Operating	<u>\$ 36,872,908</u>	<u>\$ 34,775,457</u>	<u>\$ (358,795)</u>
Capital Improvements	1,038,237	490,000	0
TOTAL	<u><u>\$ 37,911,145</u></u>	<u><u>\$ 35,265,457</u></u>	<u><u>\$ (358,795)</u></u>
State General Fund:			
State Operations	\$ 4,752,676	\$ 4,123,259	\$ (52,835)
Aid to Local Units	1,021,361	53,470	0
Other Assistance	4,519	4,519	0
Subtotal - Operating	<u>\$ 5,778,556</u>	<u>\$ 4,181,248</u>	<u>\$ (52,835)</u>
Capital Improvements	768,688	490,000	0
TOTAL	<u><u>\$ 6,547,244</u></u>	<u><u>\$ 4,671,248</u></u>	<u><u>\$ (52,835)</u></u>
FTE Positions	223.0	215.0	0.0
Unclassified Temp. Positions	125.0	122.0	0.0
TOTAL	<u><u>348.0</u></u>	<u><u>337.0</u></u>	<u><u>0.0</u></u>

* The adjustment reflects deletion of the Governor's recommended pay plan adjustments.

Agency Estimate/Governor's Recommendation

Staff Note: The *Governor's Budget Report* categorized FY 2003 actuals capital improvements payments as operations rather than capital improvements, as reflected in this analysis.

The agency's FY 2005 operating budget request totals \$36,872,908, which is \$7,539,074 or 17.0 percent below the revised FY 2004 estimate. Requested State General Fund expenditures total \$5,778,556. This is an increase of \$353,880 or 6.5 percent above the estimated FY 2004 amount due mostly to State General Fund financed enhancements requested by the agency, increased debt service expenditures, and additional salary and wage expenses. Requested all other fund expenditures decrease by \$7,892,954 or 20.2 percent from the FY 2004 estimate due to disaster-related funding being expended during the current year. Specifically, financing was provided by the federal government for disasters occurring in Kansas and State Emergency Fund financing expended in FY 2004

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

- \$14,389,732 for salaries and wages
 - 223.0 FTE positions requested
- \$6,668,761 for contractual services
- \$1,074,384 for commodities
- \$0 for capital outlay
- \$14,313,507 for aid to local units
- \$4,519 for other assistance
- \$422,005 in debt service payments

Absent requested FY 2005 enhancements, the agency's FY 2005 operating budget totals \$34,957,450 which is \$9,163,486 or 20.8 percent below the revised FY 2004 estimate, with the exclusion of the supplemental request. The number of requested FTE positions would remain the same.

The Governor recommends operating expenditures which total \$34,775,457, which is \$9,345,479 or 21.2 percent below the revised FY 2004 recommendation. State General Fund expenditures decrease by \$1,243,428 or 22.9 percent due mostly to aid to local unit funding for disasters that occurred in Kansas. The Governor does recommend \$53,470 in state matching funds to cover cost associated with the disasters. All other funds decrease by \$8,102,051 or 20.9 percent due to federal disaster related funding being expended during FY 2004.

The Governor's operating budget recommendation includes:

1. \$14,024,039 for salaries and wages;
 - a. 215.0 FTE positions recommended;
2. \$6,016,847 for contractual services;
3. \$962,431 for commodities;
4. \$0 for capital outlay;
5. \$13,345,616 for aid to local units;
6. \$4,519 for other assistance; and
7. \$422,055 in debt service payments.

Under the Governor's FY 2005 statutory budget recommendation, the Governor's recommendation for this agency's budget would have to be reduced by an additional \$691,821 or a State General Fund operating total of \$3,979,427 including capital improvements.

Senate Subcommittee Recommendation

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

1. Delete \$358,795, including \$52,835 from the State General Fund, to remove pay plan funding recommended by the Governor (a 3.0 percent base salary adjustment for all state employees) for consideration in a separate bill.

2. The Senate Subcommittee concurs with Governor's Budget Amendment (GBA), No. 1, Item 10 which adds \$736,000 (from federal homeland security funding) to finance 7.0 other unclassified homeland security planner positions to provide training on how to prevent and respond to emergency and disaster situations across the state.
3. The Senate Subcommittee concurs with Governor's Budget Amendment (GBA), No. 1, Item 9 which adds \$328,509 (\$289,085 from the State General Fund) to account for the recalculation of Budget Efficiency Savings Team (BEST) reductions. The original calculation of the BEST reductions for the Adjutant General included the Military Fee Fund. Federal dollars were not intended to be part of the reduction.

HOUSE BUDGET COMMITTEE REPORT

Agency: Kansas Highway Patrol

Bill No. HB 2899

Bill Sec. 46

Analyst: Robert Waller

Analysis Pg. No. Vol. II - 1033

Budget Page No. 185

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2004</u>	<u>Gov. Rec. FY 2004</u>	<u>House Budget Committee Adjustments</u>
All Funds:			
State Operations	\$ 58,741,827	\$ 58,337,748	\$ 0
Aid to Local Units	15,650,000	15,650,000	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 74,391,827	\$ 73,987,748	\$ 0
Capital Improvements	<u>680,000</u>	<u>680,000</u>	<u>0</u>
TOTAL	<u>\$ 75,071,827</u>	<u>\$ 74,667,748</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 28,928,830	\$ 28,928,830	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 28,928,830	\$ 28,928,830	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 28,928,830</u>	<u>\$ 28,928,830</u>	<u>\$ 0</u>
FTE Positions	848.8	823.8	0.0
Unclassified Temp. Positions	<u>20.0</u>	<u>20.0</u>	<u>0.0</u>
TOTAL	<u>868.8</u>	<u>843.8</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The agency's revised current year estimate for operating expenditures totals \$74,391,827, which is \$18,522,936 or 33.2 percent above the approved FY 2004 amount. The State General Fund estimate does not change; however all other funds are estimated to increase by the aforementioned amount. The change is due to an increase in federal homeland security and operations funding and the agency's utilization of special revenue fund balances to finance expenses in various subprograms of the agency. The number of FTE positions within the agency's estimated FY 2004 budget increases from 823.8 to 848.8 due to the agency's supplemental appropriation request.

FY 2004 Supplemental Requests. The current year estimated supplemental appropriation request totals \$398,970:

Community Oriented Policing Services (COPS) Grant Funding and Additional Troopers. The agency received a federal COPS Universal Hiring Program grant for 25.0 FTE Troopers positions. The funds are designated for salary and wage expenses only, and the grant

expires May 31, 2006. The agency requests \$398,970 (partial year) to finance the additional positions.

The Governor recommends an FY 2004 estimate of \$73,987,748. The Governor concurs with agency's State General Fund estimate of \$28,928,830. However, the Governor recommends an all other funds appropriation of \$45,058,918, which is \$18,118,857 or 67.3 percent greater than the approved amount and \$404,079 or 0.9 percent below the agency's estimate. The Governor adds funding from the Kansas Corporation Commission to finance additional Motor Carrier Safety Assistance Program (MCSAP) expenses (\$85,198), and reduces other operating expenditures within the Motor Carrier Inspection (MCI) and Data Processing programs. **The Governor** concurs with the agency request, however does not recommend the additional 25.0 FTE trooper positions.

House Budget Committee Recommendation

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

House Committee Recommendations

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

SENATE SUBCOMMITTEE REPORT

Agency: Kansas Highway Patrol

Bill No. SB 536

Bill Sec. 45

<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	\$ 58,741,827	\$ 58,337,748	\$ 0
Aid to Local Units	15,650,000	15,650,000	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 74,391,827</u>	<u>\$ 73,987,748</u>	<u>\$ 0</u>
Capital Improvements	680,000	680,000	0
TOTAL	<u><u>\$ 75,071,827</u></u>	<u><u>\$ 74,667,748</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 28,928,830	\$ 28,928,830	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 28,928,830</u>	<u>\$ 28,928,830</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 28,928,830</u></u>	<u><u>\$ 28,928,830</u></u>	<u><u>\$ 0</u></u>
FTE Positions	847.8	822.8	0.0
Unclassified Temp. Positions	20.0	20.0	0.0
TOTAL	<u><u>867.8</u></u>	<u><u>842.8</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency's revised current year estimate for operating expenditures totals \$74,391,827, which is \$18,522,936 or 33.2 percent above the approved FY 2004 amount. The State General Fund estimate does not change; however all other funds are estimated to increase by the aforementioned amount. The change is due to an increase in federal homeland security and operations funding and the agency's utilization of special revenue fund balances to finance expenses in various subprograms of the agency. The number of FTE positions within the agency's estimated FY 2004 budget increases from 823.8 to 848.8 due to the agency's supplemental appropriation request.

FY 2004 Supplemental Requests. The current year estimated supplemental appropriation request totals \$398,970:

Community Oriented Policing Services (COPS) Grant Funding and Additional Troopers. The agency received a federal COPS Universal Hiring Program grant for 25.0 FTE Troopers positions.

The funds are designated for salary and wage expenses only, and the grant expires May 31, 2006. The agency requests \$398,970 (partial year) to finance the additional positions.

The Governor recommends an FY 2004 estimate of \$73,987,748. The Governor concurs with agency's State General Fund estimate of \$28,928,830. However, the Governor recommends an all other funds appropriation of \$45,058,918, which is \$18,118,857 or 67.3 percent greater than the approved amount and \$404,079 or 0.9 percent below the agency's estimate. The Governor adds funding from the Kansas Corporation Commission to finance additional Motor Carrier Safety Assistance Program (MCSAP) expenses (\$85,198), and reduces other operating expenditures within the Motor Carrier Inspection (MCI) and Data Processing programs. **The Governor** concurs with the agency request, however does not recommend the additional 25.0 FTE trooper positions.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

HOUSE BUDGET COMMITTEE REPORT

Agency: Kansas Highway Patrol

Bill No. HB 2900

Bill Sec. 55

Analyst: Robert Waller

Analysis Pg. No. 1033

Budget Page No. 185

<u>Expenditure Summary</u>	<u>Agency Request FY 2005</u>	<u>Gov. Rec. FY 2005</u>	<u>House Budget Committee Adjustments</u>
All Funds:			
State Operations	\$ 64,712,253	\$ 63,596,385	\$ 0
Aid to Local Units	20,350,000	20,350,000	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 85,062,253	\$ 83,946,385	\$ 0
Capital Improvements	<u>950,961</u>	<u>994,995</u>	<u>0</u>
TOTAL	<u><u>\$ 86,013,214</u></u>	<u><u>\$ 84,941,380</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 30,688,004	\$ 0	\$ 43,914,554
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 30,688,004	\$ 0	\$ 43,914,554
Capital Improvements	<u>0</u>	<u>0</u>	<u>475,961</u>
TOTAL	<u><u>\$ 30,688,004</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 44,390,515</u></u>
FTE Positions	848.8	823.8	0.0
Unclassified Temp. Positions	<u>20.0</u>	<u>20.0</u>	<u>0.0</u>
TOTAL	<u><u>868.8</u></u>	<u><u>843.8</u></u>	<u><u>0.0</u></u>

Agency Request/Governor's Recommendation

The agency's operating budget request totals \$85,062,253, which is \$10,670,426 or 14.3 percent above the FY 2004 revised estimate. Requested State General Fund expenditures total \$30,688,004 or 6.1 percent above the FY 2004 amount due mostly to a reduction in special revenue fee funds being utilized to finance contractual service expenses, and a 7.5 percent salary increase for Trooper positions (subject to appropriation per the agreement between the State of Kansas and the Kansas Trooper association signed in FY 2004). Requested expenditures from special revenue funds increase by \$8,911,252 or 14.3 percent from the FY 2004 amount of \$45,462,997. The change is due to the agency's enhancement package, and additional State Highway Funds (deposited within the Motor Carrier Inspection Fund) and federal homeland security and operational funding received in FY 2005. 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:

- \$48,184,583 for salaries and wages

- 847.8 FTE positions requested
- \$4,707,855 for contractual services
- \$3,900,502 for commodities
- \$7,591,506 for capital outlay
- \$20,350,000 in federal Homeland Security Funding
- \$327,807 for debt service interest payments

Absent requested FY 2005 enhancements, the agency's FY 2005 operating budget totals \$83,523,309 which is \$9,530,452 or 12.9 percent above the revised FY 2004 estimate, excluding the supplemental appropriation.

The Governor recommends operating expenditures which total \$83,946,385, which is \$9,958,637 or 13.5 percent above the FY 2004 revised recommendation. State General Fund expenditures are reduced to zero, due to Governor's recommendation to permanently finance Kansas Highway Patrol operational expenditures through the State Highway Fund beginning in FY 2005. The Governor's recommendation includes a 7.5 percent salary increase for the trooper classification (per an agreement with the Kansas Troopers Association and the Department of Administration), a 3.0 percent salary increase for all state employees, and an increase in federal Homeland Security Funding. These are offset by reductions in contractual and commodities expenses.

The Governor's operating budget request recommendation includes:

- \$48,064,362 for salaries and wages
 - 822.8 FTE positions recommended
- \$4,391,576 for contractual services
- \$3,636,214 for commodities
- \$7,161,578 for capital outlay
- \$342,655 for debt service interest payments
- \$20,350,000 in federal Homeland Security Funding

House Budget Committee Recommendation

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

1. The House Budget Committee transfers \$44,390,515 in State Highway Fund financing currently proposed to fund the Kansas Highway Patrol to the State General Fund. The House Budget Committee then transfers \$44,390,515 from the State General Fund to the agency's operating fund. The House Budget Committee makes no change in the amount of funding to be provided in FY 2005 to fund agency's operations.

House Committee Recommendations

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

SENATE SUBCOMMITTEE REPORT

Agency: Kansas Highway Patrol

Bill No. SB 538

Bill Sec. 55

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2005</u>	<u>Gov. Rec. FY 2005</u>	<u>Senate Subcommittee Adjustments*</u>
All Funds:			
State Operations	\$ 64,712,253	\$ 63,596,385	\$ (1,292,736)
Aid to Local Units	20,350,000	20,350,000	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 85,062,253</u>	<u>\$ 83,946,385</u>	<u>\$ (1,292,736)</u>
Capital Improvements	950,961	994,995	0
TOTAL	<u><u>\$ 86,013,214</u></u>	<u><u>\$ 84,941,380</u></u>	<u><u>\$ (1,292,736)</u></u>
State General Fund:			
State Operations	\$ 30,688,004	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	<u>\$ 30,688,004</u>	<u>\$ 0</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 30,688,004</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
FTE Positions	847.8	822.8	0.0
Unclassified Temp. Positions	20.0	20.0	0.0
TOTAL	<u><u>867.8</u></u>	<u><u>842.8</u></u>	<u><u>0.0</u></u>

* The adjustment reflects deletion of the Governor's recommended pay plan adjustments.

Agency Estimate/Governor's Recommendation

The agency's operating budget request totals \$85,062,253, which is \$10,670,426 or 14.3 percent above the FY 2004 revised estimate. Requested State General Fund expenditures total \$30,688,004 or 6.1 percent above the FY 2004 amount due mostly to a reduction in special revenue fee funds being utilized to finance contractual service expenses, and a 7.5 percent salary increase for Trooper positions (subject to appropriation per the agreement between the State of Kansas and the Kansas Trooper association signed in FY 2004). Requested expenditures from special revenue funds increase by \$8,911,252 or 14.3 percent from the FY 2004 amount of \$45,462,997. The change is due to the agency's enhancement package, and additional State Highway Funds (deposited within the Motor Carrier Inspection Fund) and federal homeland security and operational funding received in FY 2005. 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:

- \$48,184,583 for salaries and wages;
 - 847.8 FTE positions requested;
- \$4,707,855 for contractual services;
- \$3,900,502 for commodities;
- \$7,591,506 for capital outlay;
- \$20,350,000 in federal Homeland Security Funding; and
- \$327,807 for debt service interest payments.

Absent requested FY 2005 enhancements, the agency's FY 2005 operating budget totals \$83,523,309 which is \$9,530,452 or 12.9 percent above the revised FY 2004 estimate, excluding the supplemental appropriation.

The Governor recommends operating expenditures which total \$83,946,385, which is \$9,958,637 or 13.5 percent above the FY 2004 revised recommendation. State General Fund expenditures are reduced to zero, due to Governor's recommendation to permanently finance Kansas Highway Patrol operational expenditures through the State Highway Fund beginning in FY 2005. The Governor's recommendation includes a 7.5 percent salary increase for the trooper classification (per an agreement with the Kansas Troopers Association and the Department of Administration), a 3.0 percent salary increase for all state employees, and an increase in federal Homeland Security Funding. These are offset by reductions in contractual and commodities expenses.

The Governor's operating budget request recommendation includes:

- \$48,064,362 for salaries and wages;
 - 822.8 FTE positions recommended;
- \$4,391,576 for contractual services;
- \$3,636,214 for commodities;
- \$7,161,578 for capital outlay;
- \$342,655 for debt service interest payments; and
- \$20,350,000 in federal Homeland Security Funding.

Senate Subcommittee Recommendation

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

1. Delete \$1,292,736 from the State Highway Fund, to remove pay plan funding recommended by the Governor (a 3.0 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. In the event that the Governor's recommended 3.0 state employee pay plan is approved (\$1,292,736), the Senate Subcommittee recommends deleting \$675,794 to remove the 3.0 pay plan funding recommended by the Governor for the trooper classification who qualified to receive a 10.0 percent salary increase in FY 2004, and a 7.5 percent salary increase in FY 2005 and FY 2006 based on the memorandum of agreement signed by the Department of Administration, the

Kansas Highway Patrol, and the State Troopers Association. The Subcommittee understands that the Department of Administration estimates that the cost of creating a new matrix for Kansas Highway Patrol troopers would total \$15,880. However, the Subcommittee makes no recommendation to add the additional funding.

Minority Report

In reviewing the Kansas Highway Patrol budget, the agency discussed their inability in past years to recruit due to the level of salaries and wages received by Troopers as compared to other law enforcement departments. To address this problem, negotiations commenced a number of years ago between the Department of Administration, the Kansas Highway Patrol, and the Kansas State Troopers Association to address the issue. During those negotiations, lawsuits were filed on behalf of trooper personnel to address the salary issue. However, in FY 2004, a memorandum of agreement was signed to settle these salary and wage issues. The settlement between the Department of Administration and the Kansas State Troopers Association included a 10 percent salary increase for trooper class positions in FY 2004 (which was absorbed within existing resources), and a 7.5 percent increase in FY 2005 and FY 2006 (subject to appropriation). The 3.0 percent pay plan adjustment recommended by the Governor is not a part of the settlement and it is not fair or appropriate to exclude troopers from a state employee salary enhancement. The agreement was signed to address lawsuits that were introduced on behalf of troopers. Without that settlement, the State of Kansas may have had to expend more money in "monetary damages" to the troopers with the court's decision than it is obligated to under the current agreement. The recommendation to exclude troopers instantly forces the Department of Administration to expend funds to create a new matrix, and further sends the message to Kansas troopers that their service to our state is commended, but that we are unwilling to spend the dollars necessary to give them their cost-of-living increases provided for in the Governor's budget. I fear that exempting troopers from the state employee pay plan adjustment could trigger litigation that the memorandum of agreement attempted to avoid. This is a discriminatory action and I can not support it.



Senator Christine Downey