

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:40 A.M. on February 20, 2008, in Room 123-S of the Capitol.

All members were present except:

Senator Jay Emler - excused
Senator Steve Morris - excused

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes
Alan Conroy, Director, Kansas Legislative Research Department
Kimbra Caywood McCarthy, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Cody Gorges, Kansas Legislative Research Department
Aaron Klaassen, Kansas Legislative Research
Heather O'Hara, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Jarod Waltner, Kansas Legislative Research Department
Melinda Gaul, Chief of Staff, Senate Ways & Means
Mary Shaw, Committee Assistant

Conferees appearing before the committee:

Roger Werholtz, Secretary, Kansas Department of Corrections
Mike Kearns, Riley County Board of Commissioners
Randall Allen, Executive Director, Kansas Association of Counties

Others attending:

See attached list.

Bill Introductions

Senator Schodorf moved, with a second by Senator Kelly, to introduce a conceptual bill regarding corporate income taxation changes relating to apportionment of net income, business income and surtax on corporations. Motion carried on a voice vote. (This bill was brought to the committee by Senator Janis Lee, Senate Assessment and Taxation Committee. She noted that the bill would be similar to **HB 2752**.)

Senator Schodorf moved, with a second by Senator Steineger, to introduce a conceptual bill concerning school districts; special education state aid. Motion carried on a voice vote. (Senator Schodorf mentioned that this bill is similar to **HB 2790**.)

Senator McGinn moved, with a second by Senator Taddiken, to introduce a conceptual bill regarding non-fuel flammable or combustible liquid aboveground storage tanks; duties of state fire marshal; civil penalties; non-fuel flammable or combustible liquid aboveground storage tank system fund. Motion carried on a voice vote.

Copies of the Kansas Legislative Research Department Budget Analysis Report for FY 2008 and FY 2009 were available to the committee.

Subcommittee reports on:

Abstracter's Board of Examiners (Attachment 1)

Accountancy Board

Office of the State Bank Commissioner

Board of Barbering

Behavioral Science Regulatory Board

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:40 A.M. on February 20, 2008, in Room 123-S of the Capitol.

Board of Healing Arts
Board of Cosmetology
Department of Credit Unions
Kansas Dental Board
Board of Mortuary Arts
Hearing Aid Examiners
Board of Nursing
Board of Optometry
Board of Pharmacy
Kansas Real Estate Appraisal Board
Kansas Real Estate Commission
Securities Commissioner
Board of Technical Professions
Board of Veterinary Examiners

Subcommittee Chairwoman Ruth Teichman reported that the subcommittee on the Fee Boards concurs with the Governor's recommendation in FY 2008 and concurs with the Governor's recommendation in FY 2009.

Senator Teichman moved, with a second by Senator Schodorf, to amend the subcommittee budget report on the Securities Commissioner, FY 2008, to request a brief report during next year's session on the \$20,000 non-expense transfer to the Kansas Council on Economic Education. Motion carried on a voice vote.

Senator Teichman moved, with a second by Senator Kelly, to adopt the subcommittee budget reports on the Fee Boards as listed above in FY 2008 and FY 2009 as amended. Motion carried on a voice vote.

The Chairman opened the public hearing on:

SB 539--Community corrections grant determinations by the secretary not subject to judicial review

Staff briefed the committee on the bill.

The Chairman welcomed the following conferees:

Roger Werholtz, Secretary, Kansas Department of Corrections, testified as a proponent on **SB 539** (Attachment 2). Secretary Werholtz explained that the bill would amend two statutes that respectively provide for the distribution of appropriated funds to community corrections entities for annual operating expenses and programs to increase public safety by the reduction of recidivism. He noted that the bill would amend the statutes to provide that the grant determinations by the Secretary of Corrections would not be subject to judicial review.

Mike Kearns, Member of the Riley County Board of Commissioners, spoke in opposition to **SB 539** (Attachment 3). Mr. Kearns explained that the bill would be bad public policy for the state because it would be a bad precedent in the short term, because it would entirely deprive counties in the future of their ability to legally challenge Community Corrections funding decisions and long term because it would allow other state agencies to seek to shield decisions from scrutiny by the courts, through legal action by citizens in the state.

Randall Allen, Executive Director, Kansas Association of Counties, testified in opposition to **SB 539** (Attachment 4). Mr. Allen explained that their Association's Legislative Policy Committee took a position in opposition to the bill. They believe that removing the option for a county or group of counties to seek judicial review concerning the granting of funds for community correction services sets a dangerous precedent and is unwarranted. He noted that the Kansas Department of Corrections and current Secretary Werholtz have been incredibly good partners in working to improve the many corrections programs where state and county responsibilities intersect. Mr. Allen urged the Committee to kill the bill and have the parties involved develop better common understanding.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:40 A.M. on February 20, 2008, in Room 123-S of the Capitol.

Following committee discussion and questions, Chairman Umbarger appointed a Senate Ways and Means Subcommittee to work on **SB 539**. He appointed Senator Taddiken, Chair, Senator Emler, Senator Kelly and Senator Goodwin as members and asked them to work with the parties involved.

The Chairman closed the public hearing on **SB 539**.

The meeting adjourned at 11:45 a.m. The next meeting is scheduled for February 21, 2008.

SENATE WAYS AND MEANS GUEST LIST

Date February 20, 2008

NAME	REPRESENTING
Kennie Leffler	Budget
SHEENA WARD	BUDGET
Roger Werholtz	KDOC
Tim Madden	KDOC
Brendan York	Budget
Michael B Keavens	Riley County
Clancy Holman	Riley County
Randal Allen	Ks. Assoc. of Counties
Louise Maxwell	Office of the State Bank Commissioner
Vannifer Ogleyby	Office of the State Bank Commissioner
Steve Wasson	KSC
LYNN HAMMES	KSC
Jelly Starr	DOC
FRED PHELPS, JR.	KDOC
Mack Smith	KS ST Bd of Mortuary Arts
Ron Secher	Hen Law Firm
Karl Wenner	Kennyc Assembls
MARK Bolanyak	CAPITOL STRATEGIES
Penny Bowie	Brd of Optometry
Mary Lou Davis	Ks Bd of Cosmetology
Mary Bluebaep	KS Bd of Nursing
LARRY Bvening	Bd OF HEALING ARTS
Ammy Dickson	Coffeeville Chamber/Staff Agent

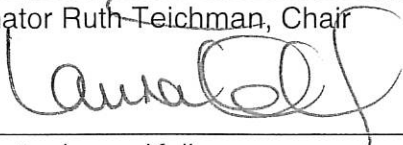
FY 2008 and FY 2009

SENATE WAYS AND MEANS SUBCOMMITTEE

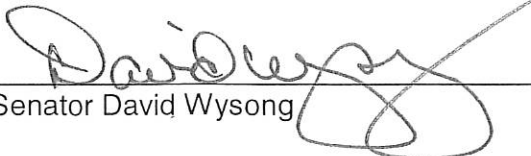
Abstracters' Board of Examiners
Board of Accountancy
Bank Commissioner
Board of Barbering
Behavioral Sciences Regulatory Board
Board of Healing Arts
Board of Cosmetology
Department of Credit Unions
Kansas Dental Board
Board of Mortuary Arts
Board of Hearing Aid Examiners
Board of Nursing
Board of Examiners in Optometry
Board of Pharmacy
Real Estate Appraisal Board
Real Estate Commission
Securities Commissioner
Board of Technical Professions
Board of Veterinary Medical Examiners



Senator Ruth Teichman, Chair



Senator Laura Kelly



Senator David Wysong

Senate Ways and means
2-20-08
Attachment 1

Senate Subcommittee Report

Agency: Abstracters' Board of Examiners **Bill No.** SB

Bill Sec.

Analyst: Steiner

Analysis Pg. No. Vol.-

Budget Page No. 459

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	21,797	21,797	0
Subtotal - Operating	\$ 21,797	\$ 21,797	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 21,797	\$ 21,797	\$ 0
FTE Positions	0.0	0.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0

Agency Estimate

The agency estimates FY 2008 operating expenditures of \$21,797, all from the Abstracters Board Fee Fund, which is the same as the amount approved by the 2007 Legislature.

Governor's Recommendation

The Governor concurs with the agency's estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Abstracters' Board of Examiners **Bill No.** SB

Bill Sec.

Analyst: Steiner **Analysis Pg. No.** Vol. -

Budget Page No. 459

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	21,814	21,814	0
Subtotal - Operating	\$ 21,814	\$ 21,814	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 21,814	 \$ 21,814	 \$ 0
 FTE Positions	 0.0	 0.0	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0

Agency Request

The agency requests FY 2009 operating expenditures of \$21,814, all from the Abstracters Board Fee Fund, which is the same amount approved by the 2007 Legislature.

Governor's Recommendation

The Governor concurs with the agency's request.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Accountancy Board **Bill No.** SB

Bill Sec.

Analyst: Gorges

Analysis Pg. No. Vol.-

Budget Page No. 461

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	354,776	354,776	0
Subtotal - Operating	\$ 354,776	\$ 354,776	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 354,776	\$ 354,776	\$ 0
FTE Positions	3.0	3.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	3.0	3.0	0.0

Agency Estimate

The **agency** estimates current year operating expenditures of \$354,776, all from special revenue funds, an increase of \$46,679, or 15.2 percent, above the amount approved by the 2007 Legislature. The entire increase is due to Kansas Savings Incentive Program expenditures. The request would fund the approved 3.0 FTE positions.

Governor's Recommendation

The **Governor** concurs with the agency's estimate.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Accountancy Board **Bill No.** SB

Bill Sec.

Analyst: Gorges

Analysis Pg. No. Vol.-

Budget Page No. 461

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	310,900	315,829	(5,679)
Subtotal - Operating	\$ 310,900	\$ 315,829	\$ (5,679)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 310,900	\$ 315,829	\$ (5,679)
FTE Positions	3.0	3.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	3.0	3.0	0.0

*All of the Subcommittee's recommended reductions are related to pay plan adjustments.

Agency Request

The **agency** requests FY 2009 expenditures totaling \$310,900, an increase of \$2,934, or 1.0 percent, above the amount approved by the 2007 Legislature. Special revenue funds completely fund the request. At the time of budget submission, two FTE positions were unfilled. The increased request is associated with filling the positions. The agency filled the positions and it anticipates the current staff will be in place through FY 2009.

Governor's Recommendation

The **Governor** concurs with the agency request and adds an additional \$4,929 for salaries and wages based on the Governor's pay plan adjustment.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$5,679, 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 \$3,587 to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
 - b. **Classified Employee Pay Plan.** Delete \$1,342 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 \$750 to remove the amount recommended by the Governor for longevity bonus payments.

Senate Subcommittee Report

Agency: Office of the State Bank Commissioner Bill No. SB

Bill Sec.

Analyst: Waltner

Analysis Pg. No. Vol.-

Budget Page No. 463

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2008</u>	<u>Governor's Recommendation FY 2008</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	0
Other Funds	8,535,961	8,535,961	0
TOTAL	<u>\$ 8,535,961</u>	<u>\$ 8,535,961</u>	<u>\$ 0</u>
FTE Positions	97.0	97.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	<u>98.0</u>	<u>98.0</u>	<u>0.0</u>

Agency Estimate

The agency requests \$8,535,961, an increase of \$435,865, or 5.4 percent, above the amount approved by the 2007 Legislature. Of the increase, \$373,365 is due to KSIP expenditures. The remaining increase of \$62,500 is due to the Kansas Council on Economic Education grant, which was previously funded by the Consumer Education Settlement Fund but is now budgeted to be paid from the Bank Commissioner Fee Fund.

Governor's Recommendation

The Governor concurs with the agency estimate.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Office of the State Bank Commissioner **Bill No.** SB

Bill Sec.

Analyst: Waltner

Analysis Pg. No. Vol.-

Budget Page No. 463

Expenditure Summary	Agency Request FY 2009	Governor's Recommendation FY 2009	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	0
Other Funds	8,290,081	8,586,684	(369,773)
TOTAL	\$ 8,290,081	\$ 8,586,684	\$ (369,773)
FTE Positions	99.0	99.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	100.0	100.0	0.0

* Of the Subcommittee's recommended reductions, \$316,673, all from the Bank Commissioner Fee Fund, is related to pay plan adjustments.

Agency Request

The agency requests \$8,290,081, an increase of \$53,100, or 0.6 percent, above the amount approved by the 2007 Legislature. The request includes a \$53,100 enhancement request to replace three vehicles. Without the enhancement request, the agency's request is the same so the FY 2008 revised estimate.

Governor's Recommendation

The Governor recommends \$8,586,684, an increase of \$349,703 (4.1 percent) above the FY 2008 recommendation and \$296,603 (3.6 percent) above the agency request. The recommendation includes funding for the agency enhancement request. The recommendation also includes \$143,921 for a cost of living adjustment, and \$152,682 for an under market group increase

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$316,673, 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 \$143,921, all from special revenue funds, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.

- b. **Classified Employee Pay Plan.** Delete \$152,682, all from special revenue funds, 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 \$20,070, all from special revenue funds, to remove the amount recommended by the Governor for longevity bonus payments.
2. **Enhancements Funding.** Delete \$53,100, all from special revenue funds, for vehicle enhancements and review at **omnibus**. The Subcommittee does not recommend this enhancement for vehicle replacement because all vehicle enhancements will be reviewed at omnibus.

Senate Subcommittee Report

Agency: Board of Barbering **Bill No.** SB

Bill Sec.

Analyst: Caywood McCarthy **Analysis Pg. No.** Vol.-

Budget Page No. 465

Expenditure Summary	Agency Estimate FY 2008	Governor's Recommendation FY 2008	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	146,109	146,109	0
Subtotal - Operating	\$ 146,109	\$ 146,109	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 146,109	\$ 146,109	\$ 0
FTE Positions	1.5	1.5	0.0
Non FTE Uncl. Perm. Pos.	0.5	0.5	0.0
TOTAL	2.0	2.0	0.0

Agency Estimate

The agency estimates FY 2008 operating expenditures of \$146,109, all from the Board of Barbering Fee Fund. The estimate is an all funds increase of \$6,800, or 4.9 percent, above the amount approved by the 2007 Legislature. The estimate includes a supplemental request of \$6,800 for increased operating expenses in contractual services, commodities, and capital outlay expenditures. The funding is requested for building space rental, postage, software fees, mileage expenses, car repairs, gasoline, and a new computer. The estimate would fund the currently approved 1.5 FTE positions.

Governor's Recommendation

The Governor concurs with the agency's estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Board of Barbering **Bill No.** SB

Bill Sec.

Analyst: Caywood McCarthy **Analysis Pg. No.** Vol.-

Budget Page No. 465

Expenditure Summary	Agency Request FY 2009	Governor's Recommendation FY 2009	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	153,838	155,863	(14,375)
Subtotal - Operating	\$ 153,838	\$ 155,863	\$ (14,375)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 153,838	\$ 155,863	\$ (14,375)
FTE Positions	1.5	1.5	0.0
Non FTE Uncl. Perm. Pos.	0.5	0.5	0.0
TOTAL	2.0	2.0	0.0

* Of the Subcommittee's recommended reductions, \$2,775, all from the Board of Barbering Fee Fund, is related to pay plan adjustments.

Agency Request

The agency requests FY 2009 operating expenditures of \$153,838, all from the Board of Barbering Fee Fund. The request is an all funds increase of \$11,600, or 8.2 percent, above the amount approved by the 2007 Legislature. The request includes an enhancement of \$11,600 for the replacement of a vehicle. The request would fund the currently approved 1.5 FTE positions.

Governor's Recommendation

The Governor concurs with the agency request and recommends an additional \$2,025, all from the Board of Barbering Fee Fund, for a 2.5 percent base salary adjustment for all employees.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$2,775, all from the Board of Barbering Fee 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 \$2,025, all from the Board of Barbering Fee Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
 - b. **Longevity Pay.** Delete \$750, all from the Board of Barbering Fee Fund, to remove the amount recommended by the Governor for longevity bonus payments.
2. Delete \$11,600, all from the Board of Barbering Fee Fund, to remove recommended funding to replace one vehicle for consideration at Omnibus.

Senate Subcommittee Report

Agency: Behavioral Sciences Regulatory Board **Bill No.** SB

Bill Sec.

Analyst: Klaassen

Analysis Pg. No. Vol.-

Budget Page No. 467

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	635,742	635,742	0
Subtotal - Operating	\$ 635,742	\$ 635,742	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 635,742	\$ 635,742	\$ 0
FTE Positions	8.0	8.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	8.0	8.0	0.0

Agency Estimate

For **FY 2008**, the **agency** estimates revised operating expenditures of \$635,742, an increase of \$26,689, or 4.4 percent, above the FY 2008 approved amount. This increase is due to agency requested Kansas Savings Incentive Program expenditures for technology purchases and training.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate.

Senate Subcommittee Recommendation

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

Senate Subcommittee Report

Agency: Behavioral Sciences Regulatory Board **Bill No.** SB

Bill Sec.

Analyst: Klaassen

Analysis Pg. No. Vol.-

Budget Page No. 467

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	0
Other Funds	612,261	623,495	(11,734)
Subtotal - Operating	\$ 612,261	\$ 623,495	\$ (11,734)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 612,261	 \$ 623,495	 \$ (11,734)
 FTE Positions	 8.0	 8.0	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	8.0	8.0	0.0

*All of the Subcommittee's recommended reductions are related to pay plan adjustments.

Agency Request

For **FY 2009**, the **agency** requests revised operating expenditures of \$612,261, which is no change from the FY 2009 approved amount.

Governor's Recommendation

For **FY 2009**, the **Governor** recommends expenditures of \$623,495, all from special revenue funds. The Governor's recommendation is an increase of \$11,234, or 1.8 percent, above the FY 2009 approved amount. This increase reflects the Governor's recommended pay plan which includes \$8,259 for a 2.5 percent base salary adjustment, and \$2,975 for the below market pay adjustment for select employees.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$11,734, 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 \$8,259, all from special revenue funds, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
- b. **Classified Employee Pay Plan.** Delete \$2,975, all from special revenue funds, 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 \$500, all from special revenue funds, to remove the amount recommended by the Governor for longevity bonus payments.

Senate Subcommittee Report

Agency: Board of Healing Arts **Bill No.** SB **Bill Sec.**

Analyst: Klaassen **Analysis Pg. No.** Vol.- **Budget Page No.** 477

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	3,050,525	3,050,525	0
Subtotal - Operating	<u>\$ 3,050,525</u>	<u>\$ 3,050,525</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 3,050,525</u></u>	<u><u>\$ 3,050,525</u></u>	<u><u>\$ 0</u></u>
FTE Positions	39.0	39.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>39.0</u></u>	<u><u>39.0</u></u>	<u><u>0.0</u></u>

Agency Estimate

For **FY 2008**, the **agency** estimates revised operating expenditures of \$3,050,525, all from special revenue funds, which is no change from the FY 2008 approved amount.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate.

Senate Subcommittee Recommendation

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

Senate Subcommittee Report

Agency: Board of Healing Arts **Bill No.** SB **Bill Sec.**

Analyst: Klaassen **Analysis Pg. No. Vol.-** **Budget Page No.** 477

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	3,135,850	3,229,712	(102,912)
Subtotal - Operating	<u>\$ 3,135,850</u>	<u>\$ 3,229,712</u>	<u>\$ (102,912)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 3,135,850</u></u>	<u><u>\$ 3,229,712</u></u>	<u><u>\$ (102,912)</u></u>
FTE Positions	39.0	39.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>39.0</u></u>	<u><u>39.0</u></u>	<u><u>0.0</u></u>

*All of the Subcommittee's recommended reductions are related to pay plan adjustments.

Agency Request

For **FY 2009**, the **agency** requests revised operating expenditures of \$3,135,850, all from special revenue funds, which is no change from the FY 2009 approved amount.

Governor's Recommendation

For **FY 2009**, the **Governor** recommends expenditures of \$3,229,712, all from special revenue funds. The Governor's recommendation is an increase of \$93,862, or 3.0 percent, above the FY 2009 approved amount. This increase reflects the Governor's recommended pay plan which includes \$44,873 for a 2.5 percent base salary adjustment, and \$48,989 for the below market pay adjustment for select employees.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$102,912, 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 \$44,873, all from special revenue funds, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
 - b. **Classified Employee Pay Plan.** Delete \$48,989, all from special revenue funds, 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 \$9,050, all from special revenue funds, to remove the amount recommended by the Governor for longevity bonus payments.

Senate Subcommittee Report

Agency: Board of Cosmetology **Bill No.** SB

Bill Sec.

Analyst: Caywood McCarthy **Analysis Pg. No.** Vol.-

Budget Page No. 469

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	842,870	842,870	(15,000)
Subtotal - Operating	\$ 842,870	\$ 842,870	\$ (15,000)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 842,870	 \$ 842,870	 \$ (15,000)
 FTE Positions	 12.0	 12.0	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	12.0	12.0	0.0

Agency Estimate

The agency estimates FY 2008 operating expenditures of \$842,870, all from the Cosmetology Fee Fund. The estimate is an all funds increase of \$83,601, or 11.0 percent, above the amount approved by the 2007 Legislature. Of the increase, \$68,601 is attributable to KSIP expenditures. The remainder of the increase is for supplemental funding of \$15,000, all from the Cosmetology Fee Fund, for the replacement of a vehicle. The estimate would fund the currently approved 12.0 FTE positions.

Governor's Recommendation

The Governor concurs with the agency's estimate.

Senate Subcommittee Recommendation

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

1. Delete \$15,000, all from the Cosmetology Fee Fund, to remove recommended funding to replace one vehicle for consideration at Omnibus.

Senate Subcommittee Report

Agency: Board of Cosmetology **Bill No.** SB

Bill Sec.

Analyst: Caywood McCarthy **Analysis Pg. No.** Vol.-

Budget Page No. 469

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	829,398	806,669	(56,620)
Subtotal - Operating	\$ 829,398	\$ 806,669	\$ (56,620)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 829,398	 \$ 806,669	 \$ (56,620)
 FTE Positions	 13.0	 12.0	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	13.0	12.0	0.0

* Of the Subcommittee's recommended reductions, \$27,820, all from the Cosmetology Fee Fund, is related to pay plan adjustments.

Agency Request

The agency requests FY 2009 operating expenditures of \$829,398, all from the Cosmetology Fee Fund. The request is an all funds increase of \$76,199, or 10.1 percent, above the amount approved by the 2007 Legislature. The request includes two enhancements totaling \$76,199, all from the Cosmetology Fee Fund. The agency requests \$30,000 to replace two vehicles, and \$46,199 and 1.0 FTE for a Public Service Administrator position. The request would fund 13.0 FTE positions, an increase of 1.0 FTE position above the approved amount.

Governor's Recommendation

The Governor recommends operating expenditures of \$806,669, an increase of \$53,470, or 7.1 percent, above the FY 2009 approved amount, and a decrease of \$22,729, or 2.7 percent, below the agency's FY 2009 request. The Governor does not recommend the additional FTE position, but does recommend the addition of \$28,800, all from the Cosmetology Fee Fund, for two replacement vehicles. The Governor recommends an additional \$15,170, all from the Cosmetology Fee Fund, for a 2.5 percent base salary adjustment for all employees, and salary increases for below market pay for select employees.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$27,820, all from the Cosmetology Fee 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 \$10,549, all from the Cosmetology Fee Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
 - b. **Classified Employee Pay Plan.** Delete \$14,121, all from the Cosmetology Fee 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 \$3,150, all from the Cosmetology Fee Fund, to remove the amount recommended by the Governor for longevity bonus payments.
2. Delete \$28,800, all from the Cosmetology Fee Fund, to remove recommended funding to replace two vehicles for consideration at Omnibus.

Senate Subcommittee Report

Agency: Department of Credit Unions **Bill No.** SB

Bill Sec.

Analyst: Gorges **Analysis Pg. No.** Vol.-

Budget Page No. 471

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	942,497	942,497	0
Subtotal - Operating	\$ 942,497	\$ 942,497	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 942,497	\$ 942,497	\$ 0
FTE Positions	12.0	12.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	12.0	12.0	0.0

Agency Estimate

The **agency** estimates current year operating expenditures of \$942,497, an increase of \$14,967, or 1.6 percent, above the approved amount. Special revenue funds completely fund the request. Of the increase, \$66,492 is due to Kansas Savings Incentive Program (KSIP) expenditures relating to professional development and technology upgrades. The KSIP expenditures are offset by a decrease of \$51,525 in other state operations. The decrease is predominately due to employee retirements and 1.0 vacant position. During this transition period, the agency has retained two recently retired employees as "temporary classified employees" to train new employees and manage the workload. The agency is currently seeking to fill the position and the requested budget would fund all 12.0 FTE positions.

Governor's Recommendation

The **Governor** concurs with the agency's estimate.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Department of Credit Unions **Bill No.** SB **Bill Sec.**
Analyst: Gorges **Analysis Pg. No. Vol.-** **Budget Page No.** 471

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	849,316	894,213	(59,897)
Subtotal - Operating	<u>\$ 849,316</u>	<u>\$ 894,213</u>	<u>\$ (59,897)</u>
Capital Improvements:			
State General Fund			
Other Funds			
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 849,316</u></u>	<u><u>\$ 894,213</u></u>	<u><u>\$ (59,897)</u></u>
FTE Positions	12.0	12.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>12.0</u></u>	<u><u>12.0</u></u>	<u><u>0.0</u></u>

* Of the Subcommittee's recommended reductions, \$48,297 is related to pay plan adjustments.

Agency Request

The **agency** requests a revised FY 2009 budget totaling \$849,316, a decrease of \$66,571, or 7.1 percent, below the approved FY 2009 amount. Special revenue funds completely fund the request. The request includes an \$11,600 enhancement request to replace one vehicle. Without the enhancement, the agency's request is a decrease of \$78,171 below the approved amount. The majority of the decrease is in salaries and wages, but would fund all 12.0 FTE positions.

Governor's Recommendation

The **Governor** concurs with the agency's request and adds \$44,897 for the pay plan adjustment.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$48,297, 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 \$15,729, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
 - b. **Classified Employee Pay Plan.** Delete \$29,168 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 \$3,400 to remove the amount recommended by the Governor for longevity bonus payments.

2. **Vehicles.** Delete \$11,600, all from special revenue funds, to remove the replacement vehicle recommended by the Governor. The vehicle request will be reviewed at **Omnibus**.

Senate Subcommittee Report

Agency: Kansas Dental Board **Bill No.** SB **Bill Sec.**

Analyst: Gorges **Analysis Pg. No.** Vol.- **Budget Page No.** 473

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	394,826	394,826	0
Subtotal - Operating	\$ 394,826	\$ 394,826	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 394,826	\$ 394,826	\$ 0
FTE Positions	3.0	3.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	3.0	3.0	0.0

Agency Estimate

The **agency** estimates current year operating expenditures of \$394,826, all from special revenue funds. The estimate is an increase of \$19,000 above the approved amount, and is entirely due to Kansas Savings Incentive Program (KSIP) expenditure authority.

Governor's Recommendation

The **Governor** concurs with the agency's estimate.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Kansas Dental Board **Bill No.** SB **Bill Sec.**
Analyst: Gorges **Analysis Pg. No. Vol.-** **Budget Page No.** 473

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	375,782	382,794	(7,012)
Subtotal - Operating	<u>\$ 375,782</u>	<u>\$ 382,794</u>	<u>\$ (7,012)</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>\$ 375,782</u></u>	<u><u>\$ 382,794</u></u>	<u><u>\$ (7,012)</u></u>
FTE Positions	3.0	3.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>3.0</u></u>	<u><u>3.0</u></u>	<u><u>0.0</u></u>

* All of the Subcommittee recommended reductions are related to pay plan adjustments.

Agency Request

The agency requests budget year operating expenditures of \$375,782, the same as the approved amount.

Governor's Recommendation

The Governor concurs with the agency request and adds \$7,012 for the pay plan adjustment.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$7,012, 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 \$3,557 to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.

- b. **Classified Employee Pay Plan.** Delete \$3,455 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.** This agency has no longevity bonus payment for FY 2009.

Senate Subcommittee Report

Agency: Board of Mortuary Arts **Bill No.** SB

Bill Sec.

Analyst: Caywood McCarthy **Analysis Pg. No.** Vol.-

Budget Page No. 481

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	284,058	284,058	0
Subtotal - Operating	\$ 284,058	\$ 284,058	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 284,058	\$ 284,058	\$ 0
FTE Positions	3.0	3.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	3.0	3.0	0.0

Agency Estimate

The agency estimates FY 2008 operating expenditures of \$284,058, all from the Mortuary Arts Fee Fund. The estimate is an all funds increase of \$16,637, or 6.2 percent, above the amount approved by the 2007 Legislature. The increase of \$16,637 is attributable to KSIP expenditures. The estimate would fund the currently approved 3.0 FTE positions.

Governor's Recommendation

The Governor concurs with the agency's estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Board of Mortuary Arts **Bill No.** SB

Bill Sec.

Analyst: Caywood McCarthy **Analysis Pg. No.** Vol.-

Budget Page No. 481

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	271,079	276,617	(7,338)
Subtotal - Operating	\$ 271,079	\$ 276,617	\$ (7,338)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 271,079	\$ 276,617	\$ (7,338)
FTE Positions	3.0	3.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	3.0	3.0	0.0

* All of the Subcommittee's recommended reductions are related to pay plan adjustments.

Agency Request

The agency requests FY 2009 operating expenditures of \$271,079, all from the Mortuary Arts Fee Fund, which is the same as the amount approved by the 2007 Legislature. The request would fund the currently approved 3.0 FTE positions.

Governor's Recommendation

The Governor concurs with the agency's request and recommends an additional \$5,538, all from the Mortuary Arts Fee Fund, for a 2.5 percent base salary adjustment for all employees, and salary increases for below market pay for select employees.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$7,338, all from the Mortuary Arts Fee 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 \$3,977, all from the Mortuary Arts Fee Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
 - b. **Classified Employee Pay Plan.** Delete \$1,561, all from the Mortuary Arts Fee 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 \$1,800, all from the Mortuary Arts Fee Fund, to remove the amount recommended by the Governor for longevity bonus payments.

Senate Subcommittee Report

Agency: Hearing Aid Examiners **Bill No.** SB

Bill Sec.

Analyst: Caywood McCarthy **Analysis Pg. No.** Vol.-

Budget Page No. 479

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	29,576	29,576	0
Subtotal - Operating	\$ 29,576	\$ 29,576	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 29,576	\$ 29,576	\$ 0
FTE Positions	0.4	0.4	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	0.4	0.4	0.0

Agency Estimate

The agency estimates FY 2008 operating expenditures of \$29,576, all from the Hearing Aid Board Fee Fund, which is the same as the amount approved by the 2007 Legislature. The estimate would fund the currently approved 0.4 FTE positions.

Governor's Recommendation

The Governor concurs with the agency's estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Hearing Aid Examiners **Bill No.** SB

Bill Sec.

Analyst: Caywood McCarthy **Analysis Pg. No.** Vol.-

Budget Page No. 479

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	28,843	28,884	(41)
Subtotal - Operating	\$ 28,843	\$ 28,884	\$ (41)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 28,843	\$ 28,884	\$ (41)
FTE Positions	0.4	0.4	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	0.4	0.4	0.0

* All of the Subcommittee's recommended reductions are related to pay plan adjustments.

Agency Request

The agency requests FY 2009 operating expenditures of \$28,843, all from the Hearing Aid Board Fee Fund, which is the same as the amount approved by the 2007 Legislature. The request would fund the currently approved 0.4 FTE positions.

Governor's Recommendation

The Governor concurs with the agency's request and recommends an additional \$41, all from the Hearing Aid Board Fee Fund, for a 2.5 percent base salary adjustment for all employees.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$41, all from the Hearing Aid Board Fee Fund, to remove the following pay plan adjustment recommended by the Governor. Pay plan adjustments will be considered in a separate bill.

- a. **State Employee Pay Increases.** Delete \$41, all from the Hearing Aid Board Fee Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.

Senate Subcommittee Report

Agency: Board of Nursing

Bill No. SB

Bill Sec.

Analyst: Klaassen

Analysis Pg. No. Vol.-

Budget Page No. 483

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	1,842,515	1,842,515	0
Subtotal - Operating	<u>\$ 1,842,515</u>	<u>\$ 1,842,515</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>\$ 1,842,515</u></u>	<u><u>\$ 1,842,515</u></u>	<u><u>\$ 0</u></u>
FTE Positions	24.0	24.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>24.0</u></u>	<u><u>24.0</u></u>	<u><u>0.0</u></u>

Agency Estimate

For **FY 2008**, the **agency** estimates revised operating expenditures of \$1,842,515, an increase of \$53,632, or 3.0 percent, above the FY 2008 approved amount. This increase is due to agency requested Kansas Savings Incentive Program expenditures for technology purchases and training.

Governor's Recommendation

The **Governor** concurs with the agency's revised estimate.

Senate Subcommittee Recommendation

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

Senate Subcommittee Report

Agency: Board of Nursing **Bill No.** SB **Bill Sec.**
Analyst: Klaassen **Analysis Pg. No.** Vol.- **Budget Page No.** 483

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	1,783,338	1,854,345	(66,512)
Subtotal - Operating	<u>\$ 1,783,338</u>	<u>\$ 1,854,345</u>	<u>\$ (66,512)</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>\$ 1,783,338</u></u>	<u><u>\$ 1,854,345</u></u>	<u><u>\$ (66,512)</u></u>
FTE Positions	24.0	24.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>24.0</u></u>	<u><u>24.0</u></u>	<u><u>0.0</u></u>

*All of the Subcommittee's recommended reductions are related to pay plan adjustments.

Agency Request

For **FY 2009**, the **agency** requests revised operating expenditures of \$1,783,338, all from special revenue funds, which is no change from the FY 2009 approved amount.

Governor's Recommendation

For **FY 2009**, the **Governor** recommends expenditures of \$1,854,345, all from special revenue funds. The Governor's recommendation is an increase of \$71,007, or 3.8 percent, above the FY 2009 approved amount. This increase reflects the Governor's recommended pay plan which includes \$28,162 for a 2.5 percent base salary adjustment, and \$29,200 for the below market pay adjustment for select employees, and a reclassification of positions for \$13,645.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$66,512, 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 \$28,162, all from special revenue funds, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
 - b. **Classified Employee Pay Plan.** Delete \$29,200, all from special revenue funds, 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 \$9,150, all from special revenue funds, to remove the amount recommended by the Governor for longevity bonus payments.

Senate Subcommittee Report

Agency: Board of Optometry **Bill No.** SB

Bill Sec.

Analyst: O'Hara

Analysis Pg. No. Vol.-

Budget Page No. 485

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	130,514	130,514	0
Subtotal - Operating	\$ 130,514	\$ 130,514	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 130,514	\$ 130,514	\$ 0
FTE Positions	0.8	0.8	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	1.8	1.8	0.0

Agency Estimate

The **agency** requests a FY 2008 budget totaling \$130,514, all from the Optometry Fee Fund, which is the amount approved by the 2007 Legislature. The estimate includes \$58,433 for salaries and wages, \$71,241 for contractual services, \$520 for commodities, and \$320 for capital outlay, which were authorized by the 2007 Legislature.

Governor's Recommendation

The **Governor** concurs with the agency's estimate of FY 2008 expenditures.

Senate Subcommittee Recommendation

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

Senate Subcommittee Report

Agency: Board of Optometry **Bill No.** SB

Bill Sec.

Analyst: O'Hara

Analysis Pg. No. Vol.-

Budget Page No. 485

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	129,406	130,434	(1,028)
Subtotal - Operating	\$ 129,406	\$ 130,434	\$ (1,028)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 129,406	\$ 130,434	\$ (1,028)
FTE Positions	0.8	0.8	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	1.8	1.8	0.0

* All of the Subcommittee's recommended reductions are related to pay plan adjustments.

Agency Request

The **agency** requests a FY 2009 budget totaling \$129,406, all from the Optometry Fee Fund, which is the amount approved by the 2007 Legislature. The request includes \$57,645 for salaries and wages, \$71,241 for contractual services, and \$520 for commodities.

Governor's Recommendation

The **Governor** recommends a FY 2009 budget totaling \$130,434, all from the Optometry Fee Fund, which is an increase of \$1,028, or 0.7 percent, above the agency's FY 2009 request, and a decrease of \$80 below the Governor's FY 2008 recommendation. The increase is attributed to the Governor's pay plan.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$1,028, 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 \$1,028, all from special revenue funds, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.

Senate Subcommittee Report

Agency: Board of Pharmacy

Bill No. SB

Bill Sec.

Analyst: Gorges

Analysis Pg. No. Vol.-

Budget Page No. 487

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	1,058,566	888,641	0
Subtotal - Operating	<u>\$ 1,058,566</u>	<u>\$ 888,641</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>\$ 1,058,566</u></u>	<u><u>\$ 888,641</u></u>	<u><u>\$ 0</u></u>
FTE Positions	10.0	10.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>10.0</u></u>	<u><u>10.0</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency** estimates current year operating expenditures of \$1,058,566, an increase of \$175,085, or 19.8 percent, above the FY 2008 approved amount. Special revenue funds completely fund the request. Of the increase, \$5,160 is due to Kansas Savings Incentive Program (KSIP) expenditures. The remaining increase is attributed to an inadvertent increase by the agency in submitting the budget. The FY 2009 approved budget reflects only 8.0 FTE positions. The agency has indicated it will review available office space to determine the viability of filling these positions.

Governor's Recommendation

The **Governor** recommends current year operating expenditures totaling \$888,641, the same as the approved amount including KSIP expenditure authority of \$5,160. The recommendation does not include the \$169,925 increase attributed to the inadvertent budget submission.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Board of Pharmacy

Bill No. SB

Bill Sec.

Analyst: Gorges

Analysis Pg. No. Vol.-

Budget Page No. 483

<u>Expenditure Summary</u>	<u>Agency Request FY 09</u>	<u>Governor's Recommendation FY 09</u>	<u>Senate Subcommittee Adjustments*</u>
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	808,039	763,737	(25,824)
Subtotal - Operating	<u>\$ 808,039</u>	<u>\$ 763,737</u>	<u>\$ (25,824)</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>\$ 808,039</u></u>	<u><u>\$ 763,737</u></u>	<u><u>\$ (25,824)</u></u>
FTE Positions	8.0	8.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>8.0</u></u>	<u><u>8.0</u></u>	<u><u>0.0</u></u>

* Of the Subcommittee's recommended reductions, \$14,224 is related to pay plan adjustments.

Agency Request

The **agency** requests budget year operating expenditures of \$808,039, an increase of \$69,426, or 9.4 percent, above the approved amount. Special revenue funds completely fund the request. The request includes a \$24,000 enhancement request to replace one vehicle. Without the enhancement request, the agency's request is an increase of \$45,426, or 6.1 percent, above the approved amount, which was inadvertently included by the agency.

Governor's Recommendation

The **Governor** recommends operating expenditures of \$763,737, an increase of \$25,124 above the approved amount. The increase is attributed to \$11,600 for a replacement vehicle, and \$13,524 for increased salaries due to the Governor's pay plan.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$14,224, 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 \$10,427 to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
 - b. **Classified Employee Pay Plan.** Delete \$3,097 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 \$700 to remove the amount recommended by the Governor for longevity bonus payments.
2. **Vehicle.** Delete \$11,600 to remove the replacement vehicles to review at Omnibus.

Senate Subcommittee Report

Agency: Kansas Real Estate Appraisal Board **Bill No.** SB **Bill Sec.**

Analyst: Steiner **Analysis Pg. No. Vol.-** **Budget Page No.** 489

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	324,959	324,959	0
Subtotal - Operating	\$ 324,959	\$ 324,959	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 324,959	 \$ 324,959	 \$ 0
 FTE Positions	 2.0	 2.0	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	2.0	2.0	0.0

Agency Estimate

The agency estimates FY 2008 operating expenditures of \$324,959, all from the Real Estate Appraisal Fee Fund. The estimate is an all funds increase of \$8,022, or 2.5 percent, above the amount approved by the 2007 Legislature. The increase is attributable to KSIP expenditures. The estimate would fund the currently approved 2.0 FTE positions.

Governor's Recommendation

The Governor concurs with the agency's estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Kansas Real Estate Appraisal Board **Bill No.** SB

Bill Sec.

Analyst: Steiner

Analysis Pg. No. Vol.-

Budget Page No. 489

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments *
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	323,670	326,840	(4,420)
Subtotal - Operating	\$ 323,670	\$ 326,840	\$ (4,420)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 323,670	 \$ 326,840	 \$ (4,420)
 FTE Positions	 2.0	 2.0	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	2.0	2.0	0.0

* All of the Subcommittee's recommended reductions are related to pay plan adjustments.

Agency Request

The agency requests FY 2008 operating expenditures of \$323,670, all from the Real Estate Appraisal Fee Fund, which is the same as the amount approved by the 2007 Legislature. The request would fund the currently approved 2.0 FTE positions.

Governor's Recommendation

The Governor concurs with the agency's request and recommends an additional \$3,170, all from the Real Estate Appraisal Fee Fund, for a 2.5 percent base salary adjustment for all employees.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$4,420, 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 \$ 3,170, all from special revenue funds, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
- b. **Longevity Pay.** Delete \$1,250, all from special revenue funds, to remove the amount recommended by the Governor for longevity bonus payments.

Senate Subcommittee Report

Agency: Kansas Real Estate Commission **Bill No.** SB

Bill Sec.

Analyst: Steiner

Analysis Pg. No. Vol.-

Budget Page No. 491

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	1,252,746	1,238,246	0
Subtotal - Operating	\$ 1,252,746	\$ 1,238,246	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 1,252,746	\$ 1,238,246	\$ 0
FTE Positions	15.0	15.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	15.0	15.0	0.0

Agency Estimate

The agency estimates FY 2008 operating expenditures of \$1,252,746, all from the Real Estate Commission Fee Fund. The agency's FY 2008 estimate is an increase of \$178,991, or 16.7 percent, above the amount approved by the 2007 Legislature. Of the increase, \$164,491 is due to KSIP expenditures. Also included in the request is a supplemental request of \$14,500 for the replacement of an agency vehicle.

Governor's Recommendation

The Governor recommends current year operating expenditures of \$1,238,246. The recommendation does not include the agency's FY 2008 supplemental request to replace the agency's vehicle. The Governor recommended the agency purchase the vehicle through existing resources.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Kansas Real Estate Commission **Bill No.** SB

Bill Sec.

Analyst: Steiner

Analysis Pg. No. Vol.-

Budget Page No. 491

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments *
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	1,085,562	1,105,979	(24,067)
Subtotal - Operating	\$ 1,085,562	\$ 1,105,979	\$ (24,067)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 1,085,562	\$ 1,105,979	\$ (24,067)
FTE Positions	15.0	15.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	15.0	15.0	0.0

* All of the Subcommittee's recommended reductions are related to pay plan adjustments.

Agency Request

The agency requests FY 2009 operating expenditures of \$1,085,562, all from the Real Estate Commission Fee Fund, which is the same amount approved by the 2007 Legislature. The request would fund the currently approved 15.0 FTE positions.

Governor's Recommendation

The Governor concurs with the agency's request and recommends an additional \$20,417, all from the Real Estate Commission Fee Fund, for a 2.5 percent base salary adjustment for all employees and salary increased for below market pay from select employees.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$24,067, 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 \$15,468, all from special revenue funds, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
- b. **Classified Employee Pay Plan.** Delete \$4,949, all from special revenue funds, 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 \$3,650, all from special revenue funds, to remove the amount recommended by the Governor for longevity bonus payments.

Senate Subcommittee Report

Agency: Securities Commissioner **Bill No.** SB **Bill Sec.**

Analyst: Gorges **Analysis Pg. No. Vol.-** **Budget Page No.** 493

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	3,153,166	3,075,326	(54,639)
Subtotal - Operating	<u>\$ 3,153,166</u>	<u>\$ 3,075,326</u>	<u>\$ (54,639)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 3,153,166</u></u>	<u><u>\$ 3,075,326</u></u>	<u><u>\$ (54,639)</u></u>
FTE Positions	32.1	32.1	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>32.1</u></u>	<u><u>32.1</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency** requests a current budget totaling \$3,153,166, an increase of \$370,237, or 13.3 percent, above the approved amount. The request, all from special revenue funds, would fund all 32.1 FTE positions and includes \$238,477 in Kansas Savings Incentive Program (KSIP) expenditures.

The agency's request includes two supplemental requests totaling \$112,479. The first request would fund increased pay for Special Investigators based on Executive Directives No. 07-374 and 07-381 by reducing shrinkage by \$34,639. The second request would fund salary and wage increases for Investigator Supervisors and Examiner Positions. The two positions perform similar work to Investigators, but were not included in the Executive Directives. The agency requests an additional \$77,840 to in order to maintain pay equity within the agency.

Additionally, the request includes an increase of \$20,000 due to a posting error. Each year the agency makes a \$20,000 transfer to the Kansas Council on Economic Education. The transfer is a non-expense item, but was included in the agency's operating expenditure budget for FY 2008. The increase is offset by a \$719 reduction in the Investor Education Fund estimate.

Governor's Recommendation

The **Governor** recommends current year operating expenditures of \$3,075,326, a decrease of \$77,840 below the agency's current year estimate. The recommendation includes \$34,639 for the first supplemental request, and leaves the \$20,000 in the budget which is partially offset by the \$719 reduction. The Governor does not recommend the second supplemental request of \$77,840.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation with the following adjustments and comments:

1. **Increased Pay for Special Investigators.** Delete \$34,639 in reduced shrinkage for the increased pay. The supplemental request will be reviewed at Omnibus.
2. **Technical Adjustment.** Delete \$20,000 to adjust the expenditure authority back to the approved amount.
3. **Increased Pay for Investigator Supervisors and Examiners.** The Subcommittee would like to review the agency's supplemental request for increased pay for Examiners at Omnibus. The Subcommittee notes more information is needed about the below market pay plan adjustment's effect on the salaries in the supplemental request before recommending either increase.

Senate Subcommittee Report

Agency: Securities Commissioner **Bill No.** SB

Bill Sec.

Analyst: Gorges

Analysis Pg. No. Vol.-

Budget Page No. 493

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments*
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	2,911,934	2,912,771	(146,454)
Subtotal - Operating	\$ 2,911,934	\$ 2,912,771	\$ (146,454)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 2,911,934	\$ 2,912,771	\$ (146,454)
FTE Positions	32.1	32.1	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	32.1	32.1	0.0

* Of the Subcommittee's recommended reductions, \$79,065, all from special revenue funds, is related to pay plan adjustments.

Agency Request

The **agency** requests \$2,911,934, an increase of \$132,318, or 4.8 percent, above the approved FY 2009 amount. The request, all from special revenue funds, would fund all 32.1 FTE positions.

The request includes two enhancement requests totaling \$113,038. The first request, \$34,810, would fund increased pay for Special Investigators based on Executive Directives No. 07-374 and 07-381. The second request would fund salary and wage increases for Investigator Supervisors and Examiner Positions. The two positions perform similar work to Investigators, but were not included in the Executive Directives. The agency requests an additional \$78,228 in order to maintain pay equity within the agency.

The remaining increase is attributed to a \$20,000 posting error as described in the Fy 2008 report, offset by a reduction of \$720 in the Investor Education Fund estimate.

Governor's Recommendation

The **Governor** recommends FY 2009 operating expenditures of \$2,912,771. The recommendation includes \$34,810 in reduced shrinkage for the first enhancement, includes \$20,000 as an expense item for the transfer, includes the \$720 reduction in the Investor Education Fund estimate, and adds \$79,065 for the Governor's pay plan. The Governor does not recommend the second enhancement request of \$78,228.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$91,815, 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 \$51,766 to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
 - b. **Classified Employee Pay Plan.** Delete \$27,299 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 \$12,750 to remove the amount recommended by the Governor for longevity bonus payments.
2. **Increased Pay for Special Investigators.** Delete \$34,639 in reduced shrinkage for increased pay for Special Investigators. The supplemental will be reviewed at Omnibus.
3. **Technical Adjustment.** Delete \$20,000 to adjust the expenditure authority back to the approved amount.
4. **Increased Pay for Investigator Supervisors and Examiners.** The Subcommittee would like to review the agency's supplemental request for increased pay for Examiners at Omnibus. The Subcommittee notes more information is needed about the below market pay plan adjustment's effect on the salaries in the supplemental request before recommending either increase.

Senate Subcommittee Report

Agency: Board of Technical Professions **Bill No.** SB

Bill Sec.

Analyst: Steiner

Analysis Pg. No. Vol.-

Budget Page No. 495

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	587,797	587,797	0
Subtotal - Operating	\$ 587,797	\$ 587,797	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 587,797	\$ 587,797	\$ 0
FTE Positions	6.0	6.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	6.0	6.0	0.0

Agency Estimate

The agency estimates FY 2008 operating expenditures of \$587,797, all from the Board of Technical Professions Fee Fund. The estimate is an all funds increase of \$24,222, or 4.3 percent, above the amount approved by the 2007 Legislature. The increase is attributable to KSIP expenditures.

Governor's Recommendation

The Governor concurs with the agency's estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Board of Technical Professions **Bill No.** SB

Bill Sec.

Analyst: Steiner

Analysis Pg. No. Vol.-

Budget Page No. 495

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments *
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	566,621	577,455	(11,334)
Subtotal - Operating	\$ 566,621	\$ 577,455	\$ (11,334)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 566,621	\$ 577,455	\$ (11,334)
FTE Positions	6.0	6.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	6.0	6.0	0.0

* All of the Subcommittee's recommended reductions are related to pay plan adjustments.

Agency Request

The agency requests FY 2009 operating expenditures of \$577,455, all from the Board of Technical Professions Fee Fund, which is the same amount approved by the 2007 Legislature.

Governor's Recommendation

The Governor concurs with the agency's request and recommends an additional \$10,834, all from the Board of Technical Professions fee fund, for a 2.5 percent base salary adjustment for all employees, and salary increases for below market pay for select employees.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$11,334, 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 \$5,836, all from special revenue funds, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
- b. **Classified Employee Pay Plan.** Delete \$4,998, all from special revenue funds, 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 \$500, all from special revenue funds, to remove the amount recommended by the Governor for longevity bonus payments.

Senate Subcommittee Report

Agency: Board of Veterinary Examiners **Bill No.** SB

Bill Sec.

Analyst: Steiner

Analysis Pg. No. Vol.-

Budget Page No. 497

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	309,225	305,962	(3,263)
Subtotal - Operating	\$ 309,225	\$ 305,962	\$ (3,263)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 309,225	 \$ 305,962	 \$ (3,263)
 FTE Positions	 2.0	 2.0	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	2.0	2.0	0.0

Agency Estimate

The agency estimates FY 2008 operating expenditures of \$309,225, all from the Board of Veterinary Examiners Fee Fund. The estimate is an all funds increase of \$30,670, or 11.0 percent, above the amount approved by the 2007 Legislature. The agency increased the hourly salaries and wages rate above the amount approved for the 3.0 FTE positions but did not make a supplemental request for the increases. The increase of \$3,263 was offset by the agency's decision to decrease contractual services and commodities. The overall increase is due to KSIP expenditures.

Governor's Recommendation

The Governor recommends FY 2008 operating expenditures of \$305,962, a decrease of \$3,263, or 1.1 percent, below the agency's current year estimate. The decrease is due to the Governor not recommending the increased hourly salaries and wages rate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Board of Veterinary Examiners **Bill No.** SB

Bill Sec.

Analyst: Steiner

Analysis Pg. No. Vol.-

Budget Page No. 497

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	Senate Subcommittee Adjustments *
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	274,922	268,898	(9,842)
Subtotal - Operating	\$ 274,922	\$ 268,898	\$ (9,842)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	\$ 0	\$ 0	\$ 0
TOTAL	\$ 274,922	\$ 268,898	\$ (9,842)
FTE Positions	3.0	3.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	3.0	3.0	0.0

* Of the Subcommittee's recommended reductions, \$3,818, all from special revenue funds, is related to pay plan adjustments.

Agency Request

The agency requests FY 2009 operating expenditures of \$274,922, the same amount approved by the 2007 Legislature. The request would fund the currently approved 3.0 FTE positions.

Governor's Recommendation

The Governor recommends operating expenditures of \$268,898, a decrease of \$6,024, or 2.2 percent, below the FY 2009 request. The recommendation includes a further reduction of \$9,842 for the salaries and wages that increased by the agency. The reduction is offset by the addition of \$3,818 for a 2.5 percent base salary adjustment for all employees. The agency did not receive any funding for below market select employees.

Senate Subcommittee Recommendation

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

1. **Pay Plan Adjustments.** Delete \$3,818, 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 \$3,818, all from special revenue funds, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.



KANSAS

KANSAS DEPARTMENT OF CORRECTIONS
ROGER WERHOLTZ, SECRETARY

KATHLEEN SEBELIUS, GOVERNOR

Testimony on SB 539
to
The Senate Ways and Means Committee

By Roger Werholtz
Secretary
Kansas Department of Corrections
February 20, 2008

The Department of Corrections supports SB 539. SB 539 would amend K.S.A. 75-52,111 and 75-52,112 which respectively provide for the distribution of appropriated funds to community corrections entities for annual operating expenses and programs to increase public safety by the reduction of recidivism. SB 539 would amend both of these statutes to provide that the grant determinations by the secretary would not be subject to judicial review.

Two lawsuits filed by the Board of County Commissioners of Riley County claiming their community corrections program is under funded from the genesis of this bill. In the first lawsuit, the Commissioners sought, irrespective of the funds appropriated, an additional \$2.5 million from the state. In the second suit, again irrespective of the amount appropriated, they sought an additional \$365,000 from the state. It is important to note that Riley County is not claiming that it is being treated unfairly vis a vis other community corrections entities. They simply claim an entitlement to more state funding. Both of these lawsuits have been dismissed by the District Court, but the Riley County Board of Commissioners has appealed both cases.

SB 539 would remove community corrections funding decisions from review by the judicial branch and leave the funding decisions to the executive and legislative branches like other appropriations made through the legislative process. The Riley County Commission's repeated attempts to receive greater funding than is allocated by legislative appropriation through litigation is detrimental for several reasons.

- The funding of community corrections should be an appropriation decision of the legislature.

- If a District Court would order an increase in funding to a community corrections program, either funds in excess of the appropriation would be required or the department would be forced to take funds from other community corrections programs.
- The status of all community corrections grants and the budgets of those programs would be subject to uncertainty during the pending litigation brought by any one of the programs.
- Litigation involves the use of taxpayer funds to prosecute and defend the litigation.

The Riley County Commission has the same right of any constituent or interest group to present its requests for state funds to the legislature. SB 539 retains the legislative prerogative to enact appropriations and the legislature's oversight authority to review any grant determinations of the secretary. The Riley County Commission's apparently endless attempts to utilize the judiciary to bypass the legislative and executive branches of government regarding funding is not the outer limit of the Commission's desire to use the judicial branch to subjugate the legislative process. In March of 2007, the Board of Riley County Commissioners attempted to obtain an *ex parte* order prohibiting me as the Secretary of Corrections from seeking passage of HB 2141 (enacted as SB 14) last session. SB 14 was a major piece of legislation for promoting risk reduction supervision practices by community corrections programs.

The Department urges favorable consideration of SB 539.

Testimony In Opposition to Senate Bill 539
February 20, 2008
Mike Kearns, Member
Riley County Board of Commissioners

Dear Mr. Chairman and members of the Committee. I am here to testify in opposition to S.B. 539.

My name is Mike Kearns, and I am a member of the Riley County Commission. I am testifying in opposition to S.B. 539.

Passage of S.B. 539 would be bad public policy for this entire state. To the best of our knowledge, all state agencies are subject to judicial review under the Kansas Judicial Review Act (KJRA). This allows the public to challenge in the courts decisions by administrative agencies which may have violated existing law. The KJRA is an important safeguard to the rights of individual citizens and local governments in their dealings with all state agencies.

While our Commission has legal action pending against the Secretary of Corrections, my opposition to S.B. 539 is not based on that fact. The bill, as currently written, is not retroactive and would therefore have no legal effect on that pending action.

However, our Commission's long-standing good faith dispute with the Secretary of Corrections over underfunding of our county's Community Corrections program has taught us how important it is to preserve judicial oversight over the actions of agency heads.

Passage of this bill would be a bad precedent in the short term, because it would entirely deprive counties in the future of their ability to legally challenge Community Corrections funding decisions. Passage of this bill would be bad precedent in the long term, because it would allow other state agencies to seek to shield decisions from scrutiny by the courts, through legal action by our citizens.

Thank you for considering my testimony in opposition to S.B. 539.

Senate Ways and Means
2-20-08
Attachment 3



KANSAS
ASSOCIATION OF
COUNTIES

TESTIMONY

concerning Senate Bill No. 539
COMMUNITY CORRECTIONS GRANT DETERMINATIONS
Presented by Randall Allen, Executive Director
Kansas Association of Counties
February 20, 2008

Chairman Umbarger and members of the committee, thank you for the opportunity to submit testimony *in opposition to* SB 539. Earlier this week, our Association's Legislative Policy Committee took a position in opposition to this bill. We believe that removing the option for a county or group of counties to seek judicial review concerning the granting of funds for community correction services sets a dangerous precedent and is unwarranted. We believe it would start us down a slippery slope of reduced checks and balances that we do not want to travel.

Clearly, the basis for most of the conflict between the State and counties with respect to community corrections has to do with inadequate funding, a problem that no single entity can address. We (i.e. the state and counties) must work it out together. All agencies work to do the best with what they have, yet I continually hear from county commissioners that the State's community corrections grant funding for adults and juveniles is inadequate to sustain the services that are needed. In the early days of community corrections, counties were told that the State would provide 100% of necessary funding for community corrections. However, the increased costs of health insurance for community corrections employees, cost of living adjustments, utilities, and mileage have all eroded the dollars which are available.

Having offered our position on this bill, let me offer an alternative to this bill. The Kansas Department of Corrections and our current secretary, Roger Werholtz, have been incredibly good partners in working to improve the many corrections programs where state and county responsibilities intersect. The Secretary has worked with us on jail medical and prescription drug costs which have saved counties millions of dollars. Our relationship has been collegial, cordial, and constructive. In lieu of passing SB 539, we offer a forum for the Secretary and his staff to sit down on a continuing basis with a representative group of county commissioners and community corrections directors to try to work through our most difficult situations. Filing suit against the Secretary is should always be a final alternative, and not a good "early" option. We urge the committee to kill the bill and send us all back to develop better common understanding. Thank you.

The Kansas Association of Counties, an instrumentality of member counties under K.S.A. 19-2690, provides legislative representation, educational and technical services and a wide range of informational services to its member counties. Inquiries concerning this testimony should be directed to Randall Allen or Judy Moler by calling (785) 272-2585.

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