

## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chair Sharon Schwartz at 9:00 A.M. on March 13, 2008, in Room 514-S of the Capitol.

All members were present except:

Representative Barbara Ballard - excused

Committee staff present:

Alan Conroy, Legislative Research Department  
J. G. Scott, Legislative Research Department  
Reed Holwegner, Legislative Research Department  
Cody Gorges, Legislative Research Department  
Amy Deckard, Legislative Research Department  
Julian Efird, Legislative Research Department  
Jim Wilson, Revisor of Statutes  
Nobuko Folmsbee, Revisor of Statutes  
Nikki Feuerborn, Chief of Staff  
Shirley Jepson, Committee Assistant

Conferees appearing before the committee:

Kathy Greenlee, Secretary, Department on Aging

Others attending:

See attached list.

- Attachment 1 Budget Committee Report on Department on Aging
- Attachment 2 Budget Committee Report on Kansas Development Finance Authority
- Attachment 3 Budget Committee Report on Department of Agriculture
- Attachment 4 Minority Report on Department of Agriculture, State Conservation Commission
- Attachment 5 Budget Committee Report on State Conservation Commission
- Attachment 6 Budget Committee Report on Kansas Water Office
- Attachment 7 Budget Committee Report on Department of Wildlife and Parks

### Introduction of Legislation

Representative Feuerborn moved to introduce legislation concerning retirement and pensions relating to the Kansas Public Employees Retirement System (KPERs). The motion was seconded by Representative Lane. Motion carried.

### Department on Aging

Representative Henry, member of the Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department on Aging for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 1). The motion was seconded by Representative Bethell. Motion carried.

Representative Henry, member of the Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department on Aging for FY 2009 and moved for the adoption of the Budget Committee recommendation for FY 2009 (Attachment 1). The motion was seconded by Representative Bethell.

Responding to a question from the Committee, Kathy Greenlee, Secretary, Department on Aging, noted that the Older Americans Act dictates that seniors age 60 and older are eligible to access senior services.

The Budget Committee noted that the funding requested in Item No. 5 is in addition to an

## CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 13, 2008, in Room 514-S of the Capitol.

enhancement to the agency's FY 2008 budget approved during the 2008 Legislative Session. With regard to a question concerning the Senior Farmers Market Nutrition Program, Kathy Greenlee noted that the funding for this program is mainly received from U.S. Department of Agriculture grants. An enhancement of \$30,000 was received from the 2007 Legislature to help offset cost of the program. Ms. Greenlee noted that an enhancement for the program has not requested in the agency's FY 2009 budget.

Representative Bethell made a substitute motion to amend the Budget Committee report on the Department on Aging for FY 2009 by adding language for an addition of \$66,000 to be used for a study of the Program of All Inclusive Care for the Elderly (PACE) reimbursement rates in the State of Kansas and review at Omnibus. The motion was seconded by Representative Kelsey. Motion carried.

The Budget Committee noted that the State has one of the lowest PACE reimbursement rates in the nation.

Representative Henry made a motion to amend the Budget Committee report on Item No. 4 by adding language to allow for review of the agency's budget request on expanded attendant care services at Omnibus. The motion was seconded by Representative Bethell. Motion carried.

The Budget Committee reported that in 1998, the State had 11,788 Kansans in nursing facilities within the State. The 2009 projected population of residents in nursing facilities in the State is 10,133 individuals. The Budget Committee felt this reduction shows the value of senior programs to provide services aimed at keeping older citizens in their homes, especially as there is growth in this segment of the state's population.

Representative Henry renewed the motion to adopt the Budget Committee report on the Department on Aging for FY 2009 as amended. The motion was seconded by Representative Bethell. Motion carried.

### **Kansas Development Finance Authority**

Representative Yoder, Chair of the General Government Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Development Finance Authority for FY 2009 and moved for the adoption of the Budget Committee recommendation for FY 2009 (Attachment 2). The motion was seconded by Representative Pottorff. Motion carried.

Responding to a question from the Committee, the Budget Committee noted that the agency's request for \$3 million would be deposited in the Housing Trust Fund and used to fund block grants for housing in disaster areas. The request would put additional funding to an existing program.

### **Department of Agriculture**

Representative Powell, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Agriculture for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 3). The motion was seconded by Representative Carlin. Motion carried.

Representative Powell, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Agriculture for FY 2009 and moved for the adoption of the Budget Committee recommendation for FY 2009 (Attachment 3). The motion was seconded by Representative Yoder. Motion carried.

## CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 13, 2008, in Room 514-S of the Capitol.

A minority report was presented to the Committee on the Department of Agriculture for FY 2009 (Attachment 4).

Representative Gatewood made a substitute motion to adopt Item No. 1 of the minority report on the Department of Agriculture for FY 2009. The motion was seconded by Representative Carlin. Motion failed on a 8-11 vote.

### State Conservation Commission

Representative Powell, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Agriculture for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 5). The motion was seconded by Representative McLeland. Motion carried.

A minority report on the State Conservation Commission for FY 2008 was presented to the Committee (Attachment 4).

Representative Carlin made a substitute motion to adopt the Item No. 1 of the minority report on the State Conservation Commission for FY 2008. The motion was seconded by Representative Gatewood. Motion failed on a 7-10 vote. Representative Carlin requested to be recorded as voting "yes".

Representative Powell, member of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Agriculture for FY 2009 and moved for the adoption of the Budget Committee recommendation for FY 2009 (Attachment 5). The motion was seconded by Representative Masterson. Motion carried.

A minority report on the State Conservation Commission for FY 2009 was presented to the Committee (Attachment 4).

Representative Gatewood made a substitute motion to adopt Item No. 2 of the minority report on the State Conservation Commission for FY 2009. The motion was seconded by Representative Carlin. Motion failed on a 9-11 vote.

### Kansas Water Office

Representative Powell, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Water Office for FY 2008 and moved for the adoption of the Budget Committee recommendation for FY 2008 (Attachment 6). The motion was seconded by Representative Wolf. Motion carried.

Representative Powell, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Kansas Water Office for FY 2009 and moved for the adoption of the Budget Committee recommendation for FY 2009 (Attachment 6). The motion was seconded by Representative Gatewood. Motion carried.

### Department of Wildlife and Parks

Representative Gatewood, member of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Wildlife and Parks for FY 2008 and moved for the adoption of the Budget Committee

CONTINUATION SHEET

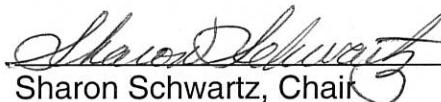
MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 13, 2008, in Room 514-S of the Capitol.

recommendation for FY 2008 (Attachment 7). The motion was seconded by Representative Watkins. Motion carried.

Representative Gatewood, member of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Wildlife and Parks for FY 2009 and moved for the adoption of the Budget Committee recommendation for FY 2009 (Attachment 7). The motion was seconded by Representative Powell. Motion carried.

**Adjournment**

The meeting was adjourned at 10:35 a.m. The next meeting of the Committee will be held at 8:00 a.m. on March 14, 2008.

  
Sharon Schwartz, Chair



FY 2008 and FY 2009  
SOCIAL SERVICES BUDGET COMMITTEE

Department on Aging

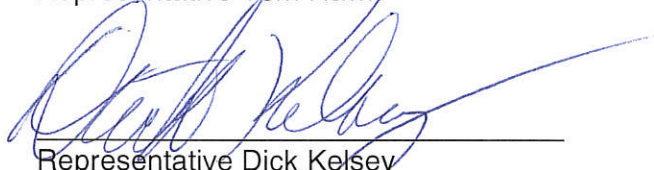
  
Representative Bob Bethell, Chair

  
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

HOUSE APPROPRIATIONS

DATE 3-13-2008  
ATTACHMENT 1

## Senate Subcommittee Report

**Agency:** Department on Aging      **Bill No.** SB 655

**Bill Sec.** 30

**Analyst:** Deckard      **Analysis Pg. No.** Vol.1-155

**Budget Page No.** 35

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 188,451,958	\$ 187,378,162	\$ 0
Other Funds	288,499,663	286,824,502	0
Subtotal - Operating	\$ 476,951,621	\$ 474,202,664	\$ 0
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 476,951,621</b>	<b>\$ 474,202,664</b>	<b>\$ 0</b>
FTE Positions	209.0	209.0	0.0
Non FTE Uncl. Perm. Pos.	10.5	10.5	0.0
<b>TOTAL</b>	<b>219.5</b>	<b>219.5</b>	<b>0.0</b>

### Agency Estimate

The **agency** requests a revised FY 2008 budget totaling \$477.0 million, an increase of \$1.6 million, or 0.3 percent, above the amount approved by the 2007 Legislature. Requested State General Fund expenditures total \$188.5 million, an increase of \$612,515, or 0.3 percent, above the approved amount. The request would fund 209.0 FTE positions and 10.5 non-FTE positions. This is an increase of 1.0 non-FTE position from the approved amount. Major adjustments to the FY 2007 approved budget include:

- The request to transfer the balance of the Adult Care Licensure Revolving Fund of \$290,408 to the State Licensure Fee Fund, which was established by the 2007 Legislature.
- An increase of \$139,076, including \$49,539 from the State Licensure Fee Fund and the remainder from federal funds to fund two existing Health Facility Surveyor I positions, including salaries and travel.
- \$941,427 in State General Fund reappropriations from FY 2007 into FY 2008.
- \$289,519 in KSIP expenditures for technology purchases.

The remainder of the increase is attributable to changes in federal funding, including a supplemental federal Medicare appropriation of \$225,000.

### **Governor's Recommendation**

The **Governor** recommends FY 2008 expenditures of \$474.2 million, including \$187.4 million from the State General Fund. The recommendation is a decrease of \$2.7 million, or 0.6 percent, below the agency's estimate. The decrease is attributable to: increasing shrinkage by \$400,346, including \$127,156 from the State General Fund; decreasing other operating expenditures by \$288,550, including \$135,888 from the State General Fund; increasing nursing facility expenditures by \$10,528 from all funding sources, but reducing State General Fund expenditures by \$31,000, to what was agreed to at the fall 2007 consensus caseload meeting; and decreasing expenditures for Home and Community Based Services for the Frail Elderly (HCBS/FE) waiver by \$1,931,513, including \$779,752 from the State General Fund, to reflect revised caseload estimates.

### **Senate Subcommittee Recommendation**

The Senate Subcommittee concurs with the Governor's recommendation.

### **Senate Committee Recommendation**

The Senate Committee concurs with the Subcommittee's recommendation.

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### House Budget Committee Report

Agency: Department on Aging Bill No. HB 2947

Bill Sec. 30

Analyst: Deckard

Analysis Pg. No. Vol.1-155

Budget Page No. 35

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
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Other Funds	288,499,663	286,824,502	0
Subtotal - Operating	<u>\$ 476,951,621</u>	<u>\$ 474,202,664</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>\$ 476,951,621</u></u>	 <u><u>\$ 474,202,664</u></u>	 <u><u>\$ 0</u></u>
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- The request to transfer the balance of the Adult Care Licensure Revolving Fund of \$290,408 to the State Licensure Fee Fund, which was established by the 2007 Legislature.
- An increase of \$139,076, including \$49,539 from the State Licensure Fee Fund and the remainder from federal funds to fund two existing Health Facility Surveyor I positions, including salaries and travel.
- \$941,427 in State General Fund reappropriations from FY 2007 into FY 2008.
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### **Governor's Recommendation**

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### **House Budget Committee Recommendation**

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

## Senate Subcommittee Report

**Agency:** Department on Aging

**Bill No.** SB 658

**Bill Sec.** 31

**Analyst:** Deckard

**Analysis Pg. No.** Vol.1-155

**Budget Page No.** 35

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 197,812,264	\$ 194,735,313	\$ (1,349,172)
Other Funds	292,212,010	298,170,096	(2,503,064)
Subtotal - Operating	<u>\$ 490,024,274</u>	<u>\$ 492,905,409</u>	<u>\$ (3,852,236)</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>\$ 490,024,274</u>	 <u>\$ 492,905,409</u>	 <u>\$ (3,852,236)</u>
 FTE Positions	 209.0	 209.0	 0.0
Non FTE Uncl. Perm. Pos.	10.5	10.5	0.0
TOTAL	<u>219.5</u>	<u>219.5</u>	<u>0.0</u>

\* Of the Subcommittee's recommended reductions, \$423,215, including \$279,429 from the State General Fund, is related to pay plan adjustments.

### Agency Request

The **agency** requests an FY 2009 budget of \$490.0 million, an increase of \$13.1 million, or 2.7 percent, above the revised current year estimate. The request includes State General Fund expenditures of \$197.8 million, an increase of \$9.4 million, or 5.0 percent, above the revised current year estimate. The request would fund 219.5 positions, the same as the revised current year estimate. The request includes enhancement funding of \$16.5 million, including \$9.0 million from the State General Fund. Absent the enhancement requests, the request would be a decrease in FY 2009 of \$3.4 million, or 0.7 percent, from all funding sources and an increase of \$350,887, or 0.2 percent, from the State General Fund. The majority of the decrease is attributable to decreases in nursing facility expenditures, salaries and wages costs due to a one time bonus for state employees in FY 2008 that were not budgeted in FY 2009, capital outlay expenditures and grants which do not reoccur in FY 2009, partially offset by increases in Home and Community Based Services for the Frail Elderly (HCBS/FE) waiver expenditures.

### Governor's Recommendation

The **Governor** recommends FY 2009 operating expenditures of \$492.9 million, including \$194.7 million from the State General Fund. The recommendation is an increase of \$18.7 million, including \$7.4 million from the State General Fund, above the Governor's FY 2008 recommendation.

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The recommendation is an increase of \$2.8 million above the agency's FY 2009 request, however it is a decrease of \$3.1 million below the agency's request for State General Fund moneys.

The Governor's recommendation includes a portion of the agency's enhancement requests, specifically: the addition of \$2.5 million, including \$1.0 million from the State General Fund, to expand attendant care services and to begin providing companion services; \$1.0 million from the State General Fund to increase funding for the nutrition program; \$1.2 million, including \$461,722 from the State General Fund, to expand the Topeka Program of All Inclusive Care for the Elderly ; \$312,008 to fund surveyor positions; \$361,370, including \$232,650 from the State General Fund, for licensure and certification funding; and \$174,000 for eleven replacement vehicles and four additional vehicles. Additionally, the Governor's recommendation includes the addition of \$328,894, including \$244,810 from the State General Fund, for the recommended pay plan adjustment, the addition of \$15.5 million, including \$4.0 million from the State General Fund, for revised nursing facility caseload estimate agreed to at the fall 2007 consensus caseload meeting and makes adjustments for Federal Medical Assistance Percentages (FMAP) calculations.

### Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$423,215, including \$279,429 from the State General Fund (or all from the State General Fund, or all from special revenue funds), to remove the following pay plan adjustments recommended by the Governor. Pay plan adjustments will be considered in a separate bill.
  - a. **State Employee Pay Increases.** Delete \$ 245,384, including \$182,653 from the State General Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
  - b. **Classified Employee Pay Plan.** Delete \$83,510, including \$62,157 from the State General Fund, to remove the amount recommended by the Governor for FY 2009 pay increases for basic vocational classes and for those employees identified as having the most disparity relative to market rate.
  - c. **Longevity Pay.** Delete \$94,321, including \$34,619 from the State General Fund to remove the amount recommended by the Governor for longevity bonus payments.
2. Delete \$174,000, all from the special revenue funds, to remove funding for eleven replacement vehicles and four additional vehicles for review at Omnibus.
3. Delete \$1,152,000, including \$461,722 from the State General Fund, for the expansion of the Topeka Program of All Inclusive Care for the Elderly (PACE) by 75 slots. The Subcommittee recommends that the expansion be reviewed at Omnibus. The Subcommittee notes its support for the program and requests information regarding current year usage of this program. The Subcommittee notes that the Topeka program has not yet filled the current allotment for the program. The Subcommittee notes that this is a relatively young program and recommends review of the projected caseload for this location.

In addition, the Subcommittee requests that the addition of \$66,240, all from the State General Fund, for 24 slots to be located at a new PACE location in Kansas City, Kansas be considered at Omnibus. The funding would provide for partial year funding for the slots, which would be opened in late FY 2009. The Subcommittee notes testimony that indicates the Kansas City PACE program could eventually have enrollment of 240 in FY 2014.

4. Delete \$2,495,000, including \$1.0 million from the State General Fund, to expand Home and Community Based Services for the Frail Elderly (HCBS/FE) waiver attendant care services and begin providing companion services. The Subcommittee recommends a review of this funding at Omnibus. The Subcommittee notes testimony received indicated the addition of \$581,758, including \$236,892 from the State General Fund, would allow individuals to receive twelve hours of attendant care services per day. The HCBS/FE waiver currently limits the number of attendant care hours to eight per day. The twelve hours of attendant care and twelve hours of sleep cycle support would allow 24 hours of care per day. This action would create consistency with the home and community based services for the physically disabled and for individuals with developmental disabilities waivers.

The remaining \$1,913,242, including \$763,108 from the State General Fund, would allow companion services to be provided under the HCBS/FE waiver. The Subcommittee notes testimony that indicated that providing this service, especially for individuals who are in the beginning stages of dementia, allows individuals to remain in their homes.

5. Add \$391,979, all from the State General Fund, to fund two grants to the Kansas Foundation for Medical Care, Inc.
  - \$224,640 for Community Collaboratives which would develop and facilitate community collaborative/coalitions focused on healthcare quality improvement through increased continuity and coordination of care; and
  - \$167,339 for individualized nursing home technical assistance program to operate in select nursing facilities on a voluntary basis to improve the quality of care.

The Subcommittee notes that this would provide a second year of funding and recommends the continuation of these grants. The Subcommittee notes that the data gathered in these activities will be very useful in studies of the long-term care system in Kansas.

6. Recommend that the Subcommittee on the Department of Social and Rehabilitation Services delete the current proviso in the appropriations bill that limits the number of individuals to 80, that transition into the community under the money follows the person program. The Subcommittee notes that Kansas received a five-year \$37.0 million, money follows the person demonstration federal grant to transition individuals from institutional settings to the community, which is located in the Department of Social and Rehabilitation Services budget.

7. Review at Omnibus the addition of \$1,569,674, all from the State General Fund, to increase funding for the Area Agencies on Aging (AAAs) for services not reimbursed by either state or federal programs. This would be completed in two steps. Each of the eleven AAAs would receive a base allocation of \$60,000, for a total of \$660,000. Additionally, a formula based on \$2 per Kansan, aged 60 years or older, will be distributed to each AAA for a total of \$909,674.

The Budget Committee notes testimony that if the funding for the AAAs core services is not increased it will likely result in an increase for individuals case managers and a limited ability to reach seniors within the appropriate timeframe to prevent premature institutionalization.

The Budget Committee notes that the AAA are faced with other funding issues at the current time, including reimbursement of targeted case management services. The Subcommittee received testimony that the federal Centers for Medicare and Medicaid Services (CMS) indicated that the previous method of operation used by Kansas to provide targeted case management services was not going to be allowed in the future, and failure to change methodologies might result in federal deferrals.

Two components of this decision directly impact the AAAs, windshield time and any qualified provider. The time that employees of AAAs travel to visit elderly clients in their homes, windshield time, is no longer allowed to be submitted for reimbursement. This change is most acutely impacting AAAs operating in the rural areas of the state. In addition, the state may no longer limit targeted case management services to AAAs, instead must allow any qualified provider to perform the services. Testimony indicated that the changes to targeted case management reimbursement could potentially have a large negative impact on AAAs revenues.

The Subcommittee notes that the Secretary on Aging sent a letter to the federal Department of Health and Human Services expressing concern at the implementation of single point of entry as well as other issues with the new federal rules. This letter is included as Attachment A.

The Subcommittee requests an interim study to review the effects of the implementation of the new targeted case management rules. In addition, the Subcommittee requests that the interim study review when case management services for individuals in hospitals are reimbursed. The Subcommittee notes its concern that the current system does not support adequate coordination of care. The Subcommittee notes that this failure has the potential to require elderly individuals to enter nursing facilities if home and community based services are not organized for them prior to their return home from the hospital.

8. Review at Omnibus the addition of \$125,000, all from the State General Fund, for the United Cerebral Palsy of Kansas Assistive Technology Initiative. The Subcommittee notes that United Cerebral Palsy indicated it would be able to leverage this funding with additional private funds. Testimony received by the Subcommittee noted that the funds would allow United Cerebral Palsy to expand its services specifically for the aging population, including funding for power mobility, home modifications, lift chairs, and other technology to assist in maintaining independence.

9. The Subcommittee requests an interim study of long term care reform, including the potential for global funding of long term care, by which no one is denied service in the manner they choose. Additionally, the interim study would review states that have implemented this method, specifically Washington, Vermont, and New Jersey. Additionally, the interim study should consider implementation of a global home and community based service waiver, that provides service regardless of labels.

The Subcommittee also requests an interim study of increasing the protected income level (PIL) and review automatically increasing the PIL when the federal Social Security Administration grants a cost of living adjustment. The Subcommittee notes that this increase would affect three separate agencies and should be reviewed in its totality.

10. The Subcommittee notes its support of the request in the Department of Administration's budget to add funding and two additional FTE positions for the Long Term Care Ombudsman's office.
11. The Subcommittee notes that as of January 31, 2008 there were 148 individuals waiting for services through the Senior Care Act. The Senior Care Act is a state only funded program which provides home and community based services for those individuals over the age of 60 who have not yet exhausted their financial resources. The Budget Committee requests a review of the waiting list at Omnibus.

### **Senate Committee Recommendation**

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

1. Add \$174,000, all from special revenue funds, for eleven replacement vehicles and four additional vehicles.
2. Add \$2,495,000, including \$1.0 million from the State General Fund, to expand Home and Community Based Services for the Frail Elderly (HCBS/FE) waiver attendant care services to allow coverage of twelve hours of care per day and begin providing companion services.
3. Review the appropriate amount for the protected income level (PIL) and the amount of funding required to increase the PIL to that level at Omnibus.
4. Pursue the option of sending a letter from the Committee to the appropriate department of the federal government regarding the Committee's concern related to targeted case management reimbursement, including the elimination of reimbursement for windshield time. In addition, request introduction of a resolution expressing the same concerns.

### House Budget Committee Report

Agency: Department on Aging Bill No. HB 2946

Bill Sec. 31

Analyst: Deckard

Analysis Pg. No. Vol.1-155

Budget Page No. 35

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	House Budget Committee Adjustments*
Operating Expenditures:			
State General Fund	\$ 197,812,264	\$ 194,735,313	\$ (3,182,344)
Other Funds	292,212,010	298,170,096	(2,742,921)
Subtotal - Operating	<u>\$ 490,024,274</u>	<u>\$ 492,905,409</u>	<u>\$ (5,925,265)</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>\$ 490,024,274</u>	 <u>\$ 492,905,409</u>	 <u>\$ (5,925,265)</u>
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Non FTE Uncl. Perm. Pos.	10.5	10.5	0.0
TOTAL	<u>219.5</u>	<u>219.5</u>	<u>0.0</u>

\* Of the Budget Committee's recommended reductions, \$423,215, including \$279,429 from the State General Fund, is related to pay plan adjustments.

#### Agency Request

The **agency** requests an FY 2009 budget of \$490.0 million, an increase of \$13.1 million, or 2.7 percent, above the revised current year estimate. The request includes State General Fund expenditures of \$197.8 million, an increase of \$9.4 million, or 5.0 percent, above the revised current year estimate. The request would fund 219.5 positions, the same as the revised current year estimate. The request includes enhancement funding of \$16.5 million, including \$9.0 million from the State General Fund. Absent the enhancement requests, the request would be a decrease in FY 2009 of \$3.4 million, or 0.7 percent, from all funding sources and an increase of \$350,887, or 0.2 percent, from the State General Fund. The majority of the decrease is attributable to decreases in nursing facility expenditures, salaries and wages costs due to a one time bonus for state employees in FY 2008 that were not budgeted in FY 2009, capital outlay expenditures and grants which do not reoccur in FY 2009, partially offset by increases in Home and Community Based Services for the Frail Elderly (HCBS/FE) waiver expenditures.

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## Governor's Recommendation

The **Governor** recommends FY 2009 operating expenditures of \$492.9 million, including \$194.7 million from the State General Fund. The recommendation is an increase of \$18.7 million, including \$7.4 million from the State General Fund, above the Governor's FY 2008 recommendation. The recommendation is an increase of \$2.8 million above the agency's FY 2009 request, however it is a decrease of \$3.1 million below the agency's request for State General Fund moneys.

The Governor's recommendation includes a portion of the agency's enhancement requests, specifically: the addition of \$2.5 million, including \$1.0 million from the State General Fund, to expand attendant care services and to begin providing companion services; \$1.0 million from the State General Fund to increase funding for the nutrition program; \$1.2 million, including \$461,722 from the State General Fund, to expand the Topeka Program of All Inclusive Care for the Elderly ; \$312,008 to fund surveyor positions; \$361,370, including \$232,650 from the State General Fund, for licensure and certification funding; and \$174,000 for eleven replacement vehicles and four additional vehicles. Additionally, the Governor's recommendation includes the addition of \$328,894, including \$244,810 from the State General Fund, for the recommended pay plan adjustment, the addition of \$15.5 million, including \$4.0 million from the State General Fund, for revised nursing facility caseload estimate agreed to at the fall 2007 consensus caseload meeting and makes adjustments for Federal Medical Assistance Percentages (FMAP) calculations.

## House Budget Committee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$423,215, including \$279,429 from the State General Fund (or all from the State General Fund, or all from special revenue funds), to remove the following pay plan adjustments recommended by the Governor. Pay plan adjustments will be considered in a separate bill.
  - a. **State Employee Pay Increases.** Delete \$ 245,384, including \$182,653 from the State General Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
  - b. **Classified Employee Pay Plan.** Delete \$83,510, including \$62,157 from the State General Fund, to remove the amount recommended by the Governor for FY 2009 pay increases for basic vocational classes and for those employees identified as having the most disparity relative to market rate.
  - c. **Longevity Pay.** Delete \$94,321, including \$34,619 from the State General Fund to remove the amount recommended by the Governor for longevity bonus payments.
2. Delete \$174,000, all from the special revenue funds, to remove funding for eleven replacement vehicles and four additional vehicles for review at Omnibus.
3. Delete \$1,152,000, including \$461,722 from the State General Fund, for the expansion of the Topeka Program of All Inclusive Care for the Elderly (PACE) by 75 slots. The Budget Committee recommends that the expansion of the Topeka location be reviewed at Omnibus. The Budget Committee notes its support for the program and requests information regarding current year usage of this program. The Budget Committee notes that the Topeka program has not yet

filled the current bed or funding allotment for the program. The Budget Committee notes that this is a relatively young program and recommends review of the projected caseload for this location.

In addition, the Budget Committee requests that funding for a new PACE location in Kansas City, Kansas be considered at Omnibus. The Budget Committee notes testimony that indicates the Kansas City PACE program could eventually have enrollment of 240 by FY 2014. The Budget Committee notes its commitment to the PACE program.

4. Delete \$2,495,000, including \$1.0 million from the State General Fund, to expand Home and Community Based Services for the Frail Elderly (HCBS/FE) waiver attendant care services and begin providing companion services. The Budget Committee recommends a review of this funding at Omnibus. The Budget Committee notes testimony received indicated the addition of \$581,758, including \$236,892 would allow individuals to receive twelve hours of attendant care services per day, an increase from the current eight hours per day. The twelve hours of attendant care and twelve hours of sleep cycle support would allow 24 hours of care per day. The addition would create consistency with the home and community based services for the physically disabled and for individuals with developmental disabilities waivers. The remainder of this amount, \$1,913,242, including \$763,108 from the State General Fund, would allow companion services to be provided under the HCBS/FE waiver.
5. Delete \$1,007,672, all from the State General Fund, for increases in the nutrition program. The Budget Committee notes its concern for adequate funding for the program, and wishes to review the situation at Omnibus.

The Budget Committee notes information that indicated that if the funding is not provided, several nutrition providers stated that the doors may close and stop all services to their meal sites. Other nutrition providers indicated that waiting lists might be implemented, something that has not occurred previously. These options would result in the loss of meals and jobs in the local communities.

The Budget Committee notes testimony that the number of volunteers for the nutrition program has been declining. The largest reason cited for this circumstance, was the rising gasoline prices, particularly from the volunteers delivering meals to homes. For some volunteers, an increase in fuel costs will mean they can no longer participate without reimbursement due to personal finances. As volunteers leave, the length of the routes are increased, which makes it even harder to recruit new volunteers, due to both time commitments and the cost of fuel.

6. Delete \$312,008, including \$200,871 from the State Licensure Fee Fund and \$111,137 from federal funds, to fund 4.75 existing health facility surveyor positions, including salaries and travel for review at Omnibus.
7. Delete \$361,370, including \$232,650 from the State General Fund, which was requested to maintain the current nursing facility survey levels. According to the agency, this funding would allow the program to stay in compliance with the contract with the federal Centers for Medicare and Medicaid Services for review at Omnibus.

8. Review the addition of \$391,979, all from the State General Fund, to fund two grants to the Kansas Foundation for Medical Care, Inc. at Omnibus. The grants would include the following:
  - a. \$224,640 for Community Collaboratives which would develop and facilitate community collaborative/coalitions focused on healthcare quality improvement through increased continuity and coordination of care; and
  - b. \$167,339 for individualized nursing home technical assistance program to operate in select nursing facilities on a voluntary basis to improve the quality of care.

The Budget Committee notes that this grant was funded in FY 2008 and recommends that the continuation of the program be reviewed. The Budget Committee notes that initial indications are that the program is having a positive impact, but that more data is required to prove the outcomes.

9. Review at Omnibus the addition of \$1,569,674, all from the State General Fund, to increase funding for the Area Agencies on Aging (AAAs) for services not reimbursed by either state or federal programs. This would be completed in two steps. Each of the eleven AAAs would receive a base allocation of \$60,000, for a total of \$660,000. Additionally, a formula based on \$2 per Kansan, aged 60 years or older, will be distributed to each AAA for a total of \$909,674.

The Budget Committee notes testimony that if the funding for the AAAs core services is not increased it will likely result in the establishment of waiting lists for the home and community based services waiver for the frail elderly (HCBS/FE). The Budget Committee notes its commitment to not starting a waiting list for this waiver.

The Budget Committee notes testimony that if the funding for the AAAs core services is not increased it limit the ability of the AAAs to reach seniors within the appropriate timeframe to prevent premature institutionalization.

The Budget Committee notes that the AAA are faced with other funding issues at the current time, including reimbursement of targeted case management services. The Budget Committee received testimony that the federal Centers for Medicare and Medicaid Services (CMS) indicated that the previous method of operation used by Kansas to provide targeted case management services was not going to be allowed in the future, and failure to change methodologies might result in federal deferrals.

Two components of this decision directly impact the AAAs, windshield time and any qualified provider. The time that employees of AAAs travel to visit elderly clients in their homes, windshield time, is no longer allowed to be submitted for reimbursement. This change is most acutely impacting AAAs operating in the rural areas of the state. In addition, the state may no longer limit targeted case management services to AAAs, instead must allow any qualified provider to preform the services. Testimony indicated that the changes to targeted case management reimbursement could potentially have a large negative impact on AAAs revenues.


10. Review the addition of \$1,276,891, including \$519,950 from the State General Fund, for a two percent rate increase for Home and Community Based Services for the Frail Elderly (HCBS/FE) waiver service providers at Omnibus.
11. Review at Omnibus the addition of \$125,000, all from the State General Fund, for the United Cerebral Palsy of Kansas Assistive Technology Initiative. The Budget Committee notes that United Cerebral Palsy indicated it would be able to leverage this funding with additional private funds. Testimony received by the Budget Committee noted that the funds would allow United Cerebral Palsy to expand its services specifically for the aging population, including funding for power mobility, home modifications, lift chairs, and other technology to assist in maintaining independence.
12. Review the addition of \$726,000, all from the State General Fund, to allow Senior Care Act services to be provided to an additional 660 people above the FY 2008 caseload. The Budget Committee notes that as of January 31, 2008 there were 148 individuals waiting for services through the Senior Care Act. The Senior Care Act is a state only funded program which provides home and community based services for those individuals over the age of 60 who have not yet exhausted their financial resources. The Budget Committee requests a review of the waiting list at Omnibus.
13. The Budget Committee notes its interest in adult day care services. The Budget Committee notes that adult day care is a service option in the home and community based services for the frail elderly (HCBS/FE) waiver. It is also a service option in the Senior Care Act and Older American Act programs but it is not commonly provided through those sources. The Budget Committee notes there are currently 10 programs in the state providing these services.

FY 2009 Only


HOUSE GENERAL GOVERNMENT BUDGET COMMITTEE

Kansas Development Finance Authority

March 10, 2008

  
Representative Kevin Yoder, Chair

  
Representative Rocky Ford


  
Representative Kasha Kelley, Vice-Chair

\_\_\_\_\_  
Representative Annie Kuether

  
Representative Harold Lane,  
Ranking Minority Member

  
Representative JoAnn Pottorff

  
Representative Virginia Beamer

  
Representative Charles Roth

  
Representative Tom Burroughs

HOUSE APPROPRIATIONS

DATE 3-13-2008  
ATTACHMENT 2

## House Budget Committee Report

**Agency:** Kansas Development Finance Authority **Bill No.** HB 2946

**Bill Sec.** 82

**Analyst:** Efird

**Analysis Pg. No.** --

**Budget Pg. No.** Vol. 1 Pg. 45

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	House Budget Committee Adjustments*
<b>Operating Expenditures:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	3,000,000	(3,000,000)
Subtotal - Operating	\$ 0	\$ 3,000,000	\$ (3,000,000)
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 3,000,000</b>	<b>\$ (3,000,000)</b>
FTE Positions	0.0	0.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

\*None of the Budget Committee recommended reduction is related to pay plan adjustments.

### Agency Request

This agency is not required to submit a budget since it is usually considered off-budget with nonreportable expenditures.

### Governor's Recommendation

The Governor recommends a transfer of \$3,000,000 from the Expanded Lottery Act Revenues Fund (ELARF) to the State Housing Trust Fund for the purpose of assisting local communities with development of rental and individually-owned affordable housing. KSA 74-8959 provides for the establishment of the State Housing Trust Fund in the State Treasury and administration of the fund by the Division of Housing in the Kansas Development Finance Authority (KDFA). Another entity, the Kansas Housing Resources Corporation (KHRC), was formed under authority of KSA 74-8904(v) and is a subsidiary corporation of the KDFA that performs the functions of the Housing Division. The Governor's recommendation indicates that the KHRC will administer the new state housing block grants that will be funded by the ELARF monies, and that the \$3,000,000 will become an annual transfer beginning in FY 2009.

### **House Budget Committee Recommendation**

The House Budget Committee deletes \$3,000,000, all from the Expanded Lottery Act Revenues Fund, and recommends that this item be considered during Omnibus.

FY 2008 and FY 2009

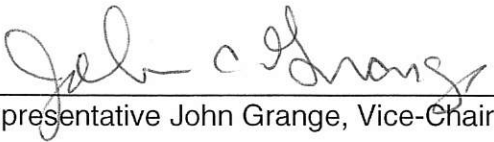
HOUSE AGRICULTURE AND NATURAL RESOURCES BUDGET COMMITTEE

Department of Agriculture

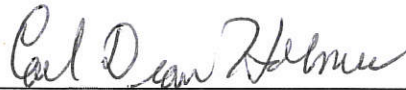


Representative Larry Powell, Chair

Representative Vaughn Flora



Representative John Grange, Vice-Chair



Representative Carl Holmes

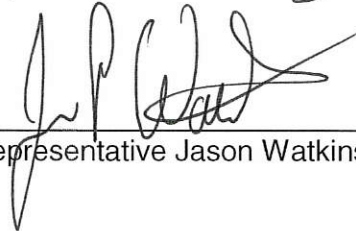
Representative Doug Gatewood  
Ranking Minority Member



Representative Clay Aurand



Representative Sharon Schwartz



Representative Jason Watkins

Representative Sydney Carlin

HOUSE APPROPRIATIONS

DATE 3-13-2008  
ATTACHMENT 3



## Senate Subcommittee Report

**Agency:** Department of Agriculture      **Bill No.** SB 655

**Bill Sec.** 47

**Analyst:** O'Hara      **Analysis Pg. No.** Vol. I - 25

**Budget Page No.** 45

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 12,162,274	\$ 12,162,274	\$ 0
Other Funds	13,581,792	13,771,017	0
Subtotal - Operating	\$ 25,744,066	\$ 25,933,291	\$ 0
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 25,744,066	 \$ 25,933,291	 \$ 0
 FTE Positions	 314.5	 314.5	 0.0
Non FTE Uncl. Perm. Pos.	24.0	24.0	0.0
TOTAL	338.5	338.5	0.0

### Agency Estimate

The **agency** requests a revised FY 2008 budget totaling \$25.7 million, a decrease of \$1.1 million, or 4.2 percent, below the amount approved by the 2007 Legislature. The request includes State General Fund expenditures of \$12.2 million, the approved amount. The decrease in the agency's request is attributed to a decrease of \$1.4 million in federal funding, the result of a change in priorities by the Federal Emergency Management Agency (FEMA). The decrease in federal funding is partially offset by an increase of \$269,894 in special revenue funds for various adjustments to revenue fund estimates.

### Governor's Recommendation

The **Governor** recommends a revised FY 2008 budget totaling \$25.9 million, an increase of \$189,225, or 0.7 percent, above the agency's FY 2008 revised estimate. The recommendation includes adjustments to special revenue funds, including \$181,795 in federal funds for homeland security funding and \$7,430 from the State Water Plan Fund for a shortfall in the pay plan funding approved by the 2007 Legislature.

### Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's FY 2008 recommendation.

### Senate Committee Recommendation

The **Senate Committee** concurs with the Senate Subcommittee's FY 2008 recommendation.

### House Budget Committee Report

**Agency:** Department of Agriculture      **Bill No.** HB 2947      **Bill Sec.** 47

**Analyst:** O'Hara      **Analysis Pg. No.** Vol. I - 25      **Budget Page No.** 45

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 12,162,274	\$ 12,162,274	\$ 0
Other Funds	13,582,728	13,771,017	0
Subtotal - Operating	<u>\$ 25,745,002</u>	<u>\$ 25,933,291</u>	<u>\$ 0</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 25,745,002</u></u>	<u><u>\$ 25,933,291</u></u>	<u><u>\$ 0</u></u>
FTE Positions	314.5	314.5	0.0
Non FTE Uncl. Perm. Pos.	24.0	24.0	0.0
<b>TOTAL</b>	<u><u>338.5</u></u>	<u><u>338.5</u></u>	<u><u>0.0</u></u>

### Agency Estimate

The **agency** requests a revised FY 2008 budget totaling \$25.7 million, a decrease of \$1.1 million, or 4.2 percent, below the amount approved by the 2007 Legislature. The request includes State General Fund expenditures of \$12.2 million, the approved amount. The decrease in the agency's request is attributed to a decrease of \$1.4 million in federal funding, the result of a change in priorities by the Federal Emergency Management Agency (FEMA). The decrease in federal funding is partially offset by an increase of \$269,894 in special revenue funds for various adjustments to revenue fund estimates.

### Governor's Recommendation

The **Governor** recommends a revised FY 2008 budget totaling \$25.9 million, an increase of \$189,225, or 0.7 percent, above the agency's revised FY 2008 estimate. The recommendation

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includes adjustments to special revenue funds, including \$181,795 in federal funds for homeland security funding and \$7,430 from the State Water Plan Fund for a shortfall in the pay plan financing approved by the 2007 Legislature.

### **House Budget Committee Recommendation**

The **House Budget Committee** concurs with the Governor's FY 2008 recommendation.

## Senate Subcommittee Report

**Agency:** Department of Agriculture      **Bill No.** SB 658

**Bill Sec.** 61

**Analyst:** O'Hara      **Analysis Pg. No.** Vol. I - 25

**Budget Page No.** 45

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
<b>Operating Expenditures:</b>			
State General Fund	\$ 12,459,269	\$ 12,303,319	\$ (688,788)
Other Funds	14,276,137	14,599,522	(442,168)
Subtotal - Operating	<u>\$ 26,735,406</u>	<u>\$ 26,902,841</u>	<u>\$ (1,130,956)</u>
<b>Capital Improvements:</b>			
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>\$ 26,735,406</u></u>	<u><u>\$ 26,902,841</u></u>	<u><u>\$ (1,130,956)</u></u>
 FTE Positions	317.5	316.5	0.0
Non FTE Uncl. Perm. Pos.	24.0	24.0	0.0
TOTAL	<u><u>341.5</u></u>	<u><u>340.5</u></u>	<u><u>0.0</u></u>

\* Of the Subcommittee's recommended reductions, \$813,056, including \$423,874 from the State General Fund, is related to pay plan adjustments.

### Agency Request

The **agency** requests a FY 2009 budget of \$26.7 million, an increase of \$991,340, or 3.9 percent, above the revised current year estimate. The agency requests State General Fund expenditures of \$12.5 million, an increase of \$296,995, or 2.4 percent, above the revised current year estimate. The FY 2009 request includes enhancement funding of \$1,202,486, including \$927,731 from the State General Fund. Absent the enhancement requests, the agency's FY 2009 request totals \$25.5 million, a decrease of \$212,082, or less than 1.0 percent, from the agency's revised current year estimate, including a State General Fund reduction of \$630,736, or 5.1 percent.

### Governor's Recommendation

The **Governor** recommends a FY 2009 budget of \$26.9 million, an increase of \$167,435, or 0.6 percent, above the agency's FY 2009 request. The recommendation includes \$613,149 for enhancement funding, including \$424,914 from the State General Fund, and \$813,056, including \$423,874 from the State General Fund, for the Governor's pay plan.

## Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's FY 2009 budget recommendation, with the following adjustments:

1. **Pay Plan Adjustments.** Delete \$813,056, including \$423,874 from the State General Fund, to remove the following pay plan adjustments recommended by the Governor. Pay plan adjustments will be considered in a separate bill.
  - a. **State Employee Pay Increases.** Delete \$391,583, including \$203,340 from the State General Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
  - b. **Classified Employee Pay Plan.** Delete \$274,273, including \$143,527 from the State General Fund, to remove the amount recommended by the Governor for FY 2009 pay increases for basic vocational classes and for those employees identified as having the most disparity relative to market rate.
  - c. **Longevity Pay.** Delete \$147,200, including \$77,007 from the State General Fund, to remove the amount recommended by the Governor for longevity bonus payments.
2. **Vehicles.** Delete \$317,900, including \$264,914 from the State General Fund, and review at Omnibus the replacement of 20 agency vehicles.

## Senate Committee Recommendation

The **Senate Committee** concurs with the Senate Subcommittee's FY 2009 recommendation with the following adjustment:

1. **Large Scale Test Truck.** Delete \$160,000, all from the State General Fund, for one large scale test truck in the agency's Weights and Measures subprogram, and review at Omnibus.
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### House Budget Committee Report

Agency: Department of Agriculture Bill No. HB 2946

Bill Sec. 61

Analyst: O'Hara Analysis Pg. No. Vol. I - 25

Budget Page No. 45

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	House Budget Committee Adjustments*
Operating Expenditures:			
State General Fund	\$ 12,459,269	\$ 12,303,319	\$ (688,788)
Other Funds	14,276,137	14,599,522	(1,150,555)
Subtotal - Operating	<u>\$ 26,735,406</u>	<u>\$ 26,902,841</u>	<u>\$ (1,839,343)</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>\$ 26,735,406</u>	 <u>\$ 26,902,841</u>	 <u>\$ (1,839,343)</u>
 FTE Positions	 317.5	 316.5	 0.0
Non FTE Uncl. Perm. Pos.	24.0	24.0	0.0
TOTAL	<u>341.5</u>	<u>340.5</u>	<u>0.0</u>

\* Of the Budget Committee's recommended reductions, \$813,056, including \$423,874 from the State General Fund, is related to pay plan adjustments.

#### Agency Request

The **agency** requests a FY 2009 budget of \$26.7 million, an increase of \$991,340, or 3.9 percent, above the revised FY 2008 estimate. The agency requests State General Fund expenditures of \$12.5 million, an increase of \$296,995, or 2.4 percent, above the revised FY 2008 estimate. The FY 2009 request includes enhancement funding of \$1,202,486, including \$927,731 from the State General Fund. Absent the enhancement requests, the agency's FY 2009 request totals \$25.5 million, a decrease of \$212,082, or less than 1.0 percent, from the agency's revised FY 2008 estimate, including a State General Fund reduction of \$630,736, or 5.1 percent.

#### Governor's Recommendation

The **Governor** recommends a FY 2009 budget of \$26.9 million, an increase of \$167,435, or 0.6 percent, above the agency's FY 2009 request. The recommendation includes \$613,149 for enhancement funding, including \$424,914 from the State General Fund. The enhancements recommended by the Governor for FY 2009 include \$350,600, including \$264,914 from the State General Fund, for replacement of 20 agency vehicles and the purchase of two new agency vehicles; \$160,000 from the State General Fund for replacement of one large scale test truck; \$49,407 from special revenue funds and 1.0 Agriculture Inspector II FTE position for the Dairy Subprogram; and \$53,142 from special revenue funds and 1.0 Agriculture Inspector II FTE position for the Retail Food

3-7

Subprogram. The recommendation also includes \$813,056, including \$423,874 from the State General Fund, for the Governor's pay plan.

## House Budget Committee Recommendation

The **House Budget Committee** concurs with the Governor's FY 2009 budget recommendation, with the following adjustments:

1. **Pay Plan Adjustments.** Delete \$813,056, including \$423,874 from the State General Fund, to remove the following pay plan adjustments recommended by the Governor. Pay plan adjustments will be considered in a separate bill.
  - a. **State Employee Pay Increases.** Delete \$391,583, including \$203,340 from the State General Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
  - b. **Classified Employee Pay Plan.** Delete \$274,273, including \$143,527 from the State General Fund, to remove the amount recommended by the Governor for FY 2009 pay increases for basic vocational classes and for those employees identified as having the most disparity relative to market rate.
  - c. **Longevity Pay.** Delete \$147,200, including \$77,007 from the State General Fund, to remove the amount recommended by the Governor for longevity bonus payments.
2. **Vehicles.** Delete \$264,914, all from the State General Fund, to replace 12 agency vehicles. The Budget Committee's recommendation includes \$85,686 from special revenue funds to replace eight agency vehicles and purchase two new vehicles for two new Agriculture Inspector II FTE positions included in the Budget Committee's recommendation.
3. **Subbasin Water Resources Management Program.** Delete \$761,373, all from the State Water Plan Fund, and review at Omnibus. The Budget Committee heard testimony on the program and recommends the agency report back with more information on the specific projects funded by the State Water Plan Fund in this program for review during Omnibus.

## Minority Report

### Department of Agriculture State Conservation Commission

#### Minority Recommendation – Department of Agriculture, FY 2009

In addition to the recommendations of the Budget Committee on Agriculture and Natural Resources, the following adjustments are recommended:

1. **Subbasin Water Resources Management Program.** Add \$763,373 from the State Water Plan Fund. While we do not disagree with the agency providing additional information to the Budget Committee, the funding that is used by local communities to plan for their water usage should not be left in doubt.

#### Minority Recommendation – State Conservation Commission, FY 2008

In addition to the recommendations of the Budget Committee on Agriculture and Natural Resources, the following adjustments are recommended:

1. **Conservation Easements.** Add \$266,000 from the State General Fund for conservation easements. These easements will be needed throughout the state. We are concerned what the negative affects on Fort Riley will be during the current fiscal year should this money be taken away. We fail to see the usefulness of the Budget Committee requesting the agency to provide copies of signed contracts.

#### Minority Recommendation – State Conservation Commission, FY 2009

In addition to the recommendations of the Budget Committee on Agriculture and Natural Resources, the following adjustments are recommended:


1. **Conservation Easements.** Add \$311,500 from the State General Fund for conservation easements for the reasons stated above.
2. **Conservation Reserve Enhancement Program (CREP) Reappropriation Authority.** Authorize the reappropriation of funds for this program, allowing approximately \$1,200,000 from the State General Fund to be spent in FY 2009. When this program was initially authorized, \$2 million was appropriated. Thus far, only \$800,000 has been spent or encumbered due to stringent statutory requirements based upon the county in which the property is located. We must make certain that a good faith effort is given to ensure that the program meets its objectives in retiring water rights.



Representative Doug Gatewood  
Ranking Minority Member



Representative Sydney Carlin



Representative Vaughn Flora

HOUSE APPROPRIATIONS

DATE 3-13-2008  
ATTACHMENT 4



FY 2008 and FY 2009

HOUSE AGRICULTURE AND NATURAL RESOURCES BUDGET COMMITTEE

State Conservation Commission

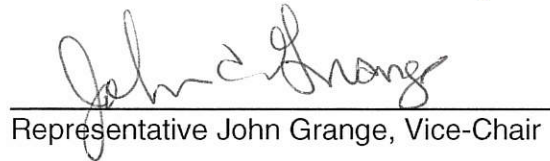


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Representative Larry Powell, Chair

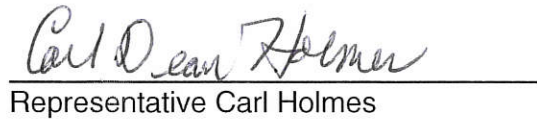
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Representative Vaughn Flora



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Representative John Grange, Vice-Chair



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Representative Carl Holmes

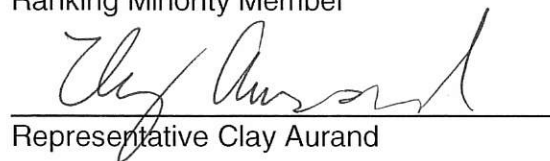
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Representative Doug Gatewood  
Ranking Minority Member



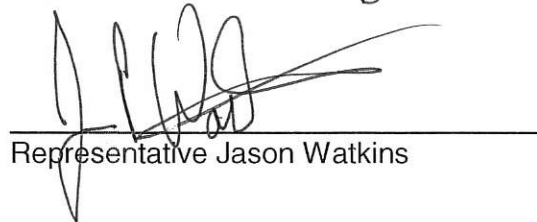
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Representative Sharon Schwartz



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Representative Clay Aurand



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Representative Jason Watkins

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Representative Sydney Carlin

HOUSE APPROPRIATIONS

DATE 3-13-2008  
ATTACHMENT 5

## Senate Subcommittee Report

**Agency:** State Conservation Commission **Bill No.** SB 655

**Bill Sec.** 49

**Analyst:** O'Hara

**Analysis Pg. No.** Vol. I - 86

**Budget Page No.** 107

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,218,474	\$ 1,218,474	\$ 0
Other Funds	21,537,492	20,966,382	0
Subtotal - Operating	\$ 22,755,966	\$ 22,184,856	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 22,755,966	 \$ 22,184,856	 \$ 0
 FTE Positions	 14.0	 14.0	 0.0
Non FTE Uncl. Perm. Pos.	8.0	8.0	0.0
TOTAL	22.0	22.0	0.0

### Agency Estimate

The **agency** estimates a revised FY 2008 budget totaling \$22.8 million an increase of \$3.2 million, or 16.2 percent, above the amount approved by the 2007 Legislature. The increase is primarily attributed to the reappropriation of \$3.2 million in FY 2007 funding from the State Water Plan Fund. The agency's current year estimate also includes State General Fund expenditures of \$1.2 million, which is an increase of \$4,814, or 0.4 percent, above the approved amount. The increase in State General Fund expenditures is attributed to a reappropriation in FY 2007 funding of the same amount. The revised estimate would fund the currently approved 14.0 FTE positions.

### Governor's Recommendation

The **Governor** recommends a revised FY 2008 budget totaling \$22.1 million, a decrease of \$571,110, or 2.5 percent, below the agency's FY 2008 revised estimate. The Governor concurs with the agency's operating expenditures budget with the exception of lapsing \$571,110 from the State Water Plan Fund that was reappropriated from FY 2007, which is included in the agency's revised estimate.

### Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's FY 2008 recommendation, with the following adjustment:

5-2

1. **Water Resources Cost-Share Program.** Delete \$236,110 from the State Water Plan Fund in FY 2008 from the Lake Restoration and Management Program and add \$236,110 from the State Water Plan Fund to the Water Resources Cost-Share Program. The Governor's FY 2008 recommendation included a lapse of \$236,110, all from the State Water Plan Fund, in the Water Resources Cost-Share Program. The shift in funding recommended by the Senate Subcommittee would restore the lapsed funding to the Water Resources Cost-Share Program.

### **Senate Committee Recommendation**

The **Senate Committee** concurs with the Senate Subcommittee's FY 2008 recommendation.

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### House Budget Committee Report

Agency: State Conservation Commission **Bill No.** HB 2947

**Bill Sec.** 49

Analyst: O'Hara

**Analysis Pg. No.** Vol. I - 86

**Budget Page No.** 107

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,218,474	\$ 1,218,474	\$ (266,000)
Other Funds	21,537,492	20,966,382	0
Subtotal - Operating	<u>\$ 22,755,966</u>	<u>\$ 22,184,856</u>	<u>\$ (266,000)</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>\$ 22,755,966</u>	 <u>\$ 22,184,856</u>	 <u>\$ (266,000)</u>
 FTE Positions	 14.0	 14.0	 0.0
Non FTE Uncl. Perm. Pos.	8.0	8.0	0.0
TOTAL	<u>22.0</u>	<u>22.0</u>	<u>0.0</u>

#### Agency Estimate

The **agency** estimates a revised FY 2008 budget totaling \$22.8 million an increase of \$3.2 million, or 16.2 percent, above the amount approved by the 2007 Legislature. The increase is primarily attributed to the reappropriation of \$3.2 million in FY 2007 funding from the State Water Plan Fund. The agency's current year estimate also includes State General Fund expenditures of \$1.2 million, which is an increase of \$4,814, or 0.4 percent, above the approved amount. The increase in State General Fund expenditures is attributed to a reappropriation in FY 2007 funding of the same amount. The revised estimate would fund the currently approved 14.0 FTE positions.

#### Governor's Recommendation

The **Governor** recommends a revised FY 2008 budget totaling \$22.1 million, a decrease of \$571,110, or 2.5 percent, below the agency's revised FY 2008 estimate. The Governor concurs with the agency's operating expenditures budget with the exception of lapsing \$571,110 from the State Water Plan Fund that was reappropriated from FY 2007, which is included in the agency's revised estimate.

5-4

## House Budget Committee Recommendation

The **House Budget Committee** concurs with the Governor's FY 2008 recommendation with the following adjustments:

1. **Conservation Easements.** Delete \$266,000, all from the State General Fund, to match conservation easements funding in the Department of Defense Army Compatible Use Buffer (ACUB) and the United States Department of Agriculture (USDA) Farm and Ranchlands Protection Program (FRPP), and review at Omnibus. The Budget Committee also requests the agency provide copies of signed contracts associated with this program.
2. **Water Resources Cost-Share Program.** Delete \$236,110, all from the State Water Plan Fund, in FY 2008 from the Lake Restoration and Management Program and add \$236,110, all from the State Water Plan Fund, to the Water Resources Cost-Share Program. The Governor's FY 2008 recommendation included a lapse of \$236,110 from the State Water Plan Fund in the Water Resources Cost-Share Program. The shift in funding recommended by the House Budget Committee would restore the lapsed funding to the Water Resources Cost-Share Program.

## Senate Subcommittee Report

**Agency:** State Conservation Commission **Bill No.** SB 658

**Bill Sec.** 64

**Analyst:** O'Hara

**Analysis Pg. No.** Vol. I - 86

**Budget Page No.** 107

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 1,203,094	\$ 1,222,898	\$ (85,304)
Other Funds	17,260,510	14,877,578	(63,099)
Subtotal - Operating	\$ 18,463,604	\$ 16,100,476	\$ (148,403)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 18,463,604	 \$ 16,100,476	 \$ (148,403)
FTE Positions	14.0	14.0	0.0
Non FTE Uncl. Perm. Pos.	8.0	8.0	0.0
TOTAL	22.0	22.0	0.0

\* Of the Subcommittee's recommended reductions, \$36,903, including \$23,804 from the State General Fund, is related to pay plan adjustments.

### Agency Request

The **agency** requests a FY 2009 budget of \$18.5 million, a decrease of \$4.3 million, or 18.9 percent, below the agency's revised FY 2008 estimate. The request includes State General Fund expenditures of \$1.2 million, which is a decrease of \$15,380, or 1.3 percent, below the FY 2008 revised estimate. The request also includes enhancement funding of \$119,765, all from the State Water Plan Fund, for the Aid to Conservation Districts Program to provide a match to local conservation districts' funds, in accordance with legislation passed by the 2007 Legislature to increase the state match from \$10,000 per district to a new maximum of \$25,000 per district.

### Governor's Recommendation

The **Governor** recommends a FY 2009 budget of \$16.1 million, a decrease of \$2.4 million, or 12.8 percent, below the agency's FY 2009 request, and a decrease of \$6.1 million, or 27.4 percent, below the Governor's FY 2008 recommendation. The recommendation includes the agency's enhancement request of \$119,765, all from the State Water Plan Fund, for the Aid to Conservation Districts Program and \$36,903, including \$23,804 from the State General Fund, for the Governor's pay plan. Reductions to the agency's request include \$2,395,602 for other assistance programs financed by the State Water Plan Fund.

## Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's FY 2009 recommendation with the following adjustments and notation:

1. **Pay Plan Adjustments.** Delete \$36,903, including \$23,804 from the State General Fund, to remove the following pay plan adjustments recommended by the Governor. Pay plan adjustments will be considered in a separate bill.
  - a. **State Employee Pay Increases.** Delete \$26,389, including \$16,514 from the State General Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
  - b. **Classified Employee Pay Plan.** Delete \$5,264, including \$3,290 from the State General Fund, to remove the amount recommended by the Governor for FY 2009 pay increases for basic vocational classes and for those employees identified as having the most disparity relative to market rate.
  - c. **Longevity Pay.** Delete \$5,250, including \$4,000 from the State General Fund, to remove the amount recommended by the Governor for longevity bonus payments.
  
2. **State Water Plan Fund Adjustments.** The Senate Subcommittee recommends the following adjustments within the agency's State Water Plan Fund programs:
  - a. **Lake Restoration and Management.** Delete \$1,550,000, all from the State Water Plan Fund, in the Lake Restoration and Management Program in FY 2009 to reallocate funds to other State Water Plan Fund programs. The Subcommittee notes that no cost share is requested for the City of Horton in FY 2009 for the Mission Lake storage restoration project, and funding that was set aside for this project in FY 2009 can be reallocated to other State Water Plan Fund programs.
  - b. **Non-Point Source Pollution Assistance.** Add \$1,150,000, all from the State Water Plan Fund, in the Non-Point Source Pollution Assistance Program in FY 2009 to restore the program's funding to the amount requested by the agency.
  - c. **Contamination of Public Water Supply.** Add \$400,000, all from the State Water Plan Fund, for a new program regarding contamination of public water supply. The Subcommittee recommends this expenditure from the State Water Plan Fund to address contamination of public water supply in the Burrton area.
  - d. **Salt Cedar Control Projects.** Delete \$50,000, all from the State Water Plan Fund, for salt cedar control projects.
  - e. **State General Fund Transfer.** Reduce the transfer from the State General Fund to the State Water Plan Fund from \$6,400,000 to \$6,000,000, which is the statutory transfer amount as provided for in K.S.A. 82a-953a. In the Governor's FY 2009 recommendation, a \$400,000 increase was recommended in the transfer from the State General Fund to the State Water Plan Fund.

5-7

- f. **Reappropriation Authority.** The Subcommittee recommends granting the agency reappropriation authority to carry over to FY 2009 any unencumbered balance in excess of \$100 as of June 30, 2008, in the Conservation Reserve Enhancement Program (CREP). The Subcommittee notes that its members have not yet seen the appropriations bill and want to ensure that this reappropriation language is included.
  
3. **Conservation Easements.** Delete \$61,500, all from the State General Fund, for conservation easements that would be used to match conservation easement funding in the Department of Defense Army Compatible Use Buffer (ACUB) Program and the United States Department of Agriculture (USDA) Farm and Ranchlands Protection Program (FRPP). The Senate Subcommittee's recommendation leaves \$250,000 for conservation easements. The Subcommittee recommends that not more than 25.0 percent, or \$62,500, be used for the ACUB conservation easements.

### Senate Committee Recommendation

The **Senate Committee** concurs with the Senate Subcommittee's FY 2009 recommendation.

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### House Budget Committee Report

Agency: State Conservation Commission Bill No. HB 2946

Bill Sec. 64

Analyst: O'Hara

Analysis Pg. No. Vol. I - 86

Budget Page No. 107

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	House Budget Committee Adjustments*
Operating Expenditures:			
State General Fund	\$ 1,203,094	\$ 1,222,898	\$ (335,304)
Other Funds	17,260,510	14,877,578	(63,099)
Subtotal - Operating	<u>\$ 18,463,604</u>	<u>\$ 16,100,476</u>	<u>\$ (398,403)</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>\$ 18,463,604</u></u>	 <u><u>\$ 16,100,476</u></u>	 <u><u>\$ (398,403)</u></u>
 FTE Positions	 14.0	 14.0	 0.0
Non FTE Uncl. Perm. Pos.	8.0	8.0	0.0
TOTAL	<u><u>22.0</u></u>	<u><u>22.0</u></u>	<u><u>0.0</u></u>

\* Of the Budget Committee's recommended reductions, \$36,903, including \$23,804 from the State General Fund, is related to pay plan adjustments.

#### Agency Request

The **agency** requests a FY 2009 budget of \$18.5 million, a decrease of \$4.3 million, or 18.9 percent, below the agency's revised FY 2008 estimate. The request includes State General Fund expenditures of \$1.2 million, which is a decrease of \$15,380, or 1.3 percent, below the revised FY 2008 estimate. The request also includes enhancement funding of \$119,765, all from the State Water Plan Fund, for the Aid to Conservation Districts Program to provide a match to local conservation districts' funds, in accordance with legislation passed by the 2007 Legislature to increase the state match from \$10,000 per district to a new maximum of \$25,000 per district.

#### Governor's Recommendation

The **Governor** recommends a FY 2009 budget of \$16.1 million, a decrease of \$2.4 million, or 12.8 percent, below the agency's FY 2009 request, and a decrease of \$6.1 million, or 27.4 percent, below the Governor's FY 2008 recommendation. The recommendation includes the agency's enhancement request of \$119,765, all from the State Water Plan Fund, for the Aid to Conservation Districts Program and \$36,903, including \$23,804 from the State General Fund, for the Governor's pay plan. Reductions to the agency's request include \$2,395,602 for other assistance programs financed by the State Water Plan Fund.

5-9

## House Budget Committee Recommendation

The **House Budget Committee** concurs with the Governor's FY 2009 recommendation with the following adjustments:

1. **Pay Plan Adjustments.** Delete \$36,903, including \$23,804 from the State General Fund, to remove the following pay plan adjustments recommended by the Governor. Pay plan adjustments will be considered in a separate bill.
  - a. **State Employee Pay Increases.** Delete \$26,389, including \$16,514 from the State General Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
  - b. **Classified Employee Pay Plan.** Delete \$5,264, including \$3,290 from the State General Fund, to remove the amount recommended by the Governor for FY 2009 pay increases for basic vocational classes and for those employees identified as having the most disparity relative to market rate.
  - c. **Longevity Pay.** Delete \$5,250, including \$4,000 from the State General Fund, to remove the amount recommended by the Governor for longevity bonus payments.
2. **State Water Plan Fund Adjustments.** The House Budget Committee recommends the following adjustments to the agency's State Water Plan Fund programs:
  - a. **Lake Restoration and Management.** Delete \$1,715,296, all from the State Water Plan Fund, from the Lake Restoration and Management Program in FY 2009 to reallocate funds to other State Water Plan Fund programs. No cost share is requested for the city of Horton in FY 2009 for the Mission Lake storage restoration project and funding that was set aside for this project in FY 2009 can be reallocated to other State Water Plan Fund programs.
  - b. **Non-Point Source Pollution.** Add \$1,623,754, all from the State Water Plan Fund, to the Non-Point Source Pollution Program in FY 2009 to restore the program's funding to the amount requested by the agency.
  - c. **Water Resources Cost-Share.** Add \$91,542, all from the State Water Plan Fund, to the Water Resources Cost-Share Program in FY 2009 to an amount comparable with the recommendations made by the Kansas Water Authority.
  - d. **Salt Cedar Control Projects.** Delete \$50,000, all from the State Water Plan Fund, for the Salt Cedar Control Projects.
  - e. **State General Fund Transfer.** Decrease the transfer from the State General Fund to the State Water Plan Fund from \$6,400,000 to \$6,000,000, which is the statutory transfer amount as provided for in K.S.A. 82a-953a. In the Governor's FY 2009 recommendation, the Governor recommended a \$400,000 increase in the transfer from the State General Fund to the State Water Plan Fund.
  - f. **Conservation Reserve Enhancement Program (CREP) Reappropriation Authority.** The House Budget Committee recommends removal of reappropriation authority for the CREP in the appropriations bill for FY 2009.

5-10

If the appropriations bill was passed in its current form, the agency would be authorized to carry forward to FY 2009 any unencumbered balance in excess of \$100 as of June 30, 2008, in this program. The House Budget Committee recommends the removal of this reappropriation authority for the program and that any unencumbered balance as of June 30, 2008, be lapsed.

3. **Conservation Easements.** Delete \$311,500, all from the State General Fund, to match conservation easements funding in the Department of Defense Army Compatible Use Buffer (ACUB) and the United States Department of Agriculture (USDA) Farm and Ranchlands Protection Program (FRPP).

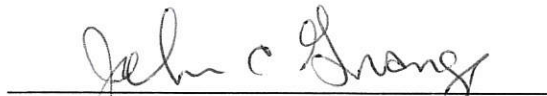
FY 2008 and FY 2009

HOUSE AGRICULTURE AND NATURAL RESOURCES BUDGET COMMITTEE

Kansas Water Office

  
Representative Larry Powell, Chair

\_\_\_\_\_  
Representative Vaughn Flora


  
Representative John Grange, Vice-Chair

  
Representative Carl Holmes

  
Representative Doug Gatewood  
Ranking Minority Member

  
Representative Sharon Schwartz

  
Representative Clay Aurand

  
Representative Jason Watkins

  
Representative Sydney Carlin

HOUSE APPROPRIATIONS

DATE 3-13-2008  
ATTACHMENT 6

## Senate Subcommittee Report

**Agency:** Kansas Water Office **Bill No.** SB 655

**Bill Sec.** 51

**Analyst:** O'Hara

**Analysis Pg. No.** Vol. I - 104

**Budget Page No.** 435

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 2,308,144	\$ 2,308,144	\$ 0
Other Funds	10,238,250	10,238,250	0
Subtotal - Operating	\$ 12,546,394	\$ 12,546,394	\$ 0
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 12,546,394</b>	<b>\$ 12,546,394</b>	<b>\$ 0</b>
FTE Positions	23.5	23.5	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
<b>TOTAL</b>	<b>25.5</b>	<b>25.5</b>	<b>0.0</b>

### Agency Estimate

The **agency** requests a revised FY 2008 budget totaling \$12.5 million, which is an increase of \$216,468, or 1.8 percent, above the amount approved by the 2007 Legislature. The revised estimate includes \$2,308,144 from the State General Fund, which is the same as the approved amount. The revised estimate also includes \$3,469,974 from the State Water Plan Fund, which is an increase of \$62,064 above the amount approved by the 2007 Legislature. The revised estimate includes a reappropriation of \$168,639 in funding from the State Water Plan Fund, of which the agency has budgeted \$62,064 for conducting assessments on high priority water projects in FY 2008. The remaining balance of \$106,575 from the State Water Plan Fund would be lapsed. The revised estimate would fund the currently approved 23.5 FTE positions.

### Governor's Recommendation

The **Governor** concurs with the agency's estimate for FY 2008 funding and staffing.

### Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's FY 2008 estimate.

6-2

### Senate Committee Recommendation

The **Senate Committee** concurs with the Senate Subcommittee's FY 2008 recommendation.

### House Budget Committee Report

**Agency:** Kansas Water Office **Bill No.** HB 2947

**Bill Sec.** 51

**Analyst:** O'Hara

**Analysis Pg. No.** Vol. I - 104

**Budget Page No.** 435

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 2,308,144	\$ 2,308,144	\$ 0
Other Funds	10,238,250	10,238,250	0
Subtotal - Operating	<u>\$ 12,546,394</u>	<u>\$ 12,546,394</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>\$ 12,546,394</u>	 <u>\$ 12,546,394</u>	 <u>\$ 0</u>
 FTE Positions	 23.5	 23.5	 0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	<u>25.5</u>	<u>25.5</u>	<u>0.0</u>

### Agency Estimate

The **agency** requests a revised FY 2008 budget totaling \$12.5 million, an increase of \$216,468, or 1.8 percent, above the amount approved by the 2007 Legislature. Requested State General Fund expenditures total \$2,308,144, which is the approved amount. The estimate would fund the currently approved 23.5 FTE positions. Major adjustments to the FY 2008 approved budget include a reappropriation of \$168,639 from FY 2007 funding from the State Water Plan Fund that was carried over to FY 2008 and an increase in other funding sources for salaries and wages, professional equipment, and other fees.

### Governor's Recommendation

The **Governor** concurs with the agency's estimate for FY 2008 funding and staffing.

6-3

## House Budget Committee Recommendation

The **House Budget Committee** concurs with the Governor's FY 2008 recommendation, with the following adjustments:

1. **Water Conservation Projects Fund Proviso.** The Budget Committee has requested language to be included in the appropriations bill with regard to the Water Conservation Projects Fund. The Water Conservation Projects Fund was created through legislation in 1996, when plans for the disbursement of money from Colorado for the Arkansas River Compact litigation were finalized. In 2005, \$9,684,425 was transferred to the Fund in accordance with the plan outlined by the Legislature. The Budget Committee requests that the remaining funds in the Water Conservation Projects Fund be transferred to a new fund, called the Western Water Conservation Projects Fund, which shall retain all interest the balance in the Fund earns. This fund shall be located in the Kansas Water Office, with funding to be dispersed to a new governing board in the Arkansas River basin for projects that only the board approves. The board shall consist of one representative from each of the six ditch irrigation companies involved in the initial litigation with Colorado and one representative from the Southwest Kansas Groundwater Management District 3. The board shall report to the House Appropriations and Senate Ways and Means Committees at the beginning of each session regarding expenditures from the Fund and the projects that have been approved by the board.
2. **Transfer to the Western Water Conservation Projects Fund.** The Budget Committee recommends the transfer of \$739,964 from the State Water Plan Fund to the Western Water Conservation Projects Fund in FY 2008. In June of 2006, the state received \$1,109,946 from the state of Colorado for ongoing water litigation. The funds should have been disbursed in accordance with K.S.A. 82a-1801, which provides that litigation funds from Colorado should be distributed into two accounts: 33 1/3 percent to the State Water Plan Fund for water conservation projects and 66 2/3 percent to the Water Conservation Projects Fund. The \$1.1 million was instead transferred to the Water Litigation Proceeds Suspense Fund in the Kansas Water Office. The Budget Committee recommends that 66 2/3 percent of the \$1.1 million, or \$739,964, be transferred from the State Water Plan Fund to the Western Water Conservation Projects Fund.

## Senate Subcommittee Report

**Agency:** Kansas Water Office **Bill No.** SB 658

**Bill Sec.** 65

**Analyst:** O'Hara

**Analysis Pg. No.** Vol. I - 104

**Budget Page No.** 435

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 3,352,271	\$ 2,350,593	\$ (47,737)
Other Funds	8,932,922	9,917,613	(227,852)
Subtotal - Operating	\$ 12,285,193	\$ 12,268,206	\$ (275,589)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 12,285,193	 \$ 12,268,206	 \$ (275,589)
 FTE Positions	 24.0	 23.5	 0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	26.0	25.5	0.0

\* Of the Subcommittee's recommended reductions, \$55,589, including \$47,737 from the State General Fund, is related to pay plan adjustments.

### Agency Request

The **agency** requests a FY 2009 budget of \$12.3 million, a decrease of \$261,201, or 2.1 percent, below the revised FY 2008 estimate. The request includes State General Fund expenditures of \$3.4 million, an increase of \$1.0 million, or 45.2 percent, above the revised current year estimate. The increased State General Fund request is primarily a result of the agency's enhancement requests, which total \$1,038,065. The enhancement requests include: \$38,065, all from the State General Fund, and a 0.5 FTE position (to be combined with an existing vacant 0.5 FTE position) for an administrative support position, and \$1.0 million, all from the State General Fund, for the Aquifer Storage and Recovery (ASR) Project located in the Equus Beds Aquifer region of Kansas. Absent the enhancement requests, the requested budget for FY 2009 would total \$11.2 million, including \$2.3 million from the State General Fund, representing a total decrease of \$1.0 million (8.3 percent) and a State General Fund increase of \$6,062, or less than 1.0 percent.

### Governor's Recommendation

The **Governor** recommends a FY 2009 budget of \$12.3 million, a decrease of \$16,987, or 0.1 percent, below the agency's FY 2009 request and a decrease of \$278,188, or 2.2 percent, below the Governor's FY 2008 revised recommendation. The recommendation includes enhancement funding of \$1.0 million from the State Water Plan Fund for the Aquifer Storage and Recovery (ASR) Project located in the Equus Beds Aquifer region of Kansas, and \$55,589, including \$47,737 from the State General Fund, for the Governor's pay plan.

6-5



## Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's FY 2009 recommendation, with the following adjustments:

1. **Pay Plan Adjustments.** Delete \$55,589, including \$47,737 from the State General Fund, to remove the following pay plan adjustments recommended by the Governor. Pay plan adjustments will be considered in a separate bill.
  - a. **State Employee Pay Increases.** Delete \$39,288, including \$33,884 from the State General Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
  - b. **Classified Employee Pay Plan.** Delete \$5,264, including \$3,290 from the State General Fund, to remove the amount recommended by the Governor for FY 2009 pay increases for basic vocational classes and for those employees identified as having the most disparity relative to market rate.
  - c. **Longevity Pay.** Delete \$13,400, including \$11,350 from the State General Fund, to remove the amount recommended by the Governor for longevity bonus payments.
2. **Weather Stations.** Delete \$100,000, all from the State Water Plan Fund, for the Weather Stations Program.
3. **Weather Modification.** Delete \$120,000, all from the State Water Plan Fund, for the Weather Modification Program.

## Senate Committee Recommendation

The **Senate Committee** concurs with the Senate Subcommittee's FY 2009 recommendation.

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### House Budget Committee Report

Agency: Kansas Water Office Bill No. HB 2946

Bill Sec. 65

Analyst: O'Hara

Analysis Pg. No. Vol. I - 104

Budget Page No. 435

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	House Budget Committee Adjustments*
Operating Expenditures:			
State General Fund	\$ 3,352,271	\$ 2,350,593	\$ (47,737)
Other Funds	8,932,922	9,917,613	(7,852)
Subtotal - Operating	<u>\$ 12,285,193</u>	<u>\$ 12,268,206</u>	<u>\$ (55,589)</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>\$ 12,285,193</u></u>	 <u><u>\$ 12,268,206</u></u>	 <u><u>\$ (55,589)</u></u>
 FTE Positions	 24.0	 23.5	 0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	<u><u>26.0</u></u>	<u><u>25.5</u></u>	<u><u>0.0</u></u>

\* All of the Budget Committee's recommended reductions are related to pay plan adjustments.

### Agency Request

The **agency** requests a FY 2009 budget of \$12.3 million, a decrease of \$261,201, or 2.1 percent, below the revised FY 2008 estimate. The request includes State General Fund expenditures of \$3.4 million, an increase of \$1.0 million, or 45.2 percent, above the revised FY 2008 estimate. The increased State General Fund request is primarily a result of the agency's enhancement requests, which total \$1,038,065. The enhancement requests include: \$38,065, all from the State General Fund, and a 0.5 FTE position for an administrative support position, and \$1.0 million, all from the State General Fund, for the Aquifer Storage and Recovery (ASR) Project located in the Equus Beds Aquifer region of Kansas. Absent the enhancement requests, the requested budget for FY 2009 would total \$11.2 million, including \$2.3 million from the State General Fund, representing a total decrease of \$1.0 million, or 8.3 percent, and a State General Fund increase of \$6,062, or less than 1.0 percent.

### Governor's Recommendation

The **Governor** recommends a FY 2009 budget of \$12.3 million, a decrease of \$16,987, or 0.1 percent, below the agency's FY 2009 request and a decrease of \$278,188, or 2.2 percent, below the Governor's FY 2008 revised recommendation. The recommendation includes enhancement funding of \$1.0 million from the State Water Plan Fund for the Aquifer Storage and Recovery (ASR)

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Project located in the Equus Beds Aquifer region of Kansas, and \$55,589, including \$47,737 from the State General Fund, for the Governor's pay plan.

## House Budget Committee Recommendation

The **House Budget Committee** concurs with the Governor's FY 2009 recommendation, with the following adjustments and notations:

1. **Pay Plan Adjustments.** Delete \$55,589, including \$47,737 from the State General Fund, to remove the following pay plan adjustments recommended by the Governor. Pay plan adjustments will be considered in a separate bill.
  - a. **State Employee Pay Increases.** Delete \$39,288, including \$33,884 from the State General Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
  - b. **Classified Employee Pay Plan.** Delete \$2,901, including \$2,503 from the State General Fund, to remove the amount recommended by the Governor for FY 2009 pay increases for basic vocational classes and for those employees identified as having the most disparity relative to market rate.
  - c. **Longevity Pay.** Delete \$13,400, including \$11,350 from the State General Fund, to remove the amount recommended by the Governor for longevity bonus payments.
2. **Weather Modification Program.** The Budget Committee notes its support of the weather modification program and encourages the state's continued funding of the program. The Budget Committee states the funding from the state is needed in order to maintain planes in their cloud seeding operations. The funding provided by the state matches local funding and is representative of the state's support of this program, which is important as discussions with insurance companies to eventually absorb the costs of this program continue.
3. **Aquifer Storage and Recovery (ASR) Project.** The Budget Committee notes its support of the Aquifer Storage and Recovery (ASR) Project, which is a new program that is recommended to be funded by \$1.0 million from the State Water Plan Fund in FY 2009. The ASR Project is a multi-year commitment from all levels of government, including federal, state, and local communities, to ensure that the city of Wichita will be able to meet its future water needs through 2050, by recharging the Equus Beds Aquifer with surplus surface flows from the Little Arkansas River. The ASR Project is currently in Phase II, the goal of which is to enable the aquifer to recharge up to 100 million of gallons of water per day. The estimated cost of this phase is \$125.0 million. The state's portion of this cost will be \$1.0 million annually, beginning in FY 2009 through FY 2015.

FY 2008 and FY 2009

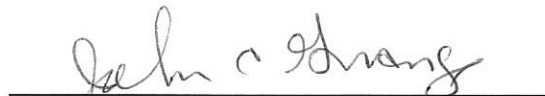
HOUSE AGRICULTURE AND NATURAL RESOURCES BUDGET COMMITTEE

Kansas Department of Wildlife and Parks

March 13, 2008

  
\_\_\_\_\_  
Representative Larry Powell, Chair

\_\_\_\_\_  
Representative Vaughn Flora

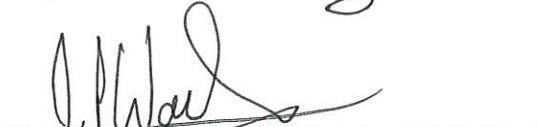
  
\_\_\_\_\_  
Representative John Grange, Vice-Chair

  
\_\_\_\_\_  
Representative Carl Holmes

  
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Representative Doug Gatewood  
Ranking Minority Member

  
\_\_\_\_\_  
Representative Sharon Schwartz

  
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Representative Clay Aurand

  
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Representative Jason Watkins

  
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Representative Sydney Carlin

HOUSE APPROPRIATIONS

DATE 3-13-2008  
ATTACHMENT 7

## Senate Subcommittee Report

**Agency:** Kansas Department of Wildlife and Parks    **Bill No.** SB 655

**Bill Sec.** 52

**Analyst:** Efird

**Analysis Pg. No.** Vol. I-130

**Budget Page No.** 439

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 7,473,048	\$ 7,032,763	\$ 0
Other Funds	41,113,185	41,345,589	0
Subtotal - Operating	<u>\$ 48,586,233</u>	<u>\$ 48,378,352</u>	<u>\$ 0</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 2,291,264	\$ 2,291,264	\$ 0
Other Funds	16,621,778	16,803,629	0
Subtotal - Capital Improvements	<u>\$ 18,913,042</u>	<u>\$ 19,094,893</u>	<u>\$ 0</u>
 TOTAL	<u><u>\$ 67,499,275</u></u>	<u><u>\$ 67,473,245</u></u>	<u><u>\$ 0</u></u>
 FTE Positions	410.5	410.5	0.0
Non FTE Uncl. Perm. Pos.	21.0	21.0	0.0
TOTAL	<u><u>431.5</u></u>	<u><u>431.5</u></u>	<u><u>0.0</u></u>

### Agency Estimate

The agency requests a revised FY 2008 operating budget totaling \$48.4 million from all funds, an increase of \$232,764, or 0.5 percent, above the amount approved by the 2007 Legislature. The agency's request would fund 410.5 FTE positions approved by the 2007 Legislature. Major adjustments to the FY 2008 approved budget include:

- A net increase of \$448,561 in state operations from all funding sources, including reappropriations of \$207,990 from the State General Fund, primarily for reimbursements to National Guard members for licenses and permits;
- A supplemental appropriation of \$232,404 from the State General Fund to replace \$232,404 in approved financing from special revenue funds that, if used, would constitute a diversion of dedicated funding;
- An increase of \$215,797 in the expenditure limitation of the Parks Fee Fund to correct a posting mistake made during the 2007 Legislature; and
- A shift of \$610,000 in special revenue funds from state aid to other assistance.

### **Governor's Recommendation**

The Governor concurs with \$48.4 million from all funds expenditures, but recommends a shift in financing to provide a net increase of \$240,680, or 0.5 percent, above the approved amount in FY 2008. The Governor concurs with maintaining FTE positions at 410.5. Regarding adjustments, the Governor recommends:

- Lapsing \$22,044, all from the State General Fund, for National Guard license reimbursements; lapsing \$185,837, all from the State General Fund, for National Guard park permit reimbursements;
- Using Parks Fee Fund financing of \$232,404 rather than from the State General Fund to avoid a diversion of funding issue;
- Adding \$215,797, all from the Parks Fee Fund, to correct a budgeting mistake; and
- Shifting \$610,000 in special revenue funds from state aid to other assistance payments.

### **Senate Subcommittee Recommendation**

The Subcommittee concurs with the Governor's FY 2008 recommendation.

### **Senate Committee Recommendation**

The **Senate Committee** concurs with the Senate Subcommittee's recommendation.

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### House Budget Committee Report

**Agency:** Kansas Department of Wildlife and Parks    **Bill No.** HB 2947    **Bill Sec.** Bill Sec. 52

**Analyst:** Efird                                    **Analysis Pg. No.** Vol. I – 130                                    **Budget Page No.** 439

<u>Expenditure Summary</u>	<u>Agency Estimate FY 08</u>	<u>Governor's Recommendation FY 08</u>	<u>House Budget Committee Adjustments</u>
<b>Operating Expenditures:</b>			
State General Fund	\$ 7,473,048	\$ 7,032,763	\$ 0
Other Funds	41,113,185	41,345,589	0
Subtotal - Operating	<u>\$ 48,586,233</u>	<u>\$ 48,378,352</u>	<u>\$ 0</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 2,291,264	\$ 2,291,264	\$ 0
Other Funds	16,621,778	16,803,629	0
Subtotal - Capital Improvements	<u>\$ 18,913,042</u>	<u>\$ 19,094,893</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 67,499,275</u></u>	 <u><u>\$ 67,473,245</u></u>	 <u><u>\$ 0</u></u>
 FTE Positions	 410.5	 410.5	 0.0
Non FTE Uncl. Perm. Pos.	21.0	21.0	0.0
TOTAL	<u><u>431.5</u></u>	<u><u>431.5</u></u>	<u><u>0.0</u></u>

#### Agency Estimate

The agency requests a revised FY 2008 operating budget totaling \$48.4 million from all funds, an increase of \$232,764, or 0.5 percent, above the amount approved by the 2007 Legislature. The agency's request would fund 410.5 FTE positions approved by the 2007 Legislature. Major adjustments to the FY 2008 approved budget include:

- A net increase of \$448,561 in state operations from all funding sources, including reappropriations of \$207,990 from the State General Fund, primarily for reimbursements to National Guard members for licenses and permits;
- A supplemental appropriation of \$232,404 from the State General Fund to replace \$232,404 in approved financing from special revenue funds that, if used, would constitute a diversion of dedicated funding;
- An increase of \$215,797 in the expenditure limitation of the Parks Fee Fund to correct a posting mistake made during the 2007 Legislature; and
- A shift of \$610,000 in special revenue funds from state aid to other assistance.

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## **Governor's Recommendation**

The Governor concurs with \$48.4 million from all funds expenditures, but recommends a shift in financing to provide a net increase of \$240,680, or 0.5 percent, above the approved amount in FY 2008. The Governor concurs with maintaining FTE positions at 410.5. Regarding adjustments, the Governor recommends:

- Lapsing \$22,044, all from the State General Fund, for National Guard license reimbursements; lapsing \$185,837, all from the State General Fund, for National Guard park permit reimbursements;
- Using Parks Fee Fund financing of \$232,404 rather than from the State General Fund to avoid a diversion of funding issue;
- Adding \$215,797, all from the Parks Fee Fund, to correct a budgeting mistake; and
- Shifting \$610,000 in special revenue funds from state aid to other assistance payments.

## **House Budget Committee Recommendation**

The Budget Committee concurs with the Governor's FY 2008 recommendation.



## Senate Subcommittee Report

**Agency:** Kansas Department of Wildlife and Parks     **Bill No.** SB 658     **Bill Sec.** 66

**Analyst:** Efird     **Analysis Pg. No.** Vol. I-130     **Budget Page No.** 439

<u>Expenditure Summary</u>	<u>Agency Estimate FY 09</u>	<u>Governor's Recommendation FY 09</u>	<u>Senate Subcommittee Adjustments*</u>
<b>Operating Expenditures:</b>			
State General Fund	\$ 9,252,504	\$ 8,849,851	\$ (1,903,350)
Other Funds	40,657,418	40,935,368	330,588
Subtotal - Operating	<u>\$ 49,909,922</u>	<u>\$ 49,785,219</u>	<u>\$ (1,572,547)</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 1,500,000	\$ 0	\$ 0
Other Funds	5,279,500	9,779,500	0
Subtotal - Capital Improvements	<u>\$ 6,779,500</u>	<u>\$ 9,779,500</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 56,689,422</u></u>	<u><u>\$ 59,564,719</u></u>	<u><u>\$ (1,572,547)</u></u>
FTE Positions	422.5	419.5	(3.0)
Non FTE Uncl. Perm. Pos.	21.0	51.0	0.0
<b>TOTAL</b>	<u><u>443.5</u></u>	<u><u>470.5</u></u>	<u><u>(3.0)</u></u>

\* Of the Subcommittee's recommended reductions, \$914,547, including \$157,785 from the State General Fund, is related to pay plan adjustments.

### Agency Request

The agency requests a FY 2009 operating budget of \$49.9 million, an increase of \$1.3 million, or 2.7 percent, above the revised current fiscal year estimate. The request includes State General Fund expenditures of \$9.3 million, an increase of \$1.8 million, or 23.8 percent, above the current fiscal year estimate. The net increased expenditures result from a shift of financing for state parks from the Parks Fee Fund to the State General Fund in order to institute free admissions to state parks in FY 2009. The agency requests staffing of 422.5 FTE positions, an increase of 12.0 FTE positions above the current fiscal year estimate. The FY 2009 enhancements include:

- \$2.0 million from the State General Fund for state parks expenditures to reflect free admission, with a \$2.0 million reduction from the Parks Fee Fund;
- \$1,241,000 from all funding sources, including \$14,500 from the State General Fund, for 63 replacement motor vehicles; and
- 12.0 FTE positions and \$542,500 from all funding sources, including \$145,350 from the State General Fund, for operating expenses to add new staff.

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## Governor's Recommendation

The Governor recommends expenditures of \$49.8 million, an increase of \$1.4 million, or 2.9 percent, above the recommended current fiscal year estimate. The Governor recommends State General Fund expenditures of \$8.8 million, an increase of \$1.8 million, or 25.8 percent, from the current fiscal year recommendation, with \$1.6 million, all from the State General Fund, recommended to institute free admission to state parks in FY 2009. The Governor recommends an increase of 9.0 FTE positions for staffing of 419.5 FTE positions. The recommended FY 2009 enhancements include:

- \$1.6 million from the State General Fund, replacing \$1.6 million from the Parks Fee Fund, for free parks admission;
- \$527,000, all from special revenue funds, for 31 replacement vehicles; and
- 9.0 FTE positions and \$542,500, including \$145,350 from the State General Fund. The other three requested positions would be classified as non-FTE positions under the Governor's recommendation and previously had been funded as such.

## Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's FY 2009 recommendations, with the following exceptions:

1. **Pay Plan Adjustments.** Delete \$914,547, including \$157,785 from the State General Fund, to remove the following pay plan adjustments recommended by the Governor. Pay plan adjustments will be considered in a separate bill.
  - a. **State Employee Pay Increases.** Delete \$527,501, including \$85,712 from the State General Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
  - b. **Classified Employee Pay Plan.** Delete \$164,796, including \$29,135 from the State General Fund, to remove the amount recommended by the Governor for FY 2009 pay increases for basic vocational classes and for those employees identified as having the most disparity relative to market rate.
  - c. **Longevity Pay.** Delete \$222,250, including \$42,938 from the State General Fund to remove the amount recommended by the Governor for longevity bonus payments.
2. **Replacement Vehicles.** Delete \$527,000, all from special revenue funds, to remove funding for 31 replacement vehicles recommended by the Governor and consider funding during Omnibus.
3. **State Parks.** Delete \$1,600,000, all from the State General Fund, to remove funding for free admission to state parks, and increase the expenditure limitation on the Parks Fee Fund by \$1,600,000 to replace the revenue by maintain one-half priced admission to state parks.

4. **New Staff.** Delete \$131,000, all from the State General Fund, and delete 3.0 FTE positions, for the following positions and sources of funding: \$26,000, all from the State General Fund, for an Administrative Assistant for El Dorado State Park; \$79,000, all from the State General Fund, for a Natural Resource Officer I for Clinton State Park; and \$26,000, all from the State General Fund, for an Administrative Assistant for the state parks division office in Pratt.
5. **Shift in Financing.** Delete \$14,350 in State General Fund financing and add \$14,350 from the Parks Fee Fund for a new Technical Support Consultant II for the agency's information technology section in Pratt at a total cost of \$51,250, all from special revenue funds, for 1.0 FTE position.
6. **Greenspace Grants and ELARF Financing.** This Subcommittee does not address capital improvements, but the Subcommittee would like to note the following and recommend related legislation. The Governor recommends \$4.5 million of revenue from the Expanded Lottery Act Revenues Fund (ELARF) in FY 2009 for the capital improvement budget. First, the Governor recommends \$3.0 million from ELARF for ongoing state parks repair and rehabilitation projects, an increase of \$1.5 million above the agency's FY 2009 request of \$1.5 million, all from the State General Fund. Second, the Governor recommends \$1.5 million from ELARF for repair of flood damage at state parks and development of green space in communities that suffered from natural disasters. While the Senate Subcommittee on Capital Improvements will address the Governor's funding recommendations, this Subcommittee will address the administration of greenspace grants since it would involve current law. The Secretary of Wildlife and Parks indicated the intent to use KSA 32-1201 *et seq* (the Kansas Local Government Outdoor Recreation Grants Program) to administer greenspace grants for areas damaged by natural disasters. The Subcommittee recommends introduction of a bill to modify current law and to provide the criteria for making awards to areas impacted by natural disasters. Current law provides for grants to be made in accordance with guidelines and criteria prescribed by rules and regulations adopted by the Secretary of Wildlife and Parks.

### Senate Committee Recommendation

The Senate Committee concurs with the Senate Subcommittee's recommendations.

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### House Budget Committee Report

Agency: Kansas Department of Wildlife and Parks Bill No. 2946

Bill Sec. 66

Analyst: Efird

Analysis Pg. No. Vol. I – 130

Budget Page No. 439

Expenditure Summary	Agency Estimate FY 09	Governor's Recommendation FY 09	House Budget Committee Adjustments*
<b>Operating Expenditures:</b>			
State General Fund	\$ 9,252,504	\$ 8,849,851	\$ (1,825,135)
Other Funds	40,657,418	40,935,368	237,448
Subtotal - Operating	<u>\$ 49,909,922</u>	<u>\$ 49,785,219</u>	<u>\$ (1,587,687)</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 1,500,000	\$ 0	\$ 0
Other Funds	5,279,500	9,779,500	(4,500,000)
Subtotal - Capital Improvements	<u>\$ 6,779,500</u>	<u>\$ 9,779,500</u>	<u>\$ (4,500,000)</u>
<b>TOTAL</b>	<u><u>\$ 56,689,422</u></u>	<u><u>\$ 59,564,719</u></u>	<u><u>\$ (6,087,687)</u></u>
FTE Positions	422.5	419.5	(9.0)
Non FTE Uncl. Perm. Pos.	21.0	51.0	0.0
<b>TOTAL</b>	<u><u>443.5</u></u>	<u><u>470.5</u></u>	<u><u>(9.0)</u></u>

\* Of the Subcommittee's recommended reductions, \$914,547, including \$157,785 from the State General Fund, is related to pay plan adjustments

### Agency Request

The agency requests a FY 2009 operating budget of \$49.9 million, an increase of \$1.3 million, or 2.7 percent, above the revised current fiscal year estimate. The request includes State General Fund expenditures of \$9.3 million, an increase of \$1.8 million, or 23.8 percent, above the current fiscal year estimate. The net increased expenditures result from a shift of financing for state parks from the Parks Fee Fund to the State General Fund in order to institute free admissions to state parks in FY 2009. The agency requests staffing of 422.5 FTE positions, an increase of 12.0 FTE positions above the current fiscal year estimate. The FY 2009 enhancements include:

- \$2.0 million from the State General Fund for state parks expenditures to reflect free admission, with a \$2.0 million reduction from the Parks Fee Fund;
- \$1,241,000 from all funding sources, including \$14,500 from the State General Fund, for 63 replacement motor vehicles; and
- 12.0 FTE positions and \$542,500 from all funding sources, including \$145,350 from the State General Fund, for operating expenses to add new staff.

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## Governor's Recommendation

The Governor recommends expenditures of \$49.8 million, an increase of \$1.4 million, or 2.9 percent, above the recommended current fiscal year estimate. The Governor recommends State General Fund expenditures of \$8.8 million, an increase of \$1.8 million, or 25.8 percent, from the current fiscal year recommendation, with \$1.6 million, all from the State General Fund, recommended to institute free admission to state parks in FY 2009. The Governor recommends an increase of 9.0 FTE positions for staffing of 419.5 FTE positions. The recommended FY 2009 enhancements include:

- \$1.6 million from the State General Fund, replacing \$1.6 million from the Parks Fee Fund, for free parks admission;
- \$527,000, all from special revenue funds, for 31 replacement vehicles; and
- 9.0 FTE positions and \$542,500, including \$145,350 from the State General Fund. The other three requested positions would be classified as non-FTE positions under the Governor's recommendation and previously had been funded as such.

## House Budget Committee Recommendation

The Budget Committee concurs with the Governor's FY 2009 recommendations, with the following exceptions:

1. **Pay Plan Adjustments.** Delete \$914,547, including \$157,785 from the State General Fund (or all from the State General Fund, or all from special revenue funds), to remove the following pay plan adjustments recommended by the Governor. Pay plan adjustments will be considered in a separate bill.
  - a. **State Employee Pay Increases.** Delete \$527,501, including \$85,712 from the State General Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
  - b. **Classified Employee Pay Plan.** Delete \$164,796, including \$29,135 from the State General Fund, to remove the amount recommended by the Governor for FY 2009 pay increases for basic vocational classes and for those employees identified as having the most disparity relative to market rate.
  - c. **Longevity Pay.** Delete \$222,250, including \$42,938 from the State General Fund to remove the amount recommended by the Governor for longevity bonus payments.
2. **Replacement Vehicles.** Delete \$168,640, all from the Parks Fee Fund, to remove funding for 10 replacement vehicles recommended by the Governor, and consider funding during Omnibus.

3. **State Parks.** Delete a net of \$1,497,000, all from the State General Fund, to remove funding for free admission to state parks, and increase the expenditure limitation for the Parks Fee Fund by \$1,600,000 to replace the revenue by maintaining one-half priced admission to state parks. The Budget Committee includes in its recommendation \$103,000, all from the State General Fund, to restore funding for free annual state park permits for National Guard members. This item parallels the free hunting and fishing licenses offered to National Guard members in FY 2009.
4. **New Staff.** Delete \$542,500, including \$145,350 from the State General Fund, and delete 9.0 new FTE positions, all for review during Omnibus.
5. **ELARF Financing.** Delete \$4.5 million, all from the Expanded Lottery Act Revenues Fund (ELARF), in the FY 2009 capital improvement budget. First, the Governor recommends \$3.0 million from ELARF for ongoing state parks repair and rehabilitation projects, an increase of \$1.5 million above the agency's FY 2009 request of \$1.5 million, all from the State General Fund. Second, the Governor recommends \$1.5 million from ELARF for repair of flood damage at state parks and development of green space in communities that suffered from natural disasters. The Budget Committee expresses concern about administration of green space grants that could total \$500,000, according to the agency.
6. **Stream Monitoring.** Delete \$40,000, all from the State Water Plan Fund, for biological monitoring of streams, and review source of funding during Omnibus.
7. **Feed the Hungry.** Delete \$25,000, all from the State General Fund, for the Feed the Hungry Program that was transferred to this agency in FY 2009. The agency budgeted other assistance payments in FY 2009 to reflect an increase of \$25,000, all from the State General Fund, for the program that was shifted from the Department of Social and Rehabilitation Services for feeding the hungry.
8. **Replacement Crossing.** Add language to direct \$255,000, all from the Department Road Access Fund, to replace the existing low water crossing at Crawford State Park, and to reduce expenditures for other projects in FY 2009 accordingly.
9. **New Fencing.** Add language to direct \$47,000, all from the Wildlife Fee Fund, to install new fence at the Bison herd compound in Southeast Kansas, and to reduce expenditures for other projects in FY 2009 accordingly.
10. **Cabin Program.** Review during Omnibus the future locations, number of cabins, costs of cabins and related site work, and sources of funding for this program.