

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Vice Chairman Jay Emler at 10:30 A.M. on March 4, 2005 in Room 123-S of the Capitol.

All members were present except:  
Senator Donald Betts- excused

Committee staff present:  
Norman Furse, Revisor of Statutes  
Jill Wolters, Senior Assistant, Revisor of Statutes  
Alan Conroy, Director, Kansas Legislative Research Department  
J. G. Scott, Kansas Legislative Research Department  
Leah Robinson, Kansas Legislative Research Department  
Susan Kannarr, Kansas Legislative Research Department  
Matt Spurgin, Kansas Legislative Research Department  
Amy VanHouse, Kansas Legislative Research Department  
Judy Bromich, Administrative Analyst  
Mary Shaw, Committee Secretary

Conferees appearing before the committee:  
Duane Goossen, Director, Division of the Budget  
Janice Magathan, Deputy Director, Accounts and Reports, Kansas Department of Administration  
Duncan Friend, Department of Administration in the Division of Information Systems and Communications  
Andy Sanchez, Executive Director, Kansas Association of Public Employees  
Kansas Board of Regents (written)

Others attending:  
See attached list.

**Bill Introductions**

Senator Morris moved, with a second by Senator Teichman, to introduce a bill regarding promulgation of rules and regulations by the Secretary of the Department of Social and Rehabilitation Services; relating to the prior authorization program (5rs1100). Motion carried on a voice vote. (Attachment 1)

Senator Wysong moved, with a second by Senator Barone, to introduce a bill authorizing the Kansas State Historical Society to convey certain land at the Shawnee Indian Mission historic site to the City of Fairway, Kansas (5rs1095). Motion carried on a voice vote.

Senator Morris moved, with a second by Senator Kelly, to introduce a conceptual bill regarding the pet animal act. Motion carried on a voice vote.

Copies of the Kansas Legislative Research Department Budget Analysis Report for FY 2005 and FY 2006 were available to the committee.

**Subcommittee budget report on:**

**LEGISLATIVE AND ELECTED OFFICIALS SUBCOMMITTEE (Attachment 2)**

Subcommittee Chairman Emler explained that Senator Betts was ill, but he did verbally agree with the subcommittee report and that Senator Betts could let him know, if he does not agree with the report. There is no minority report.

**Legislative Coordinating Council**

Subcommittee Chairman Jay Emler reported that the subcommittee on the Legislative Coordinating Council concurs with the Governor's recommendation in FY 2005 with observation and concurs with the Governor's

## CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on March 4, 2005 in Room 123-S of the Capitol.

FY 2006 recommendations with adjustments and observation.

### **Legislative Division of Post Audit**

Subcommittee Chairman Jay Emler reported that the subcommittee on the Legislative Division of Post Audit concurs with the Governor's recommendation in FY 2005 with observation and concurs with the Governor's FY 2006 recommendations with adjustments and observation.

### **Revisor of Statutes**

Subcommittee Chairman Jay Emler reported that the subcommittee on the Revisor of Statutes concurs with the Governor's recommendation in FY 2005 with observation and concurs with the Governor's FY 2006 recommendations with adjustments and observation.

### **Kansas Legislative Research Department**

Subcommittee Chairman Jay Emler reported that the subcommittee on the Kansas Legislative Research Department concurs with the Governor's recommendation in FY 2005 with observation and concurs with the Governor's FY 2006 recommendations with adjustments and observation.

### **Legislature**

Subcommittee Chairman Jay Emler reported that the subcommittee on the Legislature concurs with the Governor's recommendation in FY 2005 with observation and concurs with the Governor's FY 2006 recommendations with adjustments and observation.

Subcommittee Chairman Jay Emler explained in reference to Item No. 5 in FY 2006, the \$380,000 purchase of Tablet computers for every legislator, and 2.4 FTE, that Tablet computers are more versatile than Laptop computers. Committee discussion followed. Regarding Item No. 5, Senator Morris suggested it would be beneficial to have someone come in to talk about the computer issue to aid the Legislative Coordinating Council in making decisions in the future, preferably prior to adjournment.

Senator Steineger mentioned that he had talked with Jeff Russell, Legislative Services, about the cost of buying paper clips and binder clips and the cost per year is approximately \$1,400.00. Senator Steineger moved, with a second by Senator Schmidt, a "paper clip proviso" to stop buying paper clips and binder clips for one year. Senator Steineger mentioned that because there is so much mail and items delivered to the offices, it is important to be mindful of the materials and cost involved. Following committee discussion regarding recycling and individual responsibility, Senator Steineger withdrew his motion upon agreement of Senator Schmidt, the second to the motion. He noted that his point had been made.

Discussion followed regarding Item No. 6 in FY 2006 regarding session committee secretaries and the workload. Following discussion, Senator Schmidt moved, with a second by Senator Teichman, to amend the subcommittee report on the Legislature and add language that the Committee recommends that the Legislative Coordinating Council study the issue of secretarial support for the Legislature, review all committees and look at the way work is done. Motion carried on a voice vote.

Senator Schmidt moved, with a second by Senator Barone, to adopt the subcommittee budget report on the Legislative Coordinating Council, Legislative Division of Post Audit, Revisor of Statutes, Legislative Research Department and, as amended, on the Legislature in FY 2005 and FY 2006. Motion carried on a voice vote.

### **Subcommittee budget reports on:**

#### **Kansas Department of Agriculture Animal Health Department**

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on March 4, 2005 in Room 123-S of the Capitol.

**Kansas State Fair (Attachment 3)**

Subcommittee Chairman Mark Taddiken reported that the subcommittee on the Kansas Department of Agriculture concurs with the Governor's recommendation in FY 2005 with comment and concurs with the Governor's FY 2006 recommendations with comments and adjustments.

Subcommittee Chairman Mark Taddiken reported that the subcommittee on the Animal Health Department concurs with the Governor's recommendation in FY 2005 with comment and concurs with the Governor's FY 2006 recommendations with adjustments and comments.

Subcommittee Chairman Mark Taddiken reported that the subcommittee on the Kansas State Fair concurs with the Governor's recommendation in FY 2005 with comments and concurs with the Governor's FY 2006 recommendations with adjustments and comments.

Senator Kelly moved, with a second by Senator Taddiken, to adopt the subcommittee budget reports on the Kansas Department of Agriculture, Animal Health Department and Kansas State Fair in FY 2005 and FY 2006. Motion carried on a voice vote.

Chairman Umbarger opened the public hearing on:

**SB 286--Compensation and salaries for state officers and employees, increases, semimonthly payroll periods, appropriations for FY 2006**

Staff briefed the committee on the bill.

Duane Goossen, State Budget Director, testified on **SB 286** (Attachment 4). Mr. Goossen explained that the Kansas Department of Administration fully supports the portion of the bill that implements a 2.5 percent salary increase for state employees in FY 2006. He noted that funds to finance the increase for all of FY 2006 have been included in the Governor's budget recommendation to the Legislature. Mr. Goossen mentioned that the Kansas Department of Administration opposes the portion of the bill that converts the present bi-weekly pay system to a semi-monthly system, and he advised not moving forward on that part of the bill. Key points opposing a conversion to semi-monthly pay are detailed in Mr. Goossen's written testimony.

Janice Magathan, Deputy Director of Accounts and Reports, Kansas Department of Administration, addressed the conversion implications of Bi-Weekly Pay to Semi-Monthly Pay (refer to the written testimony presented by Duane Goossen, Attachment 4).

Duncan Friend, Project Director for the recent project to upgrade SHARP (State's PeopleSoft Human Resource and Payroll System), provided an overview of the SHARP HR/Payroll System (Attachment 5). Mr. Friend explained the approach to estimating a project to convert to semi-monthly pay, Gantt Chart walkthrough, risks and the impact on plans to upgrade the PeopleSoft software. He addressed the point that if they were to undertake a project to convert the SHARP system to semi-monthly pay, he would recommend against attempting to combine this project with an upgrade of the underlying PeopleSoft software. Mr. Friend noted that the principal reason is the increased level of risk introduced when managing the changes and requirements of a new release of a software package along with a date certain deadline for implementation of semi-monthly pay and provided detailed information in his written testimony.

Andy Sanchez, Executive Director, Kansas Association of Public Employees, testified on **SB 286** and mentioned that this is not about state employees simply having to re-align their finances, they will and it will be problematic for some (Attachment 6). Mr. Sanchez asked that the Committee carefully weigh all the factors to make certain that the employees involved are not being asked to bear more than their share of the burden.

Written testimony was submitted by Reginald L. Robinson, President and CEO, Kansas Board of Regents (Attachment 7).

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on March 4, 2005 in Room 123-S of the Capitol.

There being no further conferees to come before the committee, the Chairman closed the public hearing on SB 286.

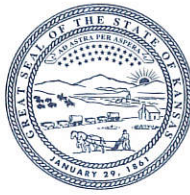
The meeting adjourned at 12:10 p.m. The next meeting is scheduled for March 7,2005.



SENATE WAYS AND MEANS  
GUEST LIST

Date March 4, 2005

NAME	REPRESENTING
Tracy Foster	Dept of Agriculture
CV Cotsoradis	KDA
Dennis Peerenboom	KDA
Jim Conant	KDOR
Keith Maxton	SEAK
James Magrath	DofA
Dale Brunton	"
Lisa Kerwin	"
Connie Guerrero	"
Faxton Lapsman	DISC
Sarah Gigous	DISC
Lois Ison	Dept of Admin
Sunni Zentner	"
Denise Moore	CITO Exec Branch
Duncan Friend	Department of Administration (DISC)
GUE PETERSON	K-STATE
Amber Shaverdi	MCAT
Kip Peterson	KBOR
Marvin Burris	KBOR



# K A N S A S

GARY J. DANIELS, ACTING SECRETARY

KATHLEEN SEBELIUS, GOVERNOR

SOCIAL AND REHABILITATION SERVICES

March 3, 2005

Senator Duane Umbarger, Chair  
Senate Ways and Means Committee  
Kansas Senate  
Room 120-S, Statehouse  
Topeka, Kansas 66612

Dear Senator Umbarger:

I would like to request the introduction of an SRS legislative proposal regarding the process for reviewing prescription drugs. The proposed bill would amend current statute to change the process for placing prescription drugs on prior authorization or a restricted formulary. Currently, the process for reviewing a drug for preferred status and creating the necessary prior authorization requirements takes approximately three months. Those decisions must be approved through the rules and regulation process which takes an additional three to six months. If SRS has the authority to put drugs on prior authorization or preferred status sooner, there would be savings due to changes in utilization and in some cases supplemental rebates.

I appreciate your Committee's introduction of this bill, and will be glad to testify or provide additional information as requested.

Sincerely,

Gary J. Daniels  
Acting Secretary

**LEGISLATIVE AND ELECTED OFFICIALS  
SUBCOMMITTEE  
FY 2005 - FY 2006**

Legislative Coordinating Council  
Legislative Division of Post Audit  
Revisor of Statutes  
Legislative Research Department  
Legislature

A handwritten signature in blue ink, appearing to read "Jay Emler", written over a horizontal line.

Senator Jay Emler, Chair

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Senator Donald Betts

Senate Ways and Means  
3-4-05  
Attachment 2

# House Budget Committee Report

Agency: Legislative Coordinating Council Bill No. --

Bill Sec. --

Analyst: Scott

Analysis Pg. No. Vol. 2 -1115

Budget Page No. 305

<u>Expenditure</u>	<u>Agency Est. FY 05</u>	<u>Governor Rec. FY 05</u>	<u>House Budget Committee Adjustments</u>
<b>Operating Expenditures:</b>			
State General Fund	\$ 713,614	\$ 713,614	\$ 0
Other Funds	0	0	0
<b>TOTAL</b>	<u>\$ 713,614</u>	<u>\$ 713,614</u>	<u>\$ 0</u>
FTE Positions	12.0	12.0	0.0

## Agency Estimate/Governor's Recommendation

The **agency** is requesting \$713,614 (all State General Fund) in the current year estimate. This is a \$13,747 or 2.0 percent increase above the FY 2005 approved amount. The change reflects a slight increase in salaries and wages. The **Governor** concurs with the agency's current year estimate.

## House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, and notes that the Governor treated the Legislative Branch the same as the Judicial Branch, and makes the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2005 State General Fund recommendation for the agency totals \$713,614, an increase of \$13,747, or 2.0 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. The expenditure increase is attributed to an unlimited reappropriation from FY 2004.

## House Committee Recommendation

The House Committee concurs with the Governor's recommendation.

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### Senate Subcommittee Report

**Agency:** Legislative Coordinating Council

**Bill No. --**

**Bill Sec. --**

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 -1115

**Budget Page No.** 305

Expenditure	Agency Est. FY 05	Governor Rec. FY 05	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 713,614	\$ 713,614	\$ 0
Other Funds	0	0	0
<b>TOTAL</b>	<b>\$ 713,614</b>	<b>\$ 713,614</b>	<b>\$ 0</b>
 FTE Positions	 12.0	 12.0	 0.0

#### Agency Estimate/Governor's Recommendation

The **agency** is requesting \$713,614 (all State General Fund) in the current year estimate. This is a \$13,747 or 2.0 percent increase above the FY 2005 approved amount. The change reflects a slight increase in salaries and wages. The **Governor** concurs with the agency's current year estimate.

#### Senate Subcommittee Recommendation

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

- 1. Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 State General Fund recommendation for the agency totals \$713,614, an increase of \$13,747, or 2.0 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. The expenditure increase is attributed to an unlimited reappropriation from FY 2004.



# House Budget Committee Report

**Agency:** Legislative Coordinating Council

**Bill No.** HB 2482

**Bill Sec.** 24

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 - 1115

**Budget Page No.** 305

Expenditure	Agency Req. FY 06	Governor Rec. FY 06	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 716,822	\$ 758,807	\$ 0
Other Funds	0	0	0
TOTAL	<u>\$ 716,822</u>	<u>\$ 758,807</u>	<u>\$ 0</u>
 FTE Positions	 12.0	 12.0	 0.0

## Agency Request/Governor's Recommendation

The **agency's** requested FY 2006 budget of \$716,822 is an increase of \$3,208 or 0.4 percent above the FY 2005 estimate. The increase is the result of small increases in salary and wages fringe benefits and contractual services. The **Governor** concurs with the agency request and adds funding for the 2.5 percent base salary adjustment, KPERS death and disability rate increase, and the 27th payroll period.

## House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, and notes that the Governor treated the Legislative Branch the same as the Judicial Branch, and makes the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$758,807, an increase of \$58,940, or 8.4 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$16,097), the 27th payroll period (\$23,845), and the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$2,043), the recommendation is an increase of \$16,955, or 2.4 percent above the approved amount.

## House Committee Recommendation

The House Committee concurs with the Governor's recommendation.

### Senate Subcommittee Report

**Agency:** Legislative Coordinating Council

**Bill No.** SB 270

**Bill Sec.** 24

**Analyst:** Scott

**Analysis Pg. No.** Vol.2 - 1115

**Budget Page No.** 305

Expenditure	Agency Req. FY 06	Governor Rec. FY 06	Senate Subcommittee Adjustments *
<b>Operating Expenditures:</b>			
State General Fund	\$ 716,822	\$ 758,807	\$ (41,985)
Other Funds	0	0	0
TOTAL	<u>\$ 716,822</u>	<u>\$ 758,807</u>	<u>\$ (41,985)</u>
 FTE Positions	 12.0	 12.0	 0.0

\* The entire adjustment reflects deletion of the Governor's recommended salary plan adjustments.

#### Agency Request/Governor's Recommendation

The **agency's** requested FY 2006 budget of \$716,822 is an increase of \$3,208 or 0.4 percent above the FY 2005 estimate. The increase is the result of small increases in salary and wage fringe benefits and contractual services. The **Governor** concurs with the agency request and adds funding for the 2.5 percent base salary adjustment, KPERS death and disability rate increase, and the 27th payroll period.

#### Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observation:

1. **Pay Plan Adjustment.** Delete \$16,097 from the State General Fund, to remove pay plan funding recommended by the Governor (a 2.5 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. **Other Salary and Wage Adjustments.** Delete \$25,888 from the State General Fund to remove funding recommended by the Governor for the 27th payroll period (\$23,845), and for the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$2,043) for later Committee consideration.
3. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2006 recommendation is a State General Fund increase of \$58,940 or 8.4 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent the above pay plan and salary and wage adjustments, the recommendation is an increase of \$16,955, or 2.4 percent above the approved amount.

# House Budget Committee Report

Agency: Legislative Division of Post Audit Bill No. --

Bill Sec. --

Analyst: Scott

Analysis Pg. No. Vol. 2 -1139

Budget Page No. 307

<u>Expenditure</u>	<u>Agency Est. FY 05</u>	<u>Governor Rec. FY 05</u>	<u>House Budget Committee Adjustments</u>
<b>Operating Expenditures:</b>			
State General Fund	\$ 1,970,209	\$ 1,970,209	\$ 0
Other Funds	0	0	0
TOTAL	<u>\$ 1,970,209</u>	<u>\$ 1,970,209</u>	<u>\$ 0</u>
FTE Positions	21.0	21.0	0.0

## Agency Estimate/Governor's Recommendation

The agency is requesting \$1,970,209 (all State General Fund) in the current year estimate. This is an increase of \$7,316 or 0.4 percent over the FY 2005 approved amount. This increase reflects fully funding all positions and allows for additional contract audit work. The **Governor** concurs with the agency's request.

## House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, and notes that the Governor treated the Legislative Branch the same as the Judicial Branch, and makes the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2005 State General Fund recommendation for the agency totals \$1,970,209, an increase of \$7,316, or 0.4 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. The expenditure increase is attributed to an unlimited reappropriation from FY 2004.

## House Committee Recommendation

The House Committee concurs with the Governor's recommendation.

### Senate Subcommittee Report

Agency: Legislative Division of Post Audit Bill No. --

Bill Sec. --

Analyst: Scott

Analysis Pg. No. Vol. 2 -1139

Budget Page No. 307

Expenditure	Agency Est. FY 05	Governor Rec. FY 05	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 1,970,209	\$ 1,970,209	\$ 0
Other Funds	0	0	0
<b>TOTAL</b>	<b>\$ 1,970,209</b>	<b>\$ 1,970,209</b>	<b>\$ 0</b>
 FTE Positions	 21.0	 21.0	 0.0

#### Agency Estimate/Governor's Recommendation

The agency is requesting \$1,970,209 (all State General Fund) in the current year estimate. This is an increase of \$7,316 or 0.4 percent over the FY 2005 approved amount. This increase reflects fully funding all positions and allows for additional contract audit work. The **Governor** concurs with the agency's request.

#### Senate Subcommittee Recommendation

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

1. **Change from FY 2005 Approved.** The Senate Subcommittee notes that the Governor's FY 2005 State General Fund recommendation for the agency totals \$1,970,209, an increase of \$7,316, or 0.4 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. The expenditure increase is attributed to an unlimited reappropriation from FY 2004.

# House Budget Committee Report

**Agency:** Legislative Division of Post Audit **Bill No.** 2482

**Bill Sec.** 26

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 -1139

**Budget Page No.** 307

Expenditure	Agency Req. FY 06	Governor Rec. FY 06	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 1,999,292	\$ 2,098,936	\$ 0
Other Funds	0	0	0
TOTAL	\$ 1,999,292	\$ 2,098,936	\$ 0
FTE Positions	21.0	21.0	0.0

## Agency Request/Governor's Recommendation

The **agency's** requested FY 2006 budget of \$1,999,292 is an increase of \$29,083 or 1.5 percent above the FY 2005 estimate. The majority of this increase is in salary and wages. The **Governor** concurs with the agency request and adds funding for the 2.5 percent base salary adjustment, KPERS death and disability rate increase, and the 27th payroll period.

## House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, and notes that the Governor treated the Legislative Branch the same as the Judicial Branch, and makes the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$2,098,936, an increase of \$136,043, or 6.9 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$38,112), the 27th payroll period (\$56,461), and the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$5,071), the recommendation is an increase of \$36,399, or 1.9 percent above the approved amount.

## House Committee Recommendation

The House Committee concurs with the Governor's recommendation.



### Senate Subcommittee Report

Agency: Legislative Division of Post Audit

Bill No. 270

Bill Sec. 26

Analyst: Scott

Analysis Pg. No. Vol. 2 -1139

Budget Page No. 307

Expenditure	Agency Req. FY 06	Governor Rec. FY 06	Senate Subcommittee Adjustments *
<b>Operating Expenditures:</b>			
State General Fund	\$ 1,999,292	\$ 2,098,936	\$ (99,644)
Other Funds	0	0	0
TOTAL	<u>\$ 1,999,292</u>	<u>\$ 2,098,936</u>	<u>\$ (99,644)</u>
 FTE Positions	 21.0	 21.0	 0.0

\* The entire adjustment reflects deletion of the Governor's recommended salary plan adjustments.

#### Agency Request/Governor's Recommendation

The **agency's** requested FY 2006 budget of \$1,999,292 is an increase of \$29,083 or 1.5 percent above the FY 2005 estimate. The majority of this increase is in salary and wages. The **Governor** concurs with the agency request and adds funding for the 2.5 percent base salary adjustment, KPERS death and disability rate increase, and the 27th payroll period.

#### Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observation:

1. **Pay Plan Adjustment.** Delete \$38,112 from the State General Fund to remove pay plan funding recommended by the Governor (a 2.5 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. **Other Salary and Wage Adjustments.** Delete \$61,532 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$56,461), and for the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$5,071) for later Committee consideration.
3. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$2,098,936, an increase of \$136,043, or 6.9 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent the above pay plan and salary and wage adjustments, the recommendation is an increase of \$36,399, or 1.9 percent above the approved amount.

# House Budget Committee Report

**Agency:** Revisor of Statutes

**Bill No. --**

**Bill Sec. --**

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 -1133

**Budget Page No.** 357

Expenditure	Agency Est. FY 05	Governor Rec. FY 05	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 2,589,154	\$ 2,589,154	\$ 0
Other Funds	0	0	0
TOTAL	<u>\$ 2,589,154</u>	<u>\$ 2,589,154</u>	<u>\$ 0</u>
 FTE Positions	 26.5	 26.5	 0.0

## Agency Estimate/Governor's Recommendation

The **agency** is requesting \$2,589,154 (all State General Fund) in the current year estimate. This is an increase of \$130,213 or 5.3 percent over the FY 2005 approved amount. This increase reflects republishing two bound volumes of the *Kansas Statutes Annotated*. The **Governor** concurs with the agency's request.

## House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, and notes that the Governor treated the Legislative Branch the same as the Judicial Branch, and makes the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2005 State General Fund recommendation for the agency totals \$2,589,154, an increase of \$130,213, or 5.3 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. The expenditure increase is attributed to an unlimited reappropriation from FY 2004.

## House Committee Recommendation

The House Committee concurs with the Governor's recommendation.

### Senate Subcommittee Report

**Agency:** Revisor of Statutes

**Bill No. --**

**Bill Sec. --**

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 -1133

**Budget Page No.** 357

Expenditure	Agency Est. FY 05	Governor Rec. FY 05	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 2,589,154	\$ 2,589,154	\$ 0
Other Funds	0	0	0
<b>TOTAL</b>	<u><u>\$ 2,589,154</u></u>	<u><u>\$ 2,589,154</u></u>	<u><u>\$ 0</u></u>
 FTE Positions	 26.5	 26.5	 0.0

#### Agency Estimate/Governor's Recommendation

The **agency** is requesting \$2,589,154 (all State General Fund) in the current year estimate. This is an increase of \$130,213 or 5.3 percent over the FY 2005 approved amount. This increase reflects republishing two bound volumes of the *Kansas Statutes Annotated*. The **Governor** concurs with the agency's request.

#### Senate Subcommittee Recommendation

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

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 State General Fund recommendation for the agency totals \$2,589,154, an increase of \$130,213, or 5.3 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. The expenditure increase is attributed to an unlimited reappropriation from FY 2004.

# House Budget Committee Report

**Agency:** Revisor of Statutes

**Bill No.** HB 2842

**Bill Sec.** 24

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 - 1133

**Budget Page No.** 357

Expenditure	Agency Req. FY 06	Governor Rec. FY 06	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 2,595,741	\$ 2,721,134	\$ 0
Other Funds	0	0	0
TOTAL	<u>\$ 2,595,741</u>	<u>\$ 2,721,134</u>	<u>\$ 0</u>
 FTE Positions	 26.5	 26.5	 0.0

## Agency Request/Governor's Recommendation

The **agency's** requested FY 2006 budget of \$2,595,741 is an increase of \$6,587 or 0.3 percent above the FY 2005 estimate. Most of this increase is attributable to increases in fringe benefits. The **Governor** concurs with the agency request and adds \$47,997 from the State General Fund for the 2.5 percent base salary adjustment, \$6,287 from the State General Fund for the KPERS death and disability rate increase, and \$71,109 from the State General Fund for the 27th payroll period.

## House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, and notes that the Governor treated the Legislative Branch the same as the Judicial Branch, and makes the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$2,721,134, an increase of \$262,193, or 10.7 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$47,997), the 27th payroll period (\$71,109), and the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$6,287), the recommendation is an increase of \$136,800, or 5.6 percent above the approved amount.

## House Committee Recommendation

The House Committee concurs with the Governor's recommendation.

### Senate Subcommittee Report

**Agency:** Revisor of Statutes

**Bill No.** SB 270

**Bill Sec.** 24

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 - 1133

**Budget Page No.** 357

Expenditure	Agency Req. FY 06	Governor Rec. FY 06	Senate Subcommittee Adjustments*
<b>Operating Expenditures:</b>			
State General Fund	\$ 2,595,741	\$ 2,721,134	\$ (125,393)
Other Funds	0	0	0
TOTAL	\$ 2,595,741	\$ 2,721,134	\$ (125,393)
 FTE Positions	 26.5	 26.5	 0.0

\* The entire adjustment reflects deletion of the Governor's recommended salary plan adjustments.

#### Agency Request/Governor's Recommendation

The **agency's** requested FY 2006 budget of \$2,595,741 is an increase of \$6,587 or 0.3 percent above the FY 2005 estimate. Most of this increase is attributable to increases in fringe benefits. The **Governor** concurs with the agency request and adds \$47,997 from the State General Fund for the 2.5 percent base salary adjustment, \$6,287 from the State General Fund for the KPERS death and disability rate increase, and \$71,109 from the State General Fund for the 27th payroll period.

#### Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observation:

1. **Pay Plan Adjustment.** Delete \$47,997 from the State General Fund to remove pay plan funding recommended by the Governor (a 2.5 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. **Other Salary and Wage Adjustments.** Delete \$77,396 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$71,109), and for the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$6,287) for later Committee consideration.
3. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2006 recommendation is a State General Fund increase of \$262,193, or 10.7 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent the above pay plan and salary and wage adjustments, the recommendation is an increase of \$136,800, or 5.6 percent above the approved amount.



# House Budget Committee Report

**Agency:** Legislative Research Department **Bill No. --**

**Bill Sec. --**

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 - 1127

**Budget Page No.** 309

Expenditure	Agency Est. FY 05	Governor Rec. FY 05	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 2,890,209	\$ 2,890,209	\$ 0
Other Funds	77,807	77,807	0
TOTAL	<u>\$ 2,968,016</u>	<u>\$ 2,968,016</u>	<u>\$ 0</u>
 FTE Positions	 38.0	 38.0	 0.0

## Agency Estimate/Governor's Recommendation

The **agency** is requesting in the current year estimate \$2,968,016, of which \$2,890,209 is State General Fund. This is an all funds increase of \$87,200 or 3.0 percent over the FY 2005 approved. The State General Fund increase is \$90,528 or 3.2 percent from the FY 2005 approved before any reappropriation. After the State General Fund reappropriation is taken into consideration, the total is \$5,245 below the amount available in FY 2005. This request fully funds all positions. The **Governor** concurs with the agency's request.

## House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, and notes that the Governor treated the Legislative Branch the same as the Judicial Branch, and makes the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2005 State General Fund recommendation for the agency totals \$2,890,209, an increase of \$90,528, or 3.2 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. The expenditure increase is attributed to an unlimited reappropriation from FY 2004.

## House Committee Recommendation

The House Committee concurs with the Governor's recommendation.

### Senate Subcommittee Report

**Agency:** Legislative Research Department **Bill No. --**

**Bill Sec. --**

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 - 1127

**Budget Page No.** 309

Expenditure	Agency Est. FY 05	Governor Rec. FY 05	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 2,890,209	\$ 2,890,209	\$ 0
Other Funds	77,807	77,807	0
TOTAL	<u>\$ 2,968,016</u>	<u>\$ 2,968,016</u>	<u>\$ 0</u>
 FTE Positions	 38.0	 38.0	 0.0

#### Agency Estimate/Governor's Recommendation

The **agency** is requesting in the current year estimate \$2,968,016, of which \$2,890,209 is State General Fund. This is an all funds increase of \$87,200 or 3.0 percent over the FY 2005 approved. The State General Fund increase is \$90,528 or 3.2 percent from the FY 2005 approved before any reappropriation. After the State General Fund reappropriation is taken into consideration, the total is \$5,245 below the amount available in FY 2005. This request fully funds all positions. The **Governor** concurs with the agency's request.

#### Senate Subcommittee Recommendation

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

1. **Change from FY 2005 Approved.** The Senate Subcommittee notes that the Governor's FY 2005 State General Fund recommendation for the agency totals \$2,890,209, an increase of \$90,528, or 3.2 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. The expenditure increase is attributed to an unlimited reappropriation from FY 2004.

# House Budget Committee Report

**Agency:** Legislative Research Department    **Bill No.** HB 2482

**Bill Sec.** 24

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 - 1127

**Budget Page No.** 309

Expenditure	Agency Req. FY 06	Governor Rec. FY 06	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 2,903,833	\$ 3,075,699	\$ 0
Other Funds	78,140	82,691	0
TOTAL	\$ 2,981,973	\$ 3,158,390	\$ 0
FTE Positions	38.0	38.0	0.0

## Agency Request/Governor's Recommendation

The **agency's** requested FY 2006 budget of \$2,981,973 is an increase of \$13,957 or 0.5 percent above the FY 2005 estimate. This funds the agency's 38 FTE positions. Most of the increase is attributable to fringe benefit increases. The **Governor** concurs with the agency request and adds \$67,483, including \$65,742 from the State General Fund for the 2.5 percent base salary adjustment, \$8,958, including \$8,727 from the State General Fund for the KPERS death and disability rate increase, and \$99,976, including \$97,397 from the State General Fund for the 27th payroll period.

## House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, and notes that the Governor treated the Legislative Branch the same as the Judicial Branch, and makes the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$3,075,699, an increase of \$276,018, or 9.9 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$65,742), the 27th payroll period (\$97,397), and the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$8,727), the recommendation is an increase of \$104,152, or 3.7 percent above the approved amount.

## House Committee Recommendation

The House Committee concurs with the Governor's recommendation.

### Senate Subcommittee Report

**Agency:** Legislative Research Department    **Bill No.** SB 270

**Bill Sec.** 24

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 - 1127

**Budget Page No.** 309

Expenditure	Agency Req. FY 06	Governor Rec. FY 06	Senate Subcommittee Adjustments*
<b>Operating Expenditures:</b>			
State General Fund	\$ 2,903,833	\$ 3,075,699	\$ (171,866)
Other Funds	78,140	82,691	(4,551)
TOTAL	<u>\$ 2,981,973</u>	<u>\$ 3,158,390</u>	<u>\$ (176,417)</u>
 FTE Positions	 38.0	 38.0	 0.0

\* The entire adjustment reflects deletion of the Governor's recommended salary plan adjustments.

### Agency Request/Governor's Recommendation

The **agency's** requested FY 2006 budget of \$2,981,973 is an increase of \$13,957 or 0.5 percent above the FY 2005 estimate. This funds the agency's 38 FTE positions. Most of the increase is attributable to fringe benefit increases. The **Governor** concurs with the agency request and adds \$67,483, including \$65,742 from the State General Fund for the 2.5 percent base salary adjustment, \$8,958, including \$8,727 from the State General Fund for the KPERS death and disability rate increase, and \$99,976, including \$97,397 from the State General Fund for the 27th payroll period.

### Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observation:

1. **Pay Plan Adjustment.** Delete \$67,483, including \$65,742 from the State General Fund, to remove pay plan funding recommended by the Governor (a 2.5 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. **Other Salary and Wage Adjustments.** Delete \$108,934, including \$106,124 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$99,976), and for the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$8,958) for later Committee consideration.
3. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2006 recommendation is a State General Fund increase of \$276,018, or 9.9 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent the above pay plan and salary and wage adjustments, the recommendation is an increase of \$104,152, or 3.7 percent above the approved amount.

# House Budget Committee Report

**Agency:** Legislature

**Bill No. --**

**Bill Sec. --**

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 - 1121

**Budget Page No.** 311

Expenditure	Agency Est. FY 05	Governor Rec. FY 05	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 13,946,864	\$ 13,946,864	\$ 0
Other Funds	84,500	84,500	0
TOTAL	<u>\$ 14,031,364</u>	<u>\$ 14,031,364</u>	<u>\$ 0</u>
 FTE Positions	 33.0	 33.0	 0.0

## Agency Estimate/Governor's Recommendation

The **agency** is requesting in the current year estimate \$14,031,364, of which \$13,946,864 is State General Fund. This is an all fund increase of \$617,649 or 4.6 percent over the FY 2005 approved amount. The State General Fund increase is \$617,649 or 4.6 percent from the FY 2005 approved before reappropriations. After reappropriations are taken into consideration, the State General Fund is \$319,713 below total available. The **Governor** concurs with the agency's request.

## House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, and notes that the Governor treated the Legislative Branch the same as the Judicial Branch, and makes the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2005 State General Fund recommendation for the agency totals \$13,946,864, an increase of \$617,649, or 4.6 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. The expenditure increase is attributed to an unlimited reappropriation from FY 2004.

## House Committee Recommendation

The House Committee concurs with the Governor's recommendation.



### Senate Subcommittee Report

**Agency:** Legislature

**Bill No. --**

**Bill Sec. --**

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 - 1121

**Budget Page No.** 311

Expenditure	Agency Est. FY 05	Governor Rec. FY 05	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 13,946,864	\$ 13,946,864	\$ 0
Other Funds	84,500	84,500	0
TOTAL	<u>\$ 14,031,364</u>	<u>\$ 14,031,364</u>	<u>\$ 0</u>
 FTE Positions	 33.0	 33.0	 0.0

#### Agency Estimate/Governor's Recommendation

The **agency** is requesting in the current year estimate \$14,031,364, of which \$13,946,864 is State General Fund. This is an all funds increase of \$617,649 or 4.6 percent over the FY 2005 approved amount. The State General Fund increase is \$617,649 or 4.6 percent from the FY 2005 approved before reappropriations. After reappropriations are taken into consideration, the State General Fund is \$319,713 below total available. The **Governor** concurs with the agency's request.

#### Senate Subcommittee Recommendation

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

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 State General Fund recommendation for the agency totals \$13,946,864, an increase of \$617,649, or 4.6 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. The expenditure increase is attributed to an unlimited reappropriation from FY 2004.

# House Budget Committee Report

**Agency:** Legislature

**Bill No.** HB 2482

**Bill Sec.** 25

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 -1121

**Budget Page No.** 311

Expenditure	Agency Req. FY 06	Governor Rec. FY 06	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 14,976,181	\$ 15,234,836	\$ 26,730
Other Funds	258,814	258,814	0
TOTAL	<u>\$ 15,234,995</u>	<u>\$ 15,493,650</u>	<u>\$ 26,730</u>
 FTE Positions	 34.0	 34.0	 0.0

## Agency Request/Governor's Recommendation

The **agency** requests an FY 2006 operating budget of \$15,234,995 that is an increase of \$1,203,631 or 8.6 percent above the FY 2005 estimate. The agency is requesting \$8,377,867 in **salary and wages**, an increase of \$219,361 or 2.7 percent above the FY 2005 estimate and fully funds the agency's 34 FTE positions, temporary workers, and legislators (at the current temporary rate of \$81.11 per day). This increase reflects the annualized FY 2005 salary adjustment and the higher cost of fringe benefits. One FTE position is added to work on the Legislature's bill drafting computer project. Also included is a full year of the legislative non-session expense allowance funded at the FY 2005 temporary final rate of \$722 per month. **Contractual services** are budgeted at \$6,499,721 that reflects an increase of \$1,019,094 or 18.6 percent above the FY 2005 estimate. The increase is mainly due to the Legislative Branch computer strategic plan initiative. The amount requested for **commodities** is estimated at \$287,407, an increase of \$3,346 or 1.2 percent above the FY 2005 request. The **capital outlay** request is for \$70,000, a decrease of \$38,170 or 35.3 percent below the FY 2005 estimate. The **Governor** concurs with the agency request and adds funding for the 2.5 percent base salary adjustment, KPERS death and disability rate increase, and the 27th payroll period.

## House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, and notes that the Governor treated the Legislative Branch the same as the Judicial Branch, and makes the following observation and adjustment:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$15,234,836, an increase of \$1,905,621, or 14.3 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$156,185), the 27th payroll period (\$62,771), and the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$36,699), the recommendation is an increase of \$1,646,966, or 12.4 percent above the approved amount.

- The Budget Committee adds \$26,730 State General Fund to index the non-session Legislative expense allowance to any state employee salary adjustment. This would have the effect of raising the non-session Legislative expense allowance by 2.5 percent from \$324 biweekly to \$332 biweekly if the Governor's full year base salary adjustment is approved. If there is any adjustment to the salary plan, the same adjustment would be made to the non-session Legislative expense allowance as well.

### House Committee Recommendation

The House Committee concurs with the Governor's recommendation.

### Senate Subcommittee Report

**Agency:** Legislature

**Bill No.** SB 270

**Bill Sec.** 25

**Analyst:** Scott

**Analysis Pg. No.** Vol. 2 -1121

**Budget Page No.** 311

Expenditure	Agency Req. FY 06	Governor Rec. FY 06	Senate Subcommittee Adjustments*
<b>Operating Expenditures:</b>			
State General Fund	\$ 14,976,181	\$ 15,234,836	\$ 151,075
Other Funds	258,814	258,814	0
TOTAL	<u>\$ 15,234,995</u>	<u>\$ 15,493,650</u>	<u>\$ 151,075</u>
 FTE Positions	 34.0	 34.0	 2.4

\*The Subcommittee adjustments include a reduction of \$255,655 from the State General Fund to delete amounts recommended by the Governor for the 2.5 percent base salary increase, the 27th payroll period, and the KPERS death and disability increase.

### Agency Request/Governor's Recommendation

The **agency** requests an FY 2006 operating budget of \$15,234,995 that is an increase of \$1,203,631 or 8.6 percent above the FY 2005 estimate. The agency is requesting \$8,377,867 in **salary and wages**, an increase of \$219,361 or 2.7 percent above the FY 2005 estimate and fully funds the agency's 34 FTE positions, temporary workers, and legislators (at the current temporary rate of \$81.11 per day). This increase reflects the annualized FY 2005 salary adjustment and the higher cost of fringe benefits. One FTE position is added to work on the Legislature's bill drafting computer project. Also included is a full year of the legislative non-session expense allowance funded at the FY 2005 temporary final rate of \$722 per month. **Contractual services** are budgeted at \$6,499,721 that reflects an increase of \$1,019,094 or 18.6 percent above the FY 2005 estimate. The increase is mainly due to the Legislative Branch computer strategic plan initiative. The amount requested for **commodities** is estimated at \$287,407, an increase of \$3,346 or 1.2 percent above

the FY 2005 request. The **capital outlay** request is for \$70,000, a decrease of \$38,170 or 35.3 percent below the FY 2005 estimate. The **Governor** concurs with the agency request and adds funding for the 2.5 percent base salary adjustment, KPERS death and disability rate increase, and the 27th payroll period.

### Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observation:

1. **Pay Plan Adjustment.** Delete \$156,185 from the State General Fund to remove pay plan funding recommended by the Governor (a 2.5 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. **Other Salary and Wage Adjustments.** Delete \$99,470 from the State General Fund to remove funding recommended by the Governor for the 27th payroll period (\$62,771), and for the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$36,699) for later Committee consideration.
3. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2006 recommendation is a State General Fund increase of \$1,905,621, or 14.3 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent the above pay plan and salary and wage adjustments, the recommendation is an increase of \$1,646,966, or 12.4 percent above the approved amount.
4. The Subcommittee adds \$26,730 State General Fund to index the non-session Legislative expense allowance to any state employee salary adjustment. This would have the effect of raising the non-session Legislative expense allowance by 2.5 percent from \$324 biweekly to \$332 biweekly if the Governor's full year base salary adjustment is approved. If there is any adjustment to the salary plan, the same adjustment would be made to the non-session Legislative expense allowance as well.
5. The Subcommittee adds \$380,000 State General Fund and 2.4 FTE to provide every legislator with a Tablet computer. It is the Subcommittee's opinion that these computers are needed in order to provide the tools necessary for legislators to perform their job more efficiently. This funding would provide for 165 tablet computers to be leased for legislators and provide the staff necessary to support the equipment. Legislative secretaries and staff are already provided with leased computers.
6. The Subcommittee strongly recommends the Legislative Coordinating Council review the session employee pay matrix to determine if another step should be added.

Senate Ways and Means Subcommittee

FY 2005 and FY 2006

on

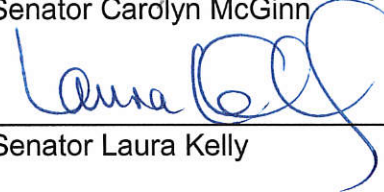
Department of Agriculture  
Animal Health Department  
Kansas State Fair



Senator Mark Taddiken, Chairperson



Senator Carolyn McGinn



Senator Laura Kelly

Senate Ways and Means  
3-4-05  
Attachment 3

## House Budget Committee Report

**Agency:** Department of Agriculture

**Bill No. --**

**Bill Sec. --**

**Analyst:** VanHouse

**Analysis Pg. No. Vol. I - 3**

**Budget Page No. 47**

<u>Expenditure Summary</u>	<u>Agency Estimate FY 05</u>	<u>Gov. Rec. FY 05</u>	<u>House Budget Committee Adjustments</u>
State General Fund	\$ 9,563,094	\$ 9,563,094	\$ 0
All Other Funds	12,548,333	12,561,313	0
TOTAL	<u>\$ 22,111,427</u>	<u>\$ 22,124,407</u>	<u>\$ 0</u>
FTE Positions	302.5	302.5	0.0
Non FTE Uncl. Perm. Pos.	23.0	23.0	0.0
TOTAL	<u>325.5</u>	<u>325.5</u>	<u>0.0</u>

### Agency Estimate/Governor's Recommendation

The **Department of Agriculture** estimates expenditures of \$22,111,427 for FY 2005, including \$9,563,094 from the State General Fund, \$1,045,497 from the State Water Plan Fund, and \$11,502,836 from all other funds. The estimate is an increase of \$1,453,894 or 7.0 percent from the amount approved by the 2004 Legislature. The increase is attributed to increases and adjustments in fee funds and federal funds.

The **Governor** recommends expenditures of \$22,124,407 for FY 2005, including \$9,563,094 from the State General Fund, \$1,045,497 from the State Water Plan Fund, and \$11,515,816 from all other funds. The recommendation is an increase of \$1,466,874 or 7.1 percent from the amount approved by the 2004 Legislature. The recommendation is consistent with the agency's estimate with the inclusion of a technical adjustment in the Retail Food Inspection Program.

### House Budget Committee Recommendation

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

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2005 revised recommendation is a State General Fund unchanged from the FY 2005 State General Fund amount approved by the 2004 Legislature.

### House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

### House Recommendation

The House has not yet considered this budget.

## Senate Subcommittee Report

**Agency:** Department of Agriculture      **Bill No. --**      **Bill Sec. --**  
**Analyst:** VanHouse      **Analysis Pg. No. Vol. I - 3**      **Budget Page No. 47**

Expenditure Summary	Agency Estimate FY 05	Gov. Rec. FY 05	Senate Subcommittee Adjustments
State General Fund	\$ 9,563,094	\$ 9,563,094	\$ 0
All Other Funds	12,548,333	12,561,313	0
<b>TOTAL</b>	<b>\$ 22,111,427</b>	<b>\$ 22,124,407</b>	<b>\$ 0</b>
FTE Positions	302.5	302.5	0.0
Non FTE Uncl. Perm. Pos.	23.0	23.0	0.0
<b>TOTAL</b>	<b>325.5</b>	<b>325.5</b>	<b>0.0</b>

### Agency Estimate/Governor's Recommendation

The **Department of Agriculture** estimates expenditures of \$22,111,427 for FY 2005, including \$9,563,094 from the State General Fund, \$1,045,497 from the State Water Plan Fund, and \$11,502,836 from all other funds. The estimate is an increase of \$1,453,894 or 7.0 percent from the amount approved by the 2004 Legislature. The increase is attributed to increases and adjustments in fee funds and federal funds.

The **Governor** recommends expenditures of \$22,124,407 for FY 2005, including \$9,563,094 from the State General Fund, \$1,045,497 from the State Water Plan Fund, and \$11,515,816 from all other funds. The recommendation is an increase of \$1,466,874 or 7.1 percent from the amount approved by the 2004 Legislature. The recommendation is consistent with the agency's estimate with the inclusion of a technical adjustment in the Retail Food Inspection Program.

### Senate Subcommittee Recommendation

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

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 revised recommendation is unchanged from the FY 2005 State General Fund amount approved by the 2004 Legislature.



## House Budget Committee Report

**Agency:** Department of Agriculture

**Bill No.** HB 2482

**Bill Sec.** 81

**Analyst:** VanHouse

**Analysis Pg. No.** Vol. I - 3

**Budget Page No.** 47

Expenditure Summary	Agency Request FY 06	Gov. Rec. FY 06	House Budget Committee Adjustments
State General Fund	\$ 10,112,504	\$ 10,485,429	\$ (121,727)
All Other Funds	12,158,602	12,487,983	(146,727)
TOTAL	<u>\$ 22,271,106</u>	<u>\$ 22,973,412</u>	<u>\$ (268,454)</u>
FTE Positions	302.5	302.5	0.0
Non FTE Uncl. Perm. Pos.	24.2	23.0	0.0
TOTAL	<u>328.7</u>	<u>325.5</u>	<u>0.0</u>

### Agency Request/Governor's Recommendation

The **Department of Agriculture** requests expenditures of \$22,271,106 for FY 2006, including \$10,112,504 from the State General Fund, \$1,098,160 from the State Water Plan Fund, and \$11,060,442 from all other funds. The request is an increase of \$159,679 or 0.7 percent from the agency's FY 2005 request. Included in the request is \$15,597,726 for salaries and wages, \$5,348,355 for contractual services, \$566,264 for commodities, and \$758,761 for capital outlay. The request includes enhancements totaling \$594,709, with \$522,002 from the State General Fund.

For FY 2006, the **Governor** recommends expenditures of \$22,973,412, including \$10,485,429 from the State General Fund, \$1,126,071 from the State Water Plan Fund, and \$11,361,912 from all other funds. The recommendation is an increase of \$849,005 or 3.8 percent from the Governor's FY 2005 recommendation. Included in the recommendation is \$16,458,658 for salaries and wages, \$5,257,417 for contractual services, \$552,722 for commodities, and \$704,615 for capital outlay. The Governor recommends enhancements totaling \$444,434, with \$371,727 from the State General Fund. Recommended enhancements include funding for the Republican River Compact Feasibility Study, vehicles for the Meat and Poultry Inspection and Plant Protection programs, and funding for the Grain Warehouse Program. The recommendation also includes reductions totaling \$165,691, with \$126,305 from the State General Fund, for the Meat and Poultry Inspection, Agricultural Laboratory, Administrative Services, Water Management Services, and Pesticide and Fertilizer programs. The recommendation also includes the Governor's recommended salary and wage adjustments.

### Statutory Budget Submission

K.S.A. 75-6701 requires that the budget submitted by the Governor and the budget ultimately approved by the Legislature provide for a State General Fund ending balance of at least 7.5 percent of expenditures for FY 2006. To comply with this provision, Volume 1 of the *Governor's Budget Report* includes a "statutory budget" designed to provide for a 7.5 ending balance. In general, this requires a 8.9 percent reduction to the FY 2006 State General Fund executive branch budget

recommendations submitted by the Governor. That reduction has not been applied to school finance funding in the Department of Education, to the Board of Regents and its institutions, or to the judicial or legislative branches. **For this agency, the reduction to the Governor's recommended FY 2006 State General Fund budget would total \$936,277.**

### House Budget Committee Recommendation

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

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$10,485,429, an increase of \$922,335 above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$250,292), the 27<sup>th</sup> payroll period (\$368,628), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$30,615), the recommendation is an increase of \$272,800, or 2.9 percent above the approved amount.
2. The Budget Committee recommends the creation of two new funds within the agency, a General Fees Fund and a Gifts and Donations Fund. The General Fees Fund would be used to deposit money collected by the agency where no current fee fund is appropriate to house the funds. For example, this fund would be used to deposit registration fees for a conference the agency is conducting. The Gifts and Donations Fund would be available for the agency to accept gifts or donations. The agency reported that General Motors has approached the agency about providing a vehicle to the agency to help promote the use of ethanol. The Budget Committee notes that in the language provided by the agency, the agency would be authorized to fix, charge, and collect fees. The Budget Committee recommends that language be included that this fund cannot be used to set additional fees in relation to the current statutory fees collected by the agency.
3. The Budget Committee concurs with the Governor's inclusion of an enhancement of \$150,000 from the State General Fund for activities related to the Republican River Compact. The Republican River Compact litigation was settled on December 15, 2002, and the Republican River Compact Administration (RRCA) groundwater model was completed on June 30, 2003. With the end of the litigation, each state has new responsibilities including:
  - a. completion of an updated inventory of dams by the end of 2004;
  - b. an annual exchange of water use and other data;
  - c. the running of a joint groundwater model; and
  - d. participating in use studies regarding conservation practices and potential system improvements.

The enhancement includes funding of \$125,000 to conduct a feasibility study with the Bureau of Reclamation and the State of Nebraska for potential system

improvements in the lower Republican basin to improve utilization of the water supply. The agency reported that anticipated funding requirements for this study are \$125,000 for FY 2007 and \$62,500 for FY 2008. The enhancement also includes \$25,000 for dispute resolution. The settlement also provides for a mandatory dispute resolution process. In the event of a dispute, funding would be necessary for mediation or consultants.

4. The Budget Committee deletes funding recommended by the Governor of \$121,727 from the State General Fund and \$121,727 from federal funds to replace eight compact cars, ten mini vans, and to purchase an additional compact car for the Meat and Poultry Inspection Program. The Budget Committee also deletes \$25,000 from the Entomology Fee Fund to replace an existing pickup truck. The Budget Committee recommends that agency vehicle purchases be reviewed during Omnibus.
5. The Budget Committee concurs with the Governor's inclusion of an enhancement of \$100,000 from the State General Fund for the Grain Warehouse Program. The agency reported that the fees generated from this program are insufficient to operate the program and that the program will not be viable beyond FY 2006 without adjustments in revenue or expenditures. Along with the enhancement request, the agency plans to reduce program staffing by one FTE in FY 2005 and to increase fees by 30 percent in FY 2006. The Budget Committee recommends that an additional \$50,000 for this program be considered at Omnibus. The agency reported that a total of \$150,000 was necessary to maintain the program through FY 2010.
6. The Budget Committee noted that it had heard several reports that the Bluestem Pasture Survey had been discontinued, and that this is a popular publication produced by the Agricultural Statistics Program. The agency estimated that costs to produce the Bluestem Pasture Survey are approximately \$7,000. The Budget Committee encourages the agency to explore other methods to produce or finance this report including conducting an on-line survey or funding the publication from private or existing agency resources.
7. The Budget Committee continues to be concerned that salaries and wages for FTE positions are financed from the State Water Plan Fund for this agency. Currently, an agency proviso allows the agency to fund Water Appropriations Program FTE positions from the State Water Plan Fund.
8. The Budget Committee heard testimony from several agencies regarding proposed water conservation programs. The Budget Committee notes that there currently is a program administered by the Department of Agriculture for water flex accounts. With this program, a base average usage of water is determined based on the water actually used by from a water right during calendar years 1996 to 2000. Over a five year period, the water right holder is entitled to use 90 percent of the total five year amount. The Budget Committee encourages the agency to explore modifications to this program, such as determining the base average usage on a different time frame, such as from 1987 to 1996. The Budget Committee also notes that Groundwater Management District (GMD) No. 4 is considering offering an incentive for water users within the GMD if water use is lowered below the 90 percent level in the state program. These programs will be discussed at the Kansas Water Congress annual meeting on February 23, 2005.

### House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

### House Recommendation

The House has not yet considered this budget.

### Senate Subcommittee Report

**Agency:** Department of Agriculture

**Bill No.** SB 270

**Bill Sec.** 81

**Analyst:** VanHouse

**Analysis Pg. No.** Vol. I - 3

**Budget Page No.** 47

Expenditure Summary	Agency Request FY 06	Gov. Rec. FY 06	Senate Subcommittee Adjustments*
State General Fund	\$ 10,112,504	\$ 10,485,429	\$ (599,535)
All Other Funds	12,158,602	12,487,983	(286,551)
<b>TOTAL</b>	<b>\$ 22,271,106</b>	<b>\$ 22,973,412</b>	<b>\$ (886,086)</b>
FTE Positions	302.5	302.5	0.0
Non FTE Uncl. Perm. Pos.	24.2	23.0	0.0
<b>TOTAL</b>	<b>328.7</b>	<b>325.5</b>	<b>0.0</b>

\* The Subcommittee adjustments include a reduction of \$936,086, including \$649,535 from the State General Fund, to delete amounts recommended by the Governor for the 2.5 percent base salary increase, the 27th payroll period, and the KPERS death and disability increase.

### Agency Request/Governor's Recommendation

The **Department of Agriculture** requests expenditures of \$22,271,106 for FY 2006, including \$10,112,504 from the State General Fund, \$1,098,160 from the State Water Plan Fund, and \$11,060,442 from all other funds. The request is an increase of \$159,679 or 0.7 percent from the agency's FY 2005 request. Included in the request is \$15,597,726 for salaries and wages, \$5,348,355 for contractual services, \$566,264 for commodities, and \$758,761 for capital outlay. The request includes enhancements totaling \$594,709, with \$522,002 from the State General Fund.

For FY 2006, the **Governor** recommends expenditures of \$22,973,412, including \$10,485,429 from the State General Fund, \$1,126,071 from the State Water Plan Fund, and \$11,361,912 from all other funds. The recommendation is an increase of \$849,005 or 3.8 percent

from the Governor's FY 2005 recommendation. Included in the recommendation is \$16,458,658 for salaries and wages, \$5,257,417 for contractual services, \$552,722 for commodities, and \$704,615 for capital outlay. The Governor recommends enhancements totaling \$444,434, with \$371,727 from the State General Fund. Recommended enhancements include funding for the Republican River Compact Feasibility Study, vehicles for the Meat and Poultry Inspection and Plant Protection programs, and funding for the Grain Warehouse Program. The recommendation also includes reductions totaling \$165,691, with \$126,305 from the State General Fund, for the Meat and Poultry Inspection, Agricultural Laboratory, Administrative Services, Water Management Services, and Pesticide and Fertilizer programs. The recommendation also includes the Governor's recommended salary and wage adjustments.

K.S.A. 75-6701 requires that the budget submitted by the Governor and the budget ultimately approved by the Legislature provide for a State General Fund ending balance of at least 7.5 percent of expenditures for FY 2006. To comply with this provision, Volume 1 of the *Governor's Budget Report* includes a "statutory budget" designed to provide for a 7.5 percent ending balance. In general, this requires a 8.9 percent reduction to the FY 2006 State General Fund executive branch budget recommendations submitted by the Governor. That reduction has not been applied to school finance funding in the Department of Education, to the Board of Regents and its institutions, or to the judicial or legislative branches. **For this agency, the reduction to the Governor's recommended FY 2006 State General Fund budget would total \$936,277.**

### **Senate Subcommittee Recommendation**

The Senate Subcommittee concurs with the Governor's recommendation with the following comments and adjustments.

1. **Pay Plan Adjustment.** Delete \$356,438, including \$250,292 from the State General Fund, to remove pay plan funding recommended by the Governor (a 2.5 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. **Other Salary and Wage Adjustments.** Delete \$579,648, including \$399,243 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$528,643), and for the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$51,005) for later Committee consideration.
3. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2006 recommendation is a State General Fund increase of \$922,335, or 9.6 percent, above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent the above pay plan and salary and wage adjustments, the recommendation is an increase of \$272,800, or 2.9 percent above the approved amount.
4. The Subcommittee notes the agency's enhancement request to purchase 20 vehicles. The Subcommittee recommends the agency do a cost analysis of a long-term lease versus the purchase of vehicles prior to requesting vehicles in the future. The cost analysis should include associated costs, specifically insurance and maintenance costs. The Subcommittee notes that the current state contract with Enterprise limits the agency to a four week contract and notes that the state contract expires on October 30, 2006. Additionally, the Subcommittee recom-



mends the agency do a needs analysis to determine an internal rotation cycle that would allow for the most efficient use of all vehicles within the agency's fleet.

5. The Subcommittee recommends the creation of two new funds within the agency, a General Fees Fund and a Gifts and Donations Fund. The General Fees Fund would be used to deposit money collected by the agency where no current fee fund is appropriate to house the funds. For example, this fund would be used to deposit registration fees for a conference the agency is conducting. The Gifts and Donations Fund would be available for the agency to accept gifts or donations. The agency reported that General Motors has approached the agency about providing a vehicle to the agency to help promote the use of ethanol. The Subcommittee notes that in the language provided by the agency, the agency would be authorized to fix, charge, and collect fees. The Subcommittee recommends that language be included that this fund with this authority cannot be used to set additional fees in relation to the current statutory fees collected by the agency.
6. The Subcommittee recommends adding funding of \$50,000 from the State General Fund for the Grain Warehouse program in addition to the enhancement of \$100,000 from the State General Fund recommended by the Governor for this program. The agency reported that the fees generated from this program are insufficient to operate the program and that the program will not be viable beyond FY 2006 without adjustments in revenue or expenditures. The agency reported that the current fees are at the statutory maximum, with fees being increased by 22 percent in January 2004. The agency also indicated that a total of \$150,000 is necessary to sustain this program. The Kansas Cooperative Council appeared before the Subcommittee in support of adding funding from the State General Fund for the program. The Council stated that Kansas is one of only three states whose state grain warehouse program is not supported at some level by State General Funds.

## House Budget Committee Report

**Agency:** Animal Health Department

**Bill No. --**

**Bill Sec. --**

**Analyst:** VanHouse

**Analysis Pg. No.** Vol. I - 24

**Budget Page No.** 59

Expenditure Summary	Agency Estimate FY 05	Gov. Rec. FY 05	House Budget Committee Adjustments
State General Fund	\$ 644,357	\$ 644,357	\$ 0
All Other Funds	2,110,342	2,110,342	0
<b>TOTAL</b>	<b>\$ 2,754,699</b>	<b>\$ 2,754,699</b>	<b>\$ 0</b>
FTE Positions	33.0	33.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
<b>TOTAL</b>	<b>34.0</b>	<b>34.0</b>	<b>0.0</b>

### Agency Estimate/Governor's Recommendation

The Kansas Animal Health Department estimates expenditures of \$2,754,699, including \$644,357 from the State General Fund for FY 2005. The estimate is a decrease of \$147,328, or 5.1 percent, from the amount approved by the 2004 Legislature.

The Governor recommends expenditures of \$2,754,699, including \$644,357 from the State General Fund for FY 2005. The Governor concurs with the agency's FY 2005 expenditure estimate.

### House Budget Committee Recommendation

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

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2005 revised State General Fund recommendation is unchanged from the FY 2005 State General Fund amount approved by the 2004 Legislature.

### House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

### House Recommendation

The House has not yet considered this budget.



## Senate Subcommittee Report

**Agency:** Animal Health Department

**Bill No. --**

**Bill Sec. --**

**Analyst:** VanHouse

**Analysis Pg. No.** Vol. I - 24

**Budget Page No.** 59

<u>Expenditure Summary</u>	<u>Agency Estimate FY 05</u>	<u>Gov. Rec. FY 05</u>	<u>Senate Subcommittee Adjustments</u>
State General Fund	\$ 644,357	\$ 644,357	\$ 0
All Other Funds	<u>2,110,342</u>	<u>2,110,342</u>	<u>0</u>
<b>TOTAL</b>	<b><u><u>\$ 2,754,699</u></u></b>	<b><u><u>\$ 2,754,699</u></u></b>	<b><u><u>\$ 0</u></u></b>
FTE Positions	33.0	33.0	0.0
Non FTE Uncl. Perm. Pos.	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>
<b>TOTAL</b>	<b><u><u>34.0</u></u></b>	<b><u><u>34.0</u></u></b>	<b><u><u>0.0</u></u></b>

### Agency Estimate/Governor's Recommendation

The Kansas Animal Health Department estimates expenditures of \$2,754,699, including \$644,357 from the State General Fund for FY 2005. The estimate is a decrease of \$147,328, or 5.1 percent, from the amount approved by the 2004 Legislature.

The Governor recommends expenditures of \$2,754,699, including \$644,357 from the State General Fund for FY 2005. The Governor concurs with the agency's FY 2005 expenditure estimate.

### Senate Subcommittee Recommendation

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

1. **Change from FY 2005 Approved.** The Senate Subcommittee notes that the Governor's FY 2005 revised State General Fund recommendation is unchanged from the FY 2005 State General Fund amount approved by the 2004 Legislature.

## House Budget Committee Report

**Agency:** Animal Health Department

**Bill No.** HB 2482

**Bill Sec.** 82

**Analyst:** VanHouse

**Analysis Pg. No.** Vol. I - 24

**Budget Page No.** 59

Expenditure Summary	Agency Request FY 06	Gov. Rec. FY 06	House Budget Committee Adjustments
State General Fund	\$ 1,204,758	\$ 779,349	\$ (81,000)
All Other Funds	1,593,300	1,684,136	59,862
TOTAL	<u>\$ 2,798,058</u>	<u>\$ 2,463,485</u>	<u>\$ (21,138)</u>
FTE Positions	33.0	33.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	<u>34.0</u>	<u>34.0</u>	<u>0.0</u>

### Agency Request/Governor's Recommendation

The Kansas Animal Health Department requests expenditures of \$2,798,058, including \$1,204,758 from the State General Fund for FY 2006. The request is an increase of \$43,359, or 1.6 percent, from the FY 2005 estimate. The request includes enhancement packages totaling \$499,502, with \$558,928 from the State General Fund. The enhancement request includes the shift of \$59,426 from special revenue fund expenditures to the State General Fund.

The Governor recommends expenditures of \$2,463,485, including \$779,349 from the State General Fund for FY 2006. The recommendation is a decrease of \$291,214 from the FY 2005 recommendation. The Governor recommends an enhancement package totaling \$81,000 from the State General Fund for vehicle replacement.

### Statutory Budget Submission

K.S.A. 75-6701 requires that the budget submitted by the Governor and the budget ultimately approved by the Legislature provide for a State General Fund ending balance of at least 7.5 percent of expenditures for FY 2006. To comply with this provision, Volume 1 of the *Governor's Budget Report* includes a "statutory budget" designed to provide for a 7.5 ending balance. In general, this requires a 8.9 percent reduction to the FY 2006 State General Fund executive branch budget recommendations submitted by the Governor. That reduction has not been applied to school finance funding in the Department of Education, to the Board of Regents and its institutions, or to the judicial or legislative branches. **For this agency, the reduction to the Governor's recommended FY 2006 State General Fund budget would total \$69,591.**

### House Budget Committee Recommendation

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

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$779,349, an increase of \$134,992 above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$8,122), the 27<sup>th</sup> payroll period (\$43,117), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$1,280), the recommendation is an increase of \$82,473, or 12.8 percent above the approved amount.
2. The Budget Committee recommends deleting funding of \$81,000 from the State General Fund recommended by the Governor for vehicle replacements. The Budget Committee recommends that agency vehicle purchases be reviewed during Omnibus.
3. The Budget Committee recommends adding \$59,862 from agency fee funds to reallocate employee positions within the agency. The agency request included an enhancement totaling \$59,862 from the State General Fund for this purpose. The agency reported that a review of current position descriptions indicated that 12 employees are operating at a level higher than their allocated positions. The reallocation would move ten inspectors to an Agricultural Inspector II position, the Administrative Officer to a Public Service Administrator I, and the Public Service Executive II to a Public Service Executive III. The Budget Committee recommends the enhancement be funded from agency fee funds, and that subsequent base budgets for the Animal Health Department include this funding from the State General Fund.
4. The Budget Committee recommends that during the interim a Legislative committee study the topic of consolidating the Animal Health Department with the Department of Agriculture.

### **House Committee Recommendation**

The House Committee concurs with the Budget Committee recommendation.

### **House Recommendation**

The House has not yet considered this budget.

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### Senate Subcommittee Report

**Agency:** Animal Health Department

**Bill No.** SB 270

**Bill Sec.** 81

**Analyst:** VanHouse

**Analysis Pg. No.** Vol. I - 24

**Budget Page No.** 59

Expenditure Summary	Agency Request FY 06	Gov. Rec. FY 06	Senate Subcommittee Adjustments*
State General Fund	\$ 1,204,758	\$ 779,349	\$ (52,519)
All Other Funds	1,593,300	1,684,136	(31,410)
<b>TOTAL</b>	<b>\$ 2,798,058</b>	<b>\$ 2,463,485</b>	<b>\$ (83,929)</b>
FTE Positions	33.0	33.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
<b>TOTAL</b>	<b>34.0</b>	<b>34.0</b>	<b>0.0</b>

\* The entire adjustment reflects deletion of the Governor's recommended salary plan adjustments.

#### Agency Request/Governor's Recommendation

The Kansas Animal Health Department requests expenditures of \$2,798,058, including \$1,204,758 from the State General Fund for FY 2006. The request is an increase of \$43,359, or 1.6 percent, from the FY 2005 estimate. The request includes enhancement packages totaling \$499,502, with \$558,928 from the State General Fund. The enhancement request includes the shift of \$59,426 from special revenue fund expenditures to the State General Fund.

The Governor recommends expenditures of \$2,463,485, including \$779,349 from the State General Fund for FY 2006. The recommendation is a decrease of \$291,214 from the FY 2005 recommendation. The Governor recommends an enhancement package totaling \$81,000 from the State General Fund for vehicle replacement.

#### Statutory Budget Submission

K.S.A. 75-6701 requires that the budget submitted by the Governor and the budget ultimately approved by the Legislature provide for a State General Fund ending balance of at least 7.5 percent of expenditures for FY 2006. To comply with this provision, Volume 1 of the *Governor's Budget Report* includes a "statutory budget" designed to provide for a 7.5 ending balance. In general, this requires a 8.9 percent reduction to the FY 2006 State General Fund executive branch budget recommendations submitted by the Governor. That reduction has not been applied to school finance funding in the Department of Education, to the Board of Regents and its institutions, or to the judicial or legislative branches. **For this agency, the reduction to the Governor's recommended FY 2006 State General Fund budget would total \$69,591.**

## Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustments and comments.

1. **Pay Plan Adjustment.** Delete \$31,013, including \$8,122 from the State General Fund, to remove pay plan funding recommended by the Governor (a 2.5 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. **Other Salary and Wage Adjustments.** Delete \$52,916, including \$44,397 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$48,393), and for the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$4,523) for later Committee consideration.
3. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2006 recommendation is a State General Fund increase of \$134,992 or 20.9 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent the above pay plan and salary and wage adjustments, the recommendation is an increase of \$82,473, or 12.8 percent above the approved amount.
4. The Subcommittee notes the agency's enhancement request to purchase 10 vehicles. The Subcommittee recommends the agency do a cost analysis of a long-term lease versus the purchase of vehicles prior to requesting vehicles in the future. The cost analysis should include associated costs, specifically insurance and maintenance costs. The Subcommittee notes that the current state contract with Enterprise limits the agency to a four week contract and notes that the state contract expires on October 30, 2006. Additionally, the Subcommittee recommends the agency do a needs analysis to determine an internal rotation cycle that would allow for the most efficient use of all vehicles within the agency's fleet.

## House Budget Committee Report

**Agency:** Kansas State Fair

**Bill No.** HB 2480

**Bill Sec.** 40

**Analyst:** VanHouse

**Analysis Pg. No.** Vol. 1 - 42 **Budget Page No.** 165

Expenditure Summary	Agency Estimate FY 05	Gov. Rec. FY 05	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 547,905	\$ 547,905	\$ 0
Other Funds	4,601,629	4,601,629	0
Subtotal – Operating	\$ 5,149,534	\$ 5,149,534	\$ 0
Capital Improvements:			
State General Fund	\$ 1,000,000	\$ 1,000,000	\$ 0
Other Funds	103,530	103,530	0
Subtotal – Cap. Improvements	\$ 1,103,530	\$ 1,103,530	\$ 0
<b>TOTAL</b>	<b>\$ 6,253,064</b>	<b>\$ 6,253,064</b>	<b>\$ 0</b>
FTE Positions	23.0	23.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>23.0</b>	<b>23.0</b>	<b>0.0</b>

### Agency Estimate/Governor's Recommendation

The **Kansas State Fair** estimates operating expenditures of \$5,149,534 for FY 2005, including \$547,905 from the State General Fund. The estimate is an increase of \$1,175,357 or 29.6 percent from the amount approved by the 2004 Legislature. The amount included from the State General Fund is attributed to pay the interest on the master plan capital improvement bonds. The estimate includes a supplemental request totaling \$537,772 from the State General Fund to pay the debt service on the second issuance of master plan capital improvement bonds.

The **Governor** recommends operating expenditures of \$5,149,534 for FY 2005, including \$547,905 from the State General Fund. The amount included from the State General Fund is budgeted to pay the interest on the master plan capital improvement bonds. The Governor's recommendation is consistent with the agency's FY 2005 estimate, and includes the supplemental request of \$537,772 from the State General Fund to pay the debt service on the second issuance of master plan capital improvement bonds.

### Budget Committee Recommendation

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

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2005 revised recommendation is a State General Fund increase of \$537,772 above the FY 2005 State General Fund amount approved by the 2004 Legislature.
2. The Budget Committee notes that the increase in State General Fund expenditures is attributed to supplemental funding of \$537,772 to pay the debt service on the second issuance of master plan bonds. The Budget Committee concurs with the Governor's recommendation to include this funding to meet the state's obligation for the debt service payments.

### House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

### House Recommendation

The House has not yet considered this budget.

### Senate Subcommittee Report

**Agency:** Kansas State Fair

**Bill No.** SB 272

**Bill Sec.** 40

**Analyst:** VanHouse

**Analysis Pg. No.** Vol. 1 - 42

**Budget Page No.** 165

<u>Expenditure Summary</u>	<u>Agency Estimate FY 05</u>	<u>Gov. Rec. FY 05</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 547,905	\$ 547,905	\$ 0
Other Funds	4,601,629	4,601,629	0
Subtotal – Operating	<u>\$ 5,149,534</u>	<u>\$ 5,149,534</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 1,000,000	\$ 1,000,000	\$ 0
Other Funds	103,530	103,530	0
Subtotal – Cap. Improvements	<u>\$ 1,103,530</u>	<u>\$ 1,103,530</u>	<u>\$ 0</u>
<b>TOTAL</b>	<b><u>\$ 6,253,064</u></b>	<b><u>\$ 6,253,064</u></b>	<b><u>\$ 0</u></b>
FTE Positions	23.0	23.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b><u>23.0</u></b>	<b><u>23.0</u></b>	<b><u>0.0</u></b>



## Agency Estimate/Governor's Recommendation

The **Kansas State Fair** estimates operating expenditures of \$5,149,534 for FY 2005, including \$547,905 from the State General Fund. The estimate is an increase of \$1,175,357 or 29.6 percent from the amount approved by the 2004 Legislature. The amount included from the State General Fund is attributed to pay the interest on the master plan capital improvement bonds. The estimate includes a supplemental request totaling \$537,772 from the State General Fund to pay the debt service on the second issuance of master plan capital improvement bonds.

The **Governor** recommends operating expenditures of \$5,149,534 for FY 2005, including \$547,905 from the State General Fund. The amount included from the State General Fund is budgeted to pay the interest on the master plan capital improvement bonds. The Governor's recommendation is consistent with the agency's FY 2005 estimate, and includes the supplemental request of \$537,772 from the State General Fund to pay the debt service on the second issuance of master plan capital improvement bonds.

## Senate Subcommittee Recommendation

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

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 revised recommendation is a State General Fund increase of \$537,772 above the FY 2005 State General Fund amount approved by the 2004 Legislature.
2. The Subcommittee notes that the increase in State General Fund expenditures is attributed to supplemental funding of \$537,772 to pay the debt service on the second issuance of master plan bonds. The Subcommittee concurs with the Governor's recommendation to include this funding to meet the state's obligation for the debt service payments.

## House Budget Committee Report

**Agency:** Kansas State Fair

**Bill No.** HB 2482

**Bill Sec.** 83

**Analyst:** VanHouse

**Analysis Pg. No.** Vol. 1 - 42 **Budget Page No.** 165

Expenditure Summary	Agency Request FY 06	Gov. Rec. FY 06	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 500,044	\$ 500,044	\$ 0
Other Funds	4,642,723	4,711,541	0
Subtotal – Operating	\$ 5,142,767	\$ 5,211,585	\$ 0
Capital Improvements:			
State General Fund	\$ 1,050,000	\$ 1,050,000	\$ 0
Other Funds	105,601	405,601	0
Subtotal – Cap. Improvements	\$ 1,155,601	\$ 1,455,601	\$ 0
<b>TOTAL</b>	<b>\$ 6,298,368</b>	<b>\$ 6,667,186</b>	<b>\$ 0</b>
FTE Positions	23.0	23.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>23.0</b>	<b>23.0</b>	<b>0.0</b>

### Agency Request/Governor's Recommendation

The **Kansas State Fair** requests operating expenditures of \$5,142,767, including \$500,044 from the State General Fund. The request is a decrease of \$6,767 or 0.1 percent from the FY 2005 agency estimate. The amount included from the State General Fund is attributed to pay the interest on the master plan capital improvements bonds. The agency requests one enhancement package totaling \$25,000 from the Economic Development Initiatives Fund for increased advertising efforts to the Hispanic community.

For FY 2006, the **Governor** recommends operating expenditures of \$5,211,585, including \$500,044 from the State General Fund. The recommendation is an increase of \$62,051 or 1.2 percent from the FY 2005 recommendation. The amount included from the State General Fund is budgeted to pay the interest on the master plan capital improvements bonds. The recommendation also includes funding for the Governor's recommended salary and wage adjustments for the 27th payroll period, a 2.5 percent salary increase, and KPERs death and disability. The Governor does not recommend the enhancement package for increased advertising efforts to the Hispanic community.

### Statutory Budget Submission

K.S.A. 75-6701 requires that the budget submitted by the Governor and the budget ultimately approved by the Legislature provide for a State General Fund ending balance of at least 7.5 percent

of expenditures for FY 2006. To comply with this provision, Volume 1 of the *Governor's Budget Report* includes a "statutory budget" designed to provide for a 7.5 ending balance. In general, this requires a 8.9 percent reduction to the FY 2006 State General Fund executive branch budget recommendations submitted by the Governor. That reduction has not been applied to school finance funding in the Department of Education, to the Board of Regents and its institutions, or to the judicial or legislative branches. **For this agency, the reduction to the Governor's recommended FY 2006 State General Fund budget would total \$138,408.**

## **Budget Committee Recommendation**

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

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$500,044, an increase of \$489,911 above the FY 2005 State General Fund amount approved by the 2004 Legislature. The increase is attributed to funding necessary to pay the debt service on the first and second issuance of master plan bonds. For this agency, the master plan debt service is the only item financed from the State General Fund.
2. The agency included an enhancement request of \$25,000 from the Economic Development Initiatives Fund (EDIF) for increased marketing and advertising to the state's Hispanic community. The Budget Committee recommends the State Fair consider incorporating activities at the Fair specifically targeted for this population, such as having a Hispanic Day on one of the Fair weekends. The Fair is encouraged to report back to the Budget Committee next year on the success of this type of activity before increased funding is added.
3. The Budget Committee notes that the State Fair is reporting declining participation in 4-H and FFA activities. The Fair noted that the 4-H program had moved some activities away from the Fair, but is planning to return many of them back for the 2005 State Fair. It was also reported that the new Agricultural Experiment Station Director at KSU is a strong supporter of the State Fair.
4. The Budget Committee directs the State Fair to report next year on the long-range plan for the Fair. The mission of the Fair is to promote and showcase Kansas agriculture. However, our society is increasingly moving away from agriculture. Specifically, the Budget Committee requests that the agency develop a plan to showcase and promote agriculture to a more urban society.
5. The agency reported that fees for using the RV park during the State Fair are \$300 for 12 nights, which includes gate admission for two people for each day. This equals \$25 per day. The regular adult gate admission is \$7.00, and the exhibitors and competitive exhibitors gate admission is \$3.00. The Budget Committee recommends that the agency consider increasing the fee for usage of the RV park.

6. The Budget Committee notes the following attendance numbers at the State Fair.

Gate Attendance to State Fair, 2000-2005 est.					
2000	2001	2002	2003	2004	2005 (Estimate)
353,120	282,535	338,693	343,244	337,489	353,000

### House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

### House Recommendation

The House has not yet considered this budget.

### Senate Subcommittee Report

**Agency:** Kansas State Fair

**Bill No.** SB 270

**Bill Sec.** 83

**Analyst:** VanHouse

**Analysis Pg. No.** Vol. 1 - 42

**Budget Page No.** 165

Expenditure Summary	Agency Request FY 06	Gov. Rec. FY 06	Senate Subcommittee Adjustments*
<b>Operating Expenditures:</b>			
State General Fund	\$ 500,044	\$ 500,044	\$ 0
Other Funds	4,642,723	4,711,541	(93,818)
Subtotal – Operating	<u>\$ 5,142,767</u>	<u>\$ 5,211,585</u>	<u>\$ (93,818)</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 1,050,000	\$ 1,050,000	\$ 0
Other Funds	105,601	405,601	0
Subtotal – Cap. Improvements	<u>\$ 1,155,601</u>	<u>\$ 1,455,601</u>	<u>\$ 0</u>
<b>TOTAL</b>	<b><u>\$ 6,298,368</u></b>	<b><u>\$ 6,667,186</u></b>	<b><u>\$ (93,818)</u></b>
FTE Positions	23.0	23.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<u>23.0</u>	<u>23.0</u>	<u>0.0</u>

\* The entire adjustment reflects deletion of the Governor's recommended salary plan adjustments.

## Agency Request/Governor's Recommendation

The **Kansas State Fair** requests operating expenditures of \$5,142,767, including \$500,044 from the State General Fund. The request is a decrease of \$6,767 or 0.1 percent from the FY 2005 agency estimate. The amount included from the State General Fund is attributed to pay the interest on the master plan capital improvements bonds. The agency requests one enhancement package totaling \$25,000 from the Economic Development Initiatives Fund for increased advertising efforts to the Hispanic community.

For FY 2006, the **Governor** recommends operating expenditures of \$5,211,585, including \$500,044 from the State General Fund. The recommendation is an increase of \$62,051 or 1.2 percent from the FY 2005 recommendation. The amount included from the State General Fund is budgeted to pay the interest on the master plan capital improvements bonds. The recommendation also includes funding for the Governor's recommended salary and wage adjustments for the twenty-seventy payroll period, a 2.5 percent salary increase, and KPERS death and disability. The Governor does not recommend the enhancement package for increased advertising efforts to the Hispanic community.

## Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustments and comments.

1. **Pay Plan Adjustment.** Delete \$36,556 from the State Fair Fee Fund to remove pay plan funding recommended by the Governor (a 2.5 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. **Other Salary and Wage Adjustments.** Delete \$57,262 from the State Fair Fee Fund to remove funding recommended by the Governor for the 27th payroll period (\$54,157), and for the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$3,105) for later Committee consideration.
3. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2006 recommendation is a State General Fund increase of \$489,911 above the FY 2005 State General Fund amount approved by the 2004 Legislature. The increase is attributed to funding necessary to pay the debt service on the first and second issuance of master plan bonds. For this agency, the master plan debt service is the only item financed from the State General Fund.
4. The Subcommittee notes that the lawsuit the agency is involved in regarding compliance with the Americans with Disabilities Act (ADA) is nearing completion. The agency reported that all necessary work in relation to ADA should be completed by the 2007 Fair, with the grandstand work projected to be completed by the 2006 Fair. With the exception of the grandstand and other ADA work, all master plan capital improvement projects should be completed by the 2005 Fair.
5. The Subcommittee notes that the Kansas quarter will be released at the State Fair on opening day, September 9, 2005. The agency also reported that the year-long centennial celebration for Kansas 4-H will begin during the first weekend of the 2005 Fair.

6. The agency reported that it had changed advertising firms last year. The Fair's new advertising campaign was awarded the "Best of Show" at the International Association of Fairs and Expositions (IAFE) annual communications awards in December 2004. The State Fair's advertising campaign is featured in the January/February 2005 edition of the *Fairs & Expos* magazine published by the IAFE.
7. The Subcommittee notes that parking areas have changed due to the master plan construction and that the State Fair does not charge for parking. The Subcommittee recommends that the agency consider charging for premium parking spots in areas close to the fairgrounds.
8. The Subcommittee notes that the Department of Commerce recently released a new state brand image, "Kansas As Big As You Think." The Subcommittee recommends that the agency work with the Department of Commerce to tie the State Fair's advertising efforts to this theme, and encourages the agency to explore other marketing options provided through the Department of Commerce.

TO: Senate Ways and Means Committee

FROM: Duane Goossen

DATE: March 4, 2005

SUBJECT: Testimony on SB 286

Mr. Chairman and Members of the Committee:

The Dept. of Administration fully supports the portion of SB 286 that implements a 2.5 percent salary increase for state employees in FY 2006. Funds to finance the increase for all of FY 2006 have been included in the Governor's budget recommendation to the Legislature.

However, we oppose the portion of the bill that converts the present bi-weekly pay system to a semi-monthly system, and advise that you not move forward with that part of the bill. I have attached several documents supporting our opposition. In opposing a conversion to semi-monthly pay we present 4 key points:

- The bi-weekly system is the best possible system for Kansas. Moving away from that system would be a step backward.
- A semi-monthly system creates several unnecessary problems, including uneven pay periods and variances in paydays.
- Converting from bi-weekly to semi-monthly would be very disruptive, especially to state employees and employees of the Regents.
- Converting does not save the taxpayers any money. Rather, it shifts the payroll costs between fiscal years.

Senate Ways and Means  
3-4-05  
Attachment 4



To: Senate Ways and Means Committee  
From: Duane Goossen  
Date: March 4, 2005

## **Conversion of Bi-Weekly Pay to Semi-Monthly Pay (SB286)**

- **Bi-Weekly Pay frequency is most common used pay frequency in the State, Federal Government and Private sector**
  - 33 out of 50 states surveyed pay biweekly
  - 16 out of 19 major private sector employers pay biweekly
  - Federal government pays biweekly
  
- **Benefits of Bi-Weekly Pay System**
  - Standardized pay period hours simplifies all payroll calculations
  - Consistent pay date – every other Friday
  - Gross wages for hourly paid employees will not fluctuate each payroll period. 70% of state workforce is paid on an hourly basis
  - Fiscal impact consistent each fiscal year (except once every 11 years)
  - Current pay system is stable; employees paid timely and minimal risk of failure exists.
  - No additional cost – current system is bi-weekly
  
- **Issues with Semi-Monthly Pay System**
  - Fiscal impact varies by fiscal year
  - Fluctuating Pay period hours complicate FLSA overtime calculations, annual and sick leave payouts, leave without pay calculations, and mid-period hires/termination calculations. Gross wages for hourly paid employees will fluctuate each payroll period.
  - Fluctuating pay dates create change management issues for employees and complicate the pay system processing schedules
  - Numerous changes required to deduction/contract frequencies to synchronize with semi-monthly pay frequency vs. bi-weekly
  - Employee change management issues to communicate change in pay date, fluctuating pay by pay period, pay calculations for overtime, annual and sick leave
  - Statutory and regulatory changes required
  
- **Cost to convert to semi-monthly pay**
  - \$870,000 for all major project activities based on 8.0 project upgrade
  - 26,000 hours of staff time
  - Costs do not include each of the Regents payroll systems
  - Costs do not include agency system changes for time and leave interfaces or other interfaces
  
- **Timeframe to convert to semi-monthly pay**
  - 13 months minimum from beginning of project to implementation date

	SEMI-MONTHLY		BI-WEEKLY	
<b>Fiscal Year</b>				
2006	259 days = 2072 hours	-8	270 days = 2160 hours	+80
2007	261 days = 2088 hours	+8	260 days = 2080 hours	0
2008	261 days = 2088 hours	+8	260 days = 2080 hours	0
2009	261 days = 2088 hours	+8	260 days = 2080 hours	0
2010	261 days = 2088 hours	+8	260 days = 2080 hours	0
2011	261 days = 2088 hours	+8	260 days = 2080 hours	0
2012	262 days = 2096 hours	+16	260 days = 2080 hours	0
2013	260 days = 2080 hours	+0	260 days = 2080 hours	0
2014	260 days = 2080 hours	+0	260 days = 2080 hours	0
2015	261 days = 2088 hours	+8	260 days = 2080 hours	0
2016	262 days = 2096 hours	+16	260 days = 2080 hours	0
2017	261 days = 2088 hours	+8	270 days = 2160 hours	+80
*2018	261 days = 2088 hours	+8	260 days = 2080 hours	0
	Amount over (under) 2080	+88	Amount over (under) 2080	+160

\* Last pay end date for FY2018 under semi-monthly is 6/1/2018

Last pay end date for FY2018 under bi-weekly is 6/16/2018 (10 additional work days)

## Change from Bi-Weekly to Semi-Monthly Pay

- Fiscal Impact: does not eliminate fiscal cost of 27<sup>th</sup> biweekly pay cycle. Shifts costs to future fiscal years. Continues to vary by fiscal year.
- Employee Impact: reduces 2006 and 2007 calendar year earnings by 10 days or 80 hours; since pay dates are changed to semi-monthly these years include 2000 hours vs. 2080 hours for biweekly pay. Continues to vary by year. Need to address exempt salaried pay conversion issues.
- Fluctuating pay dates – some pay dates on holiday or weekend that need to be adjusted. Current policy is to adjust to previous work day. SB286 requires no more than 24 pay dates in a fiscal year which will change current policy to move the pay date forward. So if pay date falls on a weekend pay will be the following Monday instead of previous Friday. Primary objective of going to biweekly pay was a consistent pay date.
- KSA 44-314 violation: SB 286 modifies the 15 days to 20 days after pay period end.  
**44-314. Pay periods.** (a) Every employer shall pay all wages due to the employees of the employer at least once during each calendar month, on regular paydays designated in advance by the employer, in lawful money of the United States or with checks or drafts which are negotiable in the community wherein the place of employment is located or, with the written consent of the employee, by electronic deposit to an employee's account at a financial institution.  
(b) The end of the pay period for which payment is made on a regular payday shall be not more than 15 days before such regular payday unless a variance in such requirement is authorized by state or federal law.
- Fluctuating number of hours in pay period – The calculations for annual leave and sick leave payouts, leave without pay, and mid-period hires/terminations are complicated for salaried employees as the rates per day vary by pay period. For hourly paid employees, gross wages will vary from pay date to pay dates. **For calendar year 2006 and 2007 employees will receive 2000 hours under semimonthly pay instead of 2080 hours under biweekly pay if SB 286 is implemented.** The majority of state employees are paid on an hourly basis. The fluctuation in hours will complicate the budgeting process each year. Primary objective of going to biweekly pay was a standard number of hours in the pay period and consistent pay from pay period to pay period.
- FLSA impact (OT) Workweeks overlap pay periods. Another primary objective of going to biweekly pay—OT calculation was simplified.
- Significant staff resources required to implement – would put SHARP 8.9 upgrade on hold.
- Deduction frequencies from biweekly to semimonthly – contract and agreement changes, possible regulation changes, rate conversions. 150+ deductions.
- Remittances to third parties – all reports and entire remittance system analyzed and modified to accommodate semimonthly frequency. Agreements with third parties on remittance frequency require modifications. 1500+ remittances annually, 150+ vendors, \$800M annually.
- Regents (7 payroll systems). Each must modify system for semi-monthly pay. All have different unique systems.
- Delayed pay in comparison to biweekly.
- Delayed payments on child support, flex spending, etc.
- Delayed earnings on deferred compensation, 403(b), etc.
- Garnishment calculations to accommodate semimonthly frequency.
- Final Average Salary impact due to varying number of days in pay period.
- Statutory and Regulatory Changes required. 100+
- Significant change management effort needed to communicate change to entire state workforce of over 55,000 employees. (leave accrual, cash flow, rate of pay, pay dates, benefit coverage periods, etc.)

Semi-Monthly Pay Periods  
Comparison of Pay Period Hours to Bi-Weekly Hours (2080)

	A	B	C	D	E	F	G
1	Fiscal Year	Pay Period Begin Date	Pay Period End Date	Pay Date	Number of Days	Number of Hours	Hrs. - 2080
2	2006	6/5/2005	6/18/2005	7/1/2005	10	80	
3		6/19/2005	7/2/2005	7/15/2005	10	80	
4		7/3/2005	7/16/2005	7/29/2005	10	80	
5		7/17/2005	7/30/2005	8/12/2005	10	80	
6		7/31/2005	8/13/2005	8/26/2005	10	80	
7		8/14/2005	8/27/2005	9/9/2005	10	80	
8		8/28/2005	9/10/2005	9/23/2005	10	80	
9		9/11/2005	9/24/2005	10/7/2005	10	80	
10		9/25/2005	10/8/2005	10/21/2005	10	80	
11		10/9/2005	10/22/2005	11/4/2005	10	80	
12		10/23/2005	11/5/2005	11/18/2005	10	80	
13		11/6/2005	11/19/2005	12/2/2005	10	80	
14		11/20/2005	12/3/2005	12/16/2005	10	80	
15		12/4/2005	12/17/2005	12/30/2005	10	80	
16		12/18/2005	12/31/2005	1/13/2006	10	80	
17		1/1/2006	1/14/2006	1/27/2006	10	80	
18		1/15/2006	1/28/2006	2/10/2006	10	80	
19		1/29/2006	2/11/2006	2/24/2006	10	80	
20		2/12/2006	2/25/2006	3/10/2006	10	80	
21		2/26/2006	3/11/2006	3/24/2006	10	80	
22		3/12/2006	3/25/2006	4/7/2006	10	80	
23		3/26/2006	4/8/2006	4/21/2006	10	80	
24		4/9/2006	4/22/2006	5/5/2006	10	80	
25		4/23/2006	5/6/2006	5/19/2006	10	80	
26		5/7/2006	5/20/2006	6/2/2006	10	80	
27		5/21/2006	6/1/2006	6/15/2006	9	72	
28	Total Days/Hrs.				259	2072	-8
29							
30	2007	6/2/2006	6/15/2006	7/3/2006	10	80	
31		6/16/2006	7/1/2006	7/17/2006	11	88	
32		7/2/2006	7/15/2006	8/1/2006	10	80	
33		7/16/2006	8/1/2006	8/15/2006	12	96	
34		8/2/2006	8/15/2006	9/1/2006	10	80	
35		8/16/2006	9/1/2006	9/15/2006	13	104	
36		9/2/2006	9/15/2006	10/2/2006	10	80	
37		9/16/2006	10/1/2006	10/16/2006	10	80	
38		10/2/2006	10/15/2006	11/1/2006	10	80	
39		10/16/2006	11/1/2006	11/15/2006	13	104	
40		11/2/2006	11/15/2006	12/1/2006	10	80	
41		11/16/2006	12/1/2006	12/15/2006	12	96	
42		12/2/2006	12/15/2006	1/2/2007	10	80	
43		12/16/2006	1/1/2007	1/15/2007	11	88	
44		1/2/2007	1/15/2007	2/1/2007	10	80	
45		1/16/2007	2/1/2007	2/15/2007	13	104	
46		2/2/2007	2/15/2007	3/1/2007	10	80	
47		2/16/2007	3/1/2007	3/15/2007	10	80	
48		3/2/2007	3/15/2007	4/2/2007	10	80	
49		3/16/2007	4/1/2007	4/16/2007	11	88	
50		4/2/2007	4/15/2007	5/1/2007	10	80	
51		4/16/2007	5/1/2007	5/15/2007	12	96	
52		5/2/2007	5/15/2007	6/1/2007	10	80	
53		5/16/2007	6/1/2007	6/15/2007	13	104	
54	Total Days/Hrs.				261	2088	8
55							

Semi-Monthly Pay Periods  
Comparison of Pay Period Hours to Bi-Weekly Hours (2080)

	A	B	C	D	E	F	G
1	Fiscal Year	Pay Period Begin Date	Pay Period End Date	Pay Date	Number of Days	Number of Hours	Hrs. - 2080
56	2008	6/2/2007	6/15/2007	7/2/2007	10	88	
57		6/16/2007	7/1/2007	7/16/2007	10	80	
58		7/2/2007	7/15/2007	8/1/2007	10	80	
59		7/16/2007	8/1/2007	8/15/2007	13	104	
60		8/2/2007	8/15/2007	9/3/2007	10	80	
61		8/16/2007	9/1/2007	9/17/2007	12	96	
62		9/2/2007	9/15/2007	10/1/2007	10	80	
63		9/16/2007	10/1/2007	10/15/2007	11	88	
64		10/2/2007	10/15/2007	11/1/2007	10	80	
65		10/16/2007	11/1/2007	11/15/2007	13	104	
66		11/2/2007	11/15/2007	12/3/2007	10	80	
67		11/16/2007	12/1/2007	12/17/2007	11	88	
68		12/2/2007	12/15/2007	1/2/2008	10	80	
69		12/16/2007	1/1/2008	1/15/2008	12	96	
70		1/2/2008	1/15/2008	2/1/2008	10	80	
71		1/16/2008	2/1/2008	2/15/2008	13	104	
72		2/2/2008	2/15/2008	3/3/2008	10	80	
73		2/16/2008	3/1/2008	3/17/2008	10	80	
74		3/2/2008	3/15/2008	4/1/2008	10	80	
75		3/16/2008	4/1/2008	4/15/2008	12	96	
76		4/2/2008	4/15/2008	5/1/2008	10	80	
77		4/16/2008	5/1/2008	5/15/2008	12	96	
78		5/2/2008	5/15/2008	6/2/2008	10	80	
79		5/16/2008	6/1/2008	6/16/2008	11	88	
80	Total Days/Hrs.				260	2088	8
81							
82	2009	6/2/2008	6/15/2008	7/1/2008	10	80	
83		6/16/2008	7/1/2008	7/15/2008	12	96	
84		7/2/2008	7/15/2008	8/1/2008	10	80	
85		7/16/2008	8/1/2008	8/15/2008	13	104	
86		8/2/2008	8/15/2008	9/2/2008	10	80	
87		8/16/2008	9/1/2008	9/15/2008	11	88	
88		9/2/2008	9/15/2008	10/1/2008	10	80	
89		9/16/2008	10/1/2008	10/15/2008	12	96	
90		10/2/2008	10/15/2008	11/3/2008	10	80	
91		10/16/2008	11/1/2008	11/17/2008	12	96	
92		11/2/2008	11/15/2008	12/1/2008	10	80	
93		11/16/2008	12/1/2008	12/15/2008	11	88	
94		12/2/2008	12/15/2008	1/2/2009	10	80	
95		12/16/2008	1/1/2009	1/15/2009	13	104	
96		1/2/2009	1/15/2009	2/2/2009	10	80	
97		1/16/2009	2/1/2009	2/16/2009	11	88	
98		2/2/2009	2/15/2009	3/2/2009	10	80	
99		2/16/2009	3/1/2009	3/16/2009	10	80	
100		3/2/2009	3/15/2009	4/1/2009	10	80	
101		3/16/2009	4/1/2009	4/15/2009	13	104	
102		4/2/2009	4/15/2009	5/1/2009	10	80	
103		4/16/2009	5/1/2009	5/15/2009	12	96	
104		5/2/2009	5/15/2009	6/1/2009	10	80	
105		5/16/2009	6/1/2009	6/15/2009	11	88	
106	Total Days/Hrs.				261	2088	8



Semi-Monthly Pay Periods  
Comparison of Pay Period Hours to Bi-Weekly Hours (2080)

	A	B	C	D	E	F	G
1	Fiscal Year	Pay Period Begin Date	Pay Period End Date	Pay Date	Number of Days	Number of Hours	Hrs. - 2080
107							
108	<b>2010</b>	6/2/2009	6/15/2009	7/1/2009	10	80	
109		6/16/2009	7/1/2009	7/15/2009	12	96	
110		7/2/2009	7/15/2009	8/3/2009	10	80	
111		7/16/2009	8/1/2009	8/17/2009	12	96	
112		8/2/2009	8/15/2009	9/1/2009	10	80	
113		8/16/2009	9/1/2009	9/15/2009	12	96	
114		9/2/2009	9/15/2009	10/1/2009	10	80	
115		9/16/2009	10/1/2009	10/15/2009	12	96	
116		10/2/2009	10/15/2009	11/2/2009	10	80	
117		10/16/2009	11/1/2009	11/16/2009	11	88	
118		11/2/2009	11/15/2009	12/1/2009	10	80	
119		11/16/2009	12/1/2009	12/15/2009	12	96	
120		12/2/2009	12/15/2009	1/4/2010	10	80	
121		12/16/2009	1/1/2010	1/15/2010	13	104	
122		1/2/2010	1/15/2010	2/1/2010	10	80	
123		1/16/2010	2/1/2010	2/15/2010	11	88	
124		2/2/2010	2/15/2010	3/1/2010	10	80	
125		2/16/2010	3/1/2010	3/15/2010	10	80	
126		3/2/2010	3/15/2010	4/1/2010	10	80	
127		3/16/2010	4/1/2010	4/15/2010	13	104	
128		4/2/2010	4/15/2010	5/3/2010	10	80	
129		4/16/2010	5/1/2010	5/17/2010	11	88	
130		5/2/2010	5/15/2010	6/1/2010	10	80	
131		5/16/2010	6/1/2010	6/15/2010	12	96	
132	Total Days/Hrs.				<b>261</b>	<b>2088</b>	<b>8</b>
133							
134	<b>2011</b>	6/2/2010	6/15/2010	7/1/2010	10	80	
135		6/16/2010	7/1/2010	7/15/2010	12	96	
136		7/2/2010	7/15/2010	8/2/2010	10	80	
137		7/16/2010	8/1/2010	8/16/2010	11	88	
138		8/2/2010	8/15/2010	9/1/2010	10	80	
139		8/16/2010	9/1/2010	9/15/2010	13	104	
140		9/2/2010	9/15/2010	10/1/2010	10	80	
141		9/16/2010	10/1/2010	10/15/2010	12	96	
142		10/2/2010	10/15/2010	11/1/2010	10	80	
143		10/16/2010	11/1/2010	11/15/2010	11	88	
144		11/2/2010	11/15/2010	12/1/2010	10	80	
145		11/16/2010	12/1/2010	12/15/2010	12	96	
146		12/2/2010	12/15/2010	1/3/2011	10	80	
147		12/16/2010	1/1/2011	1/17/2011	12	96	
148		1/2/2011	1/15/2011	2/1/2011	10	80	
149		1/16/2011	2/1/2011	2/15/2011	12	96	
150		2/2/2011	2/15/2011	3/1/2011	10	80	
151		2/16/2011	3/1/2011	3/15/2011	10	80	
152		3/2/2011	3/15/2011	4/1/2011	10	80	
153		3/16/2011	4/1/2011	4/15/2011	13	104	
154		4/2/2011	4/15/2011	5/2/2011	10	80	
155		4/16/2011	5/1/2011	5/16/2011	10	80	
156		5/2/2011	5/15/2011	6/1/2011	10	80	
157		5/16/2011	6/1/2011	6/15/2011	13	104	
158	Total Days/Hrs.				<b>261</b>	<b>2088</b>	<b>8</b>



Semi-Monthly Pay Periods  
Comparison of Pay Period Hours to Bi-Weekly Hours (2080)

	A	B	C	D	E	F	G
1	Fiscal Year	Pay Period Begin Date	Pay Period End Date	Pay Date	Number of Days	Number of Hours	Hrs. - 2080
159							
160	<b>2012</b>	6/2/2011	6/15/2011	7/1/2011	10	80	
161		6/16/2011	7/1/2011	7/15/2011	12	96	
162		7/2/2011	7/15/2011	8/1/2011	10	80	
163		7/16/2011	8/1/2011	8/15/2011	11	88	
164		8/2/2011	8/15/2011	9/1/2011	10	80	
165		8/16/2011	9/1/2011	9/15/2011	13	104	
166		9/2/2011	9/15/2011	10/3/2011	10	80	
167		9/16/2011	10/1/2011	10/17/2011	11	88	
168		10/2/2011	10/15/2011	11/1/2011	10	80	
169		10/16/2011	11/1/2011	11/15/2011	12	96	
170		11/2/2011	11/15/2011	12/1/2011	10	80	
171		11/16/2011	12/1/2011	12/15/2011	12	96	
172		12/2/2011	12/15/2011	1/2/2012	10	80	
173		12/16/2011	1/1/2012	1/16/2012	11	88	
174		1/2/2012	1/15/2012	2/1/2012	10	80	
175		1/16/2012	2/1/2012	2/15/2012	13	104	
176		2/2/2012	2/15/2012	3/1/2012	10	80	
177		2/16/2012	3/1/2012	3/15/2012	11	88	
178		3/2/2012	3/15/2012	4/2/2012	10	80	
179		3/16/2012	4/1/2012	4/16/2012	11	88	
180		4/2/2012	4/15/2012	5/1/2012	10	80	
181		4/16/2012	5/1/2012	5/15/2012	12	96	
182		5/2/2012	5/15/2012	6/1/2012	10	80	
183		5/16/2012	6/1/2012	6/15/2012	13	104	
184	Total Days/Hrs.				<b>262</b>	<b>2096</b>	<b>16</b>
185							
186	<b>2013</b>	6/2/2012	6/15/2012	7/2/2012	10	80	
187		6/16/2012	7/1/2012	7/16/2012	10	80	
188		7/2/2012	7/15/2012	8/1/2012	10	80	
189		7/16/2012	8/1/2012	8/15/2012	13	104	
190		8/2/2012	8/15/2012	9/3/2012	10	80	
191		8/16/2012	9/1/2012	9/17/2012	12	96	
192		9/2/2012	9/15/2012	10/1/2012	10	80	
193		9/16/2012	10/1/2012	10/15/2012	11	88	
194		10/2/2012	10/15/2012	11/1/2012	10	80	
195		10/16/2012	11/1/2012	11/15/2012	13	104	
196		11/2/2012	11/15/2012	12/3/2012	10	80	
197		11/16/2012	12/1/2012	12/17/2012	11	88	
198		12/2/2012	12/15/2012	1/2/2013	10	80	
199		12/16/2012	1/1/2013	1/15/2013	12	96	
200		1/2/2013	1/15/2013	2/1/2013	10	80	
201		1/16/2013	2/1/2013	2/15/2013	13	104	
202		2/2/2013	2/15/2013	3/1/2013	10	80	
203		2/16/2013	3/1/2013	3/15/2013	10	80	
204		3/2/2013	3/15/2013	4/1/2013	10	80	
205		3/16/2013	4/1/2012	4/15/2013	11	88	
206		4/2/2013	4/15/2013	5/1/2013	10	80	
207		4/16/2013	5/1/2013	5/15/2013	12	96	
208		5/2/2013	5/15/2013	6/3/2013	10	80	
209		5/16/2013	6/1/2013	6/17/2013	12	96	
210	Total Days/Hrs.				<b>260</b>	<b>2080</b>	<b>0</b>

Semi-Monthly Pay Periods  
Comparison of Pay Period Hours to Bi-Weekly Hours (2080)

	A	B	C	D	E	F	G
1	Fiscal Year	Pay Period Begin Date	Pay Period End Date	Pay Date	Number of Days	Number of Hours	Hrs. - 2080
211							
212	2014	6/2/2013	6/15/2013	7/1/2013	10	80	
213		6/16/2013	7/1/2013	7/15/2013	11	88	
214		7/2/2013	7/15/2013	8/1/2013	10	80	
215		7/16/2013	7/1/2013	8/15/2013	13	104	
216		8/2/2013	8/15/2013	8/30/2013	10	80	
217		8/16/2013	9/1/2013	9/13/2013	11	88	
218		9/2/2013	9/15/2013	10/1/2013	10	80	
219		9/16/2013	10/1/2013	10/15/2013	12	96	
220		10/2/2013	10/15/2013	11/1/2013	10	80	
221		10/16/2013	11/1/2013	11/15/2013	13	104	
222		11/2/2013	11/15/2013	11/29/2013	10	80	
223		11/16/2013	12/1/2013	12/13/2013	10	80	
224		12/2/2013	12/15/2013	12/31/2013	10	80	
225		12/16/2013	1/1/2013	1/15/2014	13	104	
226		1/2/2014	1/15/2014	1/31/2014	10	80	
227		1/16/2014	2/1/2014	2/14/2014	12	96	
228		2/2/2014	2/15/2014	2/28/2014	10	80	
229		2/16/2014	3/1/2014	3/14/2014	10	80	
230		3/2/2014	3/15/2014	4/1/2014	10	80	
231		3/16/2014	4/1/2014	4/15/2014	12	96	
232		4/2/2014	4/15/2014	5/1/2014	10	80	
233		4/16/2014	5/1/2014	5/15/2014	12	96	
234		5/2/2014	5/15/2014	5/30/2014	10	80	
235		5/16/2014	6/1/2014	6/13/2014	11	88	
236	Total Days/Hrs.				260	2080	0
237							
238	2015	6/2/2014	6/15/2014	7/1/2014	10	80	
239		6/16/2014	7/1/2014	7/15/2014	12	96	
240		7/2/2014	7/15/2014	8/1/2014	10	80	
241		7/16/2014	8/1/2014	8/15/2014	13	104	
242		8/2/2014	8/15/2014	9/1/2014	10	80	
243		8/16/2014	9/1/2014	9/15/2014	11	88	
244		9/2/2014	9/15/2014	10/1/2014	10	80	
245		9/16/2014	10/1/2014	10/15/2014	12	96	
246		10/2/2014	10/15/2014	11/3/2014	10	80	
247		10/16/2014	11/1/2014	11/17/2014	12	96	
248		11/2/2014	11/15/2014	12/1/2014	10	80	
249		11/16/2014	12/1/2014	12/15/2014	11	88	
250		12/2/2014	12/15/2014	1/2/2015	10	80	
251		12/16/2014	1/1/2015	1/15/2015	13	104	
252		1/2/2015	1/15/2015	2/2/2015	10	80	
253		1/16/2015	2/1/2015	2/16/2015	11	88	
254		2/2/2015	2/15/2015	3/2/2015	10	80	
255		2/16/2015	3/1/2015	3/16/2015	10	80	
256		3/2/2015	3/15/2015	4/1/2015	10	80	
257		3/16/2015	4/1/2015	4/15/2015	13	104	
258		4/2/2015	4/15/2015	5/1/2015	10	80	
259		4/16/2015	5/1/2015	5/15/2015	12	96	
260		5/2/2015	5/15/2015	6/1/2015	10	80	
261		5/16/2015	6/1/2015	6/15/2015	11	88	
262	Total Days/Hrs.				261	2088	8

Semi-Monthly Pay Periods  
Comparison of Pay Period Hours to Bi-Weekly Hours (2080)

	A	B	C	D	E	F	G
1	Fiscal Year	Pay Period Begin Date	Pay Period End Date	Pay Date	Number of Days	Number of Hours	Hrs. - 2080
263							
264	<b>2016</b>	6/2/2015	6/15/2015	7/1/2015	10	80	
265		6/16/2015	7/1/2015	7/15/2015	12	96	
266		7/2/2015	7/15/2015	8/3/2015	10	80	
267		7/16/2015	8/1/2015	8/17/2015	12	96	
268		8/2/2015	8/15/2015	9/1/2015	10	80	
269		8/16/2015	9/1/2015	9/15/2015	12	96	
270		9/2/2015	9/15/2015	10/1/2015	10	80	
271		9/16/2015	10/1/2015	10/15/2015	12	96	
272		10/2/2015	10/15/2015	11/2/2015	10	80	
273		10/16/2015	11/1/2015	11/16/2015	11	88	
274		11/2/2015	11/15/2015	12/1/2015	10	80	
275		11/16/2015	12/1/2015	12/15/2015	12	96	
276		12/2/2015	12/15/2015	1/4/2016	10	80	
277		12/16/2015	1/1/2016	1/15/2016	13	104	
278		1/2/2016	1/15/2016	2/1/2016	10	80	
279		1/16/2016	2/1/2016	2/15/2016	11	88	
280		2/2/2016	2/15/2016	3/1/2016	10	80	
281		2/16/2016	3/1/2016	3/15/2016	11	88	
282		3/2/2016	3/15/2016	4/1/2016	10	80	
283		3/16/2016	4/1/2016	4/15/2016	13	104	
284		4/2/2016	4/15/2016	5/2/2016	10	80	
285		4/16/2016	5/1/2016	5/16/2016	10	80	
286		5/2/2016	5/15/2016	6/1/2016	10	80	
287		5/16/2016	6/1/2016	6/15/2016	13	104	
288	Total Days/Hrs.				<b>262</b>	<b>2096</b>	<b>16</b>
289							
290	<b>2017</b>	6/2/2016	6/15/2016	7/1/2016	10	80	
291		6/16/2016	7/1/2016	7/15/2016	12	96	
292		7/2/2016	7/15/2016	8/1/2016	10	80	
293		7/16/2016	8/1/2016	8/15/2016	11	88	
294		8/2/2016	8/15/2016	9/1/2016	10	80	
295		8/16/2016	9/1/2016	9/15/2016	13	104	
296		9/2/2016	9/15/2016	10/3/2016	10	80	
297		9/16/2016	10/1/2016	10/17/2016	11	88	
298		10/2/2016	10/15/2016	11/1/2016	10	80	
299		10/16/2016	11/1/2016	11/15/2016	12	96	
300		11/2/2016	11/15/2016	12/1/2016	10	80	
301		11/16/2016	12/1/2016	12/15/2016	12	96	
302		12/2/2016	12/15/2016	1/2/2017	10	80	
303		12/16/2016	1/1/2017	1/16/2017	11	88	
304		1/2/2017	1/15/2017	2/1/2017	10	80	
305		1/16/2017	2/1/2017	2/15/2017	13	104	
306		2/2/2017	2/15/2017	3/1/2017	10	80	
307		2/16/2017	3/1/2017	3/15/2017	10	80	
308		3/2/2017	3/15/2017	4/3/2017	10	80	
309		3/16/2017	4/1/2017	4/17/2017	12	96	
310		4/2/2017	4/15/2017	5/1/2017	10	80	
311		4/16/2017	5/1/2017	5/15/2017	11	88	
312		5/2/2017	5/15/2017	6/1/2017	10	80	
313		5/16/2017	6/1/2017	6/15/2017	13	104	
314	Total Days/Hrs.				<b>261</b>	<b>2088</b>	<b>8</b>

Semi-Monthly Pay Periods  
Comparison of Pay Period Hours to Bi-Weekly Hours (2080)

	A	B	C	D	E	F	G
1	Fiscal Year	Pay Period Begin Date	Pay Period End Date	Pay Date	Number of Days	Number of Hours	Hrs. - 2080
315							
316	2018	6/2/2017	6/15/2017	7/3/2017	10	80	
317		6/16/2017	7/1/2017	7/17/2017	11	88	
318		7/2/2017	7/15/2017	8/1/2017	10	80	
319		7/16/2017	8/1/2017	8/15/2017	12	96	
320		8/2/2017	8/15/2017	9/1/2017	10	80	
321		8/16/2017	9/1/2017	9/15/2017	13	104	
322		9/2/2017	9/15/2017	10/2/2017	10	80	
323		9/16/2017	10/1/2017	10/16/2017	10	80	
324		10/2/2017	10/15/2017	11/1/2017	10	80	
325		10/16/2017	11/1/2017	11/15/2017	13	104	
326		11/2/2017	11/15/2017	12/1/2017	10	80	
327		11/16/2017	12/1/2017	12/15/2017	12	96	
328		12/2/2017	12/15/2017	1/2/2018	10	80	
329		12/16/2017	1/1/2018	1/15/2018	11	88	
330		1/2/2018	1/15/2018	2/1/2018	10	80	
331		1/16/2018	2/1/2018	2/15/2018	13	104	
332		2/2/2018	2/15/2018	3/1/2018	10	80	
333		2/16/2018	3/1/2018	3/15/2018	10	80	
334		3/2/2018	3/15/2018	4/2/2018	10	80	
335		3/16/2018	4/1/2018	4/16/2018	11	88	
336		4/2/2018	4/15/2018	5/1/2018	10	80	
337		4/16/2018	5/1/2018	5/15/2018	12	96	
338		5/2/2018	5/15/2018	6/1/2018	10	80	
339		5/16/2018	6/1/2018	6/15/2008	13	104	
340	Total Days/Hrs.				261	2088	8

## PAY SCHEDULES

Survey Conducted and Compiled by the State of Kansas  
 Department of Administration, Division of Personnel Services  
 February 1, 2005

STATE	Bi-Weekly	Semi-Monthly	Monthly	Other/Remarks
Alabama	X			
Alaska		90%		10% bi-weekly
Arizona	X			
Arkansas	X			
California			X	Some bi-weekly
Colorado	Hourly employees		Salary employees	
Connecticut	X			
Delaware	X			
Florida	X		X	Agency determines frequency
Georgia		X		
Hawaii		X		
Idaho	X			
Illinois		X		
Indiana	X			
Iowa	X			
Kansas	X			
Kentucky		X		
Louisiana	X			
Maine	X			
Maryland	X			
Massachusetts	X			
Michigan	X			
Minnesota	X			
Mississippi	X	X	X	Decentralized to agencies
Missouri		X		
Montana	X			
Nebraska	X		X	Non-exempt (weekly)
Nevada	X			
New Hampshire	X			
New Jersey	X			
New Mexico	X			
New York	X			
North Carolina			X	
North Dakota			X	
Ohio	X			
Oklahoma			X	Bi-weekly/semi-monthly. Decentralized.
Oregon			X	
Pennsylvania	X			
Rhode Island	X		Contract employees	Education – 20 pay period. Under some union contracts, lump sum.
South Carolina		X		
South Dakota		X		
Tennessee		X		
Texas			X	
Utah	X			
Vermont	X			
Virginia	Wage	Salaried		
Washington	X			
West Virginia		X		
Wisconsin	X			
Wyoming			X	
TOTALS	33	13	12	



**PAY SCHEDULES**

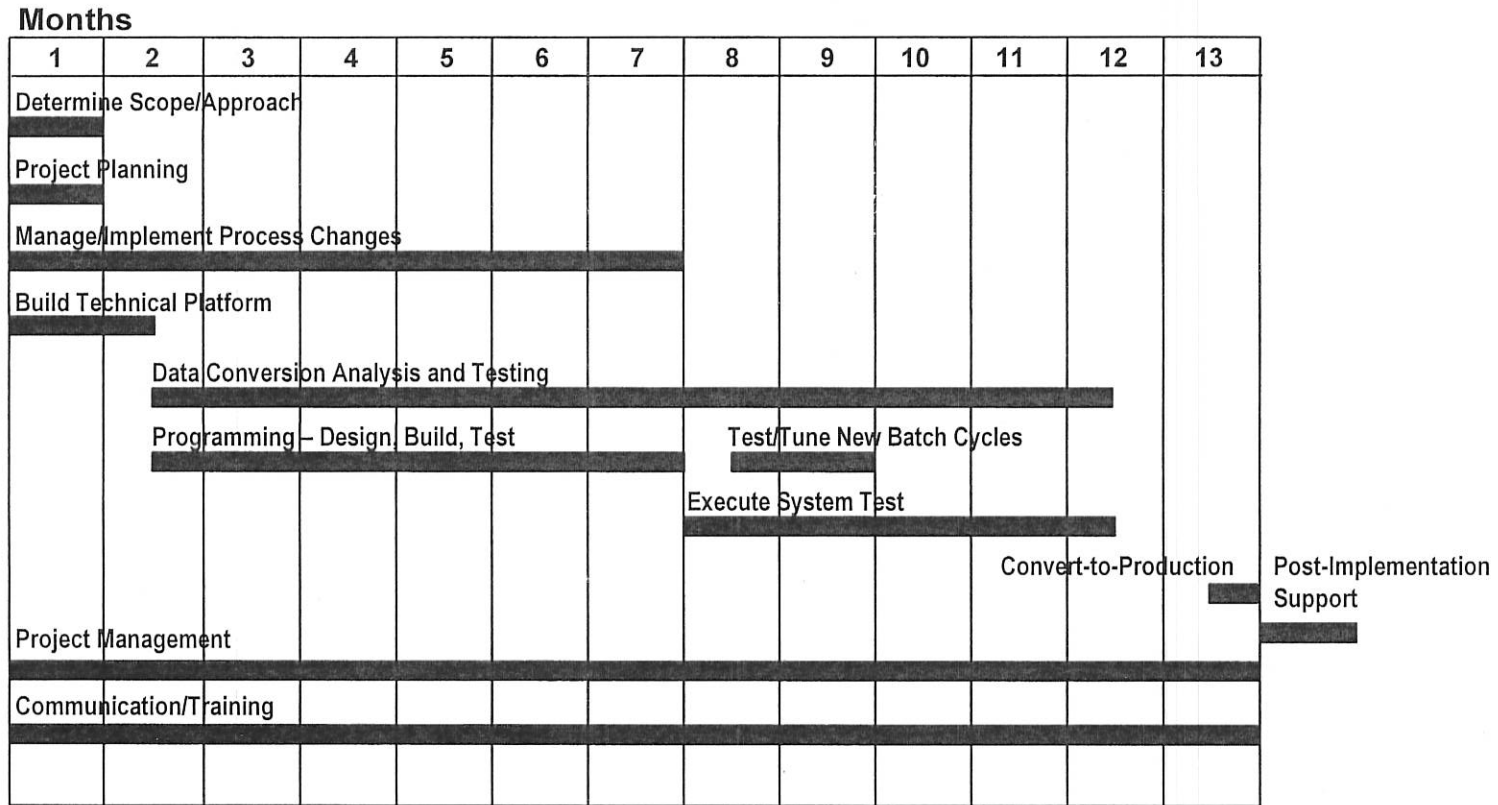
Survey conducted and compiled by the State of Kansas

Department of Administration, Division of Personnel Services

25-Jan-05

<b>Employer</b>	<b>Location</b>	<b>Bi-Weekly</b>	<b>Semi-Monthly</b>	<b>Monthly</b>	<b>Other</b>
Boeing	Wichita	X			
Frito-Lay	Topeka	X			
Hills	Topeka	X			
Security-Benefit	Topeka	X			
Goodyear	Topeka		Exempt		Non-exempt (weekly)
Koch Industries	Wichita	X			
BNSF	Topeka		X		
Adams Business Forms	Topeka	X			
Jostens	Topeka	X			
Westar	Topeka	X			
BC/BS	Topeka	X			
Home Depot	Topeka	X			
Target	Topeka	X			
City of Topeka	Topeka	X			
City of Wichita	Wichita	X			
City of Salina	Salina		X		
City of Lawrence	Lawrence	X			
City of Kansas City	KC, KS	X			
Shawnee County	KS	X			
Federal Govt (OPM)	KS	X			
<b>TOTALS</b>					

# Preliminary Schedule Estimate to Convert to Semi-Monthly Pay



**Key Activities:**

- Determine Scope/Approach (400 hr)
- Project Planning (350 hr)
- Manage/Implement Process Changes (3300 hr)
- Build/Support Technical Platform – (600 hr)
- Data Conversion Analysis and Testing (600 hr)
- Programming – Design, Build, Unit Test (6260 hr)
- Execute System Test (9200 hr)
- Test/Tune New Batch Cycles (260 hr)
- Convert to Production (80 hr)
- Post-Implementation Support (320 hr)
- Communication/Training (2700 hr)
- Project Management (2400 hr)

Total (est.): 26,470 hr



**Semi-Monthly Pay Testimony**  
**Senate Ways and Means Committee**  
**Friday, March 4, 2005**

Mr. Chairman, Members of the Committee:

My name is Duncan Friend and I work for the Department of Administration in the Division of Information Systems and Communications. I served as the Project Director for the most recent project to upgrade SHARP, the State's PeopleSoft Human Resource and Payroll system. I have been asked by Secretary Goossen to provide an overview of what a project to implement semi-monthly pay would entail, the associated risks, and the potential impact it would have on plans to upgrade the current system.

**Overview of the SHARP HR/Payroll System**

As background, SHARP is a statewide system that supports benefits, payroll, and human resource services for the State of Kansas government workforce of approximately 52,000 full and part-time employees. This includes partial processing of human resource and payroll transactions for the Regents' institutions. The software is based on PeopleSoft human resource management software. Version 4 was implemented in 1995, and the software has been upgraded to Version 7 in 1998 and then to the Internet-based Version 8.01 in 2003. There are currently about 800 core HR/Payroll users of the system throughout the state, with as many as 37,000 employees making use of the web-based self-service features throughout the year.

**Approach to Estimating a Project to Convert to Semi-Monthly Pay**

In the packet of materials that has been distributed today, there is a Gantt chart that outlines the high-level tasks that would be required as part of a project to convert to semi-monthly pay. It also provides general estimates of the person-hours required to perform them, and rough timelines for their completion.

The estimates were developed in fairly short order and should not be considered a definitive project plan. They are primarily drawn from hours reported on similar tasks during the most recent SHARP upgrade. IT development projects, whether they involve building or modifying a system, usually consist of similar phases such as definition of scope, planning, analysis and design, development and testing of programs, communication, training, and project management. The level of effort and timelines shown are also based on a number of assumptions. Several of the major assumptions include:

- All employees will adopt the same pay schedule.
- Work Periods will remain the same.
- All pay deduction frequencies will be synced with the semi-monthly pay schedule.
- Additional hardware/software environments will be needed for developing semi-monthly pay changes so that we can continue to support and maintain the current system while undertaking the project.
- Estimates do not include work required by Regents Institutions – who run their own systems - nor state agencies, and assume that these parties will be able to meet the timelines established. I would expect that level of effort to be significant, but am not prepared to address that topic today.

While there are not specific months named in the Gantt chart, you can see at a high-level that the project is expected to take around 12 months to complete and involve about 26,000 person-hours. Due to resource constraints, projects of this size are primarily staffed on a part-time basis by the Department.

*Senate Ways and Means*  
*3-4-05*  
*Attachment 5*

## Gantt Chart Walkthrough

Determine Scope/Approach – While the current legislation provides guidance, the specific details of implementation will need to be ironed out with stakeholders.

Project Planning – Includes determining the exact tasks that will need to be completed, along with staff assignments, expectations confirmed, dependencies determined. This estimate may be somewhat low.

Manage/Implement Process Changes – Includes analysis/drafting/implementation of required statute or regulation changes and discussion/negotiation of 150 deduction contracts with third parties.

Build Technical Platform – To support the current system, we must maintain an identical test system. This task is the creation of new hardware/software environments to develop and test semi-monthly pay mods.

Data Conversion Analysis and Testing – We will need to convert some data held in bi-weekly format to semi-monthly format. This involves analysis, scripting, testing, and verification of data integrity.

Programming – Design, Build, Test – About 25% of the total hours, this involves reviewing the impact of semi-monthly pay on all existing programs, analysis/design of changes where required, development and unit testing.

Execute System Test – One of the most important parts of the project, it involves writing and updating hundreds of test scripts that walk through various scenarios of system operation and predicted results. This is followed by an 18-week period of testing, analysis, rework, and retesting to ensure the accuracy of system changes.

Test/Tune New Batch Cycles – Batch payroll cycles of various types occur almost every night of the week. Due to the large volume of transactions in certain cycles, some of these overnight cycles can run very long and tuning may be required to accommodate the impact of semi-monthly pay schedule-related changes.

Convert-to-Production – In past upgrade projects, we have always cutover to new technical platforms, leaving the current system running as a fallback should problems arise. To implement the changes to semi-monthly pay, we will be faced with a scenario that we have not yet encountered, where we will back up and replace the system on the same computer hardware. This introduces significant risk and logistical concerns.

Project Management – Includes tracking and reporting, coordination, issue resolution, and other related tasks.

Communication/Training – This portion of the project is very significant. This project will affect every employee and require a high degree of communication with state agency staff and management, our business partners, and across various related projects that will be undertaken on systems at state agencies.

## Risks

One of the major considerations in any technology project is the management of risk. Across both the private and public sector, IT projects have been shown to be inherently risky and prone to failure, either not delivered at all, or not on time, or at a significantly greater cost than anticipated, or with significantly less business benefits than planned. In recognition of this, it is a requirement of our state project management office to monitor risks throughout the project lifecycle. As part of a project to convert SHARP to run a semi-monthly pay cycle, we will be making significant programming modifications to a mission-critical system. These changes will affect over 100 state agencies and the entire state workforce, and be staffed part-time over a relatively long period during which other initiatives that will compete for the same resources may arise. And, unlike an upgrade, a missed deadline could result in significant disruption to state business. Regents Institutions and some state agencies may have to make significant changes, and the success of the project will depend on their ability to meet these deadlines as well. All of these factors increase the risk associated with project implementation.

## Impact on plans to upgrade the PeopleSoft software

Over the last six months the Department has been actively engaged in planning to upgrade from the 8.0 version of PeopleSoft to Version 8.9. The 8.0 version came out in the Year 2000 and was scheduled to end support at the end of this month. However, you may be familiar with the recent acquisition of PeopleSoft by the Oracle Corporation. As part of this acquisition, the availability of an upgrade path to version 8.9 was delayed until this summer and our support has been extended for one year. If that were not the case, it is likely that we would have already filed plans and begun the project.

A project to move to the 8.9 version of the software would benefit the state in several ways. In addition to being supported by Oracle/PeopleSoft, as a system ages, additional risks are incurred as support for the underlying system software, such as database or operating systems becomes unsupported by the vendor. Moving to a newer release of the software helps mitigate this problem. Upgrading to v8.9 will allow us to remain current on maintenance through calendar year 2008. By staying current on maintenance, we are also entitled to an automated upgrade path to the latest version. Without this support, a reinstall of the software could be required, which adds to the risk of an upgrade, and increases the amount of consulting assistance that could be required to perform one. Finally, the new software also offers new and enhanced functionality that can be of benefit to both management and users in working more efficiently and providing increased levels of service.

If we were to undertake a project to convert the SHARP system to semi-monthly pay, I would recommend against attempting to combine this project with an upgrade of the underlying PeopleSoft software. The principal reason is the increased level of risk introduced when managing the changes and requirements of a new release of a software package along with a date certain deadline for implementation of semi-monthly pay. As it is, the upgrade scripts upon which a software upgrade depends may not be released until late June, meaning significant development could not begin until late July to early August 2005. This, coupled with more technical and conversion work that is required in an upgrade, would add very significant risk to the process, and may not even be feasible with our current staffing levels. Because of this, my preliminary assessment is that we would have to postpone a software upgrade for over a year, which, if we targeted the current 8.9 version, would mean we would implement the project sometime in early 2007.

Thank you for the opportunity to testify. I will be happy to answer any questions.



**he Kansas  
Association of  
Public Employees**

**KAPE**

Working to Protect Kansas Public  
Employees since 1962

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**Cindy Lovell, Data Control**

**Working Together,**

**We Make A Difference!**



**Testimony  
Before the Senate  
Ways and Means Committee  
March 4, 2005**

**Presented by Andy Sanchez, Executive Director  
Kansas Association of Public Employees**

Thank you Mr. Chairman and members of the committee. I appreciate the opportunity to appear before you today and express our concerns with SB 286.

Over the course of the 2005 legislative session there has been significant discussion on how to deal with a predicament that involves state employee payroll for FY 2006. Much has been said about the potential of changing the payroll practice of state employees. Clearly, many of us have been caught off guard.

As an employee organization, KAPE has access to a most valuable resource when considering perspectives of state employees. That resource is the people themselves. I trust you put a lot of value in that, as I know we do. This body, both the committee and the legislature is attempting to establish policy with very limited input from state employees. The alternative pay schedule of semi-monthly paydays is being characterized as nothing more than a small inconvenience to state employees. Contrary to what the general public believes, we know state employees are always open to trying new and better ways of doing things. We just want to make sure this is a better way of doing things, because it is not new.

This is not about state employees simply having to re-align their finances, they will and it will be problematic for some. We don't think this committee is of the mind to suggest to state employees that, "you will just have to learn how to manage your money better". Like you, most state employees are conscientious employees whose work goes unappreciated. Our concern is, are we taking money away from state employees? They are very aware of the state's fiscal problems and continue only to ask that during these tough fiscal times they don't fall further behind. KAPE supports the Governor's 2 1/2% pay adjustment. We further ask that this committee carefully weigh all the factors to make certain we are not asking this group to bear more than their share of the burden. It is my duty to inform that we believe this has indeed been the case in the past.

**Thank you**

Senate Ways and Means  
3-4-05  
Attachment 6



# KANSAS BOARD OF REGENTS

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March 4, 2005

TO: Senate Ways and Means Committee  
FROM: *R. L. Robinson*  
Reginald L. Robinson  
President and CEO

On behalf of the Board of Regents and the state universities, I am expressing our opposition to Senate Bill 286, which would move the state from a bi-weekly payroll system to a semi-monthly payroll system. The negative impacts of this bill are many and significant. One of the most significant impacts is the cost to the universities to reprogram their systems to accommodate semi-monthly pay. With very little time to review the bill and assess its potential impact, the universities have concluded that conversion to bi-monthly payroll would be very costly in terms of expenditures and staff time. From a budgetary and human resource standpoint, no benefits will accrue from the expenditure of the funds and staff time necessary for such a conversion.

The current bi-weekly payroll system is stable, providing consistent pay dates and consistent salary amounts each pay period, which simplify payroll calculations and provide for a consistent fiscal impact to the institution and the employee.

Conversion to bi-monthly pay will result in fluctuating pay dates and pay period hours, resulting in many difficult and unnecessary issues for employers and employees:

- Management of Fair Labor Standard Act issues vis-a-vis calculation of overtime pay, which will become more complicated. This will require much additional training for employees and department personnel.
- Calculations will become more complicated for fringe benefits; annual and sick leave payouts; leave without pay; and salaries of persons hired in mid-payroll period.
- The fluctuation in hours will complicate the budgeting process each fiscal year.
- New employees will wait longer for their first paycheck.

The bi-weekly payroll system was implemented to overcome many of the then existing problems that would be recreated by a bi-monthly system. The complications of converting to a bi-monthly payroll system increase the risk of system failure, resulting in even more system costs and disruption for employees. Therefore, we strongly urge that the Senate Ways and Means Committee not recommend SB 286 for passage.

*Senate Ways and Means  
3-4-05  
Attachment 7*