

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chair Sharon Schwartz at 9:00 A.M. on February 20, 2007, in Room 514-S of the Capitol.

All members were present except:
Representative Tom Sawyer- excused

Committee staff present:
Alan Conroy, Legislative Research Department
J. G. Scott, Legislative Research Department
Becky Krahl, Legislative Research Department
Reagan Cussimano, Legislative Research Department
Audrey Dunkel, Legislative Research Department
Julian Efird, Legislative Research Department
Susan Kannarr, Legislative Research Department
Aaron Klaassen, Legislative Research Department
Amy VanHouse, Legislative Research Department
Jim Wilson, Revisor of Statutes
Nikki Feuerborn, Chief of Staff
Shirley Jepson, Committee Assistant

Conferees appearing before the committee:
Bill Moore, Board of Directors, Kansas Sports Hall of Fame
Ted Hayes, Executive Director, Kansas Sports Hall of Fame
Ed Van Petten, Director, Kansas Lottery
Gary Musselman, Executive Director, Kansas State High School Activities Association

Others attending:
See attached list.

- Attachment 1 Fiscal Note on **HB 2424**
- Attachment 2 Testimony on **HB 2424** by Bill Moore
- Attachment 3 Testimony on **HB 2424** by Ted Hayes
- Attachment 4 Testimony on **HB 2424** by Gary Musselman
- Attachment 5 Budget Committee Report on Department of Social and Rehabilitation Services
- Attachment 6 Budget Committee Report on Adjutant General's Department, State Fire Marshal, Kansas Highway Patrol, Kansas Bureau of Investigation, Sentencing Commission, Kansas Parole Board, Board of Emergency Medical Services

Representative George moved to introduce legislation regarding micro trucks. The motion was seconded by Representative Feuerborn. Motion carried.

Discussion and Action on HB 2385 - Transfer of the administration of the state deferred compensation plan from the department of administration to the board of trustees of the Kansas Public Employees Retirement System.

Julian Efird, Legislative Research Department, explained **HB 2385** and noted if the legislation became law, the transfer would be effective on January, 2008.

Representative Powell moved to recommend **HB 2385** favorable for passage and placement on the consent calendar. The motion was seconded by Representative George. Motion carried.

Hearing on HB 2424 - Authorizing a surcharge on certain sports events to fund the Kansas state sports hall of fame.

Audrey Dunkel, Legislative Research Department, explained that **HB 2424** would provide a funding stream for the Kansas Sports Hall of Fame by assessing a surcharge on the tickets sold at one athletic event each year at secondary and postsecondary educational institutions within the State.

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on February 20, 2007, in Room 514-S of the Capitol.

The fiscal note on **HB 2424** was distributed to the Committee (Attachment 1).

Chair Schwartz recognized Bill Moore, Board of Directors, Kansas Sports Hall of Fame, who provided testimony in support of **HB 2424** (Attachment 2). Responding to questions from the Committee, Mr. Moore stated that the Sports Hall of Fame has received approximately \$400,000 from the State since its inception about 40 years ago; first in Lawrence, then moved to Abilene and currently located in Wichita. It is estimated that they need approximately \$500,000 per year to operating expenses. Mr. Moore noted that the City of Wichita and Sedgwick County provided for the renovation of the building in Wichita in which the Sports Hall of Fame is now located.

The Chair recognized Ted Hayes, Executive Director, Kansas Sports Hall of Fame, who provided testimony in support of **HB 2424** (Attachment 3). Mr. Hayes stated it is important to establish a long-term funding mechanism in order to maintain the Kansas Sports Hall of Fame. The yearly attendance is approximately 18,000 with a varying admission rate. Donations received are mainly used for displays, galleries and outreach programs; however, it has been necessary recently to request the use of some of these funds for operating costs.

Chair Schwartz recognized Gary Musselman, Kansas State High School Activities Association, presented testimony in opposition to **HB 2424** (Attachment 4).

The hearing on HB 2424 was closed.

Representative Ballard, member of the Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Department of Social and Rehabilitation Services (SRS) for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 5). The motion was seconded by Representative Bethell.

Some members of the Committee expressed concern with the deletion of State General Fund funding for programs where there is a need for matching State dollars in order to receive matching federal dollars.

Representative Feuerborn made a substitute motion to delete Article "L" from Item No. 3 (\$800,000 to increase grants to Independent Living Centers) of the Budget Committee report and return the funding to the Governor's recommendation for the Department of Social and Rehabilitation Services for FY 2008. The motion was seconded by Representative Ballard. Motion failed on a 8-12 vote.

Representative Lane made a motion to delete Article "i" from Item No. 3 (\$400,000 for a program to reduce tobacco sales to minors and prevent loss of federal funding) of the Budget Committee report on the Department of Social and Rehabilitation Services for FY 2008. The motion was seconded by Representative Feuerborn. Motion failed.

The meeting was recessed at 11:00 a.m. and reconvened at 1:25 p.m.

Representative Ballard renewed the motion to adopt the Budget Committee recommendation on the Department of Social and Rehabilitation Services (SRS) for FY 2008. The motion was seconded by Representative Bethell. Motion carried.

Representative Wolf, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Adjutant General's Department for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 6). The motion was seconded by Representative Tafanelli.

With reference to Item No. 1, the Budget Committee stated that they chose to delete the funding from the State General Fund (SGF) for death benefits for National Guard members in anticipation that the 2007 Legislature could take action on **HB 2421** before Omnibus - legislation that would amend current law pertaining to the death benefit program for National Guard members.

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on February 20, 2007, in Room 514-S of the Capitol.

Representative Feuerborn made a substitute motion to amend the Budget Committee report on the Adjutant General's Department for FY 2007 by deleting Item No. 1 and return funding as recommended by the Governor. The motion was seconded by Representative Gatewood. Motion carried.

Representative Wolf moved to adopt the Budget Committee recommendation on the Adjutant General's Department for FY 2007 as amended. The motion was seconded by Representative Tapanelli. Motion carried.

Representative Wolf, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Adjutant General's Department for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 6). The motion was seconded by Representative Tapanelli. Motion carried.

Representative Wolf, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's recommendation for the State Fire Marshal for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007(Attachment 6). The motion was seconded by Representative Tapanelli. Motion carried.

Representative Wolf, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's recommendation for the State Fire Marshal for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 6). The motion was seconded by Representative Williams. Motion carried.

Representative Holmes, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Kansas Highway Patrol for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 6). The motion was seconded by Representative Williams. Motion carried.

Representative Holmes, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Kansas Highway Patrol for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 6). The motion was seconded by Representative Williams. Motion carried.

Representative Feuerborn moved to reconsider the Budget Committee's recommendation for the Kansas Highway Patrol (KHP) for FY 2007; amend Item No. 1 by removing the language "Delete \$168,248 from the KHP Operations Fund" ; add language to indicate that "no expenditure shall be made from the KHP Operations Fund for remodeling the West Wabaunsee Weigh Station"; and adopt the Budget Committee recommendation on the Kansas Highway Patrol for FY 2007 as amended. The motion was seconded by Representative Gatewood. Motion carried.

Representative Holmes, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Kansas Bureau of Investigation (KBI) for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 6). The motion was seconded by Representative Williams. Motion carried.

Representative Holmes, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Kansas Bureau of Investigation (KBI) for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 6). The motion was seconded by Representative Williams. Motion carried.

Representative Williams, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Kansas Sentencing Commission for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 6). The motion was seconded by Representative

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on February 20, 2007, in Room 514-S of the Capitol.

Tafanelli. Motion carried.

Representative Williams, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Kansas Sentencing Commission for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 6). The motion was seconded by Representative Tafanelli.

Representative Tafanelli moved for a substitute motion to amend Item No. 4 by adding language to revisit Item No. 4 during Omnibus. The motion was seconded by Representative Williams. Motion carried.

Representative Williams moved to adopt the Budget Committee recommendation on the Kansas Sentencing Commission for FY 2008 as amended. The motion was seconded by Representative Holmes. Motion carried.

Representative Williams, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Kansas Parole Board for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007(Attachment 6). The motion was seconded by Representative Wolf. Motion carried.

Representative Williams, member of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Kansas Parole Board for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 6). The motion was seconded by Representative Tafanelli. Motion carried.

Representative Tafanelli, Chair of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Board of Emergency Medical Services for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007(Attachment 6). The motion was seconded by Representative Wolf. Motion carried.

Representative Tafanelli, Chair of the Transportation and Public Safety Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Board of Emergency Medical Services for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008(Attachment 6). The motion was seconded by Representative Holmes. Motion carried.

The meeting was adjourned at 2:35 p.m. The next meeting of the Committee will be held at 8:00 a.m. on February 21, 2007.


Sharon Schwartz, Chair

House Appropriations Committee

February 20, 2007

9:00 A.M.

NAME	REPRESENTING
Faith Lovelto	DFA
Kyle Smith	KBI
Janice Harper	Adjutant General
Sheyl Weller	Ks Highway Patrol
Kirk Thompson	KBI
Marsha Pappen	KBI
Patti Artzer	Bd of EMS
Lama Howard	SRS
Lis Weeks	SRS

February 20, 2007

The Honorable Sharon Schwartz, Chairperson
House Committee on Appropriations
Statehouse, Room 517-S
Topeka, Kansas 66612

Dear Representative Schwartz:

SUBJECT: Fiscal Note for HB 2424 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2424 is respectfully submitted to your committee.

HB 2424 would require each postsecondary educational institution to designate one intercollegiate athletic event in football, men's and women's basketball, baseball, volleyball, and softball as a Kansas Sports Hall of Fame Game. The institutions include the University of Kansas, Kansas State University, Wichita State University, Emporia State University, Fort Hays State University, Pittsburg State University, Washburn University, and the community colleges. Each host university would collect a \$2 surcharge, and each community college would collect a \$1 surcharge on each ticket purchased for a game designated as a Kansas Sports Hall of Fame Game. Each postsecondary educational institution would be required to submit these funds semi-annually to the Kansas Sports Hall of Fame Board of Trustees.

The Kansas State High School Activities Association (KSHSAA) would also be required to collect a \$0.50 surcharge on each ticket purchased for each high school championship football game and each men's and women's sports championship tournament game. The KSHSAA would be required to submit these funds to the Kansas Sports Hall of Fame Board of Trustees.

HB 2424 would increase costs to consumers who would be required to pay the ticket surcharge to attend a game designated as a Kansas Sports Hall of Fame Game. According to the Kansas Board of Regents, the average number of tickets sold in FY 2006 across the six state universities and Washburn University at one athletic event in the sports described above was 134,529. Some universities do not charge admission at all of the athletic events; therefore, those events are not included in the estimate. A \$2 surcharge on the estimated 134,529 tickets would generate \$269,058. The Board of Regents was unable to collect specific ticket sales information

The Honorable Sharon Schwartz, Chairperson
February 20, 2007
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from the community colleges to estimate the amount of revenue that they would collect on behalf of the Kansas Sports Hall of Fame.

HB 2424 would also increase costs to consumers who would be required to pay the \$0.50 surcharge for a ticket to attend a high school championship football game and each men's and women's championship tournament game. According to the KSHSAA, each year approximately 160,000 people attend its men's and women's sports championship tournament games, including football, which would generate approximately \$80,000. KSHSAA states that the bill would require additional staff time for ticketing, accounting, and administration of the new responsibility. However, KSHSAA is unable to estimate the cost of the additional requirements that would result from this bill and cannot estimate a fiscal effect.

Sincerely,



Duane A. Goossen
Director of the Budget

cc: Kelly Oliver, Board of Regents
Dale Dennis, Education



TO: House Appropriations Committee

RE: HB 2424 - Funding for the Kansas Sports Hall of Fame

TESTIMONY - BILL MOORE, BOARD OF DIRECTORS – KANSAS SPORTS HALL OF FAME

Madame Chair and members of the Committee:

Good morning. I am Bill Moore, here as a member of the Kansas Sports Hall of Fame Board of Directors. I also serve as president and chief operating officer of Westar Energy. Thank you for allowing me to testify in support of legislation which would provide annual funding support to operate the Kansas Sports Hall of Fame.

I believe the KSHOF is a fantastic organization for preserving an important part of our state history. We have all seen how significant and important our sports teams and athletes are to the citizens of Kansas, and how the athletes and coaches are able to provide positive influences on young people. That must have also been how the Kansas Legislature saw things when they created the Hall of Fame in statute nearly four decades ago.

We have a great deal to be proud of in Kansas and the Kansas Sports Hall of Fame provides a venue to bring that pride before the people of the state through interactive museum exhibits, statewide outreach programs for youth, and classroom materials.

Because of what the Hall of Fame can be for all of us, the Board of Directors believes the state should help fund our organization. We have proven our ability to raise funds. For the past four decades, the HOF has raised several million dollars from a variety of sources but it has received less than \$400,000 in total from the state. Since the Hall was moved to Wichita a few years ago it has raised over \$2-million, none of which came from the state. We're not asking for total funding. Just help us.

As you know, much of the money we have raised has been used to fund operations. Most foundations don't provide grants for operations. Most donors and corporations don't want their funds to go for operating expenses – they want their donations to be used for displays, programming and outreach programs. Unfortunately, the Hall of Fame has had to ask their donors to fund the operating expenses through the years, but always with the promise to them that efforts would continue to receive funding assistance from the State of Kansas so their donations could be used to fund displays, galleries, and outreach programs.

Recently the Board of Trustees voted that they would no longer use major donations to pay for operations of the Hall of Fame without a minimum of \$500,000 per year in ongoing funding assistance from the state. If the state will provide that portion of the funds needed to operate, the Hall of Fame will realize many excellent opportunities to receive grants and donations from foundations and individuals who will not donate to the operations of a non-profit organization but will donate for outreach programs (especially geared to youth), and to educational exhibits and special programming.

Your support of the Kansas Sports Hall of Fame is critical to our future and represents a wonderful investment in our youth if it is to provide the source of inspiration we know it can be. Thank you for the opportunity to address you this morning. I will be glad to stand for questions at the appropriate time.

KANSAS SPORTS HALL OF FAME
John Q. Hammons Plaza

238 N. Mead • Wichita, Kansas 67202 TEL 316-262-2038 • FAX 316-263-2038

HOUSE APPROPRIATIONS

DATE 2-20-2007
ATTACHMENT 2



HOUSE APPROPRIATIONS

DATE 2-20-2007

ATTACHMENT 3



TO: House Appropriations Committee

RE: HB 2424 - Funding for the Kansas Sports Hall of Fame

Testimony of Ted Hayes, Executive Director – The State of Kansas Sports Hall of Fame

Madam Chair and members of the Committee:

Thank you Madam Chair and members of the Committee for allowing me to testify in support of legislation which would provide permanent funding assistance to operate the Kansas Sports Hall of Fame. I would like to introduce other representatives of the KSHOF who are present here today.

I am here to ask for your support of the Hall of Fame for the following reasons:

The KSHOF has a worthwhile and outstanding mission of benefit to all Kansans ... To honor, to educate, to inspire. This was the mission written into statute by the Kansas Legislature in 1969 and it continues to be a worthy and outstanding mission today.

What separates the KSHOF from other museums?

Inspirational Role Models. The inspirations presented by members of the KSHOF can be life-changing for many young people – tangible evidence that they, too can dream, and if they do like the role models we will present to them, they may be able to realize their dreams and to utilize the qualities they learn along the way into adulthood and into their own families, jobs and communities in the future.

Unlike dinosaurs, moon rocks, covered wagons, or even gorillas - all of which are both entertaining and educational, the KSHOF delivers a potentially life-changing experience for young people - delivered by Kansas role models whose testimonies and stories of how they personally overcame racial and gender prejudices and injuries, broken homes, drug abuse and countless other hardships to achieve great things in sports and off the fields of play helped them to become heroes in sports and pillars in our communities - inspirational messages which young people can take home and put into practice immediately.

Kansas is fortunate to have so many quality, positive role models, to use for our youth of what it takes to become a champion and the values they learned and developed in their quest to achieve greatness: Leadership, sportsmanship, teamwork, dedication, discipline, commitment and so forth. Those qualities aren't typically associated with enjoying museum displays of paintings, six-guns, or even a T-Rex.

What is the Hall of Fame's vision?

Our vision is to reach the entire youth population in the state of Kansas with our messages: "Heroes in Sports, Leaders in Life" and "Be a leader – on the field and off". We aspire to take the KSHOF stories of the role models represented in the Hall of Fame out to the youth in the state through outreach programs such as the "Leaders on and off the Field" program which will be kicked off in Wichita at the end of

KANSAS SPORTS HALL OF FAME
John Q. Hammons Plaza

March. We want to bring our message home – where they live – and ours can be a powerful, life-changing message – one which is brought to them through sports but is certainly not limited to sports.

Our vision is to develop classroom materials including video, internet classroom hookups, curriculum and a speakers bureau to bring the message to them – in their homes and at their schools.

The vision is to host and sponsor workshops for parents and coaches and others involved in shaping kids lives throughout the state with positive, powerful messages presented by KSHOF inductees.

Our vision is to develop a statewide mobile exhibit which can be taken throughout the state at places like the State Fair, K-State/KU football game, state high school track meet and at County Fairs and high school and college events – year around, bringing many of the videos and artifacts – along with the messages – to as many fans and student athletes as we can reach.

Our vision is to maintain an exciting, vibrant state-of-the art sports museum of sports history for fans of all ages to visit, to enjoy, to learn and to be inspired. We want to include electronic interactive displays and fun, physical participation interactives which will entertain, educate and inspire our young people.

Our vision is for all children to feel they can be part of something – and not to the athletes, but maybe as a member of the band or cheerleader, drill team or pep club. Maybe they can be a part as announcers, referees, trainers, scorekeepers, equipment managers, statisticians or even mascots! The KSHOF includes hundreds of examples of people in our society who participated in sports in this way also!

Our vision is to have wholesome, inspirational, family movies on Sunday afternoons at the Hall of Fame. Movies like *Running Brave*, *Brian's Song*, *Glory Road*, *Hoosiers*, and scores more!

Funding for the Hall of Fame

The HOF has proven that it can raise funds. For forty-five years, we have raised money which has at the very least, allowed the organization to survive without permanent state funding.

In the last four years alone, the HOF has raised over \$2-million. We will continue to raise funds for the KSHOF – our fund-raising efforts will not cease but rather will be greatly enhanced.

What we are asking of the Legislature, is assistance in paying for the basic operation of the Hall of Fame which will free up the hundreds of thousands of dollars we raise each year to be used to fund our vision programs – instead of having to use those dollars to pay for basic operations.

With the legislature helping us, the KSHOF can become the vibrant, exciting statewide source of pride and inspiration it has the potential to become. If the legislature will provide the basic funding support we need, we will make the KSHOF the attraction and source of inspiration it was intended to be and which all of the state of Kansas deserves. The KSHOF has a worthwhile and outstanding mission of benefit to all Kansans ... To honor, to educate, to inspire. Please help support the Kansas Sports Hall of Fame.

Thank you. I will be pleased to answer any questions.



Ted Hayes, Executive Director
State of Kansas Sports Hall of Fame

KANSAS SPORTS HALL OF FAME
2007 OPERATIONS BUDGET

<u>INCOME</u>	<u>BUDGET</u>
Admissions/Gift Shop/Rentals	100,000
Golf Tournament	25,000
Induction Ceremony	40,000
Interest	0
Miscellaneous – HOF Games	3,000
Sales Tax	2,000
<u>State Funds</u>	<u>500,000</u>
TOTAL OPERATING INCOME	670,000

<u>EXPENSE</u>	<u>BUDGET</u>
Accounting	12,500
Advertising	100,000
Bank Service Charges	3,000
Building Lease Payments	150,000
Dues & Subscriptions	2,000
Facility Rental Expense	1,000
Fund Raising Expense/Lobbyist	10,000
Furniture, Computers, Tools, Equipment	5,000
Gift Shop	5,000
Golf Tournament	14,000
Induction Ceremony	35,000
Insurance	19,500
Miscellaneous	1,200
Office Expense	8,500
Postage/Shipping	2,400
Public Relations	2,400
Repairs & Maintenance	8,000
Retirement	5,000
Supplies	6,000
Taxes – Real Estate	5,500
Taxes - Sales	2,000
Telephone	6,000
Travel/Meetings	12,000
Utilities	24,000
Wages/Payroll Tax	<u>180,000</u>
TOTAL OPERATING EXPENSE	620,000
OPERATING NET	50,000

2007 CAPITAL BUDGET

DONATIONS INCOME	
Donations/Memberships	245,000
 CAPITAL EXPENDITURES	
Displays & Outreach Programming/Promotion	240,000

House of Representatives Appropriations Committee

Testimony on House Bill #2424

Gary Musselman, Executive Director of the Kansas State High School Activities Association

Tuesday, February 20, 2007

1. Thank you madam Chair Schwartz and the members of the Committee for allowing me the opportunity to testify in opposition to House Bill #2424.
2. **The KSHSAA is a private, non-profit 501c-3 incorporated association of public and private, member schools. Unlike colleges and universities identified in this bill, it does not receive state funding.** 361 senior high schools pay annual dues of \$400 and 419 middle/junior high schools pay \$125. Dues have not increased in 19 years.
3. The primary source of Association operating revenue is the sale of tickets to post season athletic events. Eleven KSHSAA activities involve no ticket sales (tennis, golf, debate, scholars bowl, speech, piano, vocal, orchestral and instrumental music, KAY and student council), and their expense is borne by revenue producing activities. Fan attendance at KSHSAA post season events is very price sensitive. Consequently our board reviews pricing annually but raises ticket prices reluctantly. *(On average about every 5 – 8 years.)*
4. It is important to note the KSHSAA has no financial involvement in regular season athletic contests or other school activities during the regular seasons of the school year. Concession sales during regular and post season activities do not involve the KSHSAA financially.
5. Currently, sales tax is generated by all of these activities including the ticket sales of all KSHSAA post season events, which flows to the State's General Fund.
6. While Kansas public funded colleges, universities and junior colleges are directed to identify one **regular season home game** in each of six sports, the bill's impact on the KSHSAA will affect 11 boys and 11 girl's sports. **A total of 336 post season games, matches, or days of competition will be taxed by the 50 cent surcharge.** The KSHSAA is not given an option to choose the time, date or events. An estimated 168,000 student and adult fans of high school sports will be taxed under this proposal.
7. A parallel to a KSHSAA state tournament surcharge would be to impose a surcharge on all games played at the NJCAA national tournament played in Hutchinson. Those are post season contests of a non-profit association of member schools too. Should the NAIA, as a private association based in Kansas, be asked to impose a post season ticket surcharge on all of its' post season athletic contests?
8. Is it sound public policy to legislate that a privately incorporated and voluntary non-profit association of secondary schools, become a funding mechanism for another, unrelated and separate non-profit organization? If so, should other sport governing bodies to which Kansas educational institutions belong be surcharged as well? Why only the KSHSAA and not the NCAA, NAIA and NJCAA?

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ATTACHMENT 4

9. Unlike Kansas colleges, the KSHSAA does not self administer or host any of its' events. We rely exclusively on school and community facilities and volunteers. This bill gives the Association no flexibility, nor option to pick and choose which event(s) to tax.
10. The administrative ramifications of this proposal are significant for the KSHSAA. Our inventory of state tickets would have to be replaced to reflect the price change. Handling coinage and ticket lines for 168,000 paid admissions is not inconsequential. Increasing our ticket price to the next even dollar is not something we have interest in doing. Changing all ticket inventory report forms and event financial accounting forms for 336 competitions in 11 girls and boys sports will require significant amounts of staff time. One can easily anticipate the additional administrative headaches this proposal will generate for the host site volunteers.
11. **The percentage this added ticket tax or surcharge represents to the cost of KSHSAA tickets is significant and regressive.** State tickets for students run \$4 & \$5. A 50 cent surcharge equates to a 12% and 10 % added tax. Since school activity tickets are not recognized at state events, the exemption this bill creates for college student activity tickets will not be available to children in grades K - 12. Adult state tickets are \$5, \$6 & \$7. The surcharge represents a 10%, 8.3% & 7.1% added tax to KSHSAA adult state tickets. The percentage a \$1 or \$2 surcharge on a college ticket is probably less, particularly at the Division I institutions.
12. Currently, sales tax on all KSHSAA tickets is paid at the point of sale to all state and local taxing jurisdictions. Who will be required to pay the sales tax on the added ticket tax? What, if any accounting is required of the Kansas Sports Hall of Fame for funds generated by a ticket tax on KSHSAA ticket sales and revenues?
13. Why should the member schools of the KSHSAA financially support another hall of fame when they self fund and operate their own, which reflects both the athletic and non-athletic mission of their organization?
14. In recent years, the KSHSAA has supported the KSHOF in various ways by providing in kind advertising and promotion in state event programs and has opened its archives to allow KSHOF to develop a records database.
15. The sales tax revenues in the State's General Fund flowing from high school athletics and activities conducted throughout the entire school year, amount to hundreds of thousands of dollars which could be earmarked for use by the KSHOF. The imposition of a high school sports ticket tax is not in the best interest of the greatest number of Kansas citizens and school children. The added administrative burden and costs to the Kansas State High School Activities Association will be problematic. **On that basis, the KSHSAA respectfully asks that you not advance House Bill #2424**

FY 2007 and FY 2008

HOUSE SOCIAL SERVICES BUDGET COMMITTEE

- ~~—Kansas Neurological Institute—~~
- ~~—Parsons State Hospital and Training Center—~~
- ~~—Larned State Hospital—~~
- ~~—Osawatomie State Hospital—~~
- ~~—Rainbow Mental Health Facility—~~
- ~~—Kansas Health Policy Authority—~~
- Social and Rehabilitation Services

Representative Bob Bethell, Chair

Representative Pat George

Representative Peggy Mast, Vice-Chair

Representative Tom Hawk

Representative Jerry Henry
Ranking Minority Member

Representative Dick Kelsey

Representative Barbara Ballard

Representative Marc Rhoades

Representative David Crum

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ATTACHMENT 5

House Budget Committee Report

Agency: Social and Rehabilitation Services **Bill No.** HB

Bill Sec.

Analyst: Kannarr

Analysis Pg. No. Vol. 1 - pg. 348

Budget Page No. 365

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 645,490,798	\$ 607,827,673	\$ (50,132,868)
Other Funds	830,511,134	837,199,405	(28,871,772)
Subtotal - Operating	<u>\$ 1,476,001,932</u>	<u>\$ 1,445,027,078</u>	<u>\$ (79,004,640)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
Other Funds	4,708,100	4,608,100	0
Subtotal - Capital Improvements	<u>\$ 4,708,100</u>	<u>\$ 4,608,100</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 1,480,710,032</u></u>	<u><u>\$ 1,449,635,178</u></u>	<u><u>\$ (79,004,640)</u></u>
FTE Positions			
FTE Positions	4,134.5	3,670.6	0.0
Non FTE Uncl. Perm. Pos.	65.6	65.6	0.0
TOTAL	<u><u>4,200.1</u></u>	<u><u>3,736.2</u></u>	<u><u>0.0</u></u>

Agency Request

The agency requests FY 2008 expenditures of \$1.5 billion, an increase of \$71.8 million, or 5.1 percent, above the FY 2007 estimate. The request includes State General Fund expenditures of \$645.5 million, an increase of \$81.5 million, or 14.4 percent, above the FY 2007 estimate and Children's Initiatives Fund expenditures of \$28.9 million, the same amount as approved for FY 2007.

Enhancements of \$116.2 million, including \$91.6 million from the State General Fund, and 463.9 FTE positions are requested. Of the requested FTE positions, 143.0 FTE are continued from the FY 2007 supplemental request. The enhancement represents the entire increase for the base budget established by the Governor for the agency.

Governor's Recommendation

The Governor recommends FY 2008 expenditures of \$1.4 billion, including \$607.8 million from the State General Fund. The Governor's recommendation is an all funds increase of \$42.0 million, or 3.0 percent, and a State General Fund increase of \$65.5 million, or 12.1 percent, above the FY 2007 recommendation.

The recommendation is an all funds decrease of \$31.0 million, or 2.1 percent, and a State General Fund decrease of \$37.7 million, or 5.8 percent, below the agency request. The recommendation includes the following adjustments to the agency request:

- The Governor recommends enhancements of \$62,735,411, including \$36,759,953 from the State General Fund, an all funds decrease of \$53,477,139 and a State General Fund decrease of \$55,882,065 below the agency's enhancement request. Included in the recommendation are two enhancements not requested by the agency totaling \$4,500,000 from the Children's Initiatives Fund. These enhancements include an expansion of the Pre-K Pilot begun in FY 2007 and Child Care Quality Initiatives.
- The Governor's FY 2008 recommendation includes the addition of \$6,356,601, including \$3,903,245 from the State General Fund, for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement.
- The Governor recommends additional federal grant awards of \$2,888,726 awarded to the agency after the budget submission.
- The Governor adjusts the agency's budget to reflect the November 2006 consensus caseload estimates for entitlement programs resulting in an all funds decrease of \$8.5 million and a State General Fund increase of \$14.6 million as compared to the revised FY 2007 estimate.

House Budget Committee Recommendation

The Social Services Budget Committee concurs with the Governor's recommendation with the following exceptions and notations:

1. Delete \$6,356,601, including \$3,903,245 from the State General Fund or all from special revenue funds, for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$540,000, including \$351,000 from the State General Fund or all from special revenue funds, to remove recommended funding to replace 45 vehicles for consideration at Omnibus.
3. Delete funding for the following items which were recommended by the Governor and review at Omnibus:
 - a. Delete \$6,409,508, including \$6,200,000 from the State General Fund, to remove funding recommended to decrease the shrinkage rate in regional management areas.
 - b. Delete \$4,493,645 from the State General Fund, to remove funding recommended to replace Medicaid funding lost due to a decrease in the federal matching percentage.
 - c. Delete \$1,486,621, including \$600,000 from the State General Fund, to remove funding recommended to initiate a Medicaid Home and Community Based Services (HCBS) waiver for children with autism.

- d. Delete \$1,839,372, including \$955,952 from the State General Fund, to remove funding recommended to address increased caseloads in adoption subsidy payments.
 - e. Delete \$9,881,250, including \$3,988,073 from the State General Fund, to remove funding recommended to reduce the waiting list for the HCBS waiver for persons with developmental disabilities.
 - f. Delete \$9,910,805, including \$4,000,000 from the State General Fund, to remove funding recommended to address the waiting list for the HCBS waiver for persons with physical disabilities.
 - g. Delete \$2,003,640 from the State General Fund to remove funding recommended to annualize the Grandparents as Caregivers program.
 - h. Delete \$6,352,757, including \$4,242,838 from the State General Fund, to remove funding recommended to increase reimbursement rates in six different assistance programs.
 - i. Delete \$400,000 from the State General Fund to remove funding recommended for a program to reduce tobacco sales to minors and prevent the loss of federal funding.
 - j. Delete \$2,193,960, including \$593,960 from the State General Fund and \$1.6 million from the Children's Initiatives Fund, to remove funding recommended to expand Early Head Start.
 - k. Delete \$4,448,680 from the State General Fund to remove funding recommended to improve job retention in the Temporary Assistance for Families program.
 - l. Delete \$800,000 from the State General Fund to remove funding recommended to increase grants to Independent Living Centers.
 - m. Delete \$3.5 million from the Children's Initiatives Fund recommended to expand the Pre-K pilot program.
 - n. Delete \$1.0 million from the Children's Initiatives Fund recommended for a new Child Care Quality initiative.
 - o. Delete \$6,418,131, including \$2,182,165 from the State General Fund, to remove funding recommended to replace federal Child Support Enforcement funding lost due to the Deficit Reduction Act of 2005.
 - p. Delete \$10,969,670 from the State General Fund recommended to replace other sources of revenue, such as Intergovernmental Transfer and fee fund, which are no longer available.
4. The Budget Committee requests that the agency prioritize its budget requests before Omnibus consideration.

5. The Budget Committee notes the State General Fund resources required in FY 2008 are increased because of the unavailability of other funding sources, such as the Intergovernmental Transfer.
6. The Budget Committee received information regarding the changes in residential mental health services for children in state custody to satisfy federal concerns about Medicaid funding for these services. Psychiatric Residential Treatment Facilities (PRTFs) will be more oriented toward a traditional medical model versus the services currently provided in Level V and VI treatment facilities. The Budget Committee recognizes that additional resources will be needed to address the change in inpatient services and for other services required outside of these facilities for children who are determined not to need that level of service but may need intensive services. The Budget Committee was informed that the Community Mental Health Centers will incur some of these additional costs. Some concern has been expressed about the changes and that current CMHC grant dollars will be redirected to pay for additional services required under the new system. The amount of additional funding which will be needed is unknown at this time. The Budget Committee recommends information be presented by Omnibus regarding the estimated amount of additional funding needed to address these issues.
7. The Budget Committee notes testimony it received that providing services in the community is less expensive and requests additional information by Omnibus regarding a comparison of costs for providing services on the HCBS developmental disabilities waiver versus the cost to provide services in an inpatient setting such as a state hospital or private Intermediate Care Facility for the Mentally Retarded.
8. The Budget Committee notes significant testimony it received regarding the need for more mental health resources in the community and in inpatient services and requests additional information by Omnibus on these issues. Conferees told the Budget Committee that Kansas is facing a crisis in the number of inpatient beds available to serve people who are the most sick. Inpatient resource include both the state mental health hospitals and acute care beds in local hospitals. A number of conferees also referred to an interim Legislative Budget Committee recommendation to add funding to allow SRS to enter into contracts with local hospitals to provide acute care inpatient services to supplement state hospital beds and allow persons to receive treatment closer to home. The agency estimates that the cost of entering into these relationships, based on conversations to this point, would be approximately \$2.5 million and looks most promising for services for youth.
9. The Budget Committee notes testimony it heard regarding the importance of support services for individuals with mental illness and recommends the issue be revisited at Omnibus. These services could including case management, respite care, education, peer support, housing, and transportation. Organizations providing these types of services include Keys for Networking and the National Alliance for the Mentally Ill. Further, the Budget Committee notes requests received for specific funding to support these organizations to allow them to maintain consumer and family mental health support services. The Budget Committee believes it is critical to examine how we work with consumers and family members to provide services and how we can be more effective in providing services and working with families.

10. The Budget Committee received significant testimony on the revisions submitted to the Medicaid State Plan affecting the mental health service delivery system and requests additional information at Omnibus. One of the changes in the new state plan is the conversion to a Prepaid Ambulatory Health Plan (PAHP) for public mental health services which are accessed through a Community Mental Health Center (CMHC) which has the responsibility for the new managed system of care. Services will be delivered by the CMHC, with other associated providers or by referrals to inpatient services. The Budget Committee requests information be provided by Omnibus regarding where community mental health dollars are spent currently and where they will be going under the new system which is effective July 1, 2007. The Budget Committee is concerned that current grant dollars may be redirected for purposes other than for what they were intended. In addition, the Budget Committee recommends the agency provide regular quarterly reports to the Legislature and stakeholders about the status of the new system including how it is working, what barriers have been encountered and how difficulties are being addressed.

The quarterly status report from the agency should also include information about compliance with federal "any willing provider" requirements and whether people are getting access to additional providers. The Budget Committee does note that while it supports access to additional providers outside CMHCs, it does not want it to negatively impact the ability of the CMHCs to provide comprehensive services.

11. The Budget Committee notes the Governor's recommendation for an expansion of the Early Head Start and Pre-K programs. Testimony received indicated that 90 percent of a child's brain development is complete by the age of five. In addition, testimony reflected that children who have access to quality early learning programs are prepared to learn when entering school, require fewer special education services and achieve higher levels of education and income. The Budget Committee acknowledges the importance of these types of services and supports the availability of these services to children in families at all income levels. However, the Budget Committee requests information about the success of this program including measurable outcomes to show the effective use of the funds provided.
12. The Budget Committee expresses concern as to the size of caseloads carried by staff in the regional service areas and the ability of staff to adequately perform their jobs, especially in the area of child welfare, and requests additional information at Omnibus. An awareness of the size of these caseloads and an analysis of whether they are manageable is required to ensure that we are not asking too much of current staff. If caseloads are unmanageable, the Budget Committee believes additional resources need to be made available to decrease worker caseloads. The Budget Committee notes information it received about the large number of vacant positions in the regional offices due to budget constraints. In addition, the Budget Committee notes the Governor's recommendation for funding to reduce the shrinkage rate to allow the agency to fill some of these vacant positions in lieu of adding additional FTE positions as the agency had requested.
13. The Budget Committee notes the Governor's recommendation to implement a new Home and Community Based Services waiver for children with autism spectrum disorders. In addition, the Budget Committee acknowledges the

significant amount of testimony presented to various legislative committees last session and during the interim supporting the need for this waiver which will provide needed services currently not available from other programs.

14. The Budget Committee supports the policy of money following a person from institutional care into the community and notes that it was one of the basic concepts behind the closure of Winfield State Hospital and Training Center nearly a decade ago.
15. The Budget Committee notes the significant testimony it received regarding reimbursement rates in the Medicaid Home and Community Based Services waivers. The two top issues were the adequacy of the rates to allow organizations to pay direct care staff adequate wages and the second was the parity of rates between the different waivers.

A number of conferees testified about the inadequacy of current HCBS waiver reimbursement rates to allow organizations to pay high enough wages to hire adequate staff and retain employees. Conferees commented that the current wage structure makes it difficult to compete with other employment that may be less demanding but pay similar or higher wages. Additionally, conferees told the committee that constant staff turnover has negative affects on the individuals being served and creates difficulties for their organizations to ensure appropriate services are being provided. The Budget Committee is supportive of additional funding to increase wage rates for direct care staff but acknowledges that the state does not directly control the level of wages paid, only the overall reimbursement rate for services.

The Budget Committee also received testimony about the lack of parity in reimbursement rates between the various HCBS waivers. According to testimony, the rates paid for services such as personal assistance varies in amount and type of payment depending on the waiver being utilized but that the level of staff and type of service does not significantly vary. The Budget Committee was provided with information about the varying rates for Personal Assistance Services and a request was made for \$7.2 million from the State General Fund to achieve parity in reimbursement rates for these services. The Budget Committee acknowledges that complete parity may never be achieved but supports efforts to address the issue.

16. The Budget Committee expresses concern about the existence of waiting lists for HCBS waivers, particularly the waiver for persons with developmental disabilities which consistently has a significant waiting list. The Budget Committee understands the negative effects waiting lists for services can have on the individuals and families seeking services. As a result, the Budget Committee requests additional information about how the waiting lists develop, why they get so long and what the Legislature can do to help address these issues. In particular, the Budget Committee wants to know if it is solely a funding issue or if there are other structural or policy issues that contribute.
17. The Budget Committee received significant testimony about the HCBS waiver for persons with traumatic brain injury and requests additional information from SRS by Omnibus. Three major issues were discussed: the adequacy of available case management hours allowed under the current program; the adequacy of reimbursement rates; and the definition of brain injury that controls

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eligibility for the waiver. The Budget Committee notes that this waiver is unique in that it is designed to be a short term program to rehabilitate persons with traumatic brain injury to their best level of functioning, after which they will no longer need services or will transition to other programs such as the HCBS waiver for persons with physical disabilities.

- a. The Budget Committee heard testimony that the current waiver caps the number of case management hours which can be provided and that these hours are inadequate. A request was made to remove the cap on the number of case management hours and direct the agency to approve additional number of hours. The Budget Committee requests the agency to examine the number of hours allowed for case management and provide information on the adequacy of the hours allowed to rehabilitate individuals; a cost estimate for increasing those hours; and the reason behind limiting the hours in the original waiver.
- b. Conferees testified that current reimbursement rates are inadequate to allow organizations to recruit and retain therapists to provide services and requested a rate increase for rehabilitation therapy and an annual inflation factor be incorporated into the rate.
- c. Conferees testified that the current definition used to determine eligibility for the waiver excludes person who have a non-traumatic brain injury. The conferees requested that the definition be changed to an acquired brain injury or that a separate waiver be created to these types of injury. The Budget Committee requests additional information on the original reason for limiting eligibility to those with traumatic brain injuries and the potential effects of expanding the definition including the increased number of persons and costs.

Finally, the Budget Committee requests a report from the agency on carryover balances in previous years and the ability to expand the waiver under current resources. This information should also include a five year history of expenditures and number of people served and the reasons for the increases in the number of people using the waiver.

18. The Budget Committee recommends Omnibus consideration of additional funding for the Funeral Assistance program. Testimony was presented which indicated that the rate the state pays funeral homes to provide burial services has remained at \$550 since FY 1998. According to testimony, this benefit does not cover the funeral home's expenses for a funeral, burial or cremation. The testimony requested an additional \$156,000 to increase the rate from \$550 to \$680 which represents the inflationary increase from 1998 to 2006. In addition, the Budget Committee was requested to add \$134,000 to address increases in the number of funerals covered by the program. The Budget Committee notes the importance providing funding for these services and comments that if the state does not pay for burial of indigent citizens the counties will have to pick up the cost.
19. The Budget Committee notes the Governor's recommendation for additional federal funding in the child care assistance program to address increasing caseloads in this program and recommends the issue be revisited at Omnibus. The agency indicated in its budget submission that the program, which provides

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payments to child care providers for eligible families, is facing a funding shortfall due to increased demand for services. The Budget Committee understands that in order to keep people employed and out of assistance programs, families need to have access to appropriate child care and that the increased demand for services reflects increased numbers of people entering employment. The Governor's recommendation for funding is slightly less than half of what the agency requested in its budget submission, indicating that there could be a shortfall in this program.

20. The Budget Committee requests additional information at Omnibus on the implementation of dental services for adults on the HCBS waivers. Included in this report should be information on planning efforts regarding the provision of dental services now that the state has a dental director at the Kansas Department of Health and Environment.
21. The Budget Committee expresses concern about the effect of the new Presumptive Disability Determination process on people receiving General Assistance and requests additional information before Omnibus regarding the status of the General Assistance program.
22. The Budget Committee notes the Governor's recommendation to fully fund the Grandparents as Caregivers Program which was implemented in January 2007. Testimony received indicates that the program has begun operations and that approximately 80 persons are receiving payments. SRS informed the Budget Committee about the efforts being made to publicize the program and potential barriers that exist to enrollment. One barrier noted by the agency is the number of grandparents who may be caring for their grandchild but who do not have legal custody which is required to be eligible for the program. The agency indicated that it will begin working with these grandparents to establish legal custody. The Budget Committee supports this program, which was created by the 2006 Legislature, and supports the full funding of the program.
23. The Budget Committee notes testimony it received regarding Attendant Care for Independent Living (ACIL) services which are provided to children with severe medical conditions who require intensive medical services to help them receive services at home as opposed to requiring more expensive inpatient treatment. The Budget Committee supports the use ACIL services and notes their cost effectiveness as compared to inpatient services.
24. The Budget Committee notes that Foster Care Educational Assistance Act, which was passed last session, is set to expire at the end of FY 2008 and recommends the introduction of legislation to continue the program beyond that date.

FY 2007 and FY 2008

HOUSE TRANSPORTATION AND PUBLIC SAFETY BUDGET COMMITTEE

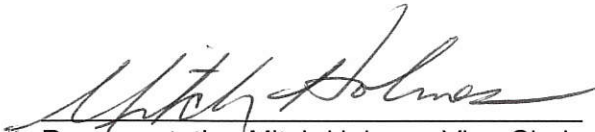
Adjutant General's Department
Fire Marshal
Kansas Highway Patrol
Kansas Bureau of Investigation
Sentencing Commission
Parole Board
Board of Emergency Medical Services



Representative Lee Tafanelli, Chair



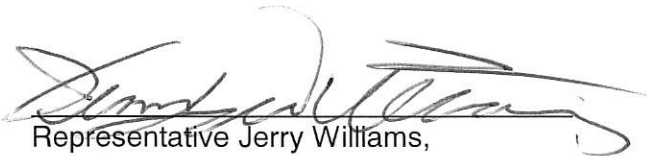
Representative Tim Owens



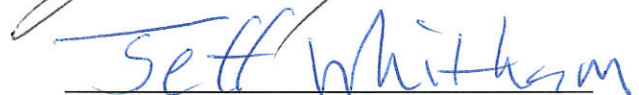
Representative Mitch Holmes, Vice-Chair



Representative Josh Svaty



Representative Jerry Williams,
Ranking Minority Member



Representative Jeff Whitham



Representative Stan Frownfelter



Representative Kay Wolf



Representative Tom Moxley

HOUSE APPROPRIATIONS

DATE 2-20-2007
ATTACHMENT 6

House Budget Committee Report

Agency: Adjutant General's Department **Bill No.** HB 2541

Bill Sec. 45

Analyst: VanHouse

Analysis Pg. No. Vol. II-1389

Budget Page No. 1

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 11,414,733	\$ 10,256,986	\$ (749,634)
Other Funds	71,071,896	77,690,719	0
Subtotal - Operating	\$ 82,486,629	\$ 87,947,705	\$ (749,634)
Capital Improvements:			
State General Fund	\$ 1,060,000	\$ 1,060,000	0
Other Funds	500,000	500,000	0
Subtotal - Capital Improvements	\$ 1,560,000	\$ 1,560,000	\$ 0
TOTAL	\$ 84,046,629	\$ 89,507,705	\$ (749,634)
FTE Positions	219.0	219.0	0.0
Non FTE Uncl. Perm. Pos.	281.5	281.5	0.0
TOTAL	500.5	500.5	0.0

Agency Estimate

For **FY 2007**, the agency's revised request of \$82,486,629 for operating expenditures is an increase of \$17,983,551, or 27.9 percent, above the amount approved by the 2006 Legislature. The estimate includes \$11,414,733 from the State General Fund and \$71,071,896 from all other funds. The agency requests supplementals totaling \$16,243,106 for FY 2007, including \$1,985,606 from the State General Fund. The capital improvements expenditure estimate for FY 2007 is \$1,560,000, including \$1,060,000 from the State General Fund and \$500,000 from the federal Military Fee Fund.

Governor's Recommendation

For **FY 2007**, the Governor recommends operating expenditures of \$87,947,705, which is an increase of \$23,444,627, or 36.3 percent, above the amount approved by the 2006 Legislature. The recommendation includes \$10,256,986 from the State General Fund and \$77,690,719 from all other funds. The Governor recommends supplementals totaling \$21,704,182, including \$827,859 from the State General Fund. The capital improvements expenditure recommendation for FY 2007 is \$1,560,000, including \$1,060,000 from the State General Fund and \$500,000 from the federal Military Fee Fund.

House Budget Committee Recommendation

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

1. Delete \$749,634 from the State General Fund for death benefits to be paid to the families of three National Guard members killed as a result of active duty in a combat zone and consider at Omnibus. The Committee notes that 2007 HB 2421 amends current law pertaining to this program, and the Committee recommends consideration of the proposed legislation prior to funding the program.

House Budget Committee Report

Agency: Adjutant General's Department **Bill No.** HB 2542

Bill Sec. 75

Analyst: VanHouse

Analysis Pg. No. Vol. II-1389

Budget Page No. 1

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 10,113,071	\$ 8,733,391	\$ (2,380,213)
Other Funds	58,430,567	50,095,344	(14,773,227)
Subtotal - Operating	\$ 68,543,638	\$ 58,828,735	\$ (17,153,440)
Capital Improvements:			
State General Fund	\$ 1,141,641	\$ 1,141,641	\$ 0
Other Funds	500,000	500,000	0
Subtotal - Capital Improvements	\$ 1,641,641	\$ 1,641,641	\$ 0
TOTAL	\$ 70,185,279	\$ 60,470,376	\$ (17,153,440)
FTE Positions	219.0	219.0	0.0
Non FTE Uncl. Perm. Pos.	279.5	279.5	0.0
TOTAL	498.5	498.5	0.0

Agency Request

For **FY 2008**, the agency requests operating expenditures of \$68,543,638, which is a decrease of \$13,942,991, or 16.9 percent, below the FY 2007 revised request. The request includes expenditures of \$10,113,071 from the State General Fund and \$58,430,567 from all other funds. With capital improvements, the agency requests enhancements totaling \$27,401,113 for FY 2008, including \$4,292,660 from the State General Fund. The agency's capital improvements expenditure request for FY 2008 is \$1,978,394, including \$1,478,394 from the State General Fund and \$500,000 from the federal Military Fee Fund.

Governor's Recommendation

For **FY 2008**, the Governor recommends operating expenditures of \$58,828,735, which is a decrease of \$29,118,970, or 33.1 percent, below the FY 2007 recommendation. The recommendation includes expenditures of \$8,733,391 from the State General Fund and \$50,095,344 from all other funds. The Governor recommends operating enhancements totaling \$16,562,876, including \$2,427,385 from the State General Fund. The capital improvement recommendation for FY 2008 is \$1,641,641, including \$1,141,641 from the State General Fund and \$500,000 from the federal Military Fee Fund.

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House Budget Committee Recommendation

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

1. Delete \$734,940, including \$97,204 from the State General Fund or all from special revenue funds, for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$16,000 from the State General Fund to remove recommended funding to replace one vehicle for consideration at Omnibus.
3. Delete \$16,400,000, including \$2,000,000 from the State General Fund, to match federal disaster funds for consideration at Omnibus. This funding was included to meet the state's obligation for public assistance for nine federally declared disasters. The agency reported that preliminary damage estimates for the recent winter storm in Western Kansas are at least \$360,000,000. At this level, federal funding may be increased to 90 percent, leaving 10 percent for the non-federal match. The agency reported that it is continuing to work on the Western Kansas storm estimates, and should have additional cost information soon. The Budget Committee recommends consideration of disaster funding at Omnibus, when the updated figures will be available. In addition, the Legislature may receive a Governor's Budget Amendment on this item.
4. Delete \$264,509 from the State General Fund for the Homeland Security Regional Coordinators and add the same amount from federal funds and consider the shift at Omnibus. The mission of the seven regional coordinators is to assist local officials in coordinating homeland security preparedness and serving as a liaison linking activities at local, regional, state, and federal levels. The funding shift was recommended by the Governor due to declining federal funds.
5. Delete \$2,500 from the State General Fund for the Civil Air Patrol and consider at Omnibus. This funding was recommended to cover annual increases in the program's administrative costs.
6. Lapse \$461,725 from the State General Fund for premiums for life insurance for Kansas National Guard members deployed in a combat zone contingent upon the state not obtaining a supplemental life insurance policy for the Kansas National Guard. The state currently provides premium reimbursement for \$250,000 of federal life insurance coverage for soldiers deployed in a combat zone. The federal government has plans to begin paying the entire amount of life insurance coverage. The Governor recommends providing a supplemental life insurance policy of \$250,000 of coverage for deployed National Guard members; however, the agency reports that it has been unable to find a company willing to write the insurance policy.
7. The Budget Committee recommends Omnibus consideration of \$64,079 from the State General Fund and 1.0 FTE position for a full-time attorney in the Judge Advocate General's Office. The agency reports that the work load has

substantially increased since September 11, 2001, and that additional legal issues have surfaced following Hurricane Katrina in 2005.

8. The Budget Committee recommends Omnibus consideration of \$58,035 from the State General Fund for the Monumental Building Surcharge on the Kansas National Guard Recruiting Office and space for the Division of Emergency Management Vulnerability assessment Team. The Monumental Building Surcharge is a maintenance surcharge on all agencies that lease space in private or state owned buildings in Shawnee County. When the fee was first assessed in FY 2005, the agency did not lease space in Shawnee County. Since that time, the agency has added the above two locations, both of which are solely federally funded. However, the surcharge cannot be paid with federal funds. The agency reports that reductions in other areas of the budget need to be made to meet this payment.
9. The Budget Committee concurs with the Governor to add \$5,000 from the State General Fund to fund travel to conduct mental health screenings for soldiers deployed to combat zones. The agency reports in increase in mental health issues affecting troops who have experienced combat in Iraq and Afghanistan, and that a task force has been established to determine how to reduce mental and general health issues impacting returning soldiers and airmen. Early education and assistance before and after deployments is critical in assisting these soldiers, and may eliminate a possible family crisis later.
10. The Budget Committee notes that the state owns significant infrastructure in its Armories across the state. By deferring maintenance on Board and Regents and Department of Corrections buildings, a sizable problem has been created with the condition of these facilities. The Committee recommends that maintenance issues with the Armories be monitored so that future deferred maintenance issues do not arise within this agency as well.

House Budget Committee Report

Agency: Fire Marshal

Bill No. HB 2541

Bill Sec. 46

Analyst: VanHouse

Analysis Pg. No. Vol. II-1484

Budget Page No. 167

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	4,941,571	4,924,099	0
Subtotal - Operating	<u>\$ 4,941,571</u>	<u>\$ 4,924,099</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 4,941,571</u></u>	<u><u>\$ 4,924,099</u></u>	<u><u>\$ 0</u></u>
FTE Positions	51.0	51.0	0.0
Non FTE Uncl. Perm. Pos.	3.0	3.0	0.0
TOTAL	<u><u>54.0</u></u>	<u><u>54.0</u></u>	<u><u>0.0</u></u>

Agency Estimate

For **FY 2007**, the State Fire Marshal estimates expenditures of \$4,941,571, which is an increase of \$556,185, or 12.7 percent, above the amount approved by the 2006 Legislature. The estimate includes a supplemental request of \$17,472 for investigator salaries.

Governor's Recommendation

For **FY 2007**, the Governor, recommends expenditures of \$4,924,099, which is an increase of \$538,713, or 12.3 percent, above the amount approved by the 2006 Legislature. The Governor does not recommend the agency's supplemental request.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation.

House Budget Committee Report

Agency: Fire Marshal

Bill No. HB 2542

Bill Sec. 76

Analyst: VanHouse

Analysis Pg. No. Vol. II-1484

Budget Page No. 167

<u>Expenditure Summary</u>	<u>Agency Request FY 08</u>	<u>Governor's Recommendation FY 08</u>	<u>House Budget Committee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	4,530,880	4,573,597	(262,807)
Subtotal - Operating	<u>\$ 4,530,880</u>	<u>\$ 4,573,597</u>	<u>\$ (262,807)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 4,530,880</u></u>	<u><u>\$ 4,573,597</u></u>	<u><u>\$ (262,807)</u></u>
FTE Positions	51.0	51.0	0.0
Non FTE Uncl. Perm. Pos.	3.0	3.0	0.0
TOTAL	<u><u>54.0</u></u>	<u><u>54.0</u></u>	<u><u>0.0</u></u>

Agency Request

For **FY 2008**, the State Fire Marshal requests expenditures of \$4,530,880, which is a decrease of \$410,691, or 8.3 percent, below the FY 2007 estimate. The request includes enhancements totaling \$313,759 for investigator salaries and replacement vehicles.

Governor's Recommendation

For **FY 2008**, the Governor, recommends expenditures of \$4,573,597, which is a decrease of \$350,502, or 7.1 percent, below the FY 2007 recommendation. The Governor recommends expenditures of \$152,500 for an enhancement to replace vehicles.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation with the following adjustments.

1. Delete \$110,307 all from special revenue funds for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0

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percent merit pool for unclassified employees, and the longevity enhancement. Funding for pay plan adjustments and longevity payments will be considered later.

2. Delete \$152,500 all from special revenue funds to remove recommended funding to replace eight vehicles for consideration at Omnibus.

House Budget Committee Report

Agency: Kansas Highway Patrol **Bill No.** HB 2541

Bill Sec. 47

Analyst: VanHouse

Analysis Pg. No. Vol. II-1443

Budget Page No. 189

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 34,955,733	\$ 34,955,733	\$ 0
Other Funds	55,592,631	54,875,491	0
Subtotal - Operating	\$ 90,548,364	\$ 89,831,224	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	2,476,233	2,644,481	(168,248)
Subtotal - Capital Improvements	\$ 2,476,233	\$ 2,644,481	\$ (168,248)
TOTAL	\$ 93,024,597	\$ 92,475,705	\$ (168,248)
FTE Positions	857.0	857.0	0.0
Non FTE Uncl. Perm. Pos.	32.0	32.0	0.0
TOTAL	889.0	889.0	0.0

Agency Estimate

For **FY 2007**, the Kansas Highway Patrol estimates operating expenditures of \$90,548,364, which is a decrease of \$12,722,335, or 12.3 percent, below the amount approved by the 2006 Legislature. The estimate includes \$34,955,733 from the State General Fund and \$55,592,631 from all other funds. The agency requests a supplemental request of \$717,140 for FY 2007. The agency's capital improvement expenditure estimate for FY 2007 is \$2,476,233, all from fee and forfeiture funds.

Governor's Recommendation

For **FY 2007**, the Governor recommends operating expenditures of \$89,831,324, which is a decrease of \$13,439,475, or 13.0 percent, below the amount approved by the 2006 Legislature. The recommendation includes \$34,995,733 from the State General Fund and \$54,875,491 from all other funds. The Governor does not recommend the agency's supplemental package. The capital improvements recommendation for FY 2007 is \$2,644,481, all from fee and forfeiture funds.

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House Budget Committee Recommendation

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

1. Delete \$168,248 from the KHP Operations Fund to remodel the West Wabaunsee Weigh Station. The agency reported it is are in the process of evaluating new technologies and potential uses of weigh stations.

House Budget Committee Report

Agency: Kansas Highway Patrol **Bill No.** HB 2542

Bill Sec. 78

Analyst: VanHouse

Analysis Pg. No. Vol. II-1443

Budget Page No. 189

<u>Expenditure Summary</u>	<u>Agency Request FY 08</u>	<u>Governor's Recommendation FY 08</u>	<u>House Budget Committee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 36,702,229	\$ 36,659,259	\$ (1,398,429)
Other Funds	45,384,278	46,096,309	(1,553,096)
Subtotal - Operating	<u>\$ 82,086,507</u>	<u>\$ 82,755,568</u>	<u>\$ (2,951,525)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	991,083	991,083	0
Subtotal - Capital Improvements	<u>\$ 991,083</u>	<u>\$ 991,083</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 83,077,590</u></u>	<u><u>\$ 83,746,651</u></u>	<u><u>\$ (2,951,525)</u></u>
FTE Positions			
FTE Positions	862.0	861.0	(4.0)
Non FTE Uncl. Perm. Pos.	32.0	32.0	0.0
TOTAL	<u><u>894.0</u></u>	<u><u>893.0</u></u>	<u><u>(4.0)</u></u>

Agency Request

For **FY 2008**, the Kansas Highway Patrol requests operating expenditures of \$82,086,507, which is a decrease of \$8,461,857, or 9.3 percent, below the FY 2007 estimate. The request includes \$36,702,229 from the State General Fund and \$45,384,278 from all other funds. The agency requests enhancements of \$2,282,464 and 5.0 FTE positions for FY 2008. The agency's capital improvement expenditure request for FY 2008 is \$991,083, all from fee funds.

Governor's Recommendation

For **FY 2008**, the Governor recommends operating expenditures of \$82,755,568, which is a decrease of \$7,075,656, or 7.9 percent, below the FY 2007 recommendation. The recommendation includes \$36,659,259 from the State General Fund and \$46,096,309 from all other funds. The Governor recommends enhancements of \$994,910 and 4.0 FTE positions for FY 2008. The capital improvements recommendation for FY 2008 is \$991,083, all from fee funds.

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House Budget Committee Recommendation

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

1. Delete \$1,956,615, including \$1,228,519 from the State General Fund, for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$66,000 from the State General Fund and 2.0 FTE positions to monitor surveillance equipment in the Capitol Complex, Forbes Field, and Cedar Crest and consider at Omnibus. The agency has upgraded the security system in the Capitol Complex and Cedar Crest, including the addition of 83 cameras. When the Statehouse renovation is complete, approximately 200 cameras will be part of the system.
3. Delete \$825,000 from the KHP Operations Fund to install digital video cameras in the trooper patrol cars and consider at Omnibus. Digital cameras would enhance a trooper's ability to collect evidence and aid in a trooper's safety. The agency reported difficulty in maintaining and finding replacement parts for the existing VHS cameras. The Budget Committee strongly feels that this item is necessary for the agency to perform its mission and protect its employees.
4. Delete \$103,910 from the State General Fund and 2.0 FTE positions for technical audits for Kansas Criminal Justice Information System and consider at Omnibus. These audits are required to comply with federal law and policy.

House Budget Committee Report

Agency: Kansas Bureau of Investigation **Bill No.** HB 2541

Bill Sec. 48

Analyst: VanHouse

Analysis Pg. No. Vol. II-1423

Budget Page No. 239

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 16,522,201	\$ 16,390,595	\$ 0
Other Funds	11,016,542	11,016,542	0
Subtotal - Operating	\$ 27,538,743	\$ 27,407,137	\$ 0
Capital Improvements:			
State General Fund	\$ 2,704,475	\$ 2,704,475	\$ 0
Other Funds	166,600	166,600	0
Subtotal - Capital Improvements	\$ 2,871,075	\$ 2,871,075	\$ 0
TOTAL	\$ 30,409,818	\$ 30,278,212	\$ 0
FTE Positions	220.0	220.0	0.0
Non FTE Uncl. Perm. Pos.	104.6	104.6	0.0
TOTAL	324.6	324.6	0.0

Agency Estimate

For **FY 2007**, the Kansas Bureau of Investigation estimates operating expenditures of \$27,538,743, including \$16,522,201 from the State General Fund. The estimate is an increase of \$1,524,098, or 5.9 percent, above the amount approved by the 2006 Legislature. The KBI estimates expenditures of \$2,871,075, including \$2,704,475 from the State General Fund, for capital improvements in FY 2007.

Governor's Recommendation

For **FY 2007**, the Governor recommends operating expenditures of \$27,407,137, including \$16,390,595 from the State General Fund. The recommendation is an increase of \$1,392,492, or 5.4 percent, above the amount approved by the 2006 Legislature. The capital improvements recommendation for FY 2007 is \$2,871,075, including \$2,704,475 from the State General Fund.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation.

House Budget Committee Report

Agency: Kansas Bureau of Investigation **Bill No.** HB 2542

Bill Sec. 79

Analyst: VanHouse

Analysis Pg. No. Vol. II-1423

Budget Page No. 239

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 21,538,744	\$ 16,081,708	\$ (430,043)
Other Funds	9,441,851	10,078,493	(388,853)
Subtotal - Operating	\$ 30,980,595	\$ 26,160,201	\$ (818,896)
Capital Improvements:			
State General Fund	\$ 762,457	\$ 365,000	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 762,457	\$ 365,000	\$ 0
TOTAL	\$ 31,743,052	\$ 26,525,201	\$ (818,896)
FTE Positions	220.0	220.0	0.0
Non FTE Uncl. Perm. Pos.	96.1	96.1	0.0
TOTAL	316.1	316.1	0.0

Agency Request

For **FY 2008**, the Kansas Bureau of Investigation requests operating expenditures of \$30,980,595, including \$21,538,744 from the State General Fund. The request is an increase of \$3,441,852, or 12.5 percent, above the FY 2007 revised request. The request includes operating enhancements totaling \$5,539,290, with \$5,787,079 from the State General Fund. The enhancement request includes a funding shift of \$332,500 from federal funds to the State General Fund. The KBI requests expenditures of \$762,457, all from the State General Fund, for capital improvements. The capital improvements request includes enhancements totaling \$397,457 from the State General Fund.

Governor's Recommendation

For **FY 2008**, the Governor recommends operating expenditures of \$26,160,201, including \$16,081,708 from the State General Fund. The recommendation is a decrease of \$1,246,936, or 4.5 percent, below the FY 2007 recommendation. The recommendation includes enhancements totaling \$243,325. The capital improvements recommendation for FY 2008 is \$365,000, all from the State General Fund.

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House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation with the following adjustments and notations.

1. Delete \$575,571, including \$430,043 from the State General Fund, for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$243,325, all from special revenue funds, to remove recommended funding to replace 17 vehicles for consideration at Omnibus.
3. The Budget Committee recommends Omnibus consideration of \$474,835 from the State General Fund to fully implement 2006 HB 2554, which increased the number of DNA samples analyzed by the agency's laboratory. The Attorney General appeared before the Committee indicating that addressing current needs within the DNA program is his number one priority for the KBI.
4. The Budget Committee recommends Omnibus consideration of \$184,590 from the State General Fund to purchase property north of the Topeka Headquarters building. The 2006 Legislature approved the purchase of the IMA office building adjacent to the existing Headquarters building. The agency has indicated that this action has delayed space needs for the agency for five to seven years. The remainder of the block contains vacant lots and residential property with a total tax valuation of \$124,590. The agency's long term strategy is to purchase the remaining parcels on the block, so that property will be available to build a new forensic lab in the future.
5. The Budget Committee recommends Omnibus consideration of \$297,500 from the State General Fund for the Kansas Criminal Justice Information System. Amounts include \$196,000 for software maintenance and \$101,500 for two employees to provide technical support and training to law enforcement agencies who submit crime incident reports electronically to the KBI.
6. The Budget Committee recommends Omnibus consideration of the shift of \$332,500 from federal funds to the State General Fund for the Southeast Kansas Drug Enforcement Task Force. This program serves over 22 local, county, and state law enforcement agencies, addressing drug trafficking in the Southeast Kansas area. The agency reports that federal funding for the program may no longer be available, and without this funding four highly trained and experienced special agents and one crime analyst will be lost.
7. The Budget Committee notes concern over pay issues with agency employees, particularly forensic scientists. The Committee notes that the House Select Committee on State Employee Pay Plan is reviewing employee pay issues across state government, and the Committee is sending a letter to the Select Committee expressing its concerns.

House Budget Committee Report

Agency: Sentencing Commission **Bill No.** HB 2541

Bill Sec. 50

Analyst: Cussimano

Analysis Pg. No. Vol. II-1470

Budget Page No. 364

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 9,558,338	\$ 9,098,338	\$ 0
Other Funds	445,878	445,878	0
Subtotal - Operating	\$ 10,004,216	\$ 9,544,216	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 10,004,216	\$ 9,544,216	\$ 0
FTE Positions	9.0	10.0	0.0
Non FTE Uncl. Perm. Pos.	5.0	4.0	0.0
TOTAL	14.0	14.0	0.0

Agency Estimate

The agency estimates FY 2007 operating expenditures of \$10,004,216, an increase of \$86,099 or 0.9 percent above the amount approved by the 2006 Legislature. The estimate includes State General Fund expenditures of \$9,558,338, an increase of \$5,118 or 0.1 percent above the approved amount. The estimate includes a reappropriation of \$4,446. The estimate includes funding for 9.0 FTE positions, 5.0 Non-FTE Permanent Unclassified positions and compensation for eight commission members.

Governor's Recommendation

The Governor recommends FY 2007 expenditures of \$9,544,216, including \$9,098,338 from the State General Fund. The recommendation is a decrease of \$373,901, or 3.8 percent, below the amount approved by the FY 2006 Legislature.

House Budget Committee Recommendation

The Committee concurs with the Governor's recommendation.

House Budget Committee Report

Agency: Sentencing Commission **Bill No.** HB 2542

Bill Sec. 81

Analyst: Cussimano

Analysis Pg. No. Vol. II-1470

Budget Page No. 364

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 9,723,815	\$ 9,747,082	\$ (650,374)
Other Funds	393,380	399,314	(5,934)
Subtotal - Operating	\$ 10,117,195	\$ 10,146,396	\$ (656,308)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 10,117,195	\$ 10,146,396	\$ (656,308)
FTE Positions	11.0	12.0	(2.0)
Non FTE Uncl. Perm. Pos.	5.0	4.0	0.0
TOTAL	16.0	16.0	(2.0)

Agency Request

The agency requests FY 2008 operating expenditures of \$10,117,195, an increase of \$112,979 or 1.1 percent above the FY 2007 estimate. The request includes State General Fund expenditures of \$9,723,815, an increase of \$165,477 or 1.7 percent above the FY 2007 estimate.

Governor's Recommendation

The Governor recommends FY 2008 operating expenditures of \$10,146,396, including \$9,747,082 from the State General Fund. The recommendation is an increase of \$29,201, or 0.2 percent, above the agency request and an increase of \$602,180, or 6.3 percent, above the FY 2007 recommendation. The recommendation includes moving a non-FTE fiscal position to an FTE position, adding \$50,000 from the State General Fund for additional assistance in the substance abuse treatment program and adding 2.0 FTE positions and \$117,107 from the State General Fund to track sexually violent predators under 2006 HB 2576. The Governor's recommendation also includes the addition of \$29,201, including \$23,267 from the State General Fund, for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement.

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House Budget Committee Recommendation

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

1. Delete \$29,201, including \$23,267 from the State General Fund, for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$117,107 from the State General Fund and 2.0 FTE positions to track sexually violent predators under 2006 HB 2576 for further review at Omnibus.
3. Delete \$50,000 from the State General Fund for additional assistance in the substance abuse treatment program for further review at Omnibus. The Committee requests the agency provide additional information regarding offender payments and the cause of the decrease in payments.
4. Delete \$460,000 from the State General Fund for substance abuse treatment. The Committee requests the agency provide further information regarding the cost and usage trends of treatment under 2003 SB 123 based on funding that was not expended in FY 2006.

House Budget Committee Report

Agency: Kansas Parole Board **Bill No.** HB - -

Bill Sec. - -

Analyst: Cussimano **Analysis Pg. No.** Vol. II - 1462

Budget Page No. 316

<u>Expenditure Summary</u>	<u>Agency Estimate FY 07</u>	<u>Governor's Recommendation FY 07</u>	<u>House Budget Committee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 490,701	\$ 490,701	\$ 0
Other Funds	0	0	0
Subtotal - Operating	<u>\$ 490,701</u>	<u>\$ 490,701</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 490,701</u></u>	<u><u>\$ 490,701</u></u>	<u><u>\$ 0</u></u>
FTE Positions			
FTE Positions	3.0	3.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>3.0</u></u>	<u><u>3.0</u></u>	<u><u>0.0</u></u>

Agency Estimate

The agency estimate FY 2007 operating expenditures of \$490,701 from the State General Fund, an increase of \$5,869, or 1.2 percent, above the amount approved by the 2006 Legislature. The estimate is an increase of \$38,856, or 8.6 percent, above the FY 2006 actual expenditure.

Governor's Recommendation

The Governor concurs with the agency estimate.

House Budget Committee Recommendation

The Committee concurs with the Governor's recommendation.

House Budget Committee Report

Agency: Kansas Parole Board **Bill No.** HB 2542

Bill Sec. 77

Analyst: Cussimano **Analysis Pg. No.** Vol. II - 1462

Budget Page No. 316

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 501,837	\$ 517,741	\$ (31,004)
Other Funds	0	0	0
Subtotal - Operating	\$ 501,837	\$ 517,741	\$ (31,004)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 501,837	\$ 517,741	\$ (31,004)
FTE Positions	3.0	3.0	3.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	3.0	3.0	3.0

Agency Request

The agency requests FY 2008 operating expenditures of \$501,837 from the State General Fund. The request is an increase of \$11,136, or 2.3 percent, above the FY 2007 estimate.

Governor's Recommendation

The Governor recommends operating expenditures of \$517,741, all from the State General Fund. The recommendation is an increase of \$27,040, or 5.5 percent, above the FY 2007 recommendation and an increase of \$15,904, or 3.2 percent, above the agency request. The recommendation includes \$15,904 from the State General Fund for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. The recommendation includes \$15,100 from the State General Fund for the purchase of a replacement van.

House Budget Committee Recommendation

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

1. Delete \$15,904 from the State General Fund for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for pay plan adjustments and longevity payments will be considered later.
2. Delete \$15,100 from the State General Fund to remove recommended funding to replace one vehicle for consideration at Omnibus.

House Budget Committee Report

Agency: Board of Emergency Medical Services **Bill No.** HB 2541

Bill Sec. 49

Analyst: Klaassen

Analysis Pg. No. Vol. II-1411

Budget Page No. 161

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	1,883,915	1,900,695	0
Subtotal - Operating	\$ 1,883,915	\$ 1,900,695	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 1,883,915	\$ 1,900,695	\$ 0
FTE Positions	14.0	14.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	14.0	14.0	0.0

Agency Estimate

The Board of Emergency Medical Services estimates FY 2007 operating expenditures of \$1,883,915, an increase of \$374,100, or 24.8 percent, above the amount approved by the 2006 Legislature. The majority of this increase comes from additional federal monies received by the Board of EMS. Of the FY 2007 expenditures, \$1,562,079 are financed by the EMS Operating Fund, an increase of \$52,264, or 3.5 percent, above the 2006 approved amount. This increase is due to the agency's FY 2007 Kansas Savings Incentive Program (KSIP) expenditures.

Governor's Recommendation

The Governor recommends operating expenditures of \$1,900,695 from all funds. This is an increase of \$390,880, or 25.9 percent, above the approved amount. This includes \$1,578,859 from the EMS Operating Fund, which is an increase of \$16,780, or 1.1 percent, above the agency's revised FY 2007 request. This increase from the agency's revised request is due to the agency's inadvertent exclusion of \$16,780 in expenditures, which makes up the difference between the agency's request and the approved expenditures for FY 2007. The Governor approves the inclusion of the \$16,780 in EMS Operating Fund expenditures to bring the agency to the approved amount for FY 2007.

House Budget Committee Recommendation

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

House Budget Committee Report

Agency: Board of Emergency Medical Services **Bill No.** HB 2542

Bill Sec. 80

Analyst: Klaassen

Analysis Pg. No. Vol. II-1411

Budget Page No. 161

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	0
Other Funds	1,717,153	1,688,966	(28,116)
Subtotal - Operating	\$ 1,717,153	\$ 1,688,966	\$ (28,116)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 1,717,153	\$ 1,688,966	\$ (28,116)
FTE Positions	15.0	14.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	15.0	14.0	0.0

Agency Request

The Board of Emergency Medical Services requests FY 2008 operating expenditures of \$1,717,153, a decrease of \$166,762, or 8.9 percent, below the FY 2007 revised estimate. The entire request is financed by the EMS operating fund. This decrease is due to significant decreases in contractual services and capital outlay only partially offset by the agency's FY 2008 enhancement request. The entire request is financed from the EMS Operating Fund.

Governor's Recommendation

The Governor recommends expenditures of \$1,688,966, a decrease of \$211,729, or 11.1 percent, below the FY 2007 recommendation and a decrease of \$28,187, or 1.6 percent, below the agency's FY 2008 request. The Governor recommends the agency's request for \$200,000 in additional Education Incentive Grant Program monies, but the Governor does not recommend the agency's request for \$56,303 to fund an additional examiner FTE position. The Governor's FY 2008 recommendation includes the addition of \$28,116, for the 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. The entire recommendation is financed by the EMS Operating Fund.

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House Budget Committee Recommendation

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

1. Delete \$28,116 from the EMS operating fund for a 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for pay plan adjustments and the increase in longevity payments will be considered later.
2. Add language requiring the six EMS regions to report their expenditures and receipts acquired from their operation of the Kansas Examination. The Board of Emergency Medical services divides \$116,250 between the six EMS regions for the administration of the Kansas Examination.
3. Create a no-limit special revenue fund for monies earmarked for the Education Incentive Grant program. Monies repaid by students failing to comply with their memorandum of agreement will be returned to this fund and available for reuse within the Education Incentive Grant Program.
4. Additionally, the Budget Committee recognizes the demand for EMS providers in Kansas and supports the efforts of the Board to eliminate barriers that may discourage citizens from seeking certification. The Budget Committee notes the Governor's recommendation includes the addition of \$200,000 from special revenue funds to expand the Education Incentive Grant Program.
5. Consider at Omnibus the agency's request for an additional \$20,000 for exam proctors. The agency indicated it is requesting a Governor's Budget Amendment.