

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:40 A.M. on February 15, 2007, in Room 123-S of the Capitol.

All members were present except:

Senator David Wysong- excused

Committee staff present:

Norman Furse, Revisor Emeritus
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Matt Spurgin, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Melinda Gaul, Chief of Staff, Senate Ways & Means
Mary Shaw, Committee Assistant

Conferees appearing before the committee: None

Others attending:

See attached list.

Bill Introduction

Senator Steineger moved, with a second by Senator Taddiken, to introduce a bill concerning assessments on nursing facilities; quality assurance assessment fund; initiatives for nursing care improvements (7rs0866). Motion carried on a voice vote.

Senator Schodorf moved, with a second by Senator V. Schmidt, to introduce a conceptual bill repealing sunset on Kansas foster child educational assistance act. Motion carried on a voice vote.

Chairman Umbarger referred the following bill to the Kansas Department on Aging subcommittee:

SB 346--Creating the Kansas long-term care bill of rights

The Chairman turned the Committee's attention to discussion of minutes that were distributed to the Committee. Senator V. Schmidt moved, with a second by Senator Emler, to approve the minutes for the meetings of January 17, January 18, January 19, January 23, January 25 and January 26, 2007. Motion carried on a voice vote.

Copies of the Kansas Legislative Research Department Budget Analysis report for FY 2007 and FY 2008 were available to the committee.

Subcommittee reports on:

Legislative Coordinating Council
Revisor of Statutes
Legislative Post Audit
Legislative Research Department
Legislature (Attachment 1)

Subcommittee Chairman Jay Emler reported that the subcommittee on the Legislative Coordinating Council concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustment.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:40 A.M. on February 15, 2007, in Room 123-S of the Capitol.

Senator Barone moved, with a second by Senator Emler, to adopt the subcommittee budget report on the Legislative Coordinating Council in FY 2007 and FY 2008. Motion carried on a voice vote.

Subcommittee Chairman Jay Emler reported that the subcommittee on the Revisor of Statutes concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustment.

Following Committee discussion regarding the number of bills that have been introduced in the Legislature this year, Mary Torrence, Revisor, responded that there are 100 plus bills this year over past years. She also mentioned that the Revisor's Office is running out of office space. Senator Barone moved, with a second by Senator Emler, to amend the subcommittee budget report to request a report by the Revisor regarding the status of their staffing needs by Omnibus. Motion carried on a voice vote.

Senator Emler moved, with a second by Senator Betts, to adopt the subcommittee budget report on the Revisor of Statutes in FY 2007 and FY 2008 as amended. Motion carried on a voice vote.

Subcommittee Chairman Jay Emler reported that the subcommittee on Legislative Post Audit concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustment.

Senator Emler moved, with a second by Senator Betts, to adopt the subcommittee budget report on Legislative Post Audit FY 2007 and FY 2008. Motion carried on a voice vote.

Subcommittee Chairman Jay Emler reported that the subcommittee on the Legislative Research Department concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustment.

Following Committee discussion with Alan Conroy, Director, Legislative Research Department, the Committee requested the same information requested of the Revisor. Senator Barone moved, with a second by Senator Emler, to amend the subcommittee budget report to request a report by the Director of the Legislative Research Department regarding the status of their staffing needs by Omnibus. Motion carried on a voice vote.

Senator Betts moved, with a second by Senator Emler, to adopt the subcommittee budget report for the Legislative Research Department in FY 2007 and FY 2008 as amended. Motion carried on a voice vote.

Subcommittee Chairman Jay Emler reported that the subcommittee on the Legislature concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustment.

Committee discussion centered around some legislators in rural areas having to drive a distance to see their constituents and about reimbursement. Senator Morris requested ideas for further discussion by the full committee and possible future discussion at another meeting. It was noted that the Legislative Coordinating Council would address this issue.

Senator Betts moved, with a second by Senator Emler, to adopt the subcommittee budget report for the Legislature in FY 2007 and FY 2008. Motion carried on a voice vote.

Subcommittee reports on:

Beloit Juvenile Correctional Facility
Atchison Juvenile Correctional Facility
Larned Juvenile Correctional Facility
Kansas Juvenile Correctional Facility
Juvenile Justice Authority (Attachment 2)

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:40 A.M. on February 15, 2007, in Room 123-S of the Capitol.

Subcommittee Chairman Jay Emler reported that the subcommittee on the Beloit Juvenile Correctional Facility concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustment.

Senator Teichman, with a second by Senator Kelly, to adopt the subcommittee budget report on the Beloit Juvenile Correctional Facility in FY 2007 and FY 2008. Motion carried on a voice vote.

Subcommittee Chairman Jay Emler reported that the subcommittee on the Atchison Juvenile Correctional Facility concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustment.

Senator Teichman moved, with a second by Senator Kelly, to adopt the subcommittee budget report on the Atchison Juvenile Correctional Facility in FY 2007 and FY 2008. Motion carried on a voice vote.

Subcommittee Chairman Jay Emler reported that the subcommittee on the Larned Juvenile Correctional Facility concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustment.

Senator Betts moved, with a second by Senator V. Schmidt, to adopt the subcommittee budget report on the Larned Juvenile Correctional Facility in FY 2007 and FY 2008. Motion carried on a voice vote.

Subcommittee Chairman Jay Emler reported that the subcommittee on the Kansas Juvenile Correctional Facility concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustment.

Senator V. Schmidt moved, with a second by Senator Betts, to adopt the subcommittee budget report on the Kansas Juvenile Correctional Facility in FY 2007 and FY 2008. Motion carried on a voice vote.

Subcommittee Chairman Jay Emler reported that the subcommittee on the Juvenile Justice Authority concurs with the Governor's recommendation in FY 2007 and concurs with the Governor's FY 2008 recommendation with adjustments and notations.

Senator Betts moved, with a second by Senator Emler, to adopt the subcommittee budget report on the Juvenile Justice Authority in FY 2007 and FY 2008. Motion carried on a voice vote.

The meeting adjourned at 11:45 a.m. The next meeting is scheduled for February 16, 2007.

SENATE WAYS AND MEANS COMMITTEE
GUEST LIST

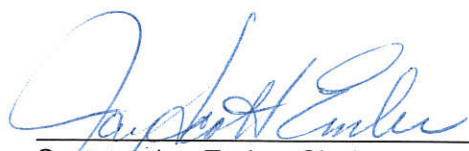
Date February 15, 2007

Name	Representing
Hester, Margaret	JOA
Julie Thomas	DOP
John King	DOP
Jonathan & Irene	KAAAC
MARK BOZAINYCK	CAPITOL STRATEGIES
Lindsey Douglas	The Klein Law Firm

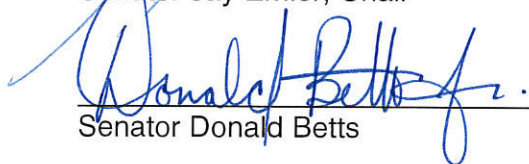
FY 2007 and FY 2008

SENATE WAYS AND MEANS SUBCOMMITTEE

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



Senator Jay Emler, Chair



Senator Donald Betts

Senate Ways and Means
2-15-07
Attachment 1

Senate Subcommittee Report

Agency: Legislative Coordinating Council **Bill No.** SB --

Bill Sec. --

Analyst: Scott

Analysis Pg. No. Vol. II-769

Budget Page No. 298

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,150,127	\$ 1,150,127	\$ 0
Other Funds	0	0	0
Subtotal - Operating	\$ 1,150,127	\$ 1,150,127	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 1,150,127	\$ 1,150,127	\$ 0
FTE Positions	12.0	12.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	12.0	12.0	0.0

Agency Estimate

The agency is requesting \$1,150,127, all from the State General Fund, in the current year estimate. This is a \$67,563, or 6.2 percent, increase above the FY 2007 approved amount. The change reflects an upgrade of a vacant clerical position to a Project Manager position to manage the strategic computer plan.

Governor's Recommendation

The Governor concurs with the agency estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor.

Senate Subcommittee Report

Agency: Legislative Coordinating Council **Bill No.** SB --

Bill Sec. --

Analyst: Scott

Analysis Pg. No. Vol. II-769

Budget Page No. 298

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 849,266	\$ 877,484	\$ (28,218)
Other Funds	0	0	0
Subtotal - Operating	\$ 849,266	\$ 877,484	\$ (28,218)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 849,266	 \$ 877,484	 \$ (28,218)
 FTE Positions	 12.0	 12.0	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	12.0	12.0	0.0

Agency Request

The agency's requested FY 2008 budget of \$849,266 is a decrease of \$300,861, or 26.2 percent, below the FY 2007 estimate. The decrease in contractual services is due to the one-time funding for a study of the current pay system that was approved in FY 2007.

Governor's Recommendation

The Governor concurs with the agency request and adds \$28,218, all 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.

Senate Subcommittee Recommendation

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

1. Delete \$28,218, all 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.

Senate Subcommittee Report

Agency: Revisor of Statutes **Bill No.** SB -- **Bill Sec.** --
Analyst: Scott **Analysis Pg. No.** Vol. II-787 **Budget Page No.** 350

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 3,017,540	\$ 3,017,540	\$ 0
Other Funds	0	0	0
Subtotal - Operating	<u>\$ 3,017,540</u>	<u>\$ 3,017,540</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>\$ 3,017,540</u></u>	<u><u>\$ 3,017,540</u></u>	<u><u>\$ 0</u></u>
FTE Positions	29.5	29.5	
Non FTE Uncl. Perm. Pos.	0.0	0.0	
TOTAL	<u><u>29.5</u></u>	<u><u>29.5</u></u>	<u><u>0.0</u></u>

Agency Estimate

The agency is requesting \$3,017,540, all from the State General Fund, in the current year estimate. This is an increase of \$180,007, or 6.3 percent, over the FY 2007 approved amount. This increase, mainly in salaries and wages, reflects the addition of 2.0 FTE, a Revisor Emeritus position and an additional Assistant Revisor position.

Governor's Recommendation

The Governor concurs with the agency's FY 2007 estimate.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Revisor of Statutes **Bill No.** SB --

Bill Sec. --

Analyst: Scott

Analysis Pg. No. Vol. II-787

Budget Page No. 350

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 3,488,260	\$ 3,586,933	\$ (98,673)
Other Funds	0	0	0
Subtotal - Operating	\$ 3,488,260	\$ 3,586,933	\$ (98,673)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 3,488,260	\$ 3,586,933	\$ (98,673)
FTE Positions	29.5	29.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	29.5	29.5	0.0

Agency Request

The agency's requested FY 2008 budget of \$3,488,260 is an increase of \$470,720, or 15.6 percent, above the FY 2007 estimate. Most of this increase is in contractual services and is attributable to the printing hardbound *Kansas Statutes Annotated* volumes 2 and 2A. There are no hardbound volumes scheduled to be printed in FY 2007.

Governor's Recommendation

The Governor concurs with the agency request and adds \$98,673, all 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.

Senate Subcommittee Recommendation

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

1. Delete \$98,673, all 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.

Senate Subcommittee Report

Agency: Legislative Post Audit **Bill No.** SB -- **Bill Sec.** --
Analyst: Scott **Analysis Pg. No.** Vol. II-793 **Budget Page No.** 300

<u>Expenditure Summary</u>	<u>Agency Estimate FY 07</u>	<u>Governor's Recommendation FY 07</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 2,587,336	\$ 2,587,336	\$ 0
Other Funds	0	0	0
Subtotal - Operating	<u>\$ 2,587,336</u>	<u>\$ 2,587,336</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>\$ 2,587,336</u></u>	<u><u>\$ 2,587,336</u></u>	<u><u>\$ 0</u></u>
FTE Positions			
FTE Positions	26.0	26.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>26.0</u></u>	<u><u>26.0</u></u>	<u><u>0.0</u></u>

Agency Estimate

The agency is requesting \$2,587,336, all from the State General Fund, in the current year estimate. This is an increase of \$45,490 or 1.8 percent above the FY 2007 approved amount. This increase reflects fully funding all positions and allows for additional contract audit work as needed.

Governor's Recommendation

The Governor concurs with the agency estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor.

Senate Subcommittee Report

Agency: Legislative Post Audit **Bill No.** SB -- **Bill Sec.** --

Analyst: Scott **Analysis Pg. No.** Vol. II-793 **Budget Page No.** 300

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 2,668,082	\$ 2,746,963	\$ (133,881)
Other Funds	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	<u>\$ 2,668,082</u>	<u>\$ 2,746,963</u>	<u>\$ (133,881)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 2,668,082</u></u>	<u><u>\$ 2,746,963</u></u>	<u><u>\$ (133,881)</u></u>
FTE Positions			
FTE Positions	26.0	26.0	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>26.0</u></u>	<u><u>26.0</u></u>	<u><u>0.0</u></u>

Agency Request

The agency's requested FY 2008 budget of \$2,668,082 is an increase of \$80,746 or 3.1 percent above the FY 2007 estimate. The majority of this change is due to an anticipated increase in the cost of the Statewide financial audit.

Governor's Recommendation

The Governor concurs with the agency request and adds \$78,881, all 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.

Senate Subcommittee Recommendation

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

1. Delete \$78,881, all 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 \$55,000, all from the State General Fund, to reflect additional saving is contractual expenditures. The agency reported that bids for the statewide financial audit came in under the amount originally estimated in the FY 2008 budget request.

Senate Subcommittee Report

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

Analyst: Scott **Analysis Pg. No.** Vol. II-781 **Budget Page No.** 302

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 3,202,051	\$ 3,202,051	\$ 0
Other Funds	64,628	64,628	0
Subtotal - Operating	\$ 3,266,679	\$ 3,266,679	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 3,266,679	\$ 3,266,679	\$ 0
FTE Positions	38.0	38.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	38.0	38.0	0.0

Agency Estimate

The agency is requesting in the current year estimate \$3,266,679, of which \$3,202,051 is from the State General Fund. This is an all funds increase of \$88,554 or 2.8 percent above the FY 2007 approved amount. This request fully funds all positions.

Governor's Recommendation

The Governor concurs with the agency estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor.

Senate Subcommittee Report

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

Bill Sec. --

Analyst: Scott

Analysis Pg. No. Vol. II-781

Budget Page No. 302

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 3,243,037	\$ 3,356,647	\$ (113,610)
Other Funds	0	0	0
Subtotal - Operating	<u>\$ 3,243,037</u>	<u>\$ 3,356,647</u>	<u>\$ (113,610)</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>\$ 3,243,037</u></u>	 <u><u>\$ 3,356,647</u></u>	 <u><u>\$ (113,610)</u></u>
 FTE Positions	 38.0	 38.0	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>38.0</u></u>	<u><u>38.0</u></u>	<u><u>0.0</u></u>

Agency Request

The agency's requested FY 2008 budget of \$3,243,037 is a decrease of \$23,642 or 0.7 percent below the FY 2007 estimate. The decrease, mainly in commodities and capital outlay, is due one-time expenditures added in FY 2007 that will not be repeated in FY 2008

Governor's Recommendation

The Governor concurs with the agency request and adds \$113,610, all 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.

Senate Subcommittee Recommendation

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

1. Delete \$113,610, all 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.

Senate Subcommittee Report

Agency: Legislature

Bill No. SB --

Bill Sec. --

Analyst: Scott

Analysis Pg. No. Vol. II-775

Budget Page No. 304

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 15,800,744	\$ 15,800,744	\$ 0
Other Funds	168,770	168,770	0
Subtotal - Operating	<u>\$ 15,969,514</u>	<u>\$ 15,969,514</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>\$ 15,969,514</u></u>	<u><u>\$ 15,969,514</u></u>	<u><u>\$ 0</u></u>
FTE Positions			
FTE Positions	35.0	35.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>35.0</u></u>	<u><u>35.0</u></u>	<u><u>0.0</u></u>

Agency Estimate

The agency is requesting in the current year estimate \$15,969,514, of which \$15,800,744 is from the State General Fund. This is an all funds increase of \$315,097, or 2.0 percent, above the FY 2007 approved amount. The State General Fund increase is \$266,830 or 1.7 percent above the FY 2007 approved amount.

Governor's Recommendation

The Governor concurs with the agency estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor.

Senate Subcommittee Report

Agency: Legislature

Bill No. SB --

Bill Sec. --

Analyst: Scott

Analysis Pg. No. Vol. II-775

Budget Page No. 304

Expenditure Summary	Agency Request FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 16,081,503	\$ 16,386,712	\$ (273,209)
Other Funds	85,000	85,000	0
Subtotal - Operating	<u>\$ 16,166,503</u>	<u>\$ 16,471,712</u>	<u>\$ (273,209)</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>\$ 16,166,503</u></u>	<u><u>\$ 16,471,712</u></u>	<u><u>\$ (273,209)</u></u>
FTE Positions	35.0	35.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>35.0</u></u>	<u><u>35.0</u></u>	<u><u>0.0</u></u>

Agency Request

The agency requests an FY 2008 operating budget of \$16,166,503, an increase of \$196,989 or 1.2 percent above the FY 2007 estimate. The agency is requesting \$9,598,944 in salaries and wages, an increase of \$55,646, or 0.6 percent, above the FY 2007 estimate and fully funds the agency's requested 35 FTE positions, temporary workers, and legislators (at the current temporary rate of \$84.80 per day). This increase reflects the annualized FY 2007 salary adjustment in FY 2007. Also included is a full year of the legislative non-session expense allowance funded at the FY 2007 temporary final rate of \$338.74 bi-weekly. Contractual services are budgeted at \$6,200,397 that reflects an increase of \$138,522, or 2.3 percent, above the FY 2007 estimate. The increase is mainly due to Kansas Public Employees Retirement System (KPERs) actuarial audit and the continued Legislative Branch computer strategic plan initiative. The amount requested for commodities is estimated at \$183,522 an increase of \$2,002, or 1.1 percent, above the FY 2007 request. The capital outlay request is for \$183,640, an increase of \$1,140, or 0.6 percent, above the FY 2007 estimate.

Governor's Recommendation

The Governor concurs with the agency request and adds \$305,209, all 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.

Senate Subcommittee Recommendation

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

1. Delete \$305,209, all 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. Add \$32,000, all from the State General Fund, for dues to the Energy Council. The Subcommittee believes that with the state's continued focus on becoming a net exporter of energy, this council's forum for energy and related environmental policy development could prove beneficial. The Energy Council currently consists of 10 energy producing member states and five international affiliates.

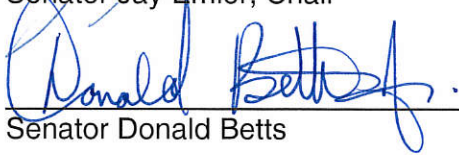
FY 2007 and FY 2008

SENATE WAYS AND MEANS SUBCOMMITTEE

Beloit Juvenile Correctional Facility
Atchison Juvenile Correctional Facility
Larned Juvenile Correctional Facility
Kansas Juvenile Correctional Facility
Juvenile Justice Authority



Senator Jay Emler, Chair



Senator Donald Betts



Senator Vicki Schmidt

Senate Ways and Means
2-15-07
Attachment 2

Senate Subcommittee Report

Agency: Beloit Juvenile Correctional Facility **Bill No.** SB --

Bill Sec. --

Analyst: Steiner

Analysis Pg. No. Vol. II, Page 1346

Budget Page No. 83

Expenditure Summary	Agency Estimate 07	Governor's Recommendation FY Year 07	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 4,159,876	\$ 4,105,390	\$ 0
Other Funds	140,093	140,093	0
Subtotal - Operating	<u>\$ 4,299,969</u>	<u>\$ 4,245,483</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>\$ 4,299,969</u></u>	<u><u>\$ 4,245,483</u></u>	<u><u>\$ 0</u></u>
FTE Positions	87.0	87.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>87.0</u></u>	<u><u>87.0</u></u>	<u><u>0.0</u></u>

Agency Estimate

The agency estimates FY 2007 operating expenditures of \$4,299,969, an increase of \$133,371, or 3.2 percent, above the amount approved by the 2006 Legislature. The increase is largely attributable to a reappropriation of \$158,305 and a transfer of \$36,612 from the Juvenile Justice Authority Central Office to the Beloit Juvenile Correctional Facility.

Governor's Recommendation

The Governor recommends FY 2007 operating expenditures of \$4,245,483, an increase of \$78,885, or 1.9 percent, above the amount approved by the 2006 Legislature. The recommendation is a decrease of \$54,486, or 1.3 percent, below the agency's FY 2007 request. The decrease is due to a reduction in contractual services as a result of a decreased offender population in the facility.

Senate Subcommittee Recommendation

The Senate Subcommittee on Public Safety concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Beloit Juvenile Correctional Facility **Bill No.** SB --

Bill Sec. --

Analyst: Steiner

Analysis Pg. No. Vol. II, Page 1346

Budget Page No. 83

Expenditure Summary	Agency Estimate 08	Governor's Recommendation FY Year 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 4,030,277	\$ 4,085,901	\$ (109,124)
Other Funds	79,056	79,056	0
Subtotal - Operating	<u>\$ 4,109,333</u>	<u>\$ 4,164,957</u>	<u>\$ (109,124)</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>\$ 4,109,333</u></u>	<u><u>\$ 4,164,957</u></u>	<u><u>\$ (109,124)</u></u>
FTE Positions	87.0	87.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>87.0</u></u>	<u><u>87.0</u></u>	<u><u>0.0</u></u>

Agency Request

The agency requests FY 2008 operating expenditures of \$4,109,333, a decrease of \$190,636, or 4.4 percent, below the revised FY 2007 request. The decrease is attributable to a reduction in contractual services and commodities.

Governor's Recommendation

The Governor recommends FY 2008 operating expenditures of \$4,164,957, a decrease of \$80,526, or 1.9 percent, below the FY 2007 recommendation. The recommendation is an increase of \$55,624, or 1.4 percent, above the agency's FY 2008 request. The Governor's recommendation includes the addition of \$109,124, all from the State General Fund for the 1.5 percent base salary adjustment, 2.5 percent step movement for classified employees and a 4.0 percent merit pool for unclassified employees, and the longevity enhancement.

Senate Subcommittee Recommendation

The Senate Subcommittee on Public Safety concurs with the Governor's recommendation with the following adjustment.

- Pay Plan Adjustment.** Delete \$109,124, all from State General Fund, recommended by the Governor for a 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, and 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.

Senate Subcommittee Report

Agency: Atchison Juvenile Correctional Facility **Bill No.** SB --

Bill Sec. --

Analyst: Steiner

Analysis Pg. No. Vol. II, Page 1332

Budget Page No. 63

Expenditure Summary	Agency Estimate 07	Governor's Recommendation FY Year 07	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 5,864,636	\$ 5,789,583	\$ 0
Other Funds	137,500	137,500	0
Subtotal - Operating	\$ 6,002,136	\$ 5,927,083	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	2,733	0	0
Subtotal - Capital Improvements	\$ 2,733	\$ 0	\$ 0
TOTAL	\$ 6,004,869	\$ 5,927,083	\$ 0
FTE Positions	99.0	99.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	99.0	99.0	0.0

Agency Estimate

The agency estimates FY 2007 operating expenditures of \$6,002,136, an increase of \$56,555, or 1.0 percent, above the amount approved by the 2006 Legislature. The increase is largely due to a \$47,553 SGF transfer from the Juvenile Justice Authority Central Office to the Atchison Juvenile Correctional Facility for a pay plan adjustment.

Governor's Recommendation

The Governor recommends FY 2007 operating expenditures of \$5,927,083, a decrease of \$18,498, or 0.3 percent, below the amount approved by the 2006 Legislature. The recommendation is a decrease of \$75,053, or 1.3 percent, below the agency's FY 2007 request. The decrease is due to a reduction in contractual services as a result of a decreased offender population.

Senate Subcommittee Recommendation

The Senate Subcommittee on Public Safety concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Atchison Juvenile Correctional Facility **Bill No.** SB --

Bill Sec. --

Analyst: Steiner

Analysis Pg. No. Vol. II - 1332

Budget Page No. 63

Expenditure Summary	Agency Estimate 08	Governor's Recommendation FY Year 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 5,900,336	\$ 5,953,557	\$ (128,221)
Other Funds	120,000	120,000	0
Subtotal - Operating	\$ 6,020,336	\$ 6,073,557	\$ (128,221)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 6,020,336	\$ 6,073,557	\$ 0
FTE Positions			
	99.0	99.0	0.0
Non FTE Uncl. Perm. Pos.			
	0.0	0.0	0.0
TOTAL	99.0	99.0	0.0

Agency Request

The agency requests FY 2008 operating expenditures of \$6,020,336, including \$5,900,336 from the State General Fund. This request is an increase of \$18,200, or 0.3 percent, above the revised FY 2007 request. The request includes a State General Fund increase of \$35,700, or 0.6 percent, above the FY 2007 estimate. The request includes a reduction in salaries and wages and commodities and an increase in contractual services.

Governor's Recommendation

The Governor recommends FY 2008 operating expenditures of \$6,073,557, an increase of \$146,474, or 2.5 percent, above the FY 2007 recommendation. The recommendation is an increase of \$53,221, or 0.9 percent, above the agency's FY 2008 request. The Governor's recommendation includes the addition of \$128,221, all 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.

Senate Subcommittee Recommendation

The Senate Subcommittee on Public Safety concurs with the Governor's recommendation with the following adjustment.

1. **Pay Plan Adjustment.** Delete \$128,221, all from State General Fund, recommended by the Governor for a 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, and 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.

Senate Subcommittee Report

Agency: Larned Juvenile Correctional Facility **Bill No.** SB --

Bill Sec. --

Analyst: Steiner

Analysis Pg. No. Vol. II, Page 1375

Budget Page No. 293

Expenditure Summary	Agency Estimate 07	Governor's Recommendation FY Year 07	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 8,290,776	\$ 8,185,909	\$ 0
Other Funds	63,957	63,957	0
Subtotal - Operating	\$ 8,354,733	\$ 8,249,866	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 8,354,733	\$ 8,249,866	\$ 0
FTE Positions	146.0	146.0	0.0
Non FTE Uncl. Perm. Pos.	5.0	5.0	0.0
TOTAL	151.0	151.0	0.0

Agency Estimate

The agency estimates FY 2007 operating expenditures of \$8,354,733, including \$8,290,776 from State General Fund. The estimate is an all funds decrease of \$13,446, or 0.2 percent, below the approved amount. The State General Fund estimate is \$8,290,776, an increase of \$75,511, or 1.0 percent, above the approved amount. In FY 2006 the agency received \$115,177 in federal funds for the Residential Substance Abuse Treatment (RSAT) program. In FY 2007 the agency expects to received only \$56,016 in RSAT funds due to increased federal requirements. Due to the reduction in RSAT funds, the operating of the substance abuse treatment program is requested to be funded with State General Fund dollars. The agency estimates \$63,957 in all other funds, a decrease of \$92,957, or 59.2 percent, below the approved amount. The decrease is due to a reduction of funds from the Larned Juvenile Correctional Facility Fee Fund and the Juvenile Justice Federal Funds.

Governor's Recommendation

The Governor recommends FY 2007 operating expenditures of \$8,249,866, including \$8,185,909 from the State General Fund. The recommendation is an all funds decrease of \$118,313, or 1.4 percent, below the approved amount. The recommendation is a decrease of \$104,867, or 1.3 percent, below the agency's FY 2007 estimate. The decrease is due to a reduction in contractual services and commodities a result of a decreased offender population.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Larned Juvenile Correctional Facility

Bill No. SB --

Bill Sec. --

Analyst: Steiner

Analysis Pg. No. Vol. II, Page 1375

Budget Page No. 293

Expenditure Summary	Agency Estimate 08	Governor's Recommendation FY Year 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 8,351,663	\$ 8,457,569	\$ (209,906)
Other Funds	0	0	0
Subtotal - Operating	<u>\$ 8,351,663</u>	<u>\$ 8,457,569</u>	<u>\$ (209,906)</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>\$ 8,351,663</u></u>	<u><u>\$ 8,457,569</u></u>	<u><u>\$ (209,906)</u></u>
FTE Positions			
	146.0	146.0	0.0
Non FTE Uncl. Perm. Pos.			
	5.0	5.0	0.0
TOTAL	<u><u>151.0</u></u>	<u><u>151.0</u></u>	<u><u>0.0</u></u>

Agency Estimate

The agency estimates FY 2008 operating expenditures of \$8,351,663, all from the State General Fund. The request is a decrease of \$3,070 below the agency's FY 2007 estimate. The decrease is largely due to the agency not requesting expenditures in other funds.

Governor's Recommendation

The Governor recommends FY 2008 operating expenditures of \$8,457,569, all from the State General Fund. The recommendation is an increase of \$207,703, or 2.5 percent, above the FY 2007 recommendation. The recommendation is an increase of \$105,906, or 1.3 percent, above the agency's FY 2008 request. The Governor's recommendation includes the addition of \$209,906, all 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.

Senate Subcommittee Recommendation

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

- Pay Plan Adjustment.** Delete \$209,906, all from the State General Fund, recommended by the Governor for a 1.5 percent base salary adjustment and a

2.5 percent step movement for classified employees, and a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for the pay plan adjustments and longevity payments will be considered later.

Senate Subcommittee Report

Agency: Kansas Juvenile Correctional Complex **Bill No.** SB --

Bill Sec. --

Analyst: Steiner

Analysis Pg. No. Vol. II, Page 1360

Budget Page No. 251

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 15,023,896	\$ 14,826,018	\$ 0
Other Funds	532,962	532,962	0
Subtotal - Operating	\$ 15,556,858	\$ 15,358,980	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 15,556,859	\$ 15,358,980	\$ 0
FTE Positions	253.5	253.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	253.5	253.5	0.0

Agency Estimate

The agency estimates FY 2007 operating expenditures of \$15,556,859, an increase of \$138,306, or 0.9 percent, above the approved amount. The increase is attributable to a \$138,306 State General Fund transfer from the Juvenile Justice Authority Central Office to the Kansas Juvenile Correctional Complex.

Governor's Recommendation

The Governor recommends FY 2007 operating expenditures of \$15,358,980, a decrease of \$59,573, or 0.4 percent, above the approved amount. The recommendation is a decrease of \$197,878, or 1.3 percent, below the agency's FY 2007 request. The decrease is due to a reduction in contractual services as a result of a decreased offender population.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Kansas Juvenile Correctional Complex **Bill No.** SB --

Bill Sec. --

Analyst: Steiner

Analysis Pg. No. Vol. II, Page 1360

Budget Page No. 251

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 15,093,191	\$ 15,260,895	\$ (358,746)
Other Funds	588,010	588,010	0
Subtotal - Operating	\$ 15,681,201	\$ 15,848,905	\$ (358,746)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 15,681,201	 \$ 15,848,905	 \$ (358,746)
 FTE Positions	 253.5	 253.5	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	253.5	253.5	0.0

Agency Estimate

The agency requests FY 2008 operating expenditures of \$15,681,201, an increase of \$124,342, or 0.8 percent, above the revised FY 2007 amount. The increase is due to expenditures for salaries and wages and contractual services, which include teacher contracts.

Governor's Recommendation

The Governor recommends FY 2008 operating expenditures of \$15,848,905, an increase of \$489,925, or 3.2 percent, above the FY 2007 recommendation. The recommendation is an increase of \$167,704, or 1.1 percent, below the agency's FY 2008 request. The Governor's recommendation includes the addition of \$358,746, all 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.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustment.** Delete \$358,746, all from the State General Fund, recommended by the Governor for a 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, and a 4.0 percent merit pool

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

Senate Subcommittee Report

Agency: Juvenile Justice Authority

Bill No. SB --

Bill Sec. --

Analyst: Steiner

Analysis Pg. No. Vol. II, Page 1317

Budget Page No. 231

Expenditure Summary	Agency Estimate 07	Governor's Recommendation FY Year 07	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 36,366,157	\$ 34,852,637	\$ 0
Other Funds	37,185,399	32,588,036	0
Subtotal - Operating	<u>\$ 73,551,556</u>	<u>\$ 67,440,673</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
Other Funds	2,737,131	2,752,291	0
Subtotal - Capital Improvements	<u>\$ 2,737,131</u>	<u>\$ 2,752,291</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 76,288,687</u></u>	<u><u>\$ 70,192,964</u></u>	<u><u>\$ 0</u></u>
FTE Positions	42.0	42.0	0.0
Non FTE Uncl. Perm. Pos.	15.5	15.5	0.0
TOTAL	<u><u>57.5</u></u>	<u><u>57.5</u></u>	<u><u>0.0</u></u>

Agency Estimate

The agency estimates FY 2007 operating expenditures of \$73,551,556, including \$36,366,157 coming from the State General Fund. The all funds estimate is an increase of \$5,636,666, or 8.3 percent, above the approved amount. The State General Fund expenditure is an increase of \$2,427,127, or 7.2 percent, above the approved amount. The all funds increase is mostly attributable to a supplemental request of \$5,185,707, including \$2,633,620 from the State General Fund, for increase funding for psychiatric residential treatment facilities (PRTF).

Governor's Recommendation

The Governor recommends FY 2007 operating expenditures of \$67,440,670, including \$34,852,637 from the State General Fund. The recommendation is an all funds decrease of \$474,217, or 0.7 percent, below the approved amount. The State General Fund expenditure is an increase of \$913,607, or 2.7 percent, above the approved amount. The Governor recommends a State General Fund supplemental of \$1,120,000, which is \$1,513,200 less than the agency requested, for increased PRTF funding. However, the Governor's all funds recommendation is a reduction of \$775,983 from Title XIX.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

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Senate Subcommittee Report

Agency: Juvenile Justice Authority **Bill No.** SB --

Bill Sec. --

Analyst: Steiner

Analysis Pg. No. Vol. II, Page 1317

Budget Page No. 231

Expenditure Summary	Agency Estimate 08	Governor's Recommendation FY Year 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 41,204,757	\$ 38,064,525	\$ (106,007)
Other Funds	43,343,573	40,319,435	0
Subtotal - Operating	\$ 84,548,330	\$ 78,383,960	\$ (106,007)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
Other Funds	3,701,389	3,012,732	0
Subtotal - Capital Improvements	\$ 3,701,389	\$ 3,012,792	\$ 0
 TOTAL	 \$ 88,249,719	 \$ 81,396,752	 \$ (106,007)
 FTE Positions	 44.0	 42.0	 0.0
Non FTE Uncl. Perm. Pos.	15.5	15.5	0.0
TOTAL	59.5	57.5	0.0

Agency Request

The agency requests FY 2008 operating expenditures of \$84,548,330, including \$41,204,757 coming from the State General Fund. The all funds request is an increase of \$10,996,774, or 15.0 percent, above the FY 2007 estimate. The State General Fund request is an increase of \$4,838,600, or 13.3 percent, above the FY 2007 estimate. The all funds increase is due to three enhancement requests totaling \$17,373,745 including \$8,246,239 from the State General Fund. Absent the enhancements, the request is a State General Fund decrease of \$3,407,639, or 9.4 percent, below the revised FY 2007 estimate.

Governor's Recommendation

The Governor recommends FY 2008 operating expenditures of \$78,383,960, including \$38,064,525 from the State General Fund. The recommendation is an all funds increase of \$10,943,287, or 16.2 percent, above the FY 2007 recommendation. The recommendation is a decrease of \$6,164,370, or 7.3 percent, below the agency's FY 2008 request. The recommendation includes one enhancement totaling \$11,101,855 including \$5,000,000 from the State General Fund for Psychiatric Residential Treatment Facilities (PRTF) conversion costs. The recommendation also includes the addition of \$106,007 from the State General Fund for the pay plan adjustment and longevity bonus.

The Governor's recommendation includes the addition of \$107,520 all 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.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustment.** Delete \$107,520, all from the State General Fund, recommended by the Governor for a 1.5 percent base salary adjustment and a 2.5 percent step movement for classified employees, and a 4.0 percent merit pool for unclassified employees, and the longevity enhancement. Funding for the pay plan adjustments and longevity payments will be considered later.
2. **Graduated Sanctions Funding.** The Subcommittee recommends Omnibus consideration of the \$2,200,000 enhancement request for graduated sanctions programming. The Subcommittee noted the need for increased funding for graduated sanctions programming. Additionally, the subcommittee agreed that graduated sanctions is an important program and serves a vital public interest. Furthermore, the subcommittee agreed that the funding formula for graduated sanctions should be examined for any potential flaws.