

## MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairperson Carolyn McGinn at 10:30 a.m. on March 8, 2011, in Room 548-S of the Capitol.

All members were present.

### Committee staff present:

Jill Wolters, Office of the Revisor of Statutes  
Daniel Yoza, Office of the Revisor of Statutes  
David Wiese, Office of the Revisor of Statutes  
Alan Conroy, Director, Legislative Research Department  
J. G. Scott, Chief Fiscal Analyst, Legislative Research Department  
Aaron Klaassen, Senior Fiscal Analyst, Legislative Research Department  
Dorothy Hughes, Fiscal Analyst, Legislative Research Department  
Reagan Cussimano, Senior Fiscal Analyst, Legislative Research Department  
Shirley Morrow, Fiscal Analyst, Legislative Research Department  
Brea Short, Intern, Senator McGinn's Office  
Jan Lunn, Committee Assistant  
Josh Lewis, Chief of Staff

### Others attending:

See attached list.

### Bill Introductions

Senator Vratil moved introduction of a bill (#rs1076) to extend the statewide 20 mill school levy for two years; Senator Teichman seconded the motion, which passed on a voice vote.

Senator Taddiken moved introduction of a bill (#rs1064) concerning anemometers, which are used for wind farm development. Senator Teichman seconded the motion, which passed on a voice vote.

Senator Umbarger moved introduction of a bill (#rs0963) concerning suspension of the statutory requirement to remit a portion of an agency's fee receipts. Senator Teichman seconded the motion, which carried on a voice vote.

### Old Business

Senator McGinn called attention to the meeting held on February 18, 2011, in which the Board of Pharmacy had requested the establishment of a special litigation reserve fund created from a \$150,000 transfer of monies from its fee fund. Deb Billingsley, Executive Director for the Board of Pharmacy, was present to clarify any concerns.

Responding to questions, Ms. Billingsley reported:

- The creation of the litigation fund was requested to protect the agency's fee funds from unexpected increases in litigation costs, should they occur.
- If litigation occurs, counsel from the Attorney General's (AG) office or outside counsel is engaged. The nature of the litigation and/or the AG workload determines which attorney will handle the case. The AG's office advises and assists the Board of Pharmacy (when possible) to reduce litigation expenses.
- The creation of litigation funds within an agency does not require subsequent legislation.
- The Board of Pharmacy is responsible for inspecting all pharmacies in the state to ensure compliance with federal and state regulations related to pseudoephedrine tracking. To date, there have been no violations identified.

There was no action taken on this item.

### Subcommittee Reports

#### Kansas Historical Society

Senator Vratil, chair of the Education/Arts Subcommittee, reviewed the FY 2012 agency request as well as the Governor's recommendation (Attachment 1). The Subcommittee concurred with the Governor's recommendations including several notations:

## CONTINUATION SHEET

MINUTES OF THE WAYS AND MEANS COMMITTEE on March 8, 2011, 10:30 a.m. 548-S

- Should ERO 39 be rescinded, the budget for the Historical Society would be reduced to \$200,000, all from the State General Fund (SGF).
- Should ERO 39 not be rescinded, and federal or other funds requiring state participation is required, a portion of the \$200,000 from the SGF, may be needed to compensate the Historical Society.
- Funds spent in FY 2011 for the repair of the roof at the Fort Hays Visitor Center depleted funds that could have been used for repairs to the Historical Society's building. The Subcommittee supported additional funds for the FY 2012 capital improvement budget for the Historical Society's lighting repair.

Senator Vratil moved adoption of the Historical Society Subcommittee report; Senator Teichman seconded the motion, which carried on a voice vote.

### Kansas Arts Commission

Senator Vratil reviewed the agency's FY 2012 request and the Governor's recommendation, which included that the agency become a 501(c)(3) entity known as the Kansas Arts Foundation.

The Subcommittee concurred with the Governor's recommendation with notations:

- Should the Governor's ERO not be approved and no comparable legislation is passed, the Subcommittee recommended funding the Kansas Arts Commission as an independent state agency in the amount of \$1,650,764, including \$811,290 from the SGF. In addition, the Subcommittee recommended 8.0 FTE positions be included for FY 2012 (the same as the amount approved in FY 2011).
- The Subcommittee recommended a subsequent review of the budget prior to finalization of the FY 2012 appropriations bill.

Responding to Senator Taddiken's question, Llewellyn Crain, Executive Director of the Kansas Arts Commission, indicated:

- Funds coming from the National Endowment for the Arts require a commitment from the recipient state to match funding from state-controlled funds.

Senator Vratil clarified that:

- There was no discussion in Subcommittee hearings concerning the Dillon House proposal.
- There was no discussion in Subcommittee hearings concerning the possibility of retaining the Commission with decreased funding.

Senator Vratil moved adoption of the Subcommittee report for the Kansas Arts Commission. Senator Kelly seconded the motion, which carried on a voice vote.

### State Library

Senator Vratil reviewed the agency request as well as the Governor's recommendation. Senator Kelly suggested a technical change to the Subcommittee's notations, which met with no opposition.

Senator Vratil moved adoption of the Subcommittee report for the State Library. Senator Teichman seconded the motion, which carried on a voice vote.

### Department of Education

Senator Vratil briefed committee members on the Department of Education agency request and the Governor's recommendation. He emphasized that the Department of Education had assured the Subcommittee that maintenance of effort (MOE) requirements would be met.

Senator Vratil reviewed each Subcommittee recommendation, which deletes funding for special programs (as listed below) and channels those savings into the Base State Aid per Pupil (BSAPP). Senator Kelly inquired concerning the impact on BSAPP. Senator Vratil responded the BSAPP increased approximately \$6. Specifically, the notations and adjustments are:

- Delete \$1.5 million, all from the State General Fund to eliminate funding for the Mentor Teacher program for FY 2012
- Delete \$35,000, all from the State General Fund, to eliminate funding for the Agriculture

## CONTINUATION SHEET

MINUTES OF THE WAYS AND MEANS COMMITTEE on March 8, 2011, 10:30 a.m. 548-S  
in the Classroom program for FY 2012.

- Delete \$375,000, all from the State General Fund, to eliminate funding for after school programs for FY 2012.
- Delete \$25,000, all from the State General Fund, to eliminate funding for after school programs for middle school students for FY 2012.
- Delete \$35,000, all from the State General Fund, for the Communities in Schools program for FY 2012.
- Delete \$55,525, all from the State General Fund, to eliminate funding for the National Board Certification for FY 2012.
- Delete the transfer of \$1.8 million from the State Safety Fund to the State General Fund for FY 2012 and instead transfer the funding directly to General State Aid to increase funding for the base state aid per pupil by \$1.8 million for FY 2012.
- Delete the transfer of \$115,000, all from the Motorcycle Safety Fund, to the State General Fund, for FY 2012 and instead transfer the funding directly to the General State Aid to increase funding for the base state aid per pupil by \$115,000 for FY 2012.
- Delete language in the current appropriations bill requiring that expenditures from the Parent Education program shall be conditioned upon the school district providing services to those participants at 150.0 percent of the federal poverty level and charging a fee for the services to participants above 150.0 percent of the federal poverty level.
- Add \$2.1 million, all from the SGF, to the General State Aid account for FY 2012.
- Add \$52,287, all from SGF, for school food assistance for FY 2012. This supplements the fund to meet matching funding requirements set forth by the National School Lunch Program.
- Add \$70,000, all from SGF, for membership dues to belong to the Council of Chief State School Officers and the National Association of School Boards of Education for FY 2012.
- Add 15.00 FTE positions for FY 2012. The Governor recommended deletion of 25.0 vacant FTE positions for FY 2012.
- Request Senate Ways and Means Committee review the addition of \$920,000, all from the Children's Initiatives Fund, in the Parent Education program for FY 2012.
- Recommend no less than one-half of any new revenue estimated by the April 2011 Consensus Revenue Estimates be committed to funding General State Aid and increasing the base state aid per pupil for FY 2012.
- Note that continually reducing base state aid per pupil impacts the school districts ability to meet the Kansas State Board of Education minimum standards.

Senator Francisco commented that the funding dedicated to membership dues is important not only for information but also to provide networking opportunities concerning the availability of grant funding.

Senator Huntington noted that several technical adjustments are required in the Department of Education Subcommittee report. Committee members agreed and requested staff to initiate necessary corrections.

Senator Vratil moved adoption of the Department of Education Subcommittee report with the technical adjustments suggested. Senator Huntington seconded the motion.

Senator Taddiken expressed concern regarding the Subcommittee's recommendation to transfer \$1.8 million from the SGF to the General State Aid account for increasing the BSAPP. Therefore, Senator Taddiken offered a substitute motion to delete recommendation #7 which transfers \$1.8 million from the SGF to the General State Aid fund. Senator Masterson seconded the substitute motion. The motion failed on a voice vote.

Senator McGinn returned to the main motion for consideration. Senator Kelly commended the Subcommittee for their work and thoughtful deliberation; however, she indicated she could not support the motion because the impact of eliminating the programs recommended would have a negative impact on Kansas children not outweighed by the addition of \$6 to base state aid per pupil.

CONTINUATION SHEET

MINUTES OF THE WAYS AND MEANS COMMITTEE on March 8, 2011, 10:30 a.m. 548-S

Committee members passed the main motion to adopt the Subcommittee report on a voice vote.

Kansas State School for the Blind

Senator Vratil reviewed the agency's request and the Governor's recommendation. The Subcommittee concurred with the Governor's recommendation with adjustments and notations:

- Added \$68,550, all from SGF, to maintain the three-week extended school year program for FY 2012.
- Noted that the FY 2012 budget does not allow for salary increases totaling \$8,531, from the SGF, for additional coursework completed by teachers, which is against K.S.A. 76-11a17. This should be considered prior to finalization of the FY 2012 appropriations bill.

Senator Vratil moved adoption of the Kansas State School for the Blind Subcommittee report. The motion was seconded by Senator Teichman, which passed on a voice vote.

Kansas School for the Deaf

Senator Vratil reviewed the agency's request and the Governor's recommendation. The Subcommittee concurred with the Governor's recommendation with adjustments and notations:

- Added \$29,315, all from the SGF, to maintain the three-week extended school year program for FY 2012.
- Noted that the FY 2012 budget does not allow for salary increases totaling \$13,200, from the SGF, for additional coursework completed by teachers, which is against K.S.A. 76-11a17. This should be considered prior to finalization of the FY 2012 appropriations bill.

Senator Vratil moved adoption of the Kansas School for the Deaf report. The motion was seconded by Senator Francisco, which passed on a voice vote.

The meeting was adjourned at 11:45 a.m.

**SENATE WAYS AND MEANS  
GUEST LIST  
March 8, 2011**

[illegible]

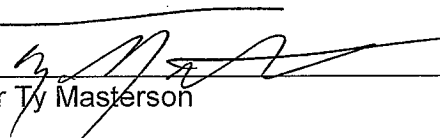
FY 2012

SENATE WAYS AND MEANS SUBCOMMITTEE


Historical Society  
Kansas Arts Commission  
State Library  
Department of Education  
School for the Blind  
School for the Deaf

  
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Senator John Vratil, Chair

  
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Senator Marci Francisco

  
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Senator Ty Masterson

  
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Senator Jean Schodorf

  
\_\_\_\_\_  
Senator Ruth Teichman

Senate Ways and Means

Date:

03/08/11

Attachment:

# House Budget Committee Report

**Agency:** State Historical Society

**Bill No.** ---

**Bill Sec.** ---

**Analyst:** Morrow

**Analysis Pg. No.** 270

**Budget Page No.** 322

Expenditure Summary	Agency Request FY 2012	Governor Recommendation FY 2012	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 5,609,239	\$ 5,271,630	\$ (200,000)
Other Funds	3,240,616	3,410,616	0
Subtotal	\$ 8,849,855	\$ 8,682,246	\$ (200,000)
Capital Improvements			
State General Fund	\$ 255,500	\$ 125,000	\$ 0
Other Funds	171,900	171,900	0
Subtotal	\$ 427,400	\$ 296,900	\$ 0
<b>TOTAL</b>	<b>\$ 9,277,255</b>	<b>\$ 8,979,146</b>	<b>\$ (200,000)</b>
FTE positions	134.0	117.0	0.0
Non FTE Uncl. Perm. Pos.	3.5	3.5	0.0
<b>TOTAL</b>	<b>137.5</b>	<b>120.5</b>	<b>0.0</b>

## Agency Request

The **agency** requests FY 2012 operating expenditures totaling \$8,849,855, an increase of \$294,910, or 3.4 percent, above the revised FY 2011 estimate. The request includes State General Fund expenditures of \$5,609,239, an increase of \$364,507, or 6.9 percent, above the revised FY 2011 estimate. The request includes 134.0 FTE positions and an operating enhancement of \$264,102, all from the State General Fund. The enhancement includes reclassifying and funding 2.0 existing FTE positions.

## Governor's Recommendation

The **Governor** recommends FY 2012 operating expenditures of \$8,682,246, including \$5,271,630 from the State General Fund, a decrease of \$167,609, or 1.9 percent, below the agency's request. The recommendation is a State General Fund decrease of \$337,609, or 6.0 percent, below the agency's request. The recommendation is an increase of \$127,301, or 1.5 percent, above the Governor's FY 2011 recommendation. The increase is attributable to the Governor's recommendation for an additional \$200,000, all from the State General Fund, as a pass through to the 501(c)(3) Kansas Arts Foundation, partially offset by the Governor's acceptance of the agency's reduced resource budget. The Governor also recommends a decrease of 17.0 FTE positions.

### House Budget Committee Recommendation

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

1. Delete \$200,000, all from the State General Fund, to be passed through to a 501(c)(3) Kansas Arts Council. The House Budget Committee recommends the restoration of the Kansas Arts Commission as a stand alone agency. By doing so, it requires the deletion of the \$200,000 added by the Governor for the Kansas Arts Foundation.

### House Committee Recommendation

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

1. Add \$200,000, all from the State General Fund, to restore the Governor's recommendation to eliminate the Kansas Arts Commission and create a 501(c)(3) Kansas Arts Foundation.

### Senate Subcommittee Report

**Agency:** State Historical Society

**Bill No.** ---

**Bill Sec.** ---

**Analyst:** Morrow

**Analysis Pg. No.** 270

**Budget Page No.** 322

Expenditure Summary	Agency Request FY 2012	Governor Recommendation FY 2012	Senate Subcommittee Adjustments
Operating Expenditures:			
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Other Funds	3,240,616	3,410,616	0
Subtotal	\$ 8,849,855	\$ 8,682,246	\$ (200,000)
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## **Agency Request**

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## **Governor's Recommendation**

The **Governor** recommends FY 2012 operating expenditures of \$8,682,246, including \$5,271,630 from the State General Fund, a decrease of \$167,609, or 1.9 percent, below the agency's request. The recommendation is a State General Fund decrease of \$337,609, or 6.0 percent, below the agency's request. The recommendation is an increase of \$127,301, or 1.5 percent, above the Governor's FY 2011 recommendation. The increase is attributable to the Governor's recommendation for an additional \$200,000, all from the State General Fund, as a pass through to the 501(c)(3) Kansas Arts Foundation, partially offset by the Governor's acceptance of the agency's reduced resource budget. The Governor also recommends a decrease of 17.0 vacant FTE positions.

## **Senate Subcommittee Recommendation**

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

1. The Subcommittee notes that if Executive Reorganization Order No. 39 is rescinded, the budget for the Historical Society would be reduced \$200,000, all from the State General Fund.
2. The Subcommittee notes that if Executive Reorganization Order No. 39 is not rescinded and the Arts Foundation is seeking federal or other funds that require state participation, a portion of the \$200,000, from the State General Fund, may be needed to compensate the Historical Society. The Historical Society may be reimbursed for services provided for the benefit of the Arts Foundation, from the \$200,000, from the State General Fund.
3. The Subcommittee is aware that current funds for FY 2011 were spent on the repair of the roof for the Fort Hays Visitor Center which depleted available funds for repairs and improvements that could have been used for the Historical Society building's lighting repairs, which were causing electrical fires. Therefore, the Subcommittee would support the additional funds in the FY 2012 capital improvement budget for the lighting repairs.
4. The Subcommittee notes that the Historical Society has made an effort to work within their means and it is appreciated.

# House Budget Committee Report

**Agency:** Kansas Arts Commission

**Bill No.** ---

**Bill Sec.** ---

**Analyst:** Morrow

**Analysis Pg. No.** 298

**Budget Page No.** 320

Expenditure Summary	Agency Request FY 2012	Governor Recommendation FY 2012	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,115,413	\$ 0	\$ 797,980
Other Funds	790,599	0	790,599
Subtotal	\$ 1,906,012	\$ 0	\$ 1,588,579
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 1,906,012</b>	<b>\$ 0</b>	<b>\$ 1,588,579</b>
FTE positions	8.0	0.0	6.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>8.0</b>	<b>0.0</b>	<b>6.0</b>

## Agency Request

The **agency** requests a FY 2012 budget of \$1,906,012, an increase of \$255,248, or 15.5 percent, above the revised FY 2011 estimate. Requested State General Fund expenditures total \$1,115,413, an increase of \$304,123, or 37.5 percent, above the revised FY 2011 estimate. The request includes enhancement funding of \$300,000, all from the State General Fund. The enhancement is to replace grant funding that has been lost due to previous budget reductions.

## Governor's Recommendation

The **Governor** recommends that the agency become a 501(c)(3) to be known as the Kansas Arts Foundation. In acknowledgment of the Commission's valuable role in sponsoring the arts in Kansas and to provide aid during the transition from state agency to private organization, the Governor recommends \$200,000, all from the State General Fund, be passed through the Kansas State Historical Society to the newly formed Kansas Arts Foundation in FY 2012.

## House Budget Committee Recommendations

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

1. Add \$797,980, all from the State General Fund, to restore funding to the Kansas Arts Commission for FY 2012. This increase is the same as the Governor's recommendation for FY 2011.
2. Add \$790,599, all in other funds. This is the amount the agency requested for FY 2012.
3. Add 6.0 FTE positions for the Kansas Arts Commission.
4. The Budget Committee states they are in favor of keeping the Kansas Arts Commission in place as a state agency. The Committee obtained information from the National Endowment for the Arts and Mid-America Arts Alliance that states the federal funds currently available to fund grants and arts projects in Kansas may be in jeopardy with the formation of a 501(c)(3) organization receiving pass-through funding by the State to the State Historical Society.

### **House Committee Recommendations**

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

1. Delete \$797,980, all from the State General Fund, \$790,599, all in other funds, and the 6.0 FTE positions for the Kansas Arts Commission. This deletes the funding by the Budget Committee and will restore the Governor's recommendation.
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# Senate Subcommittee Report

**Agency:** Kansas Arts Commission

**Bill No.** ---

**Bill Sec.** ---

**Analyst:** Morrow

**Analysis Pg. No.** 298

**Budget Page No.** 320

<u>Expenditure Summary</u>	<u>Agency Request FY 2012</u>	<u>Governor Recommendation FY 2012</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 1,115,413	\$ 0	\$ 0
Other Funds	790,599	0	0
Subtotal	\$ 1,906,012	\$ 0	\$ 0
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 1,906,012	 \$ 0	 \$ 0
 FTE positions	 8.0	 0.0	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	8.0	0.0	0.0

## Agency Request

The **agency** requests a FY 2012 budget of \$1,906,012, an increase of \$255,248, or 15.5 percent, above the revised FY 2011 estimate. Requested State General Fund expenditures total \$1,115,413, an increase of \$304,123, or 37.5 percent, above the revised FY 2011 estimate. The request includes enhancement funding of \$300,000, all from the State General Fund. The enhancement is to replace grant funding that has been lost due to previous budget reductions.

## Governor's Recommendation

The **Governor** recommends that the agency become a 501(c)(3) to be known as the Kansas Arts Foundation. In acknowledgment of the Commission's valuable role in sponsoring the arts in Kansas and to provide aid during the transition from state agency to private organization, the Governor recommends \$200,000, all from the State General Fund, be passed through the Kansas State Historical Society to the newly formed Kansas Arts Foundation in FY 2012.

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### **Senate Subcommittee Recommendations**

The **Subcommittee** concurs with the Governor's recommendation, but with the following notiations:

1. The Subcommittee's concurrence is contingent upon approval of the Governor's Executive Reorganization Order, or passage of legislation that is comparable to the Governor's Executive Reorganization Order.
  - If the Governor's Executive Reorganization Order is not approved by the Legislature, and if no legislation comparable to the Governor's Executive Reorganization Order passes, then the Subcommittee recommends funding the Kansas Arts Commission as an independent state agency, in the amount of \$1,650,764, including \$811,290 from the State General Fund, which is the amount requested by the agency for FY 2011.
  - If the Governor's Executive Reorganization Order is not approved by the Legislature, the Subcommittee recommends 8.0 FTE positions for FY 2012, the same as the amount approved for FY 2011.
2. The Subcommittee would like to review the budget prior to moving the FY 2012 appropriation bill out of Committee.
3. The Subcommittee notes that the Kansas Arts Commission has made an effort to work within their means with appreciation.

# House Budget Committee Report

**Agency:** State Library

**Bill No.** ---

**Bill Sec.** ---

**Analyst:** Morrow

**Analysis Pg. No.** 313

**Budget Page No.** 324

Expenditure Summary	Agency Request FY 2012	Governor Recommendation FY 2012	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 5,258,150	\$ 4,174,511	\$ 0
Other Funds	1,899,222	1,899,222	0
Subtotal	\$ 7,157,372	\$ 6,073,733	\$ 0
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 7,157,372</b>	<b>\$ 6,073,733</b>	<b>\$ 0</b>
FTE positions	25.0	24.0	0.0
Non FTE Uncl. Perm. Pos.	5.6	4.6	0.0
<b>TOTAL</b>	<b>30.6</b>	<b>28.6</b>	<b>0.0</b>

## Agency Request

The **agency** requests FY 2012 expenditures of \$7,157,372, an all funds increase of \$708,976, or 11.0 percent, above the revised FY 2011 estimate. The request includes \$5,258,150 from the State General Fund, an increase of \$895,129, or 20.5 percent, above the revised FY 2011 State General Fund request. The increase is mainly attributable to the agency's FY 2012 enhancement request of \$863,928, all from the State General Fund, to be used for grants.

Absent the enhancement, the request is \$6,293,444, an all funds decrease of \$154,952, or 2.4 percent, below the FY 2011 revised estimate. State General Fund expenditures total \$4,394,222, an increase of \$31,201, or 0.7 percent, above the revised FY 2011 estimate.

## Governor's Recommendation

The **Governor** recommends FY 2012 expenditures of \$6,073,733, a decrease of \$374,663, or 5.8 percent, below the Governor's FY 2011 recommendation. State General Fund expenditures total \$4,174,511, a decrease of \$188,510, or 4.3 percent, below the Governor's FY 2011 recommendation. The Governor does not recommend the enhancement request of \$863,928, all from State General Fund. The Governor accepts the agency's reduced resource budget and recommends reducing the authorized FTE by 1.0 position.

## House Budget Committee Recommendation

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

## House Committee Recommendation

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

## Senate Subcommittee Report

**Agency:** State Library

**Bill No.** ---

**Bill Sec.** ---

**Analyst:** Morrow

**Analysis Pg. No.** 313

**Budget Page No.** 324

Expenditure Summary	Agency Request FY 2012	Governor Recommendation FY 2012	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 5,258,150	\$ 4,174,511	\$ 0
Other Funds	1,899,222	1,899,222	0
Subtotal	\$ 7,157,372	\$ 6,073,733	\$ 0
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 7,157,372</b>	<b>\$ 6,073,733</b>	<b>\$ 0</b>
FTE positions	25.0	24.0	0.0
Non FTE Uncl. Perm. Pos.	5.6	4.6	0.0
<b>TOTAL</b>	<b>30.6</b>	<b>28.6</b>	<b>0.0</b>

## Agency Request

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Absent the enhancement, the request is \$6,293,444, an all funds decrease of \$154,952, or 2.4 percent, below the FY 2011 revised estimate. State General Fund expenditures total \$4,394,222, an increase of \$31,201, or 0.7 percent, above the revised FY 2011 estimate.

### **Governor's Recommendation**

The **Governor** recommends FY 2012 expenditures of \$6,073,733, a decrease of \$374,663, or 5.8 percent, below the Governor's FY 2011 recommendation. State General Fund expenditures total \$4,174,511, a decrease of \$188,510, or 4.3 percent, below the Governor's FY 2011 recommendation. The Governor does not recommend the enhancement request of \$863,928, all from State General Fund. The Governor accepts the agency's reduced resource budget and recommends reducing the authorized FTE by 1.0 vacant position.

### **Senate Subcommittee Recommendation**

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

1. The Subcommittee would like to commend the State Library for taking a proactive approach to getting children prepared to read by the 4<sup>th</sup> grade level. In addition, the subcommittee notes the role the library's play in communities during the downturn in the economy by providing employment resources to community members.
2. The Subcommittee notes its appreciation to the State Library for its efforts to work within their means.



## Senate Subcommittee Report

**Agency:** Department of Education

**Bill No. --**

**Bill Sec. --**

**Analyst:** Cussimano

**Analysis Pg. No. --**

**Budget Page No. 270**

Expenditure Summary	Agency Request FY 2012	Governor Recommendation FY 2012	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 3,573,557,762	\$ 3,010,888,775	\$ 1,886,762
Other Funds	594,649,538	611,973,938	
Subtotal	\$ 4,168,207,300	\$ 3,622,862,713	\$ 1,886,762
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 4,168,207,300</b>	<b>\$ 3,622,862,713</b>	<b>\$ 1,886,762</b>
FTE positions	210.3	173.0	15.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>210.3</b>	<b>173.0</b>	<b>15.0</b>

### Agency Request

The **agency** requests an FY 2012 budget of \$4.2 billion, including \$3.6 billion from the State General Fund. This is an all funds increase of \$237.8 million, or 6.1 percent, and a State General Fund increase of \$396.1 million, or 12.5 percent, above the revised FY 2011 estimate. The agency request includes an enhancement request totaling \$457.7 million, including \$457.6 million from the State General Fund. Absent the enhancement, the request would be \$3.7 billion, including \$3.1 billion from the State General Fund. This is an all funds decrease of \$219.8 million, or 5.6 percent, and a State General Fund decrease of \$61.5 million, or 1.9 percent, below the revised FY 2011 estimate. The revised FY 2011 estimate includes \$107.6 million in federal American Recovery and Reinvestment Act (ARRA) funds which are not included in the FY 2012 budget. In addition, the agency included a supplemental request totaling \$72.2 million, all from the State General Fund, in the revised FY 2011 estimate which does not carry forward. These reductions are offset by an increase of \$28.3 million, all from the State General Fund, to cover increases in KPERS-School employer contributions and \$8.3 million, all from the State General Fund, for employee health insurance increases. The request includes 210.3 FTE positions, the same as the revised FY 2011 estimate.

### Governor's Recommendation

The **Governor** recommends an FY 2012 budget of \$3.6 billion, including \$3.0 billion from the State General Fund. This is an all funds decrease of \$545.3, or 13.1 percent, and a

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State General Fund decrease of \$562.7 million, or 15.7 percent, below the agency request. The Governor did not recommend any of the agency's enhancement request totaling \$457.7 million, including \$457.6 million from the State General Fund. The Governor also recommended implementing a 5.0 percent reduction in operating expenditures totaling \$554,933, all from the State General Fund. Included in the agency's FY 2011 budget was \$111.3 million in federal ARRA funds which were used to supplant State General Funds in FY 2011. The Governor does recommend replacing any federal ARRA funds with State General Funds in FY 2012. Based on the current estimate of 666,428 for weighted enrollment, the Base State Aid Per Pupil would be reduced from \$3,937 in FY 2011 to \$3,780 in FY 2012. The Governor did recommend an additional \$5.9 million, all from the State General Fund, for special education in order to meet federal maintenance of effort requirements. In addition, the Governor recommends deleting 37.3 vacant FTE positions.

### **Senate Subcommittee Recommendation**

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

1. Delete \$1.5 million, all from the State General Fund, to eliminate funding for the Mentor Teacher program for FY 2012.
2. Delete \$35,000, all from the State General Fund, to eliminate funding for the Agriculture in the Classroom program for FY 2012.
3. Delete \$375,000, all from the State General Fund, to eliminate funding for after school programs for FY 2012.
4. Delete \$250,000, all from the State General Fund, to eliminate funding for after school programs for middle school students for FY 2012.
5. Delete \$35,000, all from the State General Fund, for the Communities in Schools program for FY 2012.
6. Delete \$55,525, all from the State General Fund, to eliminate funding for the National Board Certification for FY 2012.
7. Delete the transfer of \$1.8 million from the State Safety Fund to the State General Fund, for FY 2012 and instead transfer the funding directly to General State Aid to increase funding for the base state aid per pupil by \$1.8 million for FY 2012.
8. Delete the transfer of \$115,000, all from the Motorcycle Safety Fund, to the State General Fund, for FY 2012 and instead transfer the funding directly to General State Aid to increase funding for the base state aid per pupil by \$115,000 for FY 2012.
9. Delete language in the current appropriations bill requiring that expenditures from the Parent Education program shall be conditioned upon the school district providing services to those participants at 150.0 percent of the federal poverty level and charging a fee for the services to participants above 150.0 percent of the federal poverty level.

10. Add \$2.1 million, all from the State General Fund, for General State Aid for FY 2012.
11. Add \$52,287, all from the State General Fund, for school food assistance for FY 2012. Based on the matching requirements set forth by the National School Lunch Program, \$2,487,458 is necessary to meet the match requirement for FY 2012. The state match allows approximately \$97.0 million in national school lunch funds to be drawn down from the U.S. Department of Agriculture.
12. Add \$70,000, all from the State General Fund, for membership dues to belong to the Council of Chief State School Officers and the National Association of School Boards of Education for FY 2012.
13. Add 15.0 FTE positions for FY 2012. The Governor recommended the deletion of 25.0 vacant FTE for FY 2012.
14. The Subcommittee requests the full Ways and Means Committee review the addition of \$920,000, all from the Children's Initiatives Fund, in the Parent Education program for FY 2012. There is currently a waiting list for parents to be served under this program and the additional funding would serve an additional 1,764 families and 2,256 children.
15. The Subcommittee recommends that no less than one half of any new revenue estimated by the April 2011 Consensus Revenue Estimates be committed to funding General State Aid and increasing the base state aid per pupil for FY 2012.
16. The Subcommittee notes that continually reducing the base state aid per pupil will impact the ability of school districts to meet the minimum standards set forth by the Kansas State Board of Education. The Subcommittee further notes that during the 2005 Session (2005 House Bill 2247), a change was made to the school finance law which resulted in an increase of \$392 in the base state aid per pupil. However, \$244 of the increase was the result of increasing the base state aid per pupil and lowering enrollment weightings, which resulted in no increase in spending authority. When calculated in to the current base state aid per pupil for FY 2012 the base state aid per pupil would be \$3,536 which is below the 1992 level.

# House Budget Committee Report

**Agency:** Kansas State School for the Blind **Bill No. --**

**Bill Sec. --**

**Analyst:** Cussimano

**Analysis Pg. No. 219**

**Budget Page No. 288**

Expenditure Summary	Agency Request FY 2012	Governor Recommendation FY 2012	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 5,663,154	\$ 5,327,944	\$ 0
Other Funds	594,418	724,836	0
Subtotal	\$ 6,257,572	\$ 6,052,780	\$ 0
Capital Improvements:			
State General Fund	\$ 31,979	\$ 31,979	\$ 0
Other Funds	289,004	191,696	0
Subtotal	\$ 320,983	\$ 223,675	\$ 0
TOTAL	\$ 6,578,555	\$ 6,276,455	\$ 0
FTE positions	93.5	82.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	93.5	82.5	0.0

## Agency Request

The **agency** requests FY 2012 operating expenditures of \$6,257,572, including \$5,663,154 from the State General Fund. This is an all funds increase of \$157,042, or 2.6 percent, and a State General Fund increase of \$132,931, or 2.4 percent, above the revised FY 2011 estimate. The request includes 93.5 FTE positions, which is the same as the revised FY 2011 estimate.

The request includes an enhancement package totaling \$55,431, all from the State General Fund, to add three days to teacher contracts, increase teacher salaries, and purchase one replacement vehicle. **Absent the enhancement**, the request is \$6,202,141, including \$5,607,723 from the State General Fund.

Included in the request is \$320,983, including \$31,979 from the State General Fund, for capital improvements.

## Governor's Recommendation

The **Governor** recommends a FY 2012 operating budget of \$6,052,780, including \$5,327,944 from the State General Fund. This is an all funds decrease of \$204,792, or 3.3 percent, and a State General Fund decrease of \$335,201, or 5.9 percent, below the agency FY 2012 request. The recommendation is a decrease of \$47,750, or 0.8 percent, below the

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Governor's FY 2011 recommendation. The Governor recommends 82.5 FTE positions, a decrease of 11.0 FTE below the agency FY 2012 request.

**House Budget Committee Recommendation**

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

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## Senate Subcommittee Report

**Agency:** Kansas State School for the Blind    **Bill No.** --

**Bill Sec.** --

**Analyst:** Cussimano

**Analysis Pg. No.** 219

**Budget Page No.** 288

Expenditure Summary	Agency Request FY 2012	Governor Recommendation FY 2012	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 5,663,154	\$ 5,327,944	\$ 68,550
Other Funds	594,418	724,836	0
Subtotal	\$ 6,257,572	\$ 6,052,780	\$ 68,550
Capital Improvements:			
State General Fund	\$ 31,979	\$ 31,979	\$ 0
Other Funds	289,004	191,696	0
Subtotal	\$ 320,983	\$ 223,675	\$ 0
 TOTAL	 \$ 6,578,555	 \$ 6,276,455	 \$ 68,550
 FTE positions	 93.5	 82.5	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	93.5	82.5	0.0

### Agency Request

The **agency** requests FY 2012 operating expenditures of \$6,257,572, including \$5,663,154 from the State General Fund. This is an all funds increase of \$157,042, or 2.6 percent, and a State General Fund increase of \$132,931, or 2.4 percent, above the revised FY 2011 estimate. The request includes 93.5 FTE positions, which is the same as the revised FY 2011 estimate.

The request includes an enhancement package totaling \$55,431, all from the State General Fund, to add three days to teacher contracts, increase teacher salaries, and purchase one replacement vehicle. **Absent the enhancement**, the request is \$6,202,141, including \$5,607,723 from the State General Fund.

Included in the request is \$320,983, including \$31,979 from the State General Fund, for capital improvements.

### Governor's Recommendation

The **Governor** recommends a FY 2012 operating budget of \$6,052,780, including \$5,327,944 from the State General Fund. This is an all funds decrease of \$204,792, or 3.3

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percent, and a State General Fund decrease of \$335,201, or 5.9 percent, below the agency FY 2012 request. The recommendation is a decrease of \$47,750, or 0.8 percent, below the Governor's FY 2011 recommendation. The Governor recommends 82.5 FTE positions, a decrease of 11.0 FTE below the agency FY 2012 request.

### **Senate Subcommittee Recommendation**

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

1. Add \$68,550, all from the State General Fund, to maintain the three week extended school year program in FY 2012. The Subcommittee recognizes that reducing the program would impact the ability to meet student's federally mandated Individualized Education Plans (IEP) and could potentially impact compliance with state and federal guidelines. This could also result in the costs associated with meeting the student's IEP being shifted to school districts, which are looking at further budget reductions in FY 2012.
2. The Subcommittee notes that the FY 2012 budget does not allow for salary increases totaling \$8,531, all from the State General Fund, for additional coursework completed by teachers. K.S.A 76-11a17 provides that teachers and licensed personnel at the Kansas State School for the Blind are to be compensated at a rate not less than that paid by the Olathe School District (USD No. 233). The funds would cover movement on the salary schedule for the additional coursework.

# House Budget Committee Report

**Agency:** Kansas School for the Deaf

**Bill No.** --

**Bill Sec.** --

**Analyst:** Cussimano

**Analysis Pg. No.** 244

**Budget Page No.** 290

Expenditure Summary	Agency Request FY 2012	Governor Recommendation FY 2012	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 9,155,366	\$ 8,592,341	\$ 0
Other Funds	602,164	602,164	0
Subtotal	\$ 9,757,530	\$ 9,194,505	\$ 0
Capital Improvements:			
State General Fund	\$ 66,520	\$ 66,520	\$ 0
Other Funds	629,449	300,000	0
Subtotal	\$ 695,969	\$ 366,520	\$ 0
TOTAL	\$ 10,453,499	\$ 9,561,025	\$ 0
FTE positions	173.5	150.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	173.5	150.5	0.0

## Agency Request

The **agency** requests FY 2012 operating expenditures of \$9,757,530, including \$9,155,366 from the State General Fund. This is an all funds increase of \$208,200, or 2.2 percent, and a State General Fund increase of \$322,263, or 3.6 percent, above the revised FY 2011 estimate. The request includes \$602,164 in all other funds, a decrease of \$114,063, or 15.9 percent, below the revised FY 2011 estimate. The request includes 173.5 FTE positions, the same as the revised FY 2011 estimate.

The request includes an enhancement package totaling \$112,205, all from the State General Fund, to add three days to teacher contracts, increase teacher salaries, and purchase one replacement vehicle.

## Governor's Recommendation

The **Governor** recommends an FY 2012 operating budget of \$9,194,505, including \$8,592,341 from the State General Fund. This is an all funds decrease of \$563,025, or 5.8 percent, and a State General Fund decrease of the same amount. It is an all funds decrease of \$354,825, or 3.7 percent, and a State General Fund decrease of \$240,762, or 2.7 percent, below the Governor's FY 2011 recommendation. The recommendation does not include any of the agency's enhancement request. The Governor recommends 150.5 FTE positions, a decrease of 23.0 FTE positions below the agency request.

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### House Budget Committee Recommendation

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

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## Senate Subcommittee Report

**Agency:** Kansas School for the Deaf

**Bill No. --**

**Bill Sec. --**

**Analyst:** Cussimano

**Analysis Pg. No. 244**

**Budget Page No. 290**

Expenditure Summary	Agency Request FY 2012	Governor Recommendation FY 2012	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 9,155,366	\$ 8,592,341	\$ 29,315
Other Funds	602,164	602,164	0
Subtotal	\$ 9,757,530	\$ 9,194,505	\$ 29,315
Capital Improvements:			
State General Fund	\$ 66,520	\$ 66,520	\$ 0
Other Funds	629,449	300,000	0
Subtotal	\$ 695,969	\$ 366,520	\$ 0
 TOTAL	 \$ 10,453,499	 \$ 9,561,025	 \$ 29,315
 FTE positions	 173.5	 150.5	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	173.5	150.5	0.0

### Agency Request

The **agency** requests FY 2012 operating expenditures of \$9,757,530, including \$9,155,366 from the State General Fund. This is an all funds increase of \$208,200, or 2.2 percent, and a State General Fund increase of \$322,263, or 3.6 percent, above the revised FY 2011 estimate. The request includes \$602,164 in all other funds, a decrease of \$114,063, or 15.9 percent, below the revised FY 2011 estimate. The request includes 173.5 FTE positions, the same as the revised FY 2011 estimate.

The request includes an enhancement package totaling \$112,205, all from the State General Fund, to add three days to teacher contracts, increase teacher salaries, and purchase one replacement vehicle.

### Governor's Recommendation

The **Governor** recommends an FY 2012 operating budget of \$9,194,505, including \$8,592,341 from the State General Fund. This is an all funds decrease of \$563,025, or 5.8 percent, and a State General Fund decrease of the same amount. It is an all funds decrease of \$354,825, or 3.7 percent, and a State General Fund decrease of \$240,762, or 2.7 percent, below the Governor's FY 2011 recommendation. The recommendation does not include any of

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the agency's enhancement request. The Governor recommends 150.5 FTE positions, a decrease of 23.0 FTE positions below the agency request.

### **Senate Subcommittee Recommendation**

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

1. Add \$29,315, all from the State General Fund, to maintain the three week extended school year program in FY 2012. The Subcommittee recognizes that reducing the program would impact the ability to meet student's federally mandated Individualized Education Plans (IEP) and could potentially impact compliance with state and federal guidelines. This could also result in the costs associated with meeting the student's IEP being shifted to school districts, which are looking at further budget reductions in FY 2012.
2. The Subcommittee notes that the FY 2012 budget does not allow for salary increases totaling \$13,200, all from the State General Fund, for additional coursework completed by teachers. K.S.A 76-11a17 provides that teachers and licensed personnel at the Kansas State School for the Blind are to be compensated at a rate not less than that paid by the Olathe School District (USD No. 233). The funds would cover movement on the salary schedule for the additional coursework.