

Approved: 03/09/93
Date

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairman Rochelle Chronister at 1:30 p.m. on February 24, 1993 in Room 514-S of the Capitol.

All members were present except: Rep. Wanda Fuller (excused absence)
Rep. Tom Bradley (excused absence)

Committee staff present: Alan Conroy, Legislative Research Department
Kathy Porter, Legislative Research Department
Pat Mah, Legislative Research Department
Russell Mills, Legislative Research Department
Jim Wilson, Revisor of Statutes
Jerry Cole, Committee Secretary
Sharon Schwartz, Administrative Assistant

Conferees appearing before the committee:

Ellen Piecalkiewicz, Legislative Research Department
Neil Woerman, Office of the Attorney General
Secretary Robert Harder, Kansas Department of Health and Environment
Marlin Rein, University of Kansas Medical Center

Others attending: See attached list

Ellen Piecalkiewicz, Legislative Research Department presented the committee with the FY 93 and FY 94 Economic Development Initiative Fund transfers. (See Attachment 1). Chairman Chronister also informed the committee that written testimony had been distributed to each member on the behalf of the Kansas Department of Health and Environment. (See Attachment 2). The testimony was for the department's support of HB 2246 heard on February 23.

Rep. Kline presented the subcommittee recommendations for the FY 93 & FY 94 Department of Corrections budgets on **HB 2048**. (See Attachment 3). Rep. Glasscock made a motion to delete recommendation #1 calling for an additional \$800,000 for FY 1994. Rep. Mead seconded the motion and it failed. Rep. Kline moved adoption of the subcommittee reports for FY 93 and FY 94 Department of Corrections budgets. Rep. Blumenthal seconded the motion and it carried.

Rep. Kline made a motion to adopt both FY 93 & FY 94 subcommittee recommendations for the El Dorado Correctional Facility. (See Attachment 4). Rep. Blumenthal seconded the motion. The motion carried.

Rep. Carmody moved the adoption of the subcommittee reports for the Ellsworth Correctional Facility in both FY 93 and FY 94. (See Attachment 5). Rep. Kline seconded the motion which was then carried.

Rep. Blumenthal presented and moved the subcommittee reports for FY 93 and FY 94 Hutchinson Correctional Facility budgets. (See Attachment 6). Rep. Kline seconded the motion and it was carried.

Rep. Carmody presented the subcommittee reports for the Lansing Correctional Facility. (See Attachment 7). Rep. Dean made a motion to strike the canine program from the facility's budget. His motion died for lack of a second. Rep. Carmody moved adoption of the FY 93 and FY 94 subcommittee reports. Rep. Blumenthal seconded the motion and it was carried.

Rep. Blumenthal made a motion to adopt the subcommittee reports for the FY 93 and FY 94 Larned Correctional Mental Health Facility budgets. (See Attachment 8). Rep. Kline seconded the motion and it

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, Room 514-S Statehouse, at 1:30 p.m. on February 24, 1993.

carried.

Rep. Blumenthal made a motion to adopt the FY 93 and FY 94 subcommittee reports dealing with the Norton Correctional Facility budgets. (See Attachment 9). Rep. Kline seconded his motion and it carried.

Rep. Kline moved to adopt the subcommittee reports for both FY 93 and FY 94 Topeka Correctional Facility budgets. (See Attachment 10). Rep. Carmody seconded the motion and it was carried.

Rep. Carmody moved adoption of the FY 93 and FY 94 subcommittee reports for the budgets of the Winfield Correctional Facility. (See Attachment 11). Rep. Kline seconded the motion and it carried.

Rep. Kline made a motion to pass and favorably recommend **HB 2048** to the Committee of the Whole. Rep. Blumenthal seconded the motion and it carried.

Chairman Chronister opened discussion on **SB 38**, dealing with emergency supplemental appropriations. Neil Woerman, Chief of Staff to the Attorney General told the committee the Attorney General was requesting and additional \$90,000 for ongoing water rights litigation with the State of Colorado. Secretary Bob Harder, Department of Health & Environment, informed the committee that the requested additional \$1,162,441 was to order vaccines for special immunizations of all children zero to two years of age. Rep. Mead made a motion that the money for the Attorney General be drawn from the Budget Stabilization Fund as a one time expense. Rep. Glasscock seconded the motion which then failed. Marlin Rein, University of Kansas Medical Center appeared before the committee. Mr. Rein asked the committee to include an additional 15 medical student loans for FY 93. Rep. Gatlin made a motion to include the additional 15 loans, a supplemental appropriation of \$22,300 for FY 93, and that those same loans be retroactive for the year. Rep. Pottorff seconded the motion and it carried. Included in the subcommittee's discussion on the subject was the addition of 5 student loans for FY 94: a total of 35 medical student loans. The 5 additional loans would be an amendment for SB 43. Rep. Heinemann moved that an additional \$27,500 for Kansas, Inc. to contract a study for determining the impact of the Wichita area job losses be included in the bill. Rep. Dean seconded and the motion carried. Rep. Teagarden moved that the committee pass and favorably recommend **SB 38** as amended. Rep. Pottorff seconded his motion and it was carried. Chairman Chronister adjourned the meeting.

The next meeting is scheduled for February 25, 1993.

GUEST LIST

COMMITTEE: HOUSE APPROPRIATIONS

DATE: FEB. 24 1993

[illegible]

**ECONOMIC DEVELOPMENT INITIATIVES FUND
FY 1993 AND FY 1994 TRANSFERS**

Agency	Program	FY 1993 Gov Rec	FY 1993 House Adjust.	FY 1994 Gov Rec	FY 1994 House Adjust.	FY 1994 Senate Adjust.
ANIMAL HEALTH						
AGRICULTURE BOARD	Other Operating Expenditures	\$0	\$0	\$0	\$0	
ARTS COMMISSION	Market Promotion and Development	\$275,004	\$0	\$274,996	\$0	
	Other Operating Expenditures	\$0	\$0	\$0	\$0	
BOARD OF REGENTS	Arts Programming Grants	786,938	0	0	785,000	
COMMERCE	Council on Economic Education	\$40,000	\$0	\$0	\$0	
	Salaries and Wages	\$638,742	\$0	\$1,252,777	\$0	
	Other Operating Expenditures	3,804,063	0	3,852,356	50,000	
	Strategic Planning Grants	445,000	0	445,000	0	
	KIT/KIR Programs	2,250,000	300,000	2,250,000	0	
	Sm. Business Development Centers	325,000	0	325,000	0	
	Certified Development Company	475,000	0	475,000	0	
	Trade Show Promotion	220,894	0	275,172	0	
	Tourism Grants	610,000	0	290,000	0	
	Micro-Enterprise Loan Program	0	0	0	0	
	KS Basic Enterprise Loan Program	0	0	1,000,000	0	
	Spouse Entrepreneur Loan Program	0	0	0	0	
	Resource Network	5,000	0	5,000	0	
	KS Incubator Pilot	0	0	0	0	
	KQIN	0	0	0	0	
	Business Recruitment Matching Grants	0	0	65,000	0	
DEPT. OF EDUCATION						
	Innovative Grants Assistance	\$1,500,000	\$0	\$0	\$0	
	Capital Outlay for AVTS	1,000,000	0	1,000,000	0	
	Postsecondary Aid for AVTS	500,000	0	2,500,000	0	
	Matching Grants for AVTS	500,000	0	500,000	0	
	Heritage Cultural Center	25,000	0	0	0	
	Foundation for Agriculture	25,000	0	0	0	
HISTORICAL SOCIETY						
	Other Operating Expenditures	\$119,000	\$93,000	\$0	\$0	
KANSAS INC.	Capital Improvements	104,500	0	0	500,000	
	EPSCoR Grant	\$1,500,000	\$0	\$1,500,000	\$0	
KANSAS STATE FAIR	Special Studies	100,874	27,500	105,995	0	
KTEC						
	Operating Expenditures	\$100,000	\$0	\$100,000	\$0	
	General Operations	\$691,786	\$0	\$740,736	\$0	
	Commercialization Operations	250,000	0	250,000	500,000	
	Industrial Ag. Operations	200,000	0	250,000	0	
	Centers of Excellence	3,715,000	0	3,700,663	785,000	
	Applied Research Grants	1,009,613	0	1,009,613	250,000	
	Industrial Liaison Offices	300,000	0	300,000	0	
	Training Equipment Grants	150,000	0	150,000	0	
	Business Innovation Grants	25,000	0	25,000	0	
	Research Equipment Grants	0	0	0	0	
	Data Base Development	35,000	0	15,000	0	
	Ad Astra -- Seed Capital	0	0	1,500,000	0	
	Return on Public Investment	50,000	0	50,000	0	
	Intellectual Tech. Enterprise Corp.	50,000	0	50,000	0	
	Special Projects	221,250	0	248,000	0	
	KS Value Added Processing Center	622,705	0	633,887	0	
	Mid-Arm. Manufacturing Tech. Center	1,000,000	0	1,000,000	0	
	Forest Survey	0	0	0	200,000	
STATE LIBRARY						
	Literacy Grants	\$283,700	\$0	\$283,700	\$0	
REVENUE						
	County Reappraisal Aid	\$3,000,000	\$0	\$3,000,000	\$0	
PUBLIC BROADCASTING						
	Equipment Matching Grants	\$0	\$0	\$0	\$424,573	
SCHOOL FOR THE BLIND						
	Accessible Arts, Inc.	\$19,300	\$0	\$95,000	\$55,000	
WATER OFFICE						
	State Water Plan Fund	\$2,000,000	\$0	\$2,000,000	\$0	
WILDLIFE AND PARKS						
	Capital Improvements	\$20,000	\$0	\$0	\$1,012,587	
TOTAL		\$28,993,399	\$420,500	\$31,326,895	\$4,582,180	

Resource Estimate -- EDIF					
	Gov. Rec. FY 1993	House Rec. FY 1993	Gov. Rec. FY 1994*	House Rec. FY 1994**	Senate Rec. FY 1994
Beginning Balance	\$6,918,741	\$6,918,741	\$6,688,942	\$6,268,442	
Lottery Transfers	22,950,000	22,950,000	20,904,000	28,944,000	
Racing Transfers	5,565,800	5,565,800	3,908,813	5,412,203	
Other	250,000	250,000	250,000	325,000	
Total Available	35,682,341	35,682,341	31,751,755	40,949,645	
Less: Transfers	28,993,399	29,413,899	31,326,895	35,889,055	
ENDING BALANCE	\$6,688,942	\$6,268,442	\$424,860	\$5,060,590 ***	
*Based on a transfer of 65 percent from the State Gaming Revenue Fund to the EDIF.					
**Based on a transfer of 90 percent from the State Gaming Revenue Fund to the EDIF.					
***H.B. 2507 if passed would transfer \$5.0 million to the Kansas Economic Emergency Projects Fund.					



Department of Health and Environment

Robert C. Harder, Secretary

Reply to:

Testimony Presented to

The House Appropriation Committee

By

Kansas Department of Health and Environment

House Bill 2246

The child care challenge in this country is growing and public health continues to play a critical role in determining its future. With respect to services for children of low-income families, the situation is particularly acute.

KDHE, the state's public health agency, strongly supports quality day care systems for Kansas children and families. The agency supports policies and programs that increase the availability of affordable, quality day care for children of low-income families.

A growing body of research demonstrates the effectiveness of interventions with children from low-income families through day care and early childhood education. Interventions have been shown to have the following positive results for families: improved school performance, reduction in school drop out and teen pregnancy rates, decreasing delinquency and arrest rates, decreased welfare dependence, and increased likelihood of employment in young adulthood. Subsidized quality child care may enable families to break the cycle of poverty.

The Head Start Program, which contains a strong health component, is an excellent model for comprehensive interventions. Among interventions offered through the program are arrangements for, or provision of, a broad array of preventive, diagnostic, treatment, and rehabilitative services for enrolled children. Comprehensive intervention programs for children of low-income families are prime vehicles for improving the health care of children.

Kansas local public health agencies provide a variety of child health and safety services to children of low-income families. Many of these services are provided through the day care system. These services are available in communities throughout the state and include the following: training for center staff; environmental sanitation and safety inspections; arrangements for fire safety inspections; disease prevention and control; training

and interventions for disease outbreaks; immunizations; nutrition; parenting education; teen pregnancy prevention programs; and general child and family health promotion.

Public health agencies at the state and local levels in Kansas support coordination/collaboration with other agencies in order to improve service delivery and to avoid unnecessary duplication of services.

Recommendation

We are supportive of the concept of these demonstration projects. However, we note that no funding is included in the Governor's FY94 Recommended Budget.

Presented by: Azzie Young, PhD
Director, Bureau of Family Health
Kansas Department of Health and Environment
February 23, 1993

SUBCOMMITTEE REPORT

Agency: Department of Corrections

Bill No. 2087

Bill Sec. 15

Analyst: Mills

Analysis Pg. No. 420

Budget Page No. 148

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 53,211,043	\$ 50,513,943	\$ --
Aid to Local Units	14,114,379	13,817,976	(800,000)
Other Assistance	--	--	--
Subtotal -- Operating	\$ 67,325,422	\$ 64,331,919	\$ (800,000)
Capital Improvements	9,626,374	11,031,374	--
Total	<u>\$ 76,951,796</u>	<u>\$ 75,363,293</u>	<u>\$ (800,000)</u>
State General Fund:			
State Operations	\$ 43,027,705	\$ 40,393,856	\$ --
Aid to Local Units	13,664,379	13,367,976	(800,000)
Other Assistance	--	--	--
Subtotal -- Operating	\$ 56,692,084	\$ 53,761,832	\$ (800,000)
Capital Improvements	3,250,000	4,655,000	--
Total	<u>\$ 59,942,084</u>	<u>\$ 58,416,832</u>	<u>\$ (800,000)</u>
FTE Positions	370.0	370.0	--

Agency Estimate/Governor's Recommendation

The agency's revised FY 1993 estimate totals \$67,325,422 for operating expenditures, compared to the approved operating budget of \$66,651,272. The FY 1993 estimate will support 370.0 FTE positions. The agency's revised estimate for aid to local units of government for community corrections grants (\$12,724,462) and the Labette Conservation Camp grant (\$1,389,917) totals \$14,114,379, compared to the actual FY 1992 expenditure of \$10,357,029. The revised FY 1993 estimate includes \$15,684,544 for inmate medical and mental health care, and \$9,642,810 for the various offender programs. The agency is requesting FY 1993 supplemental funding of \$252,920 for the inmate medical and mental health contract, and \$197,584 in supplemental funding for the Labette Correctional Conservation Camp. The FY 1993 budget also includes a salaries and wage pool of \$589,545 to be spent at the discretion of the Secretary of Corrections for security staff salaries. The agency estimate for FY 1993 also includes \$16,088,498 (All Funds) for various capital improvement projects. Included in the FY 1993 estimate is \$3,955,466 for major maintenance and repairs; \$2.0 million to construct a new facility for female inmates; \$6,462,124 for interest payments on the debt service on the new correctional facilities at El Dorado, Larned, Ellsworth, and Wichita; and \$3,250,000 for principal payments on the debt service for the new facilities.

The Governor's recommendation for operating expenditures in FY 1993 is \$64,331,919, which is a reduction of \$2,993,503 from the agency revised estimate. The reductions are found in

salaries (\$81,150), contractual services (\$121,219), commodities (\$5,523), aid to local units (\$296,403), and debt service (\$2,489,208). Of the recommended operating expenditure, \$53,761,832 is from the State General Fund and \$10,570,087 is from other funds. The Governor also recommends \$13,817,976 in aid to local units for Community Corrections Act grants (\$12,436,998) and an operating grant for the Labette Correctional Conservation Camp (\$1,380,978). The Governor recommends funding of \$9,623,480 for the various inmate and offender programs, and \$15,587,450 for inmate medical and mental health care. The Governor recommends FY 1993 supplemental funding of \$155,826 for inmate medical and mental health care, and \$188,645 in supplemental funding for the Labette Conservation Camp. The Governor recommends a total of \$15,004,290 for various capital improvement projects (\$6,376,374) and debt service (\$8,627,916). The Governor's recommendation will support 370.0 FTE positions.


House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1993, with the following additional recommendations:

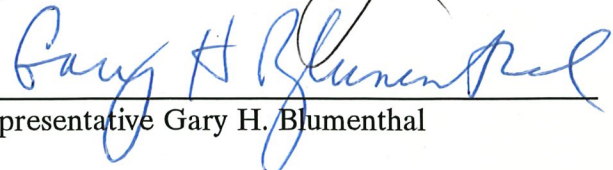
1. The House Subcommittee concurs with the item in Budget Amendment No. 1 which recommends the shift of \$800,000 (SGF) in community corrections grants funding from FY 1993 to FY 1994. The thrust of this reduction in FY 1993 is to force the local community corrections programs to spend unexpended funds in their accounts which have carried forward from prior years' grants. (A similar shift of \$1.0 million was made in FY 1992 in order to reduce the unexpended balances in local program accounts.) With this shift, the approved level of community corrections grants funding will be \$11,636,998 in FY 1993.
2. The House Subcommittee reviewed and concurs with the FY 1993 supplemental funding of \$188,645 (SGF) which the Governor recommended for the Labette Correctional Conservation Camp to meet operating expenditures. This would provide a total grant of \$1,380,978 for the camp in FY 1993. The House Subcommittee was advised that the Labette camp has experienced difficulty in securing medical care for its inmates. The Subcommittee urges the Secretary of Corrections to approach the private vendor which provides medical care for DOC inmates to determine whether it would be feasible for the vendor to offer medical care services to the Labette camp. Also, when the state medical contract is re-bid next year, inclusion of the Labette camp should be made an option.
3. Shift of \$155,826 (SGF) which the Governor had recommended as a supplemental appropriation for the inmate medical program to a new program to conduct tuberculosis testing and hepatitis B vaccinations for DOC staff. The Secretary of Corrections stated that, on the basis of more recent data, the additional funding for the inmate medical program will not be needed. However, the Secretary requested that the funding be shifted to allow for this new program of T.B. testing and hepatitis vaccinations for about 2,640 DOC employees. Also, shift \$79,000 from inmate programs to provide additional funding for this new program.



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

SUBCOMMITTEE REPORT

Agency: Department of Corrections

Bill No. 2048

Bill Sec. 2

Analyst: Mills

Analysis Pg. No. 420

Budget Page No. 148

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 58,403,493	\$ 54,334,944	\$ --
Aid to Local Units	18,975,980	13,830,369	800,000
Other Assistance	--	--	--
Subtotal -- Operating	\$ 77,379,473	\$ 68,165,313	\$ 800,000
Capital Improvements	11,114,393	9,690,000	(625,000)
Total	<u>\$ 88,493,866</u>	<u>\$ 77,855,313</u>	<u>\$ 175,000</u>
State General Fund:			
State Operations	\$ 47,293,470	\$ 42,281,309	\$ 1,089,000
Aid to Local Units	18,525,980	13,380,369	800,000
Other Assistance	--	--	--
Subtotal -- Operating	\$ 65,819,450	\$ 55,661,678	\$ 1,889,000
Capital Improvements	4,900,230	3,740,000	625,000
Total	<u>\$ 70,719,680</u>	<u>\$ 59,401,678</u>	<u>\$ 2,514,000</u>
FTE Positions	385.5	371.0	--

Agency Request/Governor's Recommendation

The agency's operating budget request for FY 1994 totals \$77,379,473, an increase of \$10,054,051 over the FY 1993 revised estimate. In state operations, the agency requests funding of \$231,390 (excluding fringe benefits) for 16.0 new positions: 3.0 new computer programmer positions for Information Systems (\$84,083), 10.0 new staff for the new DOC Training Center at Marymount (\$79,555), and 3.0 Corrections Industries Manager positions for Kansas Correctional Industries (\$67,752). The Department requests \$17,247,973 for aid to local units of government for the Community Corrections Act grants to counties, and \$1,728,007 for the grant to the Labette Correctional Conservation Camp. The FY 1994 request includes \$16,778,107 for inmate medical and mental health care and \$11,159,705 for the various offender programs. For capital improvements in FY 1994, the Department requests \$17,389,517, of which \$10,676,230 is from the State General Fund, \$6,214,163 is from the Correctional Institutions Building Fund (CIBF), and \$499,124 is from special revenue funds. Of the capital improvement request, \$5,514,163 is for major maintenance and rehabilitation of facilities, \$320,000 is for planning for a new Reception and Diagnostic Unit, \$700,000 is for construction of a new facility for female inmates, \$1,125,230 is to refurbish Marian Hall at Marymount College, and \$9,730,124 is for debt service on the following projects: the new Larned (\$1,721,050) and El Dorado facilities (\$5,978,000), the Ellsworth Correctional Facility (\$1,855,590), and the renovated Wichita Work Release Facility (\$175,484). Of the total debt service of \$9,730,124, the amount of \$6,275,124 is for interest payments and \$3,455,000 is for principal payments.

The Governor's recommendation for operating expenditures in FY 1994 is \$68,165,313, which is a reduction of \$9,214,160 from the agency request. The reductions are found in contractual services (\$2,459,590), commodities (\$91,611), capital outlay (\$401,030), debt service (\$1,125,124), and aid to local units (\$5,145,611), with an offsetting increase in salaries (\$8,806). The net change from the current year to the budget year in operating expenditures is an increase of \$3,833,394 or 6.0 percent. Of the recommended operating expenditure, \$56,750,678 is from the State General Fund and \$11,414,635 is from other funds. The Governor also recommends \$13,830,369 in aid to local units for Community Corrections Act grants (\$12,394,391) and an operating grant for the Labette Correctional Conservation Camp (\$1,435,978). The Governor recommends \$16,656,983 for inmate medical and mental health care and \$9,514,244 for the various inmate and offender programs. The Governor also recommends a total of \$14,840,000 for various capital improvement projects (\$5,325,000) and debt service (\$9,515,000). The capital improvement projects include major maintenance and rehabilitation projects (\$4.5 million), a program statement for a new Reception and Diagnostic Unit (\$125,000), and the multiyear project to construct a new facility for female inmates (\$700,000). The Governor's recommendation will support 371.0 FTE positions, a net increase of 1.0 from the 370.0 approved for the current year. The net increase of 1.0 position is the result of the elimination of 2.0 positions associated with the State Community Corrections Board and the creation of 3.0 new positions in Correctional Industries.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1994, with the following additional recommendations:

1. The House Subcommittee concurs with the item in Budget Amendment No. 1 which recommends the shift of \$800,000 (SGF) in community corrections grants funding from FY 1993 to FY 1994. The thrust of this reduction in FY 1993 is to force the local community corrections programs to spend unexpended funds in their accounts which have carried forward from prior years' grants. (A similar shift of \$1.0 million was made in FY 1992 in order to reduce the unexpended balances in local program accounts.) With this shift, a total of \$13,194,391 will be available for community corrections grants in FY 1994.
2. The Governor recommends and the House Subcommittee concurs with the transfer of \$100,000 from the Correctional Industries Fund to the State General Fund in FY 1994 to continue the repayment of the \$1.3 million loan which was made by the 1989 Legislature. The agency requests that the transfer be shifted from July 1, 1993 to another date (such as January 15) to eliminate cashflow problems, as the Fund is typically at its lowest levels in July and August. The House Subcommittee concurs with the request to move the transfer to January 15, 1994.

The agency requests that the Correctional Industries Fund, which finances the industries program, be appropriated as a "no-limit" fund, in order to provide additional flexibility in the purchase of raw materials and the amount of product sales. The Governor did not concur with this request. The House Subcommittee recommends that the appropriation bill be modified to make the Industries Fund a no-limit fund.

3. The Governor recommends no funding for the State Community Corrections Board in FY 1994 (agency request \$70,358 and 1.5 positions). The budget documentation states that this recommendation is based on the upcoming consolidation of correctional field services. The House Subcommittee concurs in the Governor's recommendation to provide no funding for this board.
4. The Governor recommends the salaries and wages pool at \$350,000 in FY 1994. The 1991 Legislature approved \$445,000 for this pool, and the 1992 Legislature approved \$396,000 for the pool. The House Subcommittee supports the concept of the salaries and wages pool in order to help the correctional facilities meet their budgeted shrinkage rates. Also, the House Subcommittee recommends that any balances in the pool at the end of FY 1993 be reappropriated to FY 1994.
5. The *Governor's Budget Report* recommends that (on a one-time basis) the FY 1994 debt service payment for the Ellsworth facility be partially financed by a payment of \$1.714 million from the CIBF. This would be the first use of the CIBF for debt service. The Joint Committee on State Building Construction has recommended that this debt service payment be shifted back to the State General Fund (as are the other DOC debt service payments). The House Subcommittee concurs with the recommendation to fund this item from the State General Fund.
6. In the fall of 1992, the financing of the El Dorado and Larned facilities was restructured through a new KDFA bond issue. The new bond issue of \$75.37 million is to refinance the existing debt of the two bonds and the PMIB loan which previously financed the construction of these facilities. Because of federal regulations relating to the refinancing of existing debt, a total of \$426,519 of the approximately \$25 million borrowed from the PMIB could not be included in the debt refinancing. The Governor recommends that this \$426,519 be paid back to the State General Fund in FY 1994 with a transfer from the CIBF. The House Subcommittee concurs with the recommendation of the Joint Committee on State Building Construction that this transfer be made in FY 1994 to retire this prior debt.
7. As recommended by the Joint Committee on State Building Construction, reduction of \$625,000 which had been recommended for two capital improvement projects. This reduction is necessary to maintain the solvency of the Correctional Institutions Building Fund. The House Subcommittee recommendation reduces \$500,000 from the FY 1994 appropriation for the Department's rehabilitation and repair funds, leaving a total of \$4.0 million for this fund. Also, the recommendation deletes \$125,000 which had been recommended by the Governor for a program statement for a new Reception and Diagnostic Unit. The Subcommittee suggests that the Secretary fund this item from the rehabilitation funds, if the Secretary wishes to prepare the statement.
8. The House Subcommittee was advised that the Department of Corrections is currently completing security audits and a post analysis for all the correctional facilities; these management initiatives should be completed soon. The Subcommittee commends the Department for these efforts and believes that the post analysis and security audits will assist the Department and the Legislature

in evaluating staffing needs and related capital improvement projects in the future.

9. The House Subcommittee also commends the Department for two cost-savings initiatives: establishment of a centralized menu for food service at all the correctional facilities, and the bidding of a natural gas contract for the correctional facilities.

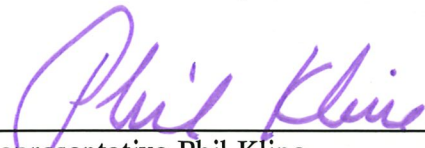
During FY 1992, the Department of Corrections established a centralized menu which standardized food servings and portion size. The centralized menu was a factor in the reduction of the systemwide average cost per meal from \$0.98 in FY 1991 to \$0.92 in FY 1992.

On July 23, 1992, a contract was awarded to a natural gas supply company for the acquisition and interstate transportation of natural gas supplies for the correctional facilities. Because some of the correctional facilities had to negotiate contracts with local utility companies to transport the gas from the interstate pipeline to the facility, the actual date of the application of the contract's provisions to each facility varied. For the current fiscal year, two correctional facilities reduced expenditures for natural gas by a total of approximately \$92,000. As additional experience under the contract is gained, additional savings should be realized.

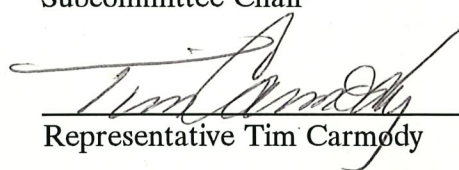
10. The Governor's recommendation for FY 1994 includes a total of \$135,000 (on a systemwide basis) to implement a new video imaging system for inmate and employee ID badges. The House Subcommittee supports the implementation of this new system as a security enhancement at the correctional facilities. However, the Subcommittee is aware that other state agencies (Revenue and SRS) are also interested in this video imaging system. The Subcommittee recommends that the Secretary of Corrections confer with other agency heads interested in this system to determine whether consolidated purchase of the equipment could result in cost savings.
11. The Subcommittee discussed the impact of FY 1994 systemwide budget reductions on the operations of the Department of Corrections and the correctional facilities. Each 1 percent reduction would reduce funding from the State General Fund by approximately \$1.5 million. The Secretary of Corrections provided the Subcommittee with written options regarding the methods of dealing with the budget reductions, which included:
 - a. reductions in the operating budgets of the correctional facilities, such as deferral of equipment purchases, reduction of food and clothing inventories, and reduced expenditures for maintenance materials and supplies;
 - b. reductions in amounts budgeted for the various offender programs;
 - c. reductions in funding for community corrections programs; or

- d. compressing the inmate population into fewer facilities and closing minimum custody facilities.

(Copies of the Secretary's written response are available.)



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

STATE OF KANSAS



DEPARTMENT OF CORRECTIONS

OFFICE OF THE SECRETARY

Landon State Office Building
900 S.W. Jackson—Suite 400-N
Topeka, Kansas 66612-1284
(913) 296-3317

Joan Finney
Governor

Gary Stotts
Secretary

February 24, 1993

Representative Phil Kline, Chairman
House Subcommittee No. 4
State Capitol Building, Room 182-W
Topeka, Kansas 66612

Dear Representative Kline:

This letter is in response to your request for information on the methods that would be utilized to respond to a systemwide budget reduction and the impact such a reduction would have on the operations of the Department of Corrections and the correctional facilities. Each one percent reduction would reduce funding from the State General Fund for the correctional system by approximately \$1.5 million.

In order to comply with such a reduction and assuming that there would be flexibility to determine those areas in which reductions would be made, a variety of options would be considered. The methods that would be chosen to comply with the reduction would depend upon the magnitude of the reduction and whether the reduction is intended as a one-time adjustment to increase cash balances or is designed to achieve permanent base budget reductions that must be sustained indefinitely. The options that would be considered include:

- reductions in operating budgets, most likely resulting in a deferral in the acquisition of much-needed equipment items; further depletion of inventories; and reduced expenditures for maintenance materials and other supplies. Only as a last resort would the decision be made to generate additional forced shrinkage savings by holding positions open and/or delaying the filling of vacant positions. Currently budgeted shrinkage savings for FY 1994 for the correctional facilities already exceed the requested amounts by \$800,000.

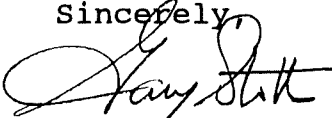
Representative Phil Kline
February 24, 1993
Page Two

- a reduction in amounts budgeted for offender programs which, depending upon the magnitude of the reduction, could result in adverse implications for management of both inmates and parolees.
- a reduction in funding for local community corrections programs by eliminating or decreasing the funding for such higher cost programs as adult residential centers and adult day reporting. In addition, consideration would be given to reducing the funding for the adult intensive supervision program by requiring increased caseloads per officer.
- compress the inmate population into fewer facilities and close minimum-custody units. The amounts currently budgeted for minimum-custody units range from \$1.0 million to \$3.8 million. Compressing the inmate population into fewer facilities could result in further court intervention once the established facility capacities are reached.

If the systemwide reduction is an across-the-board reduction, every State General Fund appropriation, with the exception of the appropriations for debt service payments, would be reduced. The department would then have to decide whether resources should be reallocated to more selectively target the reduction.

If you have any questions or need additional information, please let me know.

Sincerely,



Gary Stotts
Secretary of Corrections

House Subcommittee No. 4 Recommendation --
Department of Corrections

All Funds:

State Operations	--
Aid to Local Units (comm. corr.)	\$800,000
Other Assistance	--
Capital Improvements (rehab. and RDU)	(625,000)
Total	175,000

State General Fund:

State Operations (debt service shift)	1,089,000
Aid to Local Units	800,000
Other Assistance	--
Capital Improvements (debt service shift)	625,000
Total	2,514,000

Shift Ellsworth Debt Service Payment:

From CIBF To SGF

Debt Service -- Interest	(1,089,000)	1,089,000
Debt Service -- Principal	(625,000)	625,000
Total	(1,714,000)	1,714,000

SUBCOMMITTEE REPORT

Agency: El Dorado Correctional Facility

Bill No. --

Bill Sec. --

Analyst: Mills

Analysis Pg. No. 441

Budget Page No. 194

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 13,706,640	\$ 13,584,417	\$ --
Special Revenue Fund	77,926	77,926	--
Total	<u>\$ 13,784,566</u>	<u>\$ 13,662,343</u>	<u>\$ --</u>
FTE Positions			
EDCF	347.0	347.0	--
Honor Camps	43.0	43.0	--
Total	<u>390.0</u>	<u>390.0</u>	<u>--</u>

Agency Estimate/Governor's Recommendation

The FY 1993 revised estimate for the facility is \$13,784,566 (\$11,848,821 for the new facility and \$1,935,745 for the correctional work facilities, formerly called Honor Camps) and 390.0 FTE positions (347.0 for the new facility and 43.0 for the Honor Camps). The revised FY 1993 estimate includes a State General Fund supplemental request of \$30,777 which the agency states is needed because of a salaries shortfall. The FY 1993 estimate is based on an average daily inmate population (ADP) of 750 (578 at the new facility and 172 at the Honor Camps). The 1992 Legislature also approved funding of \$5,715,000 in FY 1993 for debt service on the bonds and loan for the facility; this funding is in the budget of the Department of Corrections.

The Governor's recommendation in FY 1993 is \$13,662,343, a reduction of \$122,223 from the agency estimate. The reductions are found in salaries and wages (\$3,688), contractual services (\$33,898), and commodities (\$84,637). The salaries and wages recommendation of \$10,879,663 will support 390.0 FTE positions, the number currently authorized. The Governor's recommendation supports an ADP of 725 inmates (553 at the new El Dorado facility and 172 at the Honor Camps). The Governor does not recommend the requested supplemental funding.


House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1993.

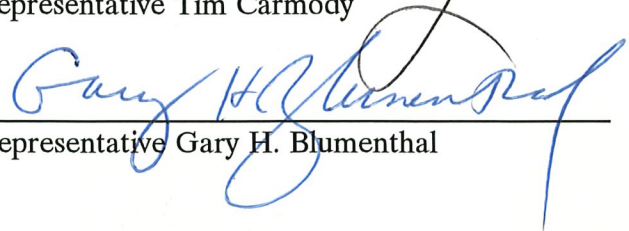
ATTACHMENT 4



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

SUBCOMMITTEE REPORT

Agency: El Dorado Correctional Facility

Bill No. 2048

Bill Sec. 9

Analyst: Mills

Analysis Pg. No. 441

Budget Page No. 194

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 15,042,571	\$ 14,158,574	\$ --
Special Revenue Fund	80,087	80,087	--
Total	<u>\$ 15,122,658</u>	<u>\$ 14,238,661</u>	<u>\$ --</u>
FTE Positions			
EDCF	352.0	347.0	--
Honor Camps	43.0	43.0	--
Total	<u>395.0</u>	<u>390.0</u>	<u>--</u>

Agency Request/Governor's Recommendation

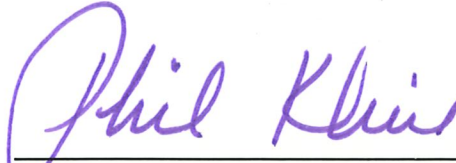
The FY 1994 request for the El Dorado Correctional Facility is \$15,122,658, an increase of \$1,339,082 or 9.7 percent over the FY 1993 estimate. The FY 1994 request would continue the current staffing level of 390.0 FTE positions (347.0 at the new facility and 43.0 at the Honor Camps) and also allow for the creation of 5.0 new FTE positions. The FY 1994 request is based on an ADP of 750 (578 at the new facility and 172 at the Honor Camps). The FY 1994 request is composed of \$11,801,906 for salaries and wages; \$1,309,936 for contractual services; \$1,626,403 for commodities; and \$384,413 for capital outlay. No funding is requested for capital improvements. Funding of \$5,978,000 is requested, in the budget of the Department of Corrections, for debt service on the bonds and loan for the construction of the facility. The funding sources for the facility are 15-year bonds issued by the Kansas Development Finance Authority (\$34.94 million) and a 20-year loan from the Pooled Money Investment Board (\$26.85 million).

The Governor's recommendation in FY 1994 is \$14,238,661, a reduction of \$883,967 from the agency request. The reductions are found in salaries and wages (\$427,277), contractual services (\$34,792), commodities (\$69,577), and capital outlay (\$352,321). The net change from the current year to the budget year is an increase of \$576,318 or 4.2 percent. The recommendation for FY 1994 supports an ADP of 725 (553 at the new El Dorado facility and 172 at the Honor Camps) and the salaries funding of \$11,374,599 supports the 390.0 positions currently approved. No funding is included for the requested new positions.

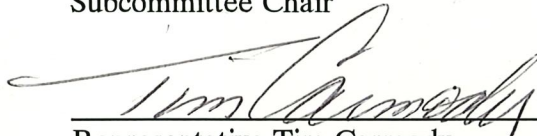
House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1994, with the following observation:

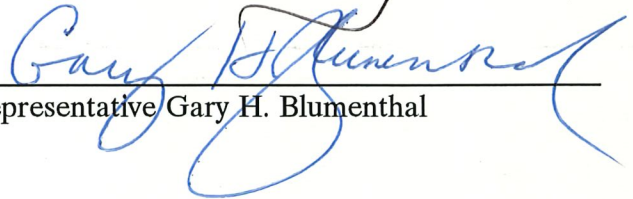
1. The House Subcommittee notes that the agency had requested a shrinkage rate of 3.5 percent (or a reduction of \$428,037) in FY 1994; the shrinkage rate set by the Governor's recommendation is 5.8 percent (or a reduction of \$700,347), a difference of \$272,310. The Subcommittee is concerned that, should any across-the-board reductions be made later in the 1993 Session, the agency may have to leave an unacceptable number of positions vacant in order to meet the budgeted shrinkage rate.



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

SUBCOMMITTEE REPORT

Agency: Ellsworth Correctional Facility

Bill No. --

Bill Sec. --

Analyst: Mills

Analysis Pg. No. 454

Budget Page No. 196

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 7,344,044	\$ 7,327,797	\$ --
Capital Improvements	55,981	55,981	--
Total	<u>\$ 7,400,025</u>	<u>\$ 7,383,778</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ 7,331,945	\$ 7,315,698	\$ --
Capital Improvements	--	--	--
Total	<u>\$ 7,331,945</u>	<u>\$ 7,315,698</u>	<u>\$ --</u>
FTE Positions	185.5	185.5	--


Agency Estimate/Governor's Recommendation

The Ellsworth Correctional Facility, which was originally approved by the 1986 Legislature, is currently operational with a capacity of 584 inmates. The facility was constructed through a 15-year lease/purchase agreement with the Ellsworth Public Building Commission, and later with the Kansas Development Finance Authority; the approved project budget was \$19.8 million. The agency estimate for FY 1993 is \$7,344,044, an amount which is \$98 above the approved budget. The difference is caused by the receipt of a small federal library grant in FY 1993. The agency revised estimate will continue to support the 185.5 FTE positions currently approved and assumes an average daily inmate population of 575 for FY 1993.

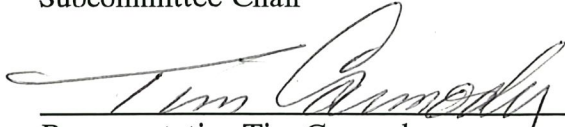
The Governor's recommendation for operating expenditures in FY 1993 is \$7,327,797, a reduction of \$16,247 from the agency estimate. The reductions are found in salaries and wages (\$3,666), contractual services (\$1,026), and commodities (\$11,555). The salaries and wages recommendation of \$5,446,838 will support 185.5 FTE positions, the number currently authorized. The Governor's recommendation supports an ADP of 575 inmates and the 185.5 positions authorized. The Governor also recommends, in the budget of the Department of Corrections, a total of \$1,854,000 for debt service on the facility.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1993.



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

SUBCOMMITTEE REPORT

Agency: Ellsworth Correctional Facility

Bill No. 2048

Bill Sec. 6

Analyst: Mills

Analysis Pg. No. 454

Budget Page No. 196

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 8,331,655	\$ 7,631,573	\$ --
Capital Improvements	--	30,000	(30,000)
Total	<u>\$ 8,331,655</u>	<u>\$ 7,661,573</u>	<u>\$ (30,000)</u>
State General Fund:			
State Operations	\$ 8,319,655	\$ 7,619,573	\$ --
Capital Improvements	--	--	--
Total	<u>\$ 8,319,655</u>	<u>\$ 7,619,573</u>	<u>\$ --</u>
FTE Positions	205.5	185.5	--

Agency Request/Governor's Recommendation

The agency request for FY 1994 for state operations totals \$8,331,655, of which \$8,319,655 is from the State General Fund and \$12,000 is from the agency's General Fees Fund. The FY 1994 request contains salaries and wages funding of \$6,337,536 which would support 205.5 FTE positions, an increase of 20.0 FTE positions over the 185.5 approved for FY 1993. The budget is based on an average daily inmate population (ADP) of 575, the same as the level for FY 1993. The Department of Corrections indicates that a total of \$1,855,590 will be needed for debt service in FY 1994 on the bonds issued for the construction of this facility. Funding in that amount is requested in the budget of the Department of Corrections.

The Governor's recommendation for operating expenditures in FY 1994 is \$7,631,573, a reduction of \$700,082 from the agency request. The reductions are found in salaries and wages (\$637,047), contractual services (\$1,062), commodities (\$36,213), and capital outlay (\$25,760). The net change from the current year to the budget year is an increase of \$303,776 or 4.1 percent. The recommendation for FY 1994 supports an ADP of 575 and 185.5 positions. No funding for the 20.0 new positions requested is recommended. The Governor's recommendation does include funding of \$1,856,000, in the budget of the Department of Corrections, for debt service on the outstanding bonds.

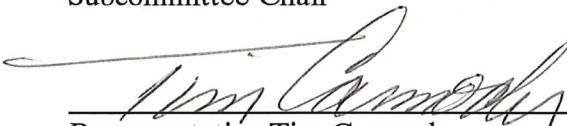
House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1994, with the following recommendations:

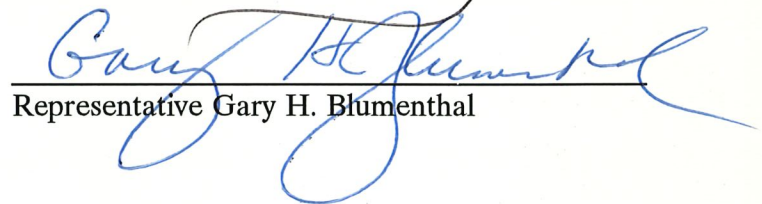
1. The House Subcommittee notes that the agency had requested a shrinkage rate of 2.5 percent (or a reduction of \$162,501) for FY 1994; the shrinkage rate set by the Governor's recommendation is 4.0 percent (or a reduction of \$237,521), a difference of \$75,020. The Subcommittee is concerned that, should any across-the-board reductions be made later in the 1993 Session, the agency may have to leave an unacceptable number of positions vacant in order to meet the budgeted shrinkage rate.
2. Reduction of \$30,000 (CIBF) which was recommended by the Governor for a capital improvement project to construct a storage building. The Joint Committee on State Building Construction has recommended that this project be considered for funding from the rehabilitation and repair funds of the Department of Corrections.



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

SUBCOMMITTEE REPORT

Agency: Hutchinson Correctional Facility

Bill No. --

Bill Sec. --

Analyst: Mills

Analysis Pg. No. 465

Budget Page No. 326

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 20,215,773	\$ 20,162,641	\$ --
Capital Improvements	249,250	249,250	--
Total	<u>\$ 20,465,023</u>	<u>\$ 20,411,891</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ 19,977,172	\$ 19,924,040	\$ --
Capital Improvements	--	--	--
Total	<u>\$ 19,977,172</u>	<u>\$ 19,924,040</u>	<u>\$ --</u>
FTE Positions	522.0	522.0	--

Agency Estimate/Governor's Recommendation

The agency's FY 1993 revised operating expenditures estimate is \$20,215,773, which is \$4,101 less than the approved budget of \$20,211,672. The revised FY 1993 budget is based on an average daily inmate population (ADP) of 1,390, which is 10 more than the ADP originally approved. The revised FY 1993 estimate will support 522.0 FTE positions, which is the same as the approved level for FY 1992.

The Governor's recommendation for operating expenditures in FY 1993 is \$20,162,641, a reduction of \$53,132 from the agency estimate. The reductions are found in contractual services (\$36,457) and commodities (\$16,675). The salaries and wages recommendation of \$15,605,052 will support 522.0 FTE positions, the number currently authorized. The Governor's recommendation supports an ADP of 1,390 inmates.

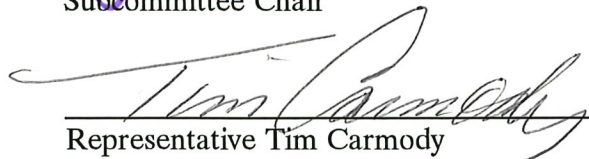
House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1993.

ATTACHMENT U



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

SUBCOMMITTEE REPORT

Agency: Hutchinson Correctional Facility

Bill No. 2048

Bill Sec. 4

Analyst: Mills

Analysis Pg. No. 465

Budget Page No. 326

Expenditure Summary	Agency Req. FY 94	Gov. Rec. FY 94	Subcommittee Adjustments
All Funds:			
State Operations	\$ 22,076,339	\$ 20,907,310	\$ --
Capital Improvements	812,163	812,163	--
Total	<u>\$ 22,888,502</u>	<u>\$ 21,719,473</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ 21,816,339	\$ 20,647,310	\$ --
Capital Improvements	--	--	--
Total	<u>\$ 21,816,339</u>	<u>\$ 20,647,310</u>	<u>\$ --</u>
FTE Positions	531.5	522.0	--

Agency Request/Governor's Recommendation

The agency requests \$22,076,339 for operating expenditures in FY 1994. Funding for state operations is requested almost entirely from the State General Fund (\$21,816,339). State General Fund resources are requested to increase by \$1,839,167 or 9.2 percent. The General Fees Fund of the agency is requested at \$260,000. The FY 1994 request contains funding for 531.5 FTE positions, an increase of 9.5 positions over the 522.0 approved for FY 1993. The agency projects an average daily inmate population of 1,390 in FY 1994, the same as the revised level for FY 1993.

The Governor's recommendation for operating expenditures in FY 1994 is \$20,907,310, a reduction of \$1,169,029 from the agency request. The reductions are found in salaries and wages (\$530,253), contractual services (\$23,213), commodities (\$32,139), and capital outlay (\$583,424). The net change from the current year to the budget year is an increase of \$744,669 or 3.7 percent. The recommendation for FY 1994 supports an ADP of 1,390 and 522.0 positions. No funding for new positions is recommended. Funding of \$812,163 from the Correctional Institutions Building Fund is recommended for a previously-approved capital improvement project.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1994, with the following observation:

1. The House Subcommittee notes that the agency had requested a shrinkage rate of 3.0 percent (or a reduction of \$518,418) for FY 1994; the shrinkage rate set by the Governor's recommendation is 4.5 percent (or a reduction of \$764,855),

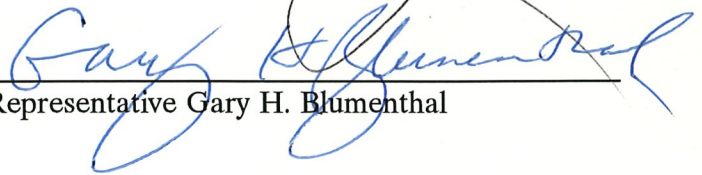
a difference of \$246,437. The Subcommittee is concerned that, should any across-the-board reductions be made later in the 1993 Session, the agency may have to leave an unacceptable number of positions vacant in order to meet the budgeted shrinkage rate.



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

SUBCOMMITTEE REPORT

Agency: Lansing Correctional Facility

Bill No. --

Bill Sec. --

Analyst: Mills

Analysis Pg. No. 480

Budget Page No. 410

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 27,751,863	\$ 27,259,941	\$ --
Capital Improvements	1,263,292	1,263,292	--
TOTAL	<u>\$ 29,015,155</u>	<u>\$ 28,523,233</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ 27,711,863	\$ 27,216,710	\$ --
Capital Improvements	--	--	--
TOTAL	<u>\$ 27,711,863</u>	<u>\$ 27,216,710</u>	<u>\$ --</u>
FTE Positions	724.0	724.0	--

Agency Estimate/Governor's Recommendation

The agency's FY 1993 revised estimate for operating expenditures is \$27,751,863 which is \$27,545 less than the approved budget of \$27,779,408. For FY 1993, the agency assumes an average daily inmate population (ADP) of 1,563 (1,488 at the Lansing Correctional Facility and 75 at the Osawatomie Correctional Facility), which is an increase of 49 over the actual ADP for FY 1992 of 1,514 (1,438 at Lansing and 76 at Osawatomie). The FY 1993 budget is based on 724.0 FTE positions (692.0 at Lansing and 32.0 at Osawatomie).

The Governor's recommendation for operating expenditures in FY 1993 is \$27,259,941, a reduction of \$491,922 from the agency estimate. The reductions are found in salaries and wages (\$40,220), contractual services (\$131,640), and commodities (\$320,062). The salaries and wages recommendation of \$21,498,999 will support 724.0 FTE positions, the number currently authorized. The Governor's recommendation supports an ADP of 1,490 inmates (1,415 at Lansing and 75 at Osawatomie). The Governor also recommends \$1,263,292 in FY 1993 for several capital improvement projects.

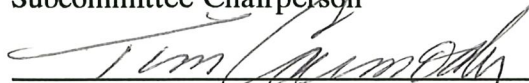
House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1993.

ATTACHMENT 7



Representative Phil Kline
Subcommittee Chairperson



Representative Tim Carmody



Representative Gary H. Blumenthal

SUBCOMMITTEE REPORT

Agency: Lansing Correctional Facility

Bill No. 2048

Bill Sec. 5

Analyst: Mills

Analysis Pg. No. 480

Budget Page No. 410

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 30,251,003	\$ 28,320,423	\$ --
Capital Improvements	--	--	--
TOTAL	<u>\$ 30,251,003</u>	<u>\$ 28,320,423</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ 30,206,003	\$ 28,273,890	\$ --
Capital Improvements	--	--	--
TOTAL	<u>\$ 30,206,003</u>	<u>\$ 28,273,890</u>	<u>\$ --</u>
FTE Positions	752.0	724.0	

Agency Request/Governor's Recommendation

For FY 1994, the agency requests \$30,251,003 for operating expenditures. Funding is requested at \$30,206,003 from the State General Fund and \$45,000 from the agency's General Fees Fund. The FY 1994 request includes funding for 752.0 FTE positions, a net increase of 28.0 positions over the 724.0 approved for the current year. The FY 1994 request is based on an ADP of 1,585 (1,510 at Lansing and 75 at Osawatomie), which is an increase of 22 over the ADP of 1,563 in FY 1993. The FY 1994 request includes no capital improvement projects.

The Governor's recommendation for operating expenditures in FY 1994 is \$28,320,423, a reduction of \$1,930,580 from the agency request. The reductions are found in salaries (\$929,121), contractual services (\$118,346), commodities (\$306,253), and capital outlay (\$576,860). The net change in operating expenditures from the current year to the budget year is an increase of \$1,060,482 or 3.9 percent. The recommendation for FY 1994 supports an ADP of 1,478 (1,403 at Lansing and 75 at Osawatomie) and 724.0 positions. No funding for the 28.0 requested new positions is recommended or for the requested reclassifications.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1994, with the following observations:

1. The House Subcommittee notes that the agency had requested a shrinkage rate of 3.5 percent (or a reduction of \$845,147) in FY 1994; the shrinkage rate set by the Governor's recommendation is 4.8 percent (or a reduction of \$1,126,964), a

difference of \$281,817. The Subcommittee is concerned that, should any across-the-board reductions be made later in the 1993 Session, the agency may have to leave an unacceptable number of positions vacant in order to meet the budgeted shrinkage rate.

2. One issue which has been considered by the Legislature for the past five years relates to the wastewater treatment plant, which was constructed as a joint venture by the City of Lansing and the correctional facility. Last year's Subcommittee report on the Lansing budget contained the following passage:

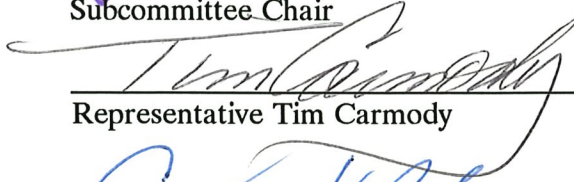
"The City of Lansing has also attempted to implement a "surcharge" on the sewer rates paid by LCF to the city. Since FY 1989, the city has requested state payment for a portion of the improvements at the wastewater treatment plant which is operated by the city and is located on state-owned land at the facility. The correctional facility uses about 37 percent of the plant's capacity. The Department had requested such funding in both FY 1991 (\$275,000) and FY 1992 (\$365,000). The Governor's recommendation for FY 1992 included \$236,884 of the pretreatment/screening portion of the project, which funding was approved by the 1991 Legislature. Funding for the other portions (sludge handling and engineer's fees) of the project, already undertaken by the city, have never been recommended by a Governor or approved by the Legislature. The legal staff of the Department of Corrections have reviewed the 1981 lease agreement between the City of Lansing and the Department and have found no provision requiring the Department to have any responsibility for enlargement of the wastewater treatment plant or other additional costs. The city has also presented this as a claim to the Joint Committee on Special Claims, but the claim was denied.

"Beginning in January, 1992 the City of Lansing has attempted to place a "surcharge" of \$717.95 per month on the LCF sewer bill. The "surcharge" is to pay off a total of \$94,770 over an 11-year period, which is claimed to be the state's share of the costs for the sludge processing improvements undertaken by the city. The Senate Subcommittee expressly states that there is no funding in the FY 1992 or FY 1993 budgets of LCF for this payment and that no funds should be expended to pay this purported "surcharge."

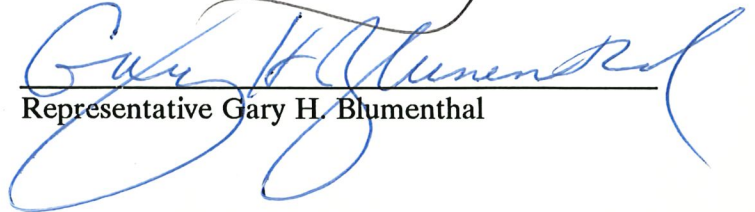
The Lansing facility has not paid this "surcharge," even though it appears on each monthly bill. The city has now taken the position that the correctional facility is in arrears on its sewer bill, and the city is now attempting to place a lien on the correctional facility to secure payment of the "surcharge." The House Subcommittee notes that the Legislature has spoken on at least five occasions to deny any of the funding requested by the city. The House Subcommittee believes that this dispute should be resolved and, therefore, suggests that the Secretary of Corrections attempt to find a suitable resolution to this issue. No state funds, however, should be expended to pay the purported "state's share" of the expansion project.



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

SUBCOMMITTEE REPORT

Agency: Larned Correctional Mental
Health Facility

Bill No. --

Bill Sec. --

Analyst: Mills

Analysis Pg. No. 495

Budget Page No. 414

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 5,616,873	\$ 5,520,261	\$ --
FTE Positions	175.0	175.0	--

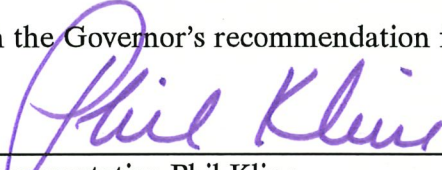
Agency Estimate/Governor's Recommendation

The agency's FY 1993 estimated expenditures for state operations are \$5,616,873, which is equal to the approved budget. The agency's estimate is based on an average daily inmate population of 145, which is the same ADP as originally approved by the 1992 Legislature, and a staffing level of 175.0 FTE positions. The 1992 Legislature also approved funding in the Department of Corrections budget in FY 1993 of \$1.621 million for debt service on the bonds (\$14.5 million) and the PMIB loan issued for the construction of the facility.

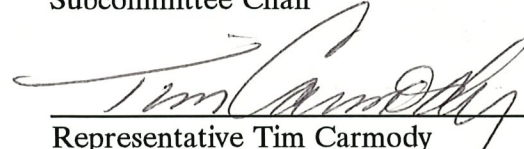
The Governor's recommendation in FY 1993 is \$5,520,261, a reduction of \$96,612 from the agency revised estimate. The reduction is found in salaries and wages (\$54,513), contractual services (\$25,504), and commodities (\$16,595). The salaries and wages recommendation of \$5,157,738 will support 175.0 FTE positions, the number currently authorized. The Governor's recommendation is based on an ADP of 125 inmates.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1993.



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

93-4708

ATTACHMENT 8

SUBCOMMITTEE REPORT

Agency: Larned Correctional Mental
Health Facility

Bill No. 2048

Bill Sec. 10

Analyst: Mills

Analysis Pg. No. 495

Budget Page No. 414

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 5,940,604	\$ 5,736,185	\$ --
FTE Positions	175.0	175.0	--

Agency Request/Governor's Recommendation


For FY 1994, the agency requests a total of \$5,940,604, of which \$5,250,090 is for salaries and wages and \$690,514 is for other operating expenditures (composed of \$368,234 for contractual services, \$215,730 for commodities, and \$106,550 for capital outlay). All funding for state operations is requested from the State General Fund. The FY 1994 request would support 175.0 FTE positions, the same as approved for the current year. The agency proposes an average daily inmate population of 145, the same as the current year level. No funding is requested for capital improvements. Funding of \$1,721,050 is requested, in the budget of the Department of Corrections, for debt service in FY 1994.

The Governor's recommendation in FY 1994 is \$5,736,185, a reduction of \$204,419 from the agency request. The reductions are found in salaries and wages (\$92,352), contractual services (\$29,280), commodities (\$20,637), and capital outlay (\$62,150). The net change from the current year to the budget year is an increase of \$215,924 or 3.9 percent. The recommendation for FY 1994 supports an ADP of 140 and 175.0 positions.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1994, with the following additional recommendation:

1. The House Subcommittee was advised by the agency that funding for several maintenance agreements on equipment had been inadvertently omitted from the FY 1994 budget request. The warranties on the following equipment items will expire in FY 1994: fire alarm system (\$15,847); Johnson Control building temperature system (\$4,720 annual cost); chiller system (\$2,587); emergency generator maintenance (\$1,413 annual cost); and the boiler and chemical treatment for the water for the building heating/cooling system (\$5,500). The Subcommittee recommends that the Secretary of Corrections consider this funding for inclusion in a Governor's Budget Amendment.



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

93-4709

SUBCOMMITTEE REPORT

Agency: Norton Correctional Facility

Bill No. --

Bill Sec. --

Analyst: Mills

Analysis Pg. No. 504

Budget Page No. 450

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 9,586,120	\$ 9,438,611	\$ --
Special Revenue Fund	15,163	15,163	--
Total	<u>\$ 9,601,283</u>	<u>\$ 9,453,774</u>	<u>\$ --</u>
FTE Positions			
Norton	210.0	210.0	--
Stockton	42.0	42.0	--
Total	<u>252.0</u>	<u>252.0</u>	<u>--</u>


Agency Estimate/Governor's Recommendation

The agency's FY 1993 revised operating expenditures estimate is \$9,601,283, which is \$2,600 above the approved budget of \$9,598,683. The increase is attributed to the receipt of a federal library grant of \$2,600. The revised FY 1993 budget is based on an average daily inmate population (ADP) of 584 (495 at Norton and 89 at Stockton). The budget will support 252.0 FTE positions (210.0 at Norton and 42.0 at Stockton), which is the approved staffing level for FY 1993.

The Governor's recommendation in FY 1993 is \$9,453,774, a reduction of \$147,509 from the agency estimate. The reductions are found in salaries and wages (\$44,035), contractual services (\$30,581), and commodities (\$72,893). The salaries and wages recommendation of \$7,258,563 will support 252.0 FTE positions (210.0 at Norton and 42.0 at Stockton), the number currently authorized. The Governor's recommendation supports an ADP of 559 inmates (495 at Norton and 64 at Stockton), and the 252.0 positions authorized.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1993.



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

SUBCOMMITTEE REPORT

Agency: Norton Correctional Facility

Bill No. 2048

Bill Sec. 8

Analyst: Mills

Analysis Pg. No. 504

Budget Page No. 450

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 11,069,592	\$ 9,692,418	\$ --
Special Revenue Fund	17,000	17,000	--
Total	<u>\$ 11,086,592</u>	<u>\$ 9,709,418</u>	<u>\$ --</u>
FTE Positions			
Norton	241.0	210.0	--
Stockton	42.0	42.0	--
Total	<u>283.0</u>	<u>252.0</u>	<u>--</u>

Agency Request/Governor's Recommendation

The agency requests \$11,086,592 for operating expenditures in FY 1994, an increase of \$1,485,309 (15.5 percent) over the FY 1993 agency revised estimate. Of the total requested, \$9,539,437 is for the Norton facility and \$1,547,155 is for the Stockton unit. Funding is requested almost entirely from the State General Fund, with the exception of \$17,000 requested from the agency's General Fees Fund. The FY 1994 request contains funding for 283.0 FTE positions, an increase of 31.0 positions over the 252.0 positions approved for the current year. The agency estimates an average daily inmate population of 584 in FY 1994, the same as in FY 1993. Funding of \$10,939 is requested for the reclassification of 7.0 positions. No capital improvements are requested.

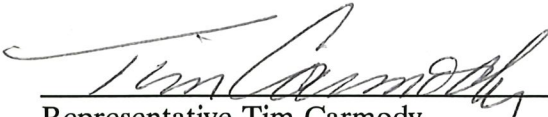
The Governor's operating expenditures recommendation in FY 1994 is \$9,709,418, a reduction of \$1,377,174 from the agency request. The reductions are found in salaries and wages (\$914,628), contractual services (\$27,245), commodities (\$93,893), and capital outlay (\$341,408). The net change from the current year to the budget year is an increase of \$255,644 or 2.7 percent. The recommendation for FY 1994 supports an ADP of 559 (495 at Norton and 64 at Stockton), and 252.0 positions. No funding for new positions or the reallocations is recommended.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1994.



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

SUBCOMMITTEE REPORT

Agency: Topeka Correctional Facility

Bill No. --

Bill Sec. --

Analyst: Mills

Analysis Pg. No. 517

Budget Page No. 566

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 11,906,357	\$ 11,848,884	\$ --
Capital Improvements	17,752	17,752	--
TOTAL	<u>\$ 11,924,109</u>	<u>\$ 11,866,636</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ 11,830,520	\$ 11,773,047	\$ --
Capital Improvements	--	--	--
TOTAL	<u>\$ 11,830,520</u>	<u>\$ 11,773,047</u>	<u>\$ --</u>
FTE Positions	322.0	322.0	--

Agency Estimate/Governor's Recommendation

The agency's FY 1993 estimated operating expenditures are \$11,906,357, which is \$2,417 less than the approved budget of \$11,908,774. The agency assumes an average daily inmate population (ADP) of 764 in FY 1993, reflecting the consolidation of the four facilities into one administrative unit. The agency includes funds for 322.0 FTE positions in FY 1993, a reduction of 6.8 positions from the 328.8 approved for FY 1992. The agency estimates expenditures from the General Fees Fund of \$20,000 in FY 1993.

The Governor's recommendation for operating expenditures for FY 1993 is \$11,848,884, a reduction of \$57,473 from the agency estimate. The reductions are found in salaries and wages (\$13,011), contractual services (\$1,267), and commodities (\$43,195). The salaries and wages recommendation of \$9,718,439 will support 322.0 FTE positions, the number currently authorized. The Governor's recommendation supports an ADP of 764.

House Subcommittee Recommendation

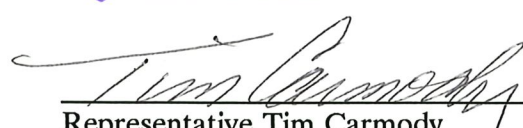
The House Subcommittee concurs with the Governor's recommendation for FY 1993.

ATTACHMENT 10

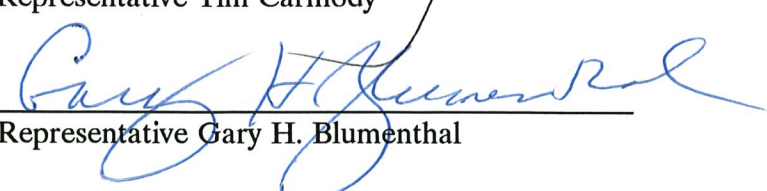
- 2 -



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

93-4793

SUBCOMMITTEE REPORT

Agency: Topeka Correctional Facility

Bill No. 2048

Bill Sec. 3

Analyst: Mills

Analysis Pg. No. 517

Budget Page No. 566

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 12,932,355	\$ 12,280,257	\$ --
Capital Improvements	--	277,264	(277,264)
TOTAL	<u>\$ 12,932,355</u>	<u>\$ 12,557,521</u>	<u>\$ (277,264)</u>
State General Fund:			
State Operations	\$ 12,857,438	\$ 12,205,340	\$ --
Capital Improvements	--	--	--
TOTAL	<u>\$ 12,857,438</u>	<u>\$ 12,205,340</u>	<u>\$ --</u>
FTE Positions	335.0	322.0	--

Agency Request/Governor's Recommendation

For FY 1994, the agency requests \$12,932,355 for operating expenditures. The requested funding for the budget is almost entirely from the State General Fund (\$12,857,438), with the agency's General Fees Fund budgeted at \$17,000 and funding of \$57,917 from a community development block grant. The FY 1994 request includes 335.0 FTE positions, an increase of 13.0 FTE (attributed to the planned opening of the new maximum security facility for women at TCF during the last three months of FY 1994) from the current level of 322.0. The agency budget would support an ADP of 770, an increase of 6 over the 764 estimated for FY 1993. No capital improvement projects are requested.

The Governor's recommendation for operating expenditures in FY 1994 is \$12,280,257, a reduction of \$652,098 from the agency request. The reductions are found in salaries and wages (\$288,393), contractual services (\$24,868), commodities (\$207,420), and capital outlay (\$131,417). The net change in the operating budget from the current year to the budget year is an increase of \$431,373 or 3.6 percent. The recommendation for FY 1994 supports an ADP of 764 and 322.0 FTE positions. The Governor does recommend capital improvements funding of \$277,264 from the Correctional Institutions Building Fund for two projects: an expansion of the General Services Building (\$247,264) and the razing of the barn building (\$30,000).

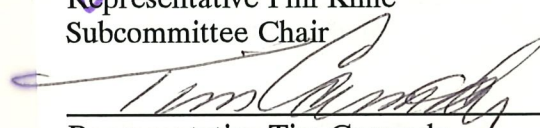
House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1994, with the following additional recommendations:

1. Reduction of \$277,264 (CIBF) which had been recommended by the Governor for the two capital improvements projects: expand General Services Building (\$247,264) and raze barn building (\$30,000). The Joint Committee on State Building Construction has recommended that these two projects be considered for funding from the rehabilitation and repair funds of the Department of Corrections.
2. The House Subcommittee notes that the Topeka Correctional Facility (TCF) had requested \$16,340 in FY 1994 to provide annual physical examinations for Security staff who are in contact with the inmate population; this funding was not recommended by the Governor. The Subcommittee was advised that there is no systemwide policy on the issue of staff medical examinations for Department of Corrections' employees. The Subcommittee recommends that the Secretary of Corrections review this issue with the goal of developing a systemwide policy regarding staff physical examinations. Annual medical examinations are included in the accreditation standards of the American Corrections Association (ACA); however, this is not a mandatory standard and facilities may receive accreditation even if they do not require such examinations.
3. The 1992 Legislature approved the construction of a new 85-bed, high-security unit for female inmates to be located on the grounds of TCF. (The approved project budget is \$2.7 million.) The FY 1994 budget request included \$71,229 for 13.0 FTE positions (for the last three months of FY 1994) to provide additional staff for the new unit, which is expected to open in April, 1994. Of these 13 positions, 11 positions would be transferred from the Lansing Correctional Facility and two positions are new requests. The Governor did not recommend any funding for the 13.0 positions. Reconsideration of these item may be requested for inclusion in a Governor's Budget Amendment.



Representative Phil Kline
Subcommittee Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

SUBCOMMITTEE REPORT

Agency: Winfield Correctional Facility

Bill No. 2087

Bill Sec. 16

Analyst: Mills

Analysis Pg. No. 531

Budget Page No. 632

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 3,654,352	\$ 3,608,764	\$ --
Capital Improvements	11,342	11,342	--
TOTAL	<u>\$ 3,665,694</u>	<u>\$ 3,620,106</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ 3,592,542	\$ 3,546,954	\$ --
Capital Improvements	--	--	--
	<u>\$ 3,592,542</u>	<u>\$ 3,546,954</u>	<u>\$ --</u>
FTE Positions	105.0	105.0	--

Agency Estimate/Governor's Recommendation


The agency's revised estimate for state operations in FY 1993 is \$3,654,352, which is equal to the approved budget for FY 1993. The agency's estimate is based on an average daily inmate population (ADP) of 285 and 105.0 FTE positions.

The Governor's recommendation in FY 1993 is \$3,620,106, a reduction of \$45,588 from the agency estimate. The reductions are found in salaries and wages (\$22,008), contractual services (\$1,775), and commodities (\$21,805). The salaries and wages recommendation of \$2,962,711 will support 105.0 FTE positions, the number currently authorized. The Governor's recommendation supports an ADP of 285 inmates.

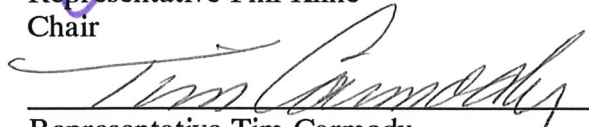
House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation for FY 1993.

ATTACHMENT 11



Representative Phil Kline
Chair



Representative Tim Carmody



Representative Gary H. Blumenthal

SUBCOMMITTEE REPORT

Agency: Winfield Correctional Facility

Bill No. 2048

Bill Sec. 7

Analyst: Mills

Analysis Pg. No. 531

Budget Page No. 632

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 4,843,292	\$ 3,848,187	\$ --
Capital Improvements	--	--	--
TOTAL	<u>\$ 4,843,292</u>	<u>\$ 3,848,187</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ 4,781,482	\$ 3,786,377	\$ --
Capital Improvements	--	--	--
	<u>\$ 4,781,482</u>	<u>\$ 3,786,377</u>	<u>\$ --</u>
FTE Positions	129.5	105.0	--

Agency Estimate/Governor's Recommendation

For FY 1994, the agency requests a total of \$4,843,292, of which \$3,765,370 is for salaries and wages and \$1,077,922 is for other operating expenditures. Funding for state operations is requested at \$4,781,482 from the State General Fund and \$61,810 from the agency's General Fees Fund. The FY 1994 request would support 129.5 FTE positions, an increase of 24.5 FTE positions over the 105.0 approved for FY 1993. The agency proposes an average daily inmate population of 285 in FY 1994.

The Governor's recommendation in FY 1994 is \$3,848,187, a reduction of \$995,105 from the agency request. The reductions are found in salaries and wages (\$639,275), contractual services (\$15,215), commodities (\$32,812), and capital outlay (\$307,803). The net change from the current year to the budget year is an increase of \$228,081 or 6.3 percent. The recommendation for FY 1994 supports an ADP of 285 and 105.0 positions. No funding for the requested new positions is recommended.

House Subcommittee Recommendation

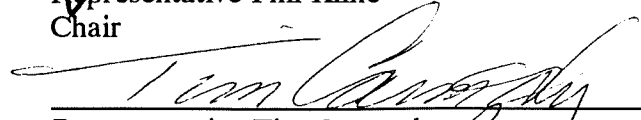
The House Subcommittee concurs with the Governor's recommendation for FY 1994, with the following additional recommendation:

1. The House Subcommittee notes that the agency had requested \$217,700 in FY 1994 for the construction of partitions in the dormitory-style housing unit. These partition units would each contain bunks, desks, wardrobes, and storage for two inmates, and would be constructed by Kansas Correctional Industries. The

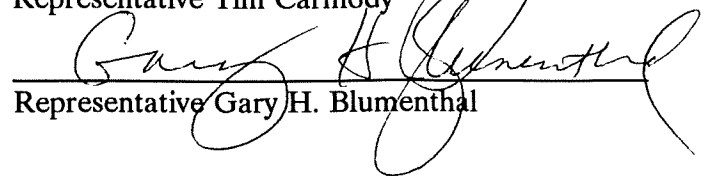
Governor did not include any funding for the partitions. The House Subcommittee is supportive of this remodeling project, and encourages the Secretary of Corrections to utilize rehabilitation and repair funds to provide for the partitions.



Representative Phil Kline
Chair



Representative Tim Carmody



Representative Gary H. Blumenthal