

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Kevin Yoder at 9:05 a.m. on February 13, 2009, in Room 143-N of the Capitol.

All members were present except:

Representative Sydney Carlin- excused  
Representative Jerry Henry- excused  
Representative Kasha Kelley- excused

Committee staff present:

Nobuko Folmsbee, Office of the Revisor of Statutes  
Jim Wilson, Office of the Revisor of Statutes  
Audrey Dunkel, Kansas Legislative Research Department  
J.G. Scott, Kansas Legislative Research Department  
Kelly Cure, Chief of Staff  
Kathy Holscher, Committee Assistant

Conferees appearing before the committee:

None

Others attending:

See attached list.

- Attachment 1 Budget Committee Reports on Adjutant General, Highway Patrol, Kansas Bureau of Investigation, State Fire Marshal, Emergency Medical Services Board, Kansas Parole Board and Sentencing Commission

Chairman Yoder welcomed Committee members, and noted that today is Public Safety Day. The meeting agenda was reviewed. Chairman Yoder expressed his appreciation of Committee members for their work on the FY 2009 budget.

Introduction of Legislation

Representative Mast moved to introduce legislation regarding the removal of the Pet Inspection Division from the Animal Health Department to the Department of Agriculture. The motion was seconded by Representative Watkins. Motion carried.

Chairman Yoder discussed the Committee process, and the changes made to the data provided in the Budget Committee Reports. This information contains the agency's request, the Governor's recommendation and the House Budget Committee recommendations. The FY 2009 revision bill has been sent to the Governor. The budgets that the committee is reviewing does not reflect proposed budget cuts, but is based on the Governor's FY 2009 base budget as passed by the 2008 Legislature.

Representative Yoder made a motion to apply FY 2009 cuts through into FY 2010, to ensure that the recent budget cuts of 4.25 percent are not replaced in the FY 2010 budget. In light of a line item veto, the budget will be brought back to the Committee. The motion was seconded by Representative Mast. Motion carried.

Representative Tafanelli, Chair of the Transportation and Public Safety Budget Committee, presented the Adjutant General's Department Budget Report, (Attachment 1). The House Budget Committee concurs with the Governor's recommendation with noted adjustments which include: moratoriums on KPERS Death and Disability and employee health insurance, Omnibus review of funds to match the Federal Emergency Management Performance grant, hazard Mitigation Funding and Disaster Match Funding.

Representative Tafanelli made a motion to approve the FY 2010 Adjutant General's Department Budget Report. The motion was seconded by Representative Gatewood.

## CONTINUATION SHEET

Minutes of the House Appropriations Committee at 9:05 a.m. on February 13, 2009, in Room 143-N of the Capitol.

Discussion by Committee members followed regarding outstanding disaster payments and payout time frames, hazard funds for litigation and eligible private non-profits and areas for reduction that would have the least amount of impact or risks.

Representative Tafaaneli renewed the motion to approve the FY 2010 Adjutant General's Budget Committee Report. Motion carried.

Representative Tafaaneli, Chair of the Transportation and Public Safety Budget Committee, presented the Kansas Highway Patrol Budget Committee Report, (Attachment 1). The House Budget Committee concurs with the Governor's recommendation with noted adjustments which include: salary and wage enhancements; the moratoriums on KPERS Death and Disability and employee health plan; the digital in-car camera project; the Public Safety Interoperable Communications Grant program; Motor Carrier Safety Assistance program; and computer and information technology equipment.

Representative Tafaaneli made a motion to approve the FY 2010 Kansas Highway Patrol Budget Committee Report. The motion was seconded by Representative Gatewood.

Representative Tafaaneli discussed the impact of budget cuts, risk factors and safety concerns. He responded to Committee questions regarding the memorandum of agreement, fee fund transfers, Homeland Security grants, federal funds for contracted equipment, reduced resources packages, and the possibility of reviewing the impact of matching grants at Omnibus.

Aaron Klaassen, Kansas Legislative Research Department, responded to questions from Committee members regarding fee funds and the Highway Patrol troopers contracted by the Turnpike Authority.

Representative Tafaaneli renewed the motion to approve the FY 2010 Highway Patrol Budget Report. Motion carried.

Representative Tafaaneli, Chair of the Transportation and Public Safety Budget Committee, presented the Kansas Bureau of Investigation Budget Report, (Attachment 1). The House Budget Committee concurs with the Governor's recommendation with noted adjustments: the moratoriums on employee health plan and KPERS Death and Disability; Kansas Criminal Justice Information System Project; and a review at Omnibus for the purchase of a new KCJIS message switch.

Representative Tafaaneli made a motion to approve the Kansas Bureau of Investigation FY 2010 Budget Report. The motion was seconded by Representative Gatewood.

Discussion by Committee members followed regarding the challenges and potential shortfalls in the FY 2010 budget process. The need to review tax exemptions and concerns for public safety was expressed. It was suggested that a policy review should take place prior to further reductions. Budget committee rules, processes, time lines and responsibilities were discussed. Chairman Yoder stated that Secretary Goossen is scheduled for next week's agenda to review the Governor's FY 2010 proposed budget and budget committee guidelines.

Representative Tafaaneli renewed the motion to approve the Kansas Bureau of Investigation FY 2010 Budget Report. Motion carried.

Representative Tafaaneli, Chair of the Transportation and Public Safety Budget Committee, presented the State Fire Marshal Budget Report, (Attachment 1). The House Budget Committee concurs with the Governor's recommendation with noted adjustments: the moratoriums on employee health plan and KPERS Death and Disability; SGF Services Fee; Fire Insurance Premium Levy; the Emergency Medical Services; and the State Fire Marshal Fee Fund.

Representative Tafaaneli made a motion to approve the State Fire Marshal FY 2010 Budget Report. The motion was seconded by Representative Gatewood. Motion carried.

CONTINUATION SHEET

Minutes of the House Appropriations Committee at 9:05 a.m. on February 13, 2009, in Room 143-N of the Capitol.

Representative Gatewood, member of the Transportation and Public Safety Budget Committee, presented the Board of Emergency Medical Services FY 2010 Budget Report, (Attachment 1). The Budget Committee concurs with the Governor's recommendation with noted adjustments: the moratoriums on employee health plan and KPERS Death and Disability; SGF Services Fee; and request for an interim study on the State Fire Marshal's EMS.

Representative Gatewood made a motion to approve the FY 2010 Board of Emergency Medical Services Budget Report. The motion was seconded by Representative Tafanelli. Motion carried.

Representative Gatewood, member of the Transportation and Public Safety Budget Committee, presented the Kansas Parole Board FY 2010 Budget Report, (Attachment 1). The House Budget Committee concurs with the Governor's recommendation with noted adjustments: the moratoriums on employee health plan and KPERS Death and Disability; goals of the agency; and budget reductions 4.5% below the FY 2009 approved budget.

Representative Gatewood made a motion to approve the FY 2010 Board of Emergency Medical Services Budget Report. The motion was seconded by Representative Tafanelli.

Representative Gatewood responded to questions from Committee members regarding salaries, caseloads, administrative expenses and the impact of budget reductions.

Representative Gatewood renewed the motion. Motion carried.

Representative Gatewood, member of the Transportation and Public Safety Budget Committee, presented the Kansas Sentencing Commission FY 2010 Budget Report, (Attachment 1). The House Budget Committee concurs with the Governor's recommendation with noted adjustments: the moratoriums on employee health plan and KPERS Death and Disability; and substance abuse treatment.

Representative Gatewood made a motion to approve the FY 2010 Kansas Sentencing Commission Budget Report. The motion was seconded by Representative Tafanelli.


Representative Gatewood responded to questions from Committee members regarding the 4.25 percent budget reduction, which is not reflected on this report, and fee funds supporting **SB 23**.

Representative Gatewood renewed the motion to approve the FY 2010 Kansas Sentencing Commission Budget Report. Motion carried.

Chairman Yoder discussed the agenda for Monday, February 16. He stated that the Committee will continue work on **HB 2095**.

The next meeting is scheduled for February 16, 2009.

The meeting was adjourned at 11:00 a.m.



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Kevin Yoder, Chairman

# APPROPRIATIONS COMMITTEE GUEST LIST

DATE: 2-13-09

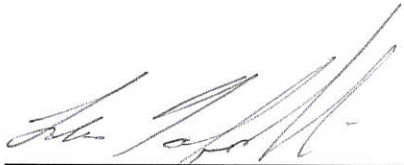
NAME	REPRESENTING
Dodie & Wellhear	USA / Kansas
Derek Helm	High Law Firm
Marsha Pappan	KBI
Robert E. Blecha	KBI
Becky Bahr	KSFM
Janice Harper	Adjutant General
TERRY FRIZELL	KAWA
SHERYL WELER	KHP
John Eickhorn	KHP
Dennis Phillips	KSCFF
ROB MEATY	KEARNEY & ASSOC.
Patte Biggs	Parole Board
John Knuth	Ks. Chiropractic Assn.

FY 2010

HOUSE TRANSPORTATION AND PUBLIC SAFETY BUDGET COMMITTEE

Adjutant General

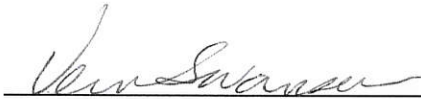
Highway Patrol  
Kansas Bureau of Investigation  
State Fire Marshal  
Emergency Medical Services Board  
Kansas Parole Board  
Sentencing Commission



Representative Lee Tafanelli, Chair



Representative Gail Finney



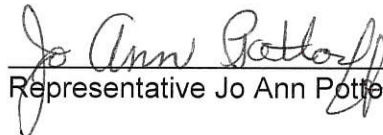
Representative Vern Swanson, Vice-Chair



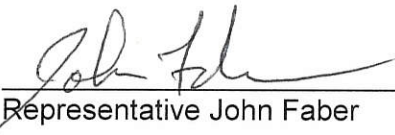
Representative Stan Frownfelter



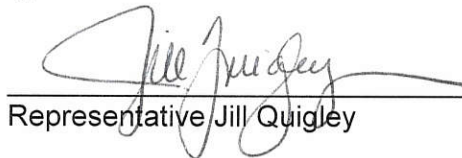
Representative Doug Gatewood,  
Ranking Minority Member



Representative Jo Ann Potterff



Representative John Faber



Representative Jill Quigley

Appropriations Committee

Attachment 1-1

Date 2-13-09

Budget \_\_\_\_\_

## House Budget Committee Report

**Agency:** Adjutant General **Bill No.** HB - -

**Bill Sec.** - -

**Analyst:** Klaassen

**Analysis Pg. No.** Vol.- -

**Budget Page No.** 375

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 33,640,803	\$ 14,836,285	\$ 94,820
Other Funds	225,936,176	87,449,597	575,597
Subtotal - Operating	<u>\$ 259,576,979</u>	<u>\$ 102,285,882</u>	<u>\$ 670,417</u>
Capital Improvements:			
State General Fund	\$ 6,504,072	\$ 300,000	\$ 0
Other Funds	1,000,000	1,000,000	0
Subtotal - Capital Improvements	<u>\$ 7,504,072</u>	<u>\$ 1,300,000</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 267,081,051</u></u>	<u><u>\$ 103,585,882</u></u>	<u><u>\$ 670,417</u></u>
FTE Positions	220.0	219.0	0.0
Non FTE Uncl. Perm. Pos.	228.1	225.1	0.0
<b>TOTAL</b>	<u><u>448.1</u></u>	<u><u>444.1</u></u>	<u><u>0.0</u></u>

### Agency Request

For **FY 2010**, the **agency** requests operating expenditures of \$259,576,979, which is a decrease of \$737,974, or 0.3 percent, below the FY 2009 revised request. The request includes expenditures of \$33,640,803 from the State General Fund and \$225,936,176 from all other funds. The agency requests operating enhancements of \$212,608,313, including \$26,613,489 from the State General Fund. The request includes 220.0 FTE positions, an increase of 1.0 FTE position as part of an enhancement. The agency's FY 2010 capital improvements request totals \$7,504,072, including \$6,504,072 from the State General Fund. The capital improvements request includes enhancements totaling \$4,749,072, all from the State General Fund.

### Governor's Recommendation

For **FY 2010**, the **Governor** recommends expenditures of \$102,285,882, including \$14,836,285 from the State General Fund. The recommendation is an all funds decrease of \$95,531,077, or 48.3 percent, and a State General Fund decrease of \$12,832,350, or 46.4 percent, below the FY 2009 recommendation. The recommendation is an all funds decrease of \$157,291,097, or 60.6 percent, and a State General Fund decrease of \$18,804,518, or 55.9 percent, below the FY 2010 request. The Governor recommends enhancements totaling \$66,570,701 including \$7,933,751 from the State General Fund, which include: \$40,491, all from the State General Fund, for a pay plan adjustment; \$66,455,210, including \$7,818,260 from the State General Fund for Disaster Assistance; and \$75,000, all from the State General Fund, for operating expenditures at the Salina training center. The recommendation also includes expenditure reductions, which include: a reduction to the Adjutant General Expense Fund -

Hazardous Mitigation of \$10,499,092, including \$1,883,892 from the State General Fund, in respect to the lapse of the same State General Fund amount in the FY 2009 recommendation; and a reduction of \$20,793 in recommended State General Fund shrinkage for the Division of Emergency Management Program.

The recommendation includes the following reductions: \$619,871, including \$87,486 from the State General Fund, for a moratorium on employer contributions on health insurance payments; and \$113,729, including \$16,501 from the State General Fund, for a moratorium on KPERS Death and Disability payments. As part of the Governor's recommendation on these moratoriums, part of the funds that would be used to make these payments are to be transferred to the State General Fund, which includes \$956 from KPERS Death and Disability, and \$4,921 from employer health insurance. The Governor also recommends a 1.0 percent increase for state employees that will come from existing resources.

For FY 2010 the Governor recommends expenditures of \$1,300,000 for capital improvements. This difference is due to a State General Fund reductions of \$1,455,000, from debt service principal for debt restructuring, and no recommended capital improvements enhancement funding (\$4,749,072 from the State General Fund).

### **House Budget Committee Recommendation**

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$619,871, including \$87,486 from the State General Fund, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$50,546, including \$7,334 from the State General Fund to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill. The action still captures five months of savings from the moratorium in FY 2010.
3. **The Committee recommends Omnibus review of funds to match the federal Emergency Management Performance Grant.** The Committee notes the agency's request for \$365,000 to match the Emergency Management Performance Grant. The Emergency Management Performance Grant program is funded 50.0 percent by the federal government with a 50 percent state cost-share or in-kind match requirement (this would provide a total of \$730,000, in the absence of an in-kind match). These funds are used to provide disaster preparedness support to counties, in an effort to minimize utilization of state resources if a disaster occurs in a smaller county.
4. **The Committee recommends Omnibus review of Hazard Mitigation funds.** The Committee notes the agency's request for \$77,066,667, including \$9,066,667

from the State General Fund, for Hazard Mitigation funding for the five federal disasters declared since January 2007. The Hazard Mitigation Grant Program helps state and local governments and eligible private non-profits with the cost of planning for, administering, and mitigating losses from future disasters. Hazard Mitigation projects may include, but are not limited to, acquisition or demolition of flood prone properties, construction of tornado safe rooms, limited flood control measures, or enhanced warning systems (The federal government currently pays 75.0 percent of the cost, with a 25.0 percent non-federal match).

5. The Committee notes that while there are significant fluctuations in the agency's budget, these are primarily attributed to federal funding and state match funding for disaster relief. As of December 2008, the agency is making disaster assistance payments on fourteen open disasters. The Committee notes that information provided by the Adjutant General's Office estimates the state's share in disaster relief expenditures at \$26.4 million to match federal funds for payments on the fourteen open disasters. The Committee also notes that in relation to the December 2007 ice storm, electrical facilities may be eligible for up to \$300.0 million, for which the states share would be an estimated \$30.0 million (The federal government currently pays 75.0 percent of the cost, with a 25 percent non-federal match. The States share of the non-federal match has usually been 10.0 percent, with the other 15.0 percent coming from the local unit).



# House Budget Committee Report

Agency: Kansas Highway Patrol Bill No. HB - -

Bill Sec. - -

Analyst: Klaassen

Analysis Pg. No. Vol.- -

Budget Page No. 391

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 38,292,393	\$ 35,106,115	\$ 929,280
Other Funds	47,185,771	43,755,526	629,116
Subtotal - Operating	\$ 85,478,164	\$ 78,861,641	\$ 1,558,396
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	1,137,717	1,137,717	0
Subtotal - Capital Improvements	\$ 1,137,717	\$ 1,137,717	\$ 0
 TOTAL	 \$ 86,615,881	 \$ 79,999,358	 \$ 1,558,396
 FTE Positions	 859.0	 859.0	 0.0
Non FTE Uncl. Perm. Pos.	38.0	38.0	0.0
TOTAL	897.0	897.0	0.0

## Agency Request

The **agency** requests **FY 2010** operating expenditures totaling \$85,478,164, which is a decrease of \$2,971,291, or 3.4 percent, below the FY 2009 revised request. The request includes State General Fund expenditures of \$38,292,393, which is an increase of \$500,618, or 1.3 percent, above the FY 2009 revised request. The request includes 859.0 FTE positions. The request includes enhancements totaling \$3,687,844, including \$1,112,189 from the State General Fund. The agency's capital improvement expenditure request for FY 2010 totals \$1,137,717, all from special revenue funds.

## Governor's Recommendation

For **FY 2010**, the **Governor** recommends operating expenditures of \$78,861,641, including \$35,106,115 from the State General Fund. The recommendation is an all funds decrease of \$9,377,594, or 10.6 percent, below the FY 2009 recommendation, and a decrease of \$6,616,523, or 7.7 percent, below the FY 2010 request. The recommendation is a State General Fund decrease of \$2,300,079, or 6.1 percent, below the FY 2009 recommendation and a decrease of \$3,186,278, or 8.3 percent, below the FY 2010 request. The Governor does not recommend any of the agency's enhancement requests (\$3,687,844, including \$1,112,189 from the State General Fund), and recommends part of the agency's reduced resources package totaling \$1,473,559, including \$1,039,953 from the State General Fund. The recommendation includes a shift of State General Fund expenditures to the General Fees Fund of \$75,453 for salaries and wages. The Governor

recommends a transfers of \$100,000 from the Vehicle Identification Number Fee Fund, and \$300,000 from the Kansas Highway Patrol Motor Vehicle Fund to the State General Fund.

The recommendation includes the following reductions: \$1,371,020, including \$905,758 from the State General Fund, for a moratorium on employer contributions on state employee health insurance payments; and \$84,100, including \$52,925 from the State General Fund, for a moratorium on state funded KPERS Death and Disability payments. As part of the Governor's recommendation on these moratoriums, part of the funds that would be used to make these payments are to be transferred to the State General Fund, which includes \$25,056 from KPERS Death and Disability, and \$364,280 from employer health insurance. The Governor also recommends a 1.0 percent pay increase for state employees that will come from existing resources.

### House Budget Committee Recommendation

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$1,371,020, including \$905,758 from the State General Fund, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year rescission bill.
2. **KPERS Death and Disability Moratorium.** Add \$37,376, including \$23,522 from the State General Fund, to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year rescission bill. The action still captures five months of savings from the moratorium in FY 2010.
3. **Restore partial funding for the In-Car Digital Camera Project.** The Committee recommends the addition of \$150,000, all from the KHP Operations Fund, to restore part of the funding that the 2008 Legislature directed be reallocated for fuel expenditures in FY 2008, and to review addition of the remaining \$125,000 at Omnibus. The in-car digital camera project is to replace outdated analog systems with digital systems and DVD recording that was approved in FY 2008. The funding for the project was set to be \$825,000 in FY 2008 and FY 2009, and \$850,000 in FY 2010. As the agency had not yet settled upon a satisfactory product in FY 2008, the 2008 Legislature transferred \$550,000 of this first year funding into FY 2009. The remaining \$275,000 was directed to be used in FY 2008 to provide for additional fuel expenditures the agency was experiencing.
4. The Committee notes information provided by the agency in respect to budgetary concerns, considerations, and projected effects of budget reductions as provided by the Kansas Highway Patrol (KHP), the agency states as follows:
  - a. Implications and effects of budget cuts to the agency. What is the risk and what steps are you taking to mitigate the risk?

- i. The Public Safety Interoperability Communications (PSIC) Grant Match is expected to be reduced by 1.0 percent by House Substitute for Substitute for SB 23. The State secured a significant amount of funding for the PSIC grant. This grant required a 20.0 percent state match. The details are as follows: \$10,667,169.00 - Federal Funding Available to Kansas, \$ 2,533,452.64 - Total State Match (\$2.0 million KHP; remainder to the Kansas Department of Transportation).
- ii. A 1.0 percent reduction in the \$2.0 million means the State will lose \$80,000 in federal funding and will ultimately have to cut \$100,000 out of the current program for equipment that is already in the process of being purchased (or has been purchased) to strengthen our state's interoperability communications capabilities. The KHP is communicating this possibility to homeland security leaders throughout the state. However, the regions are facing similar budgetary shortfalls and had been promised these funds by the State through contract.
- iii. Upholding and honoring the Memorandum of Agreement with sworn officers is impacted by the State's inability to fund the negotiated and agreed-upon salary increases. This erodes morale and confidence in the State and agency. The quantity of current and forthcoming retirements of experienced and proficient officers makes pay an important factor in attracting quality applicants and encouraging moves to remote areas of the State where spouses may be unable to find work. Because many of the expected retirements are also in law enforcement management ranks, pay must be adequate to motivate existing staff to assume leadership positions with much more responsibility. The Superintendent has been in close contact with association leadership to keep them informed of potential budgetary impacts, and how they might affect rank and file members.
- iv. More severe budget reductions will impact people and public safety. Suspension of Trooper recruit classes is directly related to the retirement eligibility of law enforcement staff. During the next five years, 86 officers at various ranks could retire. Because about one year's time is required for a person to become a Trooper, the Patrol will quickly fall below its necessary workforce strength to maintain current performance, if retirements occur upon eligibility. Reductions in vehicle operating costs could mean stationary patrols and/or parking Patrol vehicles. Currently the KHP's vehicles are primarily covered under warranty. Any extension in the miles driven before vehicle retirement could greatly increase repair and maintenance costs for which there is no existing budget. KHP staff has been informed that the protection of existing positions is the agency's top priority. Miles patrolled and coverage provided may have to be reduced in order to achieve this. Requests have already been made for the voluntary reduction of windshield time which is a shift from deterrence through visibility to one of responding to accidents and other incidents.
- v. Risks include the inability to respond and provide critical public safety services. Aircraft response has already been restricted to only those situations deemed to be emergencies for public and officer safety. More severe budget reductions will begin to jeopardize officer safety. However, the KHP will continue to attempt to fund what is needed to protect the

Troopers.

- vi. Local law enforcement agencies are at risk if capabilities provided by the KHP are reduced or eliminated because of budgetary restrictions. Most local law enforcement agencies throughout the State depend upon the KHP to provide many different types of assistance and response, including Critical Highway Accident Reconstruction Team (CHART), routine accident assistance, Special Response Team call out, canine units, bomb technicians, aircraft, school emergencies and many other situations.
- vii. The reduction in replacement of computers and information technology equipment cannot be sustained. The KHP field and administrative operations both rely heavily on the use of technology to complete the agency's mission.

## House Budget Committee Report

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

**Bill Sec.** - -

**Analyst:** Klaassen

**Analysis Pg. No. Vol.** - -

**Budget Page No.** 403

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 17,928,988	\$ 15,567,663	\$ 350,165
Other Funds	10,873,107	10,690,040	198,606
Subtotal - Operating	<u>\$ 28,802,095</u>	<u>\$ 26,257,703</u>	<u>\$ 548,771</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 1,339,560	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 1,339,560</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 30,141,655</u></u>	<u><u>\$ 26,257,703</u></u>	<u><u>\$ 548,771</u></u>
FTE Positions	220.0	221.0	0.0
Non FTE Uncl. Perm. Pos.	125.5	125.5	0.0
<b>TOTAL</b>	<u><u>345.5</u></u>	<u><u>346.5</u></u>	<u><u>0.0</u></u>

### Agency Request

For FY 2010, the **agency** requests operating expenditures totaling \$28,802,095, which is an increase of \$1,490,951, or 5.5 percent, above the FY 2009 revised request. The request includes \$17,928,988 from the State General Fund, which is an increase of \$1,467,441, or 8.9 percent, above the FY 2009 estimate. The request includes operating enhancements totaling \$1,731,718, including \$1,391,718 from the State General Fund, for maintenance and support of the Kansas Criminal Justice Information System (KCJIS) and replacement vehicles.

For FY 2010, the agency requests capital improvements expenditures of \$1,339,560, all from the State General Fund.

### Governor's Recommendation

For FY 2010, the **Governor** recommends expenditures of \$26,257,703, including \$15,567,663 from the State General Fund. The recommendation is an all funds decrease of \$544,926, or 2.0 percent, below the FY 2009 recommendation, and a decrease of \$2,544,392, or 8.8 percent, below the FY 2010 request. The recommendation is a State General Fund decrease of \$325,369, or 2.0 percent, below the FY 2009 recommendation and a decrease of \$2,361,325, or 13.2 percent, below the FY 2010 request. The Governor does not recommend the agency's KCJIS enhancement, and includes a moratorium on employer contributions on state employee health insurance payments and a moratorium on state funded KPERS Death and Disability payments. As part of the Governor's recommendation on these moratoriums, part of the funds that would be used to make these payments are to be transferred to the State General Fund. The

Governor also recommends a 1.0 percent pay increase for state employees that will come from existing resources.

For FY 2010, the Governor does not recommend any capital improvements expenditures. The Governor's recommendation reduces the agency's base capital improvements budget by \$100,000, and reduces requested debt service principal by \$315,000 for debt service restructuring. The Governor does not recommend any of the agency's capital improvements enhancements.

### House Budget Committee Recommendation

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$520,786, including \$333,942 from the State General Fund, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$27,985, including \$16,223 from the State General Fund, to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill. The action still captures five months of savings from the moratorium in FY 2010.
3. **Adjust expenditures to purchase Kansas Criminal Justice Information System (KCJIS) communication lines.** The Committee recommends that the agency make appropriate adjustments to agency expenditures in order to provide \$416,000 in funding from a source other than the State General Fund for the purchase of KCJIS communication lines. The Committee recommends the agency's provided adjustment scenario for the \$416,000, as follows: \$326,000 from record check fee fund that were originally intended to be used for a new KCJIS message switch; \$6,000 in funding provided for the purchase of a refrigerator that the KBI no longer needs; and, \$120,000 in unencumbered KBI's capital improvements program funding, with the inclusion of reappropriation language for FY 2009 funding. The Committee also recommends that funding for communication lines be included as part of the agency's base in FY 2011.
4. **Review funding for a new KCJIS message switch at Omnibus.** The Committee recommends Omnibus review of funding for the purchase of a new KCJIS message switch. As part of the Committee's recommendations, funds originally intended for the replacement of this switch were reallocated for KCJIS communication lines expenditures.

## House Budget Committee Report

Agency: State Fire Marshal

Bill No. HB - -

Bill Sec. - -

Analyst: Klaassen

Analysis Pg. No. Vol. - -

Budget Page No. 389

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	4,604,115	4,339,644	106,102
Subtotal - Operating	<u>\$ 4,604,115</u>	<u>\$ 4,339,644</u>	<u>\$ 106,102</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>\$ 4,604,115</u></u>	<u><u>\$ 4,339,644</u></u>	<u><u>\$ 106,102</u></u>
FTE Positions	54.0	53.0	0.0
Non FTE Uncl. Perm. Pos.	3.0	3.0	0.0
<b>TOTAL</b>	<u><u>57.0</u></u>	<u><u>56.0</u></u>	<u><u>0.0</u></u>

### Agency Request

For **FY 2010** the **agency** requests operating expenditures of \$4,604,115, a decrease of \$411,323, or 8.2 percent, below the FY 2009 estimate. Of the FY 2010 expenditures, \$3,813,825 are financed by the Fire Marshal Fee Fund, a decrease of \$33,002, or 0.9 percent, below the 2009 estimate. The entire budget is funded from fee and federal funds. The request includes 54.0 FTE positions, which is an increase of 1.0 FTE position above the FY 2009 estimate. The additional FTE position is requested as part of the agency's Explosive Unit Administrative Specialist enhancement.

### Governor's Recommendation

For **FY 2010**, the **Governor** recommends expenditures of \$4,339,644, all from special revenue funds, which is a decrease of \$601,615, or 12.2 percent, below the FY 2009 recommendation, and a decrease of \$264,471, or 5.7 percent, below the agency's FY 2010 request. The Governor does not recommend either of the agency's enhancement requests which total \$77,453, nor the additional FTE position. In addition, the Governor recommends budget reductions totaling \$187,018, all from special revenue funds, and corresponding transfers to the State General Fund, which include: \$82,274 for a 2.0 percent reduction, \$90,216 for a moratorium on state employee health insurance payments, and \$14,528 for a moratorium on state funded KPERS death and disability payments. The Governor also recommends a 1.0 percent increase for state employees wages from existing resources. The Governor's recommendation includes 53.0 FTE positions.

## House Budget Committee Recommendation

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$98,896, all from special revenue funds, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$7,206, all from special revenue funds, to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill. The action still captures five months of savings from the moratorium in FY 2010.
3. **Adjust Assessment of Statutory State General Fund Services Fee:** The Committee requests introduction of a bill to change how the statutory State General Fund services fee is assessed to the 1.25 percent levy on fire insurance premiums to make this fee the responsibility of the three agencies it supports rather than the full responsibility of the State Fire Marshal.

K.S.A. 75-1508 requires each fire insurance company doing business in Kansas to pay the Commissioner of Insurance, beginning in 1984, a levy imposed by the State Fire Marshal, not to exceed 1.25 percent of a sum equal to the gross cash receipts of such company on all fire business transacted by the company in the preceding calendar year.

Per K.S.A. 75-1508, the Board of Emergency Medical Services receives 0.25 percent of this levy, the KU Fire and Rescue Training Institute receives 0.20 percent, and the Office of the State Fire Marshal receives the remaining 0.80 percent, with the statutory administrative services fee (K.S.A. 75-1514) coming only from the Fire Marshal's portion.

The Committee recommends that the fee be assessed to the entire amount of levy funding before it is distributed to each agency. According to the agency, this would result in an estimated increase of \$72,000 to funds received by the State Fire Marshal in FY 2010, a decrease of \$40,000 to the funds received by the Board of Emergency Medical Services, and a decrease of \$32,000 to the funds received by the KU Fire and Rescue Training Institute.

4. **Interim study on funding of State Fire Marshal and Board of Emergency Medical Services:** The Committee requests an interim study on the funding of the State Fire Marshal and Board of Emergency Medical Services. Considerations include redistributing the 0.25 percent of the levy that the Board of Emergency Medical Services currently receives to the State Fire Marshal and instituting an appropriate levy on auto insurance sold in Kansas to fund the operations of the Board of Emergency Medical Services.



5. The Committee notes that the State Fire Marshal's FY 2010 budget is a reduction of \$441,310, or 9.2 percent, below the FY 2009 budget approved by the 2008 Legislature.
6. **Agency Priority Adjustment Listing:** The Committee notes that should additional adjustments need to be made to the agency's budget, a priority listing was provided by the agency. The listing is included in this report as follows (The agency's **Rank 1** priority was to change the assessment of the statutory State General Fund services fee, which is included within the Committee's recommendations, and therefore the included list starts at **Rank 2**):
  - **Rank 2:** Reverse 2008 Senate Substitute for House Bill 2634, which calls for the inspection of non-fuel flammable or combustible liquid above ground storage tanks. The only funding source associated with the bill is from fines incurred for violations after 2013.
    - **Possible Risks, as provided by the agency:** (1) The impact on public safety would be minimal as the agency already has authority for aboveground flammable and combustible liquids; and (2) The cost savings to the agency would be \$78,119 per year.
  - **Rank 3:** Retain Senate Bill 178 that requires all cigarettes sold in the State of Kansas after July 1, 2009, to be tested for ignition with documentation being submitted along with processing fees to the State Fire Marshal's Office.
    - **Possible Risks, as provided by the agency:** (1) The impact on public safety would be the reduction in the number of cigarette related fires, injuries and fatalities. (2) The impact on the agency would be additional revenues.
  - **Rank 4:** Increase total fire insurance levy from 1.25 percent to 1.35 percent, which would generate approximately \$485,395, and distribute additional funding to the Fire Marshal's Office.
    - **Possible Risks, as provided by the agency:** (1) The impact on public safety would be positive through the continued funding of agency services.
  - **Rank 5:** The cancellation of the Bomb Unit. The staffing of the unit is a joint effort between the State Fire Marshal's Office and the Kansas Highway Patrol, but the vehicle, equipment, maintenance, and replacement are the sole burden of the State Fire Marshal.
    - **Possible Risks, as provided by the agency:** (1) The impact on public safety would be continued mitigation of improvised explosive devices in communities without resources. (2) The savings of approximately \$40,000 per year could go to other services provided by the State Fire Marshal's Office.
  - **Rank 6:** The cancellation of the Y-Fire Program. The agency states that the program is part of the education that it provides for Kansans in targeting youth and families experiencing problems with fire setting behavior.
    - **Possible Risks, as provided by the agency:** (1) The impact on public safety would be small as many of the local communities currently have public education personnel promoting similar programs. (2) The savings to the State Fire Marshal's Office would be \$100,905.80 in FY 2010.

## House Budget Committee Report

**Agency:** Board of Emergency Medical Services **Bill No. --**

**Bill Sec. --**

**Analyst:** Tang

**Analysis Pg. No. Vol.-**

**Budget Page No. 387**

Expenditure Summary	Agency Request FY 10	Governor's Recommendation FY 10	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	2,217,357	2,124,043	21,014
Subtotal - Operating	<u>\$ 2,217,357</u>	<u>\$ 2,124,043</u>	<u>\$ 21,014</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>\$ 2,217,357</u></u>	<u><u>\$ 2,124,043</u></u>	<u><u>\$ 21,014</u></u>
FTE Positions	14.0	14.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<u><u>14.0</u></u>	<u><u>14.0</u></u>	<u><u>0.0</u></u>

### Agency's Request

The **Board of Emergency Medical Services** requests FY 2010 operating expenditures of \$2,217,357, a decrease of \$341,506, or 13.3 percent, below the FY 2009 revised estimate. The decrease is due largely to the loss of federal funds in the EMS Federal Fund, and a significantly reduced cash forward balance from the FY 2009 estimate into the FY 2010 request. The Board is not anticipating nor has it applied for any additional grants for FY 2010.

### Governor's Recommendation

The **Governor** recommends \$2,124,043, including \$1,329,211 from the EMS Operating Fund for FY 2010. The amount represents a decrease of \$370,206, or 14.8 percent, below the FY 2009 recommendation and a decrease of \$93,314, or 4.2 percent, below the agency's FY 2010 request. The Governor recommends \$33,608, or 2.0 percent, be reduced from the EMS operating expenditures. The transfer amount from the EMS Operating Fund to the Education Incentive Grant Fund is reduced \$36,129, from \$294,000 to \$257,871. The Governor also recommends a moratorium on State Employee Health Insurance state contributions totaling \$18,963 and on KPERS Death and Disability state contributions totaling \$4,614. The Governor recommends a total of \$92,570 be transferred to the State General Fund.

## House Budget Committee Recommendation

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$18,963, all from special revenue funds, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$2,051, all from special revenue funds, to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill. The action still captures five months of savings from the moratorium in FY 2010.
3. **Adjust Assessment of Statutory State General Fund Services Fee.** The Budget Committee requests introduction of a bill to change how the statutory State General Fund services fee is assessed to the 1.25 percent levy on fire insurance premiums, to make this fee the responsibility of the three agencies it supports rather than the full responsibility of the State Fire Marshal.

KSA 75-1508 requires each fire insurance company doing business in Kansas to pay a levy not to exceed 1.25 percent of the gross cash receipts on all fire business transacted by the company in the preceding calendar year. The statute divides the levy so that the State Fire Marshal receives 0.8 percent of the gross cash receipt, the Board of Emergency Medical Services receives 0.25 percent, and the Fire Services Training Institute at the University of Kansas receives the remaining 0.2 percent. K.S.A. 75-1514 requires that 20.0 percent of the receipts, or a maximum of \$200,000, from the portion of the levy received by the Fire Marshal, shall be transferred to the State General Fund, as reimbursement for administrative services provided to the State Fire Marshal.

The Budget Committee recommends that the services fee be assessed to the entire amount of levy funding before it is distributed to each agency. According to the State Fire Marshal, this would result in an estimated increase of \$72,000 to funds received by the Fire Marshal in FY 2010, a decrease of \$40,000 to the funds received by the Board of Emergency Medical Services, and a decrease of \$32,000 to the funds received by the Fire Services Training Institute.

4. **Interim Study on Funding of the State Fire Marshal and the Board of Emergency Medical Services.** The Budget Committee requests an interim study on the funding of the State Fire Marshal and the Board of Emergency

Medical Services. Considerations include redistributing the 0.25 percent of the levy that the Board of Emergency Medical Services currently receives <sup>from</sup> to the State Fire Marshal, and instituting an appropriate levy on auto insurance sold in Kansas to fund the operations of the Board of Emergency Medical Services.

5. The Budget Committee notes that, in the Governor's recommendation, the Board of Emergency Medical Services' FY 2010 budget is a reduction of \$222,160, or 9.6 percent, below the FY 2009 budget approved by the 2008 Legislature.

## House Budget Committee Report

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

**Bill Sec. --**

**Analyst:** Waltner

**Analysis Pg. No. --**

**Budget Page No. 413**

Expenditure Summary	Agency Request FY 2010	Governor's Recommendation FY 2010	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 515,738	\$ 488,386	\$ 7,636
Other Funds	0	0	0
Subtotal - Operating	<u>\$ 515,738</u>	<u>\$ 488,386</u>	<u>\$ 7,636</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>\$ 515,738</u></u>	<u><u>\$ 488,386</u></u>	<u><u>\$ 7,636</u></u>
FTE Positions	3.0	3.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<u><u>3.0</u></u>	<u><u>3.0</u></u>	<u><u>0.0</u></u>

### Agency Request

The **Kansas Parole Board** requests \$515,738, all from the State General Fund, for FY 2010 operating expenditures. This is an increase of \$3,069, or 0.6 percent, above the revised FY 2009 estimate. The request includes **enhancement funding** totaling \$13,221, all from the State General Fund, to restore the allocated budget reduction. Absent the enhancement funding, the request is a decrease of \$10,152, or 2.0 percent, below the revised FY 2009 estimate. The request would fund 3.0 FTE positions, which is the same as the revised FY 2009 estimate.

### Governor's Recommendation

The **Governor** recommends \$488,386, all from the State General Fund, for FY 2010 operating expenditures, which is a decrease of \$27,352, or 5.3 percent, below the agency request. The decrease is due to an agency enhancement request that was not recommended by the Governor and the following recommended reductions:

- \$5,000 for out-of-state travel;
- \$2,691 for a death and disability moratorium; and
- \$6,440 for a health insurance contribution moratorium.

## House Budget Committee Recommendation

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add \$6,440, all from the State General Fund, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for SB 23, the current year recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$1,196, all from the State General Fund to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for SB 23, the current year recision bill. The action still captures five months of savings from the moratorium in FY 2010.
3. The Budget Committee commends the Parole Board on its approach to committee testimony, which included the nine key goals of the agency and how the agency works to achieve its goals.
4. The Budget Committee notes that the FY 2010 Governor's recommendation is \$24,283, or 4.5 percent, below the FY 2009 approved amount.

## House Budget Committee Report

**Agency:** Kansas Sentencing Commission **Bill No.** HB --

**Bill Sec.** --

**Analyst:** Waltner

**Analysis Pg. No.** --

**Budget Page No.** 417

Expenditure Summary	Agency Request FY 2010	Governor's Recommendation FY 2010	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 9,447,479	\$ 8,955,513	\$ 17,660
Other Funds	607,940	850,356	5,196
Subtotal - Operating	<u>\$ 10,055,419</u>	<u>\$ 9,805,869</u>	<u>\$ 22,856</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>\$ 10,055,419</u></u>	<u><u>\$ 9,805,869</u></u>	<u><u>\$ 22,856</u></u>
<b>FTE Positions</b>	10.0	10.0	0.0
<b>Non FTE Uncl. Perm. Pos.</b>	4.0	4.0	0.0
<b>TOTAL</b>	<u><u>14.0</u></u>	<u><u>14.0</u></u>	<u><u>0.0</u></u>

### Agency Request

The **Kansas Sentencing Commission** requests FY 2010 operating expenditures of \$10.1 million, including \$9.4 million from the State General Fund. The request is an all funds decrease of \$253,811, or 2.5 percent, and a State General Fund decrease of \$394,411, or 4.0 percent, below the revised FY 2009 estimate. The request would fund 10.0 FTE positions and 4.0 non-FTE unclassified positions.

### Governor's Recommendation

The **Governor** recommends \$9.8 million, including \$9.0 million from the State General Fund, for FY 2010 operating expenditures. The recommendation is a decrease of \$249,550, or 2.5 percent, below the agency request. The decrease is due to the recommended reduced resources amount and an additional reduction of \$25,176 for moratoriums on contributions for death and disability and health insurance. The decrease is offset by an increase of \$248,000 in all other funds.

## House Budget Committee Recommendation

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

1. **Moratorium on Employer Contributions to the State Health Plan.** Add 21,000, including \$16,114 from the State General Fund, to restore the Governor's recommended deletion to suspend state contributions to the state employee Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010. The employer health insurance moratorium has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill.
2. **KPERS Death and Disability Moratorium.** Add \$1,856, including \$1,546 from the State General Fund to restore part of the Governor's recommended deletion of funds related to a nine-month moratorium on state contributions to the KPERS Death and Disability Group Insurance Fund for all state agencies. Four months of the Governor's recommended moratorium on KPERS Death and Disability has been accelerated to FY 2009 as part of House Substitute for Substitute for S.B. 23, the current year recision bill. The action still captures five months of savings from the moratorium in FY 2010.
3. The Budget Committee notes that the Corrections and Juvenile Justice Oversight Committee is looking into offenders paying for all or a portion of the 2003 SB 123 drug treatment they receive and concurs that more needs to be done to recapture the cost of 2003 SB 123 drug treatment services to offenders.