

Approved: 04/28/93  
Date

## MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairman Rochelle Chronister at 10:00 a.m. on April 26, 1993 in Room 514-S of the Capitol.

All members were present except:

Committee staff present: Debra Duncan, Legislative Research Department  
Timothy Colton, Legislative Research Department  
Scott Rothe, Legislative Research Department  
Russell Mills, Legislative Research Department  
Pat Mah, Legislative Research Department  
Julian Efird, Legislative Research Department  
Diane Duffy, Legislative Research Department  
Laura Howard, Legislative Research Department  
Carolyn Rampey, Legislative Research Department  
Ellen Piecalkiewicz, Legislative Research Department  
Kathy Porter, Legislative Research Department  
Leah Robinson, Legislative Research Department  
Jim Wilson, Revisor of Statutes  
Jerry Cole, Committee Secretary  
Sharon Schwartz, Administrative Assistant

Conferees appearing before the committee:

Russell Mills, Legislative Research Department  
Diane Duffy, Legislative Research Department  
Laura Howard, Legislative Research Department  
Kathy Porter, Legislative Research Department  
Carolyn Rampey, Legislative Research Department  
Julian Efird, Legislative Research Department  
Debra Duncan, Legislative Research Department  
Ellen Piecalkiewicz, Legislative Research Department  
Scott Rothe, Legislative Research Department  
Richard Ryan, Legislative Research Department

Others attending: See attached list

Rep. Glasscock made a motion to adopt the minutes as presented for March 29 - April 01. Rep. Helgerson seconded the motion and it carried.

Research staff covered the additional line-item vetoes, as of 5:00 p.m., April 23, 1993, with the committee members. (See Attachment 1).

Ellen Piecalkiewicz, Legislative Research Department, gave the committee an update on the status of the Economic Development Initiatives Fund. (See Attachment 2).

Scott Rothe, Legislative Research Department, presented the committee with a list of expenditures to date as per House Appropriations Committee recommendations. (See Attachment 3).

Chairman Chronister addressed the committee on a memorandum she had requested research to prepare listing potential State General Fund (SGF) reductions. She requested each subcommittee examine the list and make a decision on these reductions. (See Attachment 4).

## CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, Room 514-S Statehouse, at 10:00 a.m. on April 26, 1993.

Richard Ryan, Director of Legislative Research Department, addressed the committee with an SGF profile to date. (See Attachment 5).

Chairman Chronister recessed the committee at 11:23 a.m. to allow time for subcommittee meetings on potential reductions and current vetoes. She set the committee to reconvene at 1:30 p.m.

Chairman Chronister called the meeting order at 1:36 p.m. and asked for subcommittee recommendations on the vetoes in Attachment 1. The subcommittee recommended an attempt to override the veto on **SB 38**. The subcommittee concurred with the veto of **SB 41**. The subcommittee recommended an attempt to override the veto on **SB 43**. On **SB 57** and **SB 87**, the subcommittee recommended concurrence with the Governor's veto. Rep. Helgeson made a motion to utilize \$800,000 of Water Plan Fund monies for the waste cleanup of the University of Kansas and Lansing Correctional Facilities. Rep. Mead seconded the motion and it carried. The subcommittee concurred with the veto of **SB 62**. The subcommittee concurred with the veto of both sections in **HB 2046**. The subcommittee recommended an attempt to override the veto of Section 2 in **HB 2047**. The subcommittee recommended an attempt to override the veto of **HB 2062**, **HB 2087** and the \$1.2 million in FY 93 from the Kansas Special Capital Improvements Fund for the Center for Historical Research contained in **HB 2122**. The subcommittee concurred with the line item vetoes of the two remaining items in **HB 2122** (\$880,000 in FY 94 for the Olathe travel information center and \$750,000 in FY 94 for the Kansas Cosmospere). The full committee concurred with all subcommittee recommendations for vetoed measures.

Chairman Chronister asked for the subcommittee recommendations on potential SGF reductions. (See Attachment 4). As per subcommittee recommendation (Rep. Phil Kline) for Item 1, the committee adopted the funding of Allen Field House renovation in FY 94 for \$923,731 going to the Kansas Special Capital Improvements Fund. The transfer would leave an ending balance in the Construction Defects Recovery Fund of \$195,565.

The committee adopted the recommendation of the subcommittee for the transfer of \$1 million from the Correctional Institutions Building Fund for El Dorado Correctional Facility debt service.

Items 3a and 3b affecting the Adjutant General, were adopted by the full committee.

In Item 4b, the committee adopted \$247,392 for the Older Kansans Employment Program from EDIF.

Rep. Blumenthal moved to adopt Item 7, but the motion died for lack of a second.

The committee adopted Item 9d, 9e and 9g under the Department of Social and Rehabilitation Services.

The subcommittee recommended \$20,181 for the purchase of Kansas Commission on Veterans Affairs/Kansas Soldiers' Home laptop computers and \$20,103 for special projects mentioned in Item 11a. The full committee adopted their recommendation. This was a reduction of \$40,184.

The committee adopted the subcommittee recommendation for \$3 million in State Work Force Reduction listed under Item 16.

The committee transferred \$250,000 to the State General Fund in the inclusion of Item 18a (Department of Health and Environment).

Also adopted was Item 21a for the Public Broadcasting Commission. The committee decided on the shift of operating grants to the SGF for \$639,238 in savings.

The committee then had a general discussion on further FY 94 reductions and anticipated future cuts in accordance with spending patterns foreseen for FY 95. Chairman Chronister adjourned the committee at 3:20 p.m.

The next meeting is scheduled for April 27, 1993 at 10:00 a.m.

## GUEST LIST

	NAME (Please print)	ADDRESS	COMPANY/ORGANIZATION
1	Ken Bahr	Topeka	Ks. Hospital Assn
2	Bill Watts	Topeka	KDOT
3	STEVE KEARNEY	"	KOJA
4	London Dunn	"	KDOTA
5	Sherry Brown	"	KDOCH
6	Ecl Walbourn	"	Workbourn U.
7	Alan Holra	"	DOB
8	Kathie S.	"	DOB
9	Patrick Wheeler	Topeka	Megier Assoc.
10	Jan Josseland	Lawrence	KU
11	Jerry Sloan	Topeka	OJA
12	Craig Grant	Topeka	HNEA
13	Bill Kemnitz	Topeka	KSDE
14	Dale McDennis	"	"
15	Dodie Lacey	"	Ks Children's Service League
16	Theresa Shuch	Topeka	KS LEGAL SERVICES
17	John Spurgeon	"	KDWP
18	Paul M. Klotz	Topeka	Assoc. of CMHCs of Ks, Inc.
19	Chip Wheelen	Topeka	Ks Medical Soc.
20	Don Jordan	"	SRS - MURS
21	Don Pavek	"	SRS Budget
22	Martha Helgesmiller	Topeka	KARF
23	Gay Cook	Salina	OCCK Inc.
24	Pat Lewis	Wichita	Cerebral Palsy Research
25	Shyl SANDERS	TOPEKA	Ks AMI
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# MEMORANDUM

## Kansas Legislative Research Department

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Topeka, Kansas 66612-1504  
Telephone (913) 296-3181 FAX (913) 296-3824

April 26, 1993

**To:** Senator August Bogina, Chair, Senate Committee on Ways and Means  
Representative Rochelle Chronister, Chair, House Committee on Appropriations

**Re:** Line-Item Vetoes (As of 5:00 p.m., April 23, 1993)

The following appropriation bills have had line-item vetoes as noted below.

- S.B. 38 -- Emergency Supplemental, Section 4 -- The vetoed section increased expenditures by \$334,500 from the Medical Scholarship and Loan Repayment Fund to increase the number of student loans at the University of Kansas Medical Center.
- S.B. 41 -- Kansas Corporation Commission, Section 5 -- Line-item vetoes of the public service regulation fund, the motor carrier license fees fund, and the conservation fee fund. The three funds have an aggregate expenditure limitation of \$11,392,246 in FY 1994.
- S.B. 43 -- Regents, Section 12 -- Line-item veto of \$60,000 from the EDIF in FY 1994 for a cooperative program between Washburn University and the Kaw Area Technical School.
- S.B. 57 -- Health and Environment, Section 5 -- Line-item veto of \$4,917,276 in FY 1994 expenditures from the Water Plan Special Revenue Fund for contamination remediation.
- S.B. 62 -- Senate Supplemental, Section 15 -- Line-item veto of a current year lapse of \$27,411 from the State General Fund for the Tuition Grant Program administered by the Board of Regents.
- S.B. 87 -- Health and Environment -- Line-item veto of \$713,083 in FY 1994 from the State Water Plan Fund for contamination remediation projects.
- H.B. 2046 -- Fee Agencies, Sections 5 and 22 -- Line-item veto of the appropriation for the Savings and Loan Department (\$107,175 from the Savings and Loan Fee Fund and 2.0 FTE positions in FY 1994).
- H.B. 2047 -- SRS, Section 2 -- Line-item vetoes of the mental retardation developmental disability provider revolving fund; the July 1, 1993 transfer of

ATTACHMENT 1

\$26,725,500 from the social service contingency fund to the social welfare fund; the July 1, 1993 transfer of \$500,000 from the social service contingency fund to the mental retardation developmental disability provider revolving fund; the Larned State Hospital Fee Fund (\$1,517,857); the July 1, 1994 transfer of \$109,910 from the social service contingency fund to the Larned State Hospital Fee Fund; the Larned State Hospital position limitation of 938.1 positions; the Topeka State Hospital Fee Fund (\$4,346,827); and the July 1, 1994 transfer of \$665,996 from the social service contingency fund to the Topeka State Hospital Fee Fund.

- H.B. 2062 -- Claims, Sections 5, 18, and 26 -- Chauncey Shepard (gravel), LaForge and Budd Construction (boilers), and Orrin Fowles (lottery ticket). The Shepard claim was \$38,000 from the Wildlife Fee Fund in FY 1993; the LaForge claim was \$4,848 from the State Institutions Building Fund in FY 1993; and the Fowles claim was \$117,037 from the Lottery Operating Fund in FY 1993.
- H.B. 2087 -- House Supplemental, Sections 11 and 33 -- Line-item vetoes of \$2,162,004 from the State General Fund in community college state aid in FY 1993; and line-item vetoes of expenditure limitation reductions in FY 1993 of \$2,154,689 in the Lottery Operating Fund and of \$900,000 in the Lottery computer system and software account of the Lottery Operating Fund.
- H.B. 2122 -- Capital Improvements, Section 2-- Line-item veto of \$1,200,000 in FY 1993 from the Kansas Special Capital Improvements Fund to construct and equip the Center for Historical Research; veto of \$880,000 in FY 1994 from the EDIF for a travel information center in Olathe; and veto of \$750,000 in FY 1994 from the EDIF for the Kansas Cosmosphere.

# ECONOMIC DEVELOPMENT INITIATIVES FUND

## FY 1993 AND FY 1994 TRANSFERS

Program	FY 1993 Legislative Approved	FY 1994 Legislative Approved	FY 1994 GBA and Veto Adjustments	FY 1994 House Omnibus Adj.	FY 1994 Senate Omnibus Adj.
<b>AGRICULTURE BOARD H.B. 2086</b>					
Market Promotion and Development	\$275,004	\$324,996			
<b>ARTS COMMISSION H.B. 2064</b>					
Arts Programming Grants	786,938	1,035,000			
<b>BOARD OF REGENTS S.B. 43</b>					
Council on Economic Education	\$40,000	\$40,000			
Washburn/Technical School Program	--	60,000	(60,000)		
Study of KUMC	--	--	--	50,000	
<b>COMMERCE H.B. 2087, H.B. 2122</b>					
Salaries and Wages	\$638,742	\$1,252,777	--	1,038,696 *	38,696
Other Operating Expenditures	3,804,083	3,702,356	--	6,000	6,000
Strategic Planning Grants	445,000	445,000			
KIT/KIR Programs	2,550,000	2,250,000			
Sm. Business Development Centers	325,000	325,000			
Certified Development Company	475,000	475,000			
Trade Show Promotion	220,894	275,172			
Tourism Grants	610,000	1,040,000	(750,000)		
KS Basic Enterprise Loan Program	--	1,000,000			
Resource Network	5,000	5,000			
KQIN	--	65,000			
Russian Cultural Exchange and Festival	75,000	--			
Travel Information Center	--	880,000	(880,000)		
KS Economic Initiative Opportunity Fund	--	--	--	2,000,000	
KS Partnership Fund	--	--	--	1,000,000	
High Performance Incentive Grants	--	--	--	75,000	
<b>DEPT. OF CORRECTIONS</b>					
Debt Servicing	--	--	--	1,714,000 **	
<b>DEPT. OF EDUCATION H.B. 2049</b>					
Innovative Grants Assistance	\$1,500,000	--			
Capital Outlay for AVTS	1,000,000	1,000,000			
Postsecondary Aid for AVTS	500,000	2,500,000	10,900,000		
Matching Grants for AVTS	500,000	500,000			
Heritage Cultural Center	25,000	25,000			
Foundation for Agriculture	25,000	25,000			
<b>HISTORICAL SOCIETY H.B. 2087 H.B. 2122</b>					
Other Operating Expenditures	\$212,000	\$30,000			
Capital Improvements	80,000	--			
Center for Historical Research	--	689,858	--		
<b>KANSAS INC. S.B. 38, H.B. 2063</b>					
EPSCoR Grant	\$1,500,000	\$1,500,000			
Special Studies	128,374	105,995			
<b>KANSAS STATE FAIR H.B. 2086</b>					
Operating Expenditures	\$100,000	\$100,000			
Encampment Building	--	--	--	500,000	500,000
Forest Survey	--	\$190,000			
<b>KTEC H.B. 2083</b>					
General Operations	\$691,786	\$749,736	(\$55,039)	(\$55,039)	(\$55,039)
Commercialization Operations	250,000	500,000			
Industrial Ag. Operations	200,000	250,000			
Centers of Excellence	3,715,000	4,485,663			
Applied Research Grants	1,009,613	1,259,613			
Industrial Liaison Offices	300,000	300,000			
Training Equipment Grants	150,000	150,000			
Business Innovation Grants	25,000	25,000			
Data Base Development	35,000	15,000			
Ad Astra -- Seed Capital	--	1,500,000			
Return on Public Investment	50,000	50,000			
Intellectual Tech. Enterprise Corp.	50,000	50,000			
Special Projects	221,250	248,000			
KS Value Added Processing Center	622,705	633,887			
Mid-Am. Manufacturing Tech. Center	1,000,000	1,000,000			
<b>KUMC</b>					
State Share of Integrated Computer System	--	--	--	350,000	
<b>STATE LIBRARY H.B. 2064</b>					
Literacy Grants	\$283,700	\$283,700			
Grants to Libraries	--	\$1,089,641			
<b>REVENUE H.B. 2063</b>					
County Reappraisal Aid	\$3,000,000	\$3,000,000			
<b>PUBLIC BROADCASTS. H.B. 2064</b>					
Equipment Matching Grants	--	\$424,573			
<b>BLIND H.B. 2064</b>					
Accessible Arts, Inc.	\$19,300	\$150,000			
<b>WATER OFFICE H.B. 2086</b>					
State Water Plan Fund	\$2,000,000	\$2,000,000			
<b>WILDLIFE AND PARKS H.B. 2086</b>					
Capital Improvements	\$20,000	\$1,407,587			
<b>TOTAL</b>	<b>\$29,464,399</b>	<b>\$39,413,554</b>	<b>\$9,154,961</b>	<b>\$6,678,657</b>	<b>\$489,657</b>

\* \$1.0 million shift from SGF to EDIF

\*\* \$1.7 million shift from SGF to EDIF

Resource Estimate -- EDIF						
FY 1993						
	Legislative Approved	GBA and Vetoes	Difference	House Approved	Senate Approved	
Beginning Balance	\$6,916,741	\$6,916,741	\$0	\$6,916,741	\$6,916,741	
Lottery Transfers	28,080,000	29,249,910	1,169,910	29,249,910	28,080,000	
Racing Transfers	5,085,900	5,313,286	227,386	5,313,286	5,085,900	
Other	250,000	250,000	0	250,000	250,000	
Total Available	40,332,641	41,729,937	1,397,296	41,729,937	40,332,641	
Less: Transfers	29,464,399	29,464,399	0	29,464,399	29,464,399	
ENDING BALANCE	\$10,868,242	\$12,265,538	\$1,397,296	\$12,265,538	\$10,868,242	

FY 1994						
	Legislative Approved	GBA and Vetoes	Difference	House Approved	Senate Approved	
Beginning Balance	\$10,868,242	\$12,265,538	\$1,397,296	\$12,265,538	\$10,868,242	
Lottery Transfers	28,944,000	32,184,000	3,240,000	33,984,000	28,944,000	
Racing Transfers	4,428,788	5,203,851	775,063	5,203,851	4,428,788	
Other	645,793	645,793	0	645,793	645,793	
Total Available	44,886,823	50,299,182	5,412,359	52,099,182	44,886,823	
Less: Transfers	39,413,554	48,568,515	9,154,961	46,092,211	39,903,211	
ENDING BALANCE	\$5,473,269	\$1,730,667	(\$3,742,602)	\$6,006,971	\$4,983,612	

THE 1993 OMNIBUS BILL  
TENTATIVE HOUSE COMMITTEE RECOMMENDATIONS

(April 26, 1993)

AGENCY	ITEM	FY 93 FTE	FY 1993 - Operating Expenditures		FY 1993 - Capital Improvements		FY 94 FTE	FY 94 - Operating Expenditures		FY 94 - Capital Improvements	
			SGF	ALL FUNDS	SGF	ALL FUNDS		SGF	ALL FUNDS	SGF	ALL FUNDS
DEPT. OF EDUCATION:	1. Mastery of Basic Skills-- (S.B.334) Contractual Services							15,000	15,000		
	2. Community College/Job Training - Travel							10,000	10,000		
	3. General State Aid - Aid to Local Units		188,354,000	188,354,000				374,720,000	374,720,000		
	4. Delete Demand Transfer (H.B. 2505)		(194,995,000)	(194,995,000)				(375,000,000)	(375,000,000)		
	SUBTOTAL		(6,641,000)	(6,641,000)	0	0		(255,000)	(255,000)	0	0
CORPORATION COMMISSION	1. Hugoton Natural Gas Hearings			62,964							
	2. Restore Governor's Vetoed Item (S.B. 41)								11,012,246		
	3. Add 1.0 FTE						1.0		31,140		
	4. Increase Expenditure Limit on Fund (H.B. 2041)								3,000		
	SUBTOTAL		0	62,964	0	0	1.0	0	11,046,386	0	0
ATTORNEY GENERAL	1. Water Litigation		91,630	91,630							
KPERS	1. Computer System			84,094			2.0		290,261		
	2. Sub. H.B. 2211 (Retirement Act)			46,549					94,083		
	3. Shift Management								(93,700)		
	SUBTOTAL		0	130,643	0	0	2.0	0	290,644	0	0
RACING COMMISSION	1. County Fair Horse Racing Benefit Fund			146,325					535,658		
	2. Delete Pittsburg Race Track						-9.0		(610,999)		
	3. Overtime Pay			22,871					58,257		
	SUBTOTAL		0	169,196	0	0	-9.0	0	(17,084)	0	0
KANSAS LOTTERY	1. Computer System			900,000					(488,500)		
	2. Maintenance Fees			36,000							
	3. Advertising			100,000							
	4. Travel & Stationery			47,600							
	5. Instant Tickets			97,623					97,623		
	SUBTOTAL		0	1,181,223	0	0		0	(390,877)	0	0
COMMERCE AND HOUSING	1. S.B. 73 - Certify Business Assistance Applicants								44,696		
	2. Shift Operating Expenses from SGF to EDIF							(1,000,000)			
	3. High Performance Incentive Grants								75,000		
	4. Community Development Block Grants								3,000,000		
	5. Kansas Partnership Fund								1,000,000		
	6. Kansas Economic Initiative Opportunity Fund								2,000,000		
	SUBTOTAL		0	0	0	0		(1,000,000)	6,119,696	0	0
BOARD OF COSMETOLOGY	1. Hearing Costs			1,224							
BOARD OF BARBERING	1. Hearing Costs			1,565							
ADJUTANT GENERAL	1. Administer Nuclear Safety Emergency Prep. Act								11,604		
STATE TREASURER	1. Freeze Demand Transfers (LAVTRF, CCRSF)							(4,076,757)	(4,076,757)		
REGENTS SYSTEMWIDE	1. General Fees Fund (Financing Shifts)		453,942	0				(327,434)	0		
	2. Utilities		485,652	485,652				218,921			
	SUBTOTAL		939,594	485,652	0	0		(108,513)			0

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AGENCY	ITEM	FY 93 FTE	FY 1993 – Operating Expenditures		FY 1993 – Capital Improvements		FY 94 FTE	FY 94 – Operating Expenditures		FY 94 – Capital Improvements	
			SGF	ALL FUNDS	SGF	ALL FUNDS		SGF	ALL FUNDS	SGF	ALL FUNDS
BOARD OF REGENTS	1. Tuition Grant – Funding Shift		27,411	0				31,678	0		
	2. Optometric Education – Funding Shift							(45,034)	0		
	3. Washburn University – Tuition Grant							50,000	50,000		
	SUBTOTAL		27,411	0	0	0		36,644	50,000	0	0
UNIVERSITY OF KANSAS	1. Allen Fieldhouse									535,000	535,000
K.U. MEDICAL CENTER	1. Integrated Computer System								350,000		
	2. Consultant Study								100,000		
	SUBTOTAL		0	0	0	0		0	450,000	0	0
KSU–SALINA	1. One Percent Shrinkage Reduction							37,028	37,028		
EMPORIA STATE UNIVERSITY	1. Technical Adjustments										
FORT HAYS STATE	1. Nurse Practitioner Private Contract						4.5	0	0		
PITTSBURG STATE	1. Technical Adjustments										
SCHOOL FOR THE BLIND	1. Remodel Irwin Building for Temporary Dorm										70,000
JUDICIAL BRANCH	1. Magistrate Judge Retirement (Sub. H.B.2211)							104,748	104,748		
	2. Shift from Corrections Dept. -- County Reimbursement for Non–Prison Sanctions							375,000	375,000		
	3. Sentencing Guidelines (Subcmte. Rec. Pending)										
	SUBTOTAL						0.0	479,748	479,748	0	0
LEGISLATURE	1. Task Force on Community Colleges (Sub. H.B. 2011)							10,000	10,000		
ALL AGENCIES	1. Assessment for Annual Leave Payments Upon Retirement							(881,216)	(1,835,867)		
SRS	1. Fee Fund Shift		(2,200,000)					(2,300,000)			
	2. Vocational Rehabilitation Match		106,363	144,697				158,722	62,324		
	3. Comprehensive Screening Unit							(271,500)	271,934		
	4. Blind Workshop Project			337,284					573,283		
	5. Federal Supported Employment Grant								28,364		
	6. Adoption Support Caseloads		91,661	139,770				91,661	139,770		
	7. Federal Child Care Funds			1,448,690					1,373,367		
	8. Medicaid Information System Mandates							177,767	1,050,766		
	9. Medicaid Information System Shift		(258,445)	(1,908,329)				258,445	1,908,329		
	10. Substance Abuse Federal Grant			306,742					306,742		
	11. Federal Teen Parent Grant			9,430					37,600		
	12. End of Federal Youth Grant								(91,996)		
	13. Managed Care/Reimbursement Savings						8.0	(146,367)	(351,812)		
	14. State Complex West – Repair & Rehab.										319,501
	15. KanWork Technical		(90,530)	(90,530)							
	SUBTOTAL		(2,350,951)	387,754	0	0	8.0	(2,031,272)	5,308,671	0	319,501
EAL ESTATE COMMISSION	1. Appraisal Operations						1.0		45,335		

AGENCY	ITEM	FY 93 FTE	FY 1993 – Operating Expenditures		FY 1993 – Capital Improvements		FY 94 FTE	FY 94 – Operating Expenditures		FY 94 – Capital Improvements	
			SGF	ALL FUNDS	SGF	ALL FUNDS		SGF	ALL FUNDS	SGF	ALL FUNDS
COMM. ON GOV. STANDARDS	1. Funding to continue employment of special projects positions.		0	0	0	0		9,102	9,102	0	0
	2. Microcomputers and printers.		0	0	0	0		6,266	6,266	0	0
	SUBTOTAL		0	0	0	0		15,368	15,368	0	0
BANK COMMISSIONER	1. Change shrinkage to 3.0 instead of 5.0 percent.		0	0	0	0		0	58,679	0	0
HEALTH & ENVIRONMENT	1. New aid to go to county district coroners.		0	0	0	0		0	220,000	0	0
	2. Increase federal allocation for Infant Toddler program.		0	50,000	0	0		0	100,000	0	0
	3. New Office of Primary and Secondary Disabilities (Executive Directive No. 93–195).		0	74,219	0	0		0	258,128	0	0
	4. Shift of operating expenditures from SGF to new available federal funds.		0	0	0	0		(222,560)	0	0	0
	5. New other assistance program to repay loans of qualified medical providers.		0	270,000	0	0		0	270,000	0	0
	6. Shift of operating expenditures from SGF to new fee fund receipts.		0	0	0	0		(115,824)	0	0	0
	7. Concur with GBA No. 86 for technical financing correction.		0	0	0	0		28,160	28,160	0	0
	8. Shift expenses from federal highway safety grant from FY 94 to FY 93.		0	3,000	0	0		0	(3,000)	0	0
	SUBTOTAL		0	397,219	0	0		(310,224)	873,288	0	0
DEPT. OF ADMINISTRATION	1. Executive Aircraft Overhaul		30,921	30,921							
	2. Federal Cash Mngt. Fund Interest Payments										
	3. Architectural Services – Engineer Services			46,217							
	4. Snow Removal			8,115							
	5. Energy Conservation Transfer to WSU										
	6. Personnel/Payroll System							200,000	200,000		
	SUBTOTAL		30,921	85,253	0	0		200,000	200,000	0	0
VETERANS AFFAIRS	1. Technical Adjustment										
MENTAL HEALTH HOSPITALS	1. 2.5% Teacher Salary Increase (Systemwide MH)							97,140	97,140		
	2. Categorical Aid Adjustment (Systemwide MH)							78,735	78,735		
	SUBTOTAL		0	0	0	0		175,875	175,875	0	0
TOPEKA STATE HOSPITAL	1. Nonreportable – Increase Transfer to Patient Benefit Fund										
	2. Shift Repair & Rehab. Fund to SRS Budget										(135,788)
	3. Incorporate Executive Directive Transferring 6.0 FTE and funds from Osawatomie						6.0	120,000	120,000		
	SUBTOTAL		0	0	0	0	6.0	120,000	120,000	0	(135,788)
OSAWATOMIE STATE	1. Transfer FTE & funds from Topeka State						-6.0	(120,000)	(120,000)		
LARNED STATE HOSPITAL	1. Technical Adjustment										
MENTAL RETARDATION HOSP.	1. 2.5% Teacher Salary Increases (Systemwide MR)							116,242	116,242		
	2. Categorical Aid (Systemwide MR)							123,672	123,672		
	SUBTOTAL		0	0	0	0		239,914	239,914	0	0

AGENCY	ITEM	FY 93 FTE	FY 1993 – Operating Expenditures		FY 1993 – Capital Improvements		FY 94 FTE	FY 94 – Operating Expenditures		FY 94 – Capital Improvements	
			SGF	ALL FUNDS	SGF	ALL FUNDS		SGF	ALL FUNDS	SGF	ALL FUNDS
WINFIELD STATE HOSPITAL	1. Shift Financing from SGF to Fee Fund							(242,618)	0		
	2. Reduce Non-FTE Trainee Positions from 63.0 to 31.5							(309,518)	(631,670)		
	3. Technical Adjustment						-2.0	(87,665)	(87,665)		
	SUBTOTAL		0	0	0	0	-2.0	(639,801)	(719,335)	0	0
HIGHWAY PATROL	1. Lapse SGF for Cars							(1,301,160)	(1,301,160)		
	2. Add SGF for Fee Fund Shortfall							150,000	150,000		
	3. No-limit Expend. Limit from Motor Vehicles Fund							0	0		
	4. Motor Carrier Inspection Shrinkage Reduction			204,331							
	SHRINKAGE		0	204,331	0	0		(1,151,160)	(1,151,160)	0	0
KBI	1. Criminologist & OOE to Deal With Lowering of DUI Level from .10% to .08%						1.0	137,489	137,489		
BD. OF VET. EXAMINERS	1. Revise Veterinary Practice Act								8,122		
DEPT. OF CORRECTIONS	1. Nonprison Sanctions (Transfer to Judicial Branch)							(375,000)	(375,000)		
	2. Local Jail Costs							70,000	70,000		
	3. Community Corrections Grants		(178,473)	(178,473)							
	4. Ellsworth Debt Service									(1,714,000)	0
	5. Hepatitis Vaccination		169,826	169,826							
	SUBTOTAL		(8,647)	(8,647)	0	0		(305,000)	(305,000)	(1,714,000)	0
LARNED CORR. M.H.	1. Salary Savings		(60,000)	(60,000)							
TOPEKA CORR. FACILITY	1. Technical Adjustment							57,029	57,029		
WILDLIFE & PARKS	1. Repair Dam at Montgomery State Fishing Lake										105,000
	2. Community Assistance Lake Program										75,000
	SUBTOTAL		0	0	0	0		0	0	0	180,000
YCAT	1. Teacher Salary Increase (4%)							66,632	66,632		
YCAB	1. Teacher Salary Increase (4%)							34,815	34,815		
	2. Double Coverage						5.5	116,347	116,347		
	SUBTOTAL		0	0	0	0	5.5	151,162	151,162	0	0
YCAA	1. Teacher Salary Increase (4%)							34,950	34,950		
	2. Double Coverage						14.5	313,069	313,069		
	SUBTOTAL		0	0	0	0	14.5	348,019	348,019	0	0
DEPT. OF REVENUE	1. Computer Assisted Mass Appraisal Proviso							3,000	3,000		
	2. H.B. 2005 – Inheritance Tax – Printing Forms						1.0	30,918	30,918		
	3. S.B. 73 – Review Tax Credit Claims							10,871	10,871		
	4. S.B.130 – Reciprocal States – Debt Setoffs										
	5. H.B. 2355 – DUI from .10% to .08%						2.0		78,165		
	SUBTOTAL		0	0	0	0	3.0	44,789	122,954	0	0
HUMAN RESOURCES	1. S.B. 145 – Employment Security Law										
WATER OFFICE	1. Demand Transfer Reduction							(180,000)			
	2. Water Purchase							0	0		
	SUBTOTAL		0	0	0	0		(180,000)	0	0	0

AGENCY	ITEM	FY 93 FTE	FY 1993 – Operating Expenditures		FY 1993 – Capital Improvements		FY 94 FTE	FY 94 – Operating Expenditures		FY 94 – Capital Improvements	
			SGF	ALL FUNDS	SGF	ALL FUNDS		SGF	ALL FUNDS	SGF	ALL FUNDS
BD. OF AGRICULTURE	1. FACTS Program							46,872	156,239		
	2. Proviso on Publication Fee Fund										
	3. No-limit Water Transfer Hearing Fund										
	SUBTOTAL		0	0	0	0		46,872	156,239	0	0
STATE FAIR	1. Encampment Building Renovation										500,000
INSURANCE DEPARTMENT	1. Policy Examiner – Workers' Comp. Reform						1.0		39,001		
	2. Policy Examiner – Rate & Policy Filings						1.0		33,209		
	3. Transfer \$4.0 Million from WC Fund to SGF (if Transfer from SGF to WC Fund Takes Place)										
	SUBTOTAL		0	0	0	0	2.0	0	72,210	0	0
DENTAL BOARD	1. Increased Legal Fees			9,200							
	2. Inspection of Dental Offices For HIV Prevention						0.6		28,834		
	SUBTOTAL		0	9,200	0	0	0.6	0	28,834	0	0
DEPT. OF TRANSPORTATION	1. SGF Demand Transfers										
	a. State Highway Fund							(6,032,234)	0		
	b. Special City & County Highway Fund							(369,259)	(369,259)		
	SUBTOTAL		0	0	0	0		(6,401,493)	(369,259)	0	0
TOTAL		0.0	(7,971,042)	(3,501,793)	0	0	32.1	(15,293,867)	17,440,587	(1,179,000)	1,468,713

**KANSAS LEGISLATIVE RESEARCH DEPARTMENT**

**300 S.W. 10th Avenue  
Room 545-N – Statehouse**

**Phone 296-3181**

**April 23, 1993**

**TO: Representative Rochelle Chronister**

**Office No. 514-S**

**RE: Potential State General Fund Reductions**

You had requested that this office prepare a list of potential State General Fund reductions from the currently approved legislative amounts for FY 1994. The fiscal staff contacted State General Fund-financed agencies for potential items for reductions. The attached tables reflect the amounts of 1 percent and 2 percent reductions by agency for FY 1994. The following items reflect either suggested reductions by the state agencies or areas the staff have raised for your consideration within the broad parameters established by your request.

1. **Construction Defects Recovery Fund.** The Construction Defects Recovery Fund (CDRF) had an uncommitted balance as of April 13, 1993 of \$1,119,296. Expenditures from this fund in excess of \$25,000 are subject to the approval of the State Finance Council. A portion of the uncommitted balance in the CDRF could be transferred to the Kansas Special Capital Improvements Fund (KSCIF), with the shift of an equal amount of State General Fund capital improvement expenditures to the KSCIF. This funding source could also be utilized for projects proposed for the Omnibus bill, such as the 4-H Encampment Building, Allen Fieldhouse, and Sunflower Landfill.
2. **Correctional Institutions Building Fund.** The current estimated ending balance in the Corrections Institutions Building Fund is approximately \$650,000. A portion of the Department of Corrections' debt service could be shifted to this source.
3. **Adjutant General**
  - a. Delete a total \$54,060 from the State General Fund for utilities in FY 1994, reducing funding to the FY 1993 approved level. Based on expenditures-to-date in the current year, the Legislature deleted \$40,000 from the State General Fund for utilities at the armories for a total utility budget of \$598,033 for armories.
  - b. Delete \$51,372 from the State General Fund for maintenance and repairs of armories. Actual FY 1992 expenditures for maintenance and repairs of armories totaled \$158,061 and \$236,357 was approved for FY 1993. This reduction would reduce the total in FY 1994 to \$169,125, which represents

ATTACHMENT 4



a 7.0 percent increase over FY 1992. If maintenance and repairs exceed the approved amount, funds from the local armory fee funds could be used.

**4. Department on Aging**

- a. Delete the \$100,000 increase from the State General Fund for the Older Kansans Employment Program (OKEP), reducing the program to the current year level of \$147,392. OKEP, which is not income tested, is a completely state funded program, which provides similar services as the Job Training and Partnership Act (JTPA) program of the Department of Human Resources.
- b. Shift the remaining \$147,392 for OKEP from the State General Fund to the EDIF, since the program assists senior citizens in finding employment, skills, and vocational training.
- c. Delete \$18,000 from the State General Fund added by the Legislature for the Retired Services Volunteer program. No funding was provided for this program by the state in FY 1993.

**5. Department of Commerce and Housing**

- a. Shift the remaining \$2,246,866 in the operating budget of the Department from the State General Fund to the EDIF.
- b. Delete the \$59,400 increase (11 percent) from the EDIF over the current year for trade representatives.
- c. Delete the \$54,278 increase (25 percent) from the EDIF over the current year for the Trade Show Assistance program.
- d. Delete \$65,000 from the EDIF for the Kansas Quality Information Network (KQIN) and recommend that KQIN be funded from fees charged for services.

**6. Kansas Technology Enterprise Corporation**

- a. Delete \$785,000 from the EDIF added by the Legislature above the Governor's recommendation for the Centers of Excellence. The approved increase is \$770,663, or 21 percent above FY 1993 and \$1,235,663, or 38 percent above FY 1992. These funds from the EDIF could be used to offset State General Fund expenditures in other budgets.
- b. Delete \$1.5 million from the EDIF for the recapitalization of the Ad Astra Fund, which is supposed to provide capital to fledgling high technology firms in Kansas. As noted by the Senate Ways and Means Subcommittee in its report, the Fund should be realizing significant returns on the original state

investment within 15-18 months (by June, 1994). At that time, the return on investments would be available to recapitalize the Ad Astra Fund and state funds could be saved. The effect of this suggestion would be the delay of the recapitalization of the Ad Astra for 15-18 months. The \$1.5 million from the EDIF could be used to offset State General Fund expenditures in other budgets.

7. **Kansas, Inc.** Shift the remaining \$188,873 in the operating budget of Kansas, Inc. from the State General Fund to the EDIF.

8. **State Department of Education**

- a. Eliminate \$6,641,000 (State General Fund) in general state aid for funding of republication of school districts' budgets for FY 1993.
- b. Eliminate FY 1993 supplemental appropriations of \$2,162,004 from the State General Fund for community college state aid (\$1,386,123 for credit hour aid and \$775,881 for out-district state aid).
- c. Reduce the full funding in FY 1994 of the estimated enrollment increases financed from the State General Fund. A 1 percent reduction (\$15,984,420) taken from the general state aid program would result in an estimated reduction in per pupil spending of \$30.29 (from \$3,600 to \$3,569.71). A 2 percent reduction (\$31,968,840) taken from the general state aid program would result in an estimated reduction in per pupil spending of \$60.58 (from \$3,600 to \$3,539.42).
- d. Delete the increase of \$520,000 (State General Fund) in the Parent Education program from FY 1993 (\$1,980,000) to FY 1994 (\$2,500,000).

9. **Department of Social and Rehabilitation Services**

- a. The Legislature reduced the State General Fund budget for SRS in FY 1994 by \$8.9 million (2.1 percent) from the Governor's recommendation. Positive adjustments made by the 1993 Legislature above the Governor's State General Fund recommendation are listed below:
  - an increase of \$1.0 million from the State General Fund for services to 235 clients with mental retardation and developmental disabilities who are currently on the community waiting list;
  - an increase of \$500,000 from the State General Fund to provide medical and therapeutic services for MR/DD clients in the community;
  - an increase of \$208,000 from the State General Fund for the MR/DD family subsidy program, increasing total program expenditures from \$792,000 in FY 1993 to \$1,000,000 in FY 1994;

- an increase of \$200,000 from the State General Fund for vocational services to the mentally ill; these funds would be used to match up to \$800,000 in federal vocational rehabilitation funds;
  - addition of \$533,000 from the State General Fund for a partial one-time "hold harmless" in conversion to a case mix reimbursement system for nursing homes effective January 1, 1994;
  - addition of \$686,400 from the State General Fund for a federal mandate regarding costs associated with nursing home care for veterans' spouses; and
  - addition of \$271,500 from the State General Fund and 13.5 FTE positions to restore funding for a 30-bed Topeka State screening unit until January, 1994, with a 15-bed unit in operation until July.
- b. Administrative Reduction -- Reduce across-the-board the central and area office administration (not field social services or income maintenance staff) through a 1 percent reduction (\$433,938) or 2 percent reduction (\$867,876).
- c. Delete \$100,000 added for vocational services for the mentally ill. The Legislature added \$200,000 from the State General Fund for vocational services; these SGF dollars are matched with federal funds totaling \$800,000. Recommend that mental health centers match federal funds with existing state or local moneys if this is a high priority.
- d. Shift the client services portion of KanWork funding from the State General Fund to EDIF (approximately \$2.5 million).
- e. Delete \$1,000,000 from the State General Fund in special purpose grants and direct the agency to shift Medicaid eligible clients to the HCBS-MR waiver. In addition to waiver funding, the agency distributes approximately \$31 million in State General Fund and federal block grant funds to community mental retardation center clients. Many of these clients may be Medicaid eligible. No concerted effort has been made to maximize use of the waiver and shift clients funded from State General Fund dollars to the waiver to gain the 59 percent federal match.
- f. Delete \$500,000 from the State General Fund for medical and therapeutic services in the community for the MR/DD population. Direct the agency to fund these services through savings from shifting additional Medicaid-eligible clients to the HCBS-MR waiver.
- g. Shift \$533,000 from the State General Fund for the case mix reimbursement "hold harmless" provision from the State General Fund to the SRS Contingency Fund or the Budget Stabilization Fund. The Conference Committee recommended this as a one-time expenditure.

- h. Shift one-time costs in the SRS, state hospital, and youth center budgets from the State General Fund to the SRS Contingency Fund.

The Secretary of SRS has indicated that in the event of a 1 percent or 2 percent State General Fund reduction, the agency would propose that no reduction be made at the state hospitals or youth centers, but instead offer a greater reduction from SRS.

Program/Reduction Item	State General Fund	
	1 Percent	2 Percent
Cash Assistance:		
Eliminate Burial Assistance	\$ --	\$ 852,800
Medical Assistance:		
Restore Regular Medical Cut	(3,740,000)	(3,740,000)
Medikan Program for Adults:		
Eliminate In-patient Hospital	3,900,000	--
Reduce Physician Services by 75 percent	1,500,000	--
Eliminate Other MediKan Services	2,800,000	--
Eliminate MediKan Program for Adults	--	11,900,000
Mental Health/Retardation Services:		
Reduce Community MR Placements from		
235 new placements for 6 months to:		
126 new placements -- 6 months	465,688	--
38 new placements -- 6 months	--	838,576
TOTAL	\$ 4,925,688	\$ 9,851,376

#### 10. Department of Corrections/Institutions

- a. The table below indicates the FY 1994 approved operating expenditures (State General Fund) for the four minimum security facilities at Osawatomie, Stockton, and Topeka. The table also shows the FY 1994 approved staffing level, the average daily inmate population (ADP), and the inmate-to-staff ratio.

			<u>FTE</u>	<u>ADP</u>	<u>Inmate to Staff Ratio</u>
Lansing Fac.	Close Osawatomie Unit	\$ 1,224,669	32.0	75	2.3
Norton Fac.	Close Stockton Unit	1,460,935	42.0	64	1.5
Topeka Fac.	Close West Unit	1,648,439	51.0	111	2.2
Topeka Fac.	Close South Unit	972,701	24.0	107	4.5

The Secretary's Newsletter for April, 1993 indicates that the current system capacity is 6,611 inmates and that the inmate population on March 31 was 6,157, resulting in available capacity of 454 beds. However, with regard to minimum security space, the current capacity is 1,871 and the March 3 population was 2,165, or 294 inmates over the minimum security capacity bed space.

**11. Kansas Commission on Veterans Affairs/Kansas Soldiers' Home**

- a. Funding added to the FY 1994 Commission budget by the 1993 Legislature totals \$63,690 for a Veterans Service Representative I position which had been eliminated in the Governor's recommendation (\$23,328) and \$40,362 for computer equipment. Funding added to the Soldiers' Home budget by the 1993 Legislature totals \$92,013 for special projects positions related to licensure issues (\$72,513), drugs and medical supplies (\$11,000), and repair and servicing (\$8,500).

**12. Board of Agriculture.** The Legislature added a total of \$214,300 in items not recommended by the Governor. There is, however, a net reduction of \$16,886 in State General Fund financing from the Governor's recommendation. This is due to changes made to the FACTS program by the Legislature. The items added by the Legislature which were not part of the Governor's recommendation are listed below:

- Division of Water Resources -- \$62,300 for 1.0 FTE position that was transferred from the Division of Inspections to the Division of Water Resources. The transfer was recommended, but not funded by, the Governor. The additional funding added by the Legislature includes funding for one special projects position for the Division; \$35,000 to contract for historic research on the Republican River compact; and \$82,000 for temporary and intermittent salaries for the Division.
- Division of Marketing -- \$35,000 from the State General Fund and \$50,000 from the EDIF was added to restore core operations for the Division.

**13. Regents Institutions**



- a. In response to this agency's inquiry concerning potential cuts, the Board of Regents Office responded that all of the Regents institutions indicated that they would prefer to absorb a reduction of 1 to 2 percent in their appropriations from the State General Fund by decreasing amounts already appropriated for unclassified salary enhancements and OOE enhancements. According to Dr. Koplik, there is little room for internal reallocation of funds at this time since the recent extensive program review activities utilized much of this capacity. Again according to Dr. Koplik, reductions in FY 1994 must come from "new money."

For a 1.0 percent reduction, the Regents recommend that the systemwide enhancement in unclassified salaries be decreased (\$3,754,242) from 2.5 percent to 1.5 percent and that the remaining amount be deleted from the 3.5 percent OOE increase. For a 2.0 percent reduction, the Regents recommend that the systemwide enhancement in unclassified salaries be eliminated (\$7,508,484) and that the remaining amounts be deleted from the 3.5 percent OOE increase (\$1,966,916).

- b. Other systemwide enhancements include a 2.5 percent salary and wage adjustment for students (\$211,169), the enrollment adjustment (\$1,949,075), servicing new buildings (\$194,657), and a reduction in the salary and wage shrinkage amount (\$584,881).
- c. Adjustments to individual institutions include the following: KUMC -- \$276,000 for faculty locum tenens and \$187,704 for nurse practitioner; KSU-Salina -- increased shrinkage of \$37,028; WSU -- \$106,148 for nurse practitioner; FHSU -- Reduction in shrinkage of \$59,058 and \$106,148 for nurse practitioner; ESU -- additional enrollment adjustment of \$196,657.
- d. Shift \$1.0 to \$2.0 million from the State General Fund to the EDIF for economic development-related activities within the KSU-Extension budget.

#### 14. Board of Regents Office

- a. The FY 1994 increase to Washburn's State General Fund operating grant is based on a 3.5 percent increase to Washburn University's OOE base budget of \$8,738,009 similar to the 3.5 percent increase in the OOE recommended for the Regents institutions. The increase of \$305,830 is added to the FY 1993 grant of \$6,107,875 for a total FY 1994 grant from SGF of \$6,413,705. The FY 1994 appropriation reflects a 5 percent increase over FY 1993. In addition the Legislature appropriated \$60,000 from the EDIF for a new joint program involving Washburn University and Kaw Area Technical School. The total state appropriation for Washburn University totals \$6,473,705, an increase of \$365,830 or 6 percent over FY 1993.
- b. Student Financial Aid Programs -- The State General Fund appropriations for "other assistance" for FY 1994 totals \$10,189,493, an increase of 33.8 percent or \$2,575,210 over FY 1993. Of the total increase, \$2.3 million is for the Regents Supplemental Grant Program and the balance of the increase is spread among the numerous financial aid programs (1 percent reduction equals \$101,895).

15. **Kansas Public Employees Retirement System (KPERS).** Eliminate the statutory KPERS employer contribution rate of 3.3 percent and use 3.1 percent rate adopted by the KPERS Board of Trustees based on its actuarial report. Estimated savings are \$5.4 million, including 85 percent or \$4.36 million from the State General Fund in FY 1994 (\$3.4 million KPERS-School and slightly less than \$1.0 million for KPERS-Nonschool, KP&F, and Judges). Likewise, an additional \$5.4 million could be saved in FY 1995 by reducing the statutory rate to the actuarial rate which the KPERS Board of Trustees has adopted. However, the reduction in the rate for FY 1994 and FY 1995 would require additional employers' contributions in FY 1999 and FY 2000.
16. **Reduction in the State Workforce – Additional Salary and Wage Turnover.** Estimate additional FY 1994 salary turnover savings based on Substitute for H.B. 2211 (KPERS omnibus bill). The bill permits that only 75 percent of the positions vacated because of retirements can be refilled. Because not all of the retirements of state employees would occur at the start of the new fiscal year, the annual estimated savings would not be fully realized until FY 1995.
17. **Reduce Lottery Transfer Amount.** Consider transferring amounts in addition to the 30.0 percent minimum required by statute from the Lottery Operating Fund to the State Gaming Revenues Fund (of which 90 percent will go to the Economic Development Initiatives Fund). With sales estimated at \$104 million in FY 1993, the Lottery is accruing a cash balance since the Legislature has reduced FY 1993 expenditure limitations (rather than to allow the Lottery to expend its additional cash for state operations). If the Lottery were allowed to expend 20 percent of its projected sales for state operations, then expenditures would be \$20.8 million in FY 1993. However, the amount approved by the Legislature is \$13.8 million, as recommended by the Governor for state operations. The difference of \$7.0 million (\$20.8 million less \$13.8 million) represents the projected cash balance, less any amounts paid for prizes which exceed the 45 percent annual average required by statute.
18. **Department of Health and Environment**
  - a. With a 1 percent reduction (\$260,184), the agency proposes to shift expenditures from the State General Fund to other funding sources. With a 2 percent reduction (\$521,369), the agency also proposes to cut State General Fund operating and aid expenditures. Budgeted State General Fund expenditures are shifted (1 percent reduction at \$160,077/2 percent reduction at \$189,635) to recently increased Maternal and Child Health Care Block Grant federal funds (MCH). Also, budgeted State General Fund expenditures are shifted to new fee fund receipts (\$100,107) which will be available because of passage of 1993 H.B. 2429. The 1993 legislation allows the Adjutant General to use fees collected from producers of nuclear energy to pay for costs of state and local emergency preparedness response programs. The Department of Health and Environment anticipates that moneys will be received from the preparedness response program. To make further reductions, the Department proposes reducing aid support of general health programs (\$25,208) provided by local health departments (general health formula grant program) and making an unspecified decrease to operating expenditures (\$206,419).

- b. Another option, although not recommended by the agency, would be to cut the State General Fund amount for vaccine supplies. Information from the April, 1993 *Federal Budget Update* by the National Conference of State Legislatures says that, for federal fiscal year 1994, President Clinton has proposed \$341 million for immunization of every preschool child. Of this money, \$288 million goes to the states. Items for review when considering this option are outlined below:
- i. Presently, it is unknown whether stipulations will be placed on receiving any new federal moneys. A stipulation could be imposed that prevents states from cutting their present funding levels (maintenance of effort).
  - ii. The 1993 Legislature approved additional funding over the Department's request for vaccine expenses that was recommended by the Governor in both the current year and FY 1994. The additional funding was added from the Sponsored Project Overhead Fund. The table below shows the recent funding sources for vaccines.

<u>Funding</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>
State General Fund	\$ 1,111,570	\$ 1,133,058	\$ 1,189,135
Sponsored Project	--	--	--
Overhead Fund	--	1,162,441	1,690,617
Federal Funds	--	79,256	79,256
Totals	<u>\$ 1,111,570</u>	<u>\$ 2,374,755</u>	<u>\$ 2,959,008</u>

- iii. Currently, funding from the State General Fund for vaccines is not in a separate line item account. Therefore, if all of the State General Fund moneys are not needed for vaccine expenditures, the moneys could be expended for other operating expenses.

## 19. Highway Patrol

- a. Shift all funding (\$23.3 million) from the State General Fund to the State Highway Fund. The agency was funded from the State Highway Fund until 1982, at which time it was shifted to the State General Fund.
- b. Shift \$1,301,160 for the replacement of patrol cars from the State General Fund to the Budget Stabilization Fund. Beginning in FY 1995, replacement patrol vehicles will be purchased from the Kansas Highway Patrol Motor Vehicle Fund (S.B. 212). The FY 1994 shift of funding for patrol vehicles from the State General Fund to the Budget Stabilization Fund would, therefore, be a genuine one-time expenditure. The shift of financing could also be considered from the State General Fund to the State Highway Fund.
- c. Delete \$478,500 in State General Fund moneys for the replacement of patrol vehicles. This would still provide the Patrol with 59 replacement patrol vehicles

in FY 1994, and a patrol vehicle mile-out rate of about 100,000 miles. As noted previously, 1993 S.B. 212 will provide specific funding for patrol vehicle replacement in FY 1995, including a vehicle mile-out rate of 45,000 miles. Another option would be to delete only \$217,500 for replacement of patrol vehicles. This would provide the Patrol with 77 patrol vehicles in FY 1994, and a mile-out rate of approximately 97,000 miles.

- d. The agency submitted figures showing that it would absorb a 1 percent (\$233,309) or 2 percent (\$466,618) reduction by distributing it through various object codes in different agency programs. The agency's figures indicated that \$105,866 of a 1 percent reduction would be from the replacement of patrol vehicles; and that \$321,491 of a 2 percent reduction would come from reducing moneys for replacement vehicles.

## 20. Kansas Bureau of Investigation

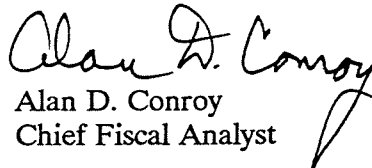
- a. The agency submitted information indicating that a 1 percent reduction would be absorbed by eliminating the DNA Databank Criminalist I position that was added by the Legislature (\$33,131), and would request elimination of the background investigation for the Governor's office, which would yield \$67,335 in savings. In order to absorb a 2 percent reduction, the agency would carry out the above measures, eliminate laboratory services at its Great Bend lab (\$35,700), eliminate laboratory analysis of misdemeanor evidence (\$46,200), and eliminate the investigation of property crimes from the Bureau's priority schedule (e.g., residential and commercial burglaries, theft of livestock, and property crimes involving agricultural supplies, equipment, and products).
- b. Eliminate the Narcotics Strike Force, producing FY 1994 savings of \$213,960 from the State General Fund. The federal grant that has funded this program from its inception in FY 1991 will expire in FY 1994. If the program is not reauthorized by the federal government and if the Legislature decides to continue to fund the program, approximately \$656,879 would be required in FY 1995 to replace the federal funds.
- c. Restore the agency's budget to the original FY 1994 Governor's recommendation, producing State General Fund savings in the amount of \$94,920. The agency would still receive an increase of 8.2 percent in State General Fund financing above the FY 1993 level.

## 21. Public Broadcasting Commission

- a. Shift all operating grants from the State General Fund to the Economic Development Initiatives Fund at a savings of \$636,810.
- b. Eliminate operating grants to all stations except those located in rural Kansas, i.e., KOOD-TV (Bunker Hill) and KANZ-FM (Garden City) at a savings of \$349,843.

- c. Make percentage reductions to the FY 1994 operating grants. This could be considered in light of the EDIF capital equipment grants that were added by the Legislature in FY 1994. Each 10 percent reduction would generate \$63,030 in State General Fund savings.
  - d. Eliminate all aid to public broadcasting which would yield State General Fund savings of \$636,810 and savings to the EDIF of \$424,573.
22. **Reduce State General Fund Demand Transfers.** Reduce each State General Fund demand transfer by a certain percentage. Each 1 percent reduction to the demand transfers would generate \$1.9 million. However, the Legislature might wish to consider exempting the transfers for the School District Capital Improvement Fund and the State Fair, since both relate to debt service expenditures. If these transfers are excluded, a 1 percent reduction would generate \$1.7 million.
23. **Across the Board Reduction for State General Fund Expenditures.** Each 1 percent reduction in total State General Fund expenditures would generate \$31.7 million.

I hope this information is helpful to you. If you need any additional information please let me know.

  
Alan D. Conroy  
Chief Fiscal Analyst

93-6269/ac



STATE GENERAL FUND PROFILE

In Thousands

	Actual FY 1992	Est. FY 1993	Increase	Est. FY 1994	Increase	Projected FY 1995 With 7.5% Balance	Increase
Beginning Balance	\$ 162,236	\$ 140,475		\$361,182		\$235,243	
Receipts							
Consensus Est. (4/93)	2,465,807	2,929,640	18.8%	3,031,015	3.5%	3,152,256	4.0%(h)
Legis. Adjustment	--	(45)(b)		6,054(b)		--	--
Total	2,465,807	2,929,595	18.8%	3,037,069	3.7%	3,152,256	3.8%
Released Encumbrances	3,702	2,500(c)		--		--	
Expenditures							
SGF Approp.-Gen. & Supp. Aids	727,098(a)	794,849	67,751	1,352,039	557,190	1,400,005	47,966
Transfer to SDFF	54,549	170,005	115,456	--	(170,005)	--	--
Subtotal, Gen. & Supp. Aids	781,647(a)	964,854d	183,207	1,352,039d	387,185	1,400,005d	47,966
Transfer to SDCIF	--	4,500	4,500	11,000	6,500	16,000	5,000
Transfer to SHF	78,025	75,501	(2,524)	75,501	--	84,150	8,649
Transfer to LAVTRF	38,576	39,324	748	39,324	--	43,316	3,992
Transfer to CCRSF	29,166	30,218	1,052	30,218	--	32,976	2,758
Transfer to CCHF	9,768	9,631	(137)	9,631	--	10,000	369
Transfer to WPF	5,940	5,820	(120)	5,820	--	6,000	180
Transfer to WCF	4,000	4,000	--	4,000(f)	--	4,000(f)	--
All Other Expenditures	1,544,148	1,577,540	33,392	1,635,475	57,935	1,554,715	(80,760)
Total	2,491,270	2,711,388(e)	220,118 8.8%	3,163,008(g)	451,620 16.7%	3,151,162	(11,846) (0.4)%
Ending Balance	140,475	361,182		235,243		236,337	
% of Expenditures	5.6%	13.3%		7.4%		7.5%	
Receipts in Excess of Expenditures	(25,463)	218,207		(125,939)		1,094	

a) This is a calculated "general aid" figure to provide comparability with general aid to school districts under the 1992 school finance law. The figure includes general aid, transportation aid, Ft. Leavenworth school district aid, bilingual education aid, vocational education aid for secondary students, and the amount transferred to the School District Income Tax Fund for rebates to school districts. As to the latter, about \$2.2 million was not rebated but was transferred back to the SGF at the end of FY 1992 as a receipts item.

b) Estimate as of 4/19/93; subject to revision before sine die adjournment of the Legislature. FY 1994 includes \$4.0 million transfer from WCF to SGF.

c) Estimate based on released encumbrances through March and projections through June.

- c) based on revised estimates made 4/8/93 and full funding of the aid programs, except for republication of budgets in FY 1. and financing the declining enrollment provision in FY 1994.
- e) Total amount approved by the House Appropriations Committee as of April 23. Does not include two vetoes totaling almost \$2.2 million.
- f) The Governor has recommended elimination of this transfer. In both FYs 1992 and 1993, \$4.0 million was transferred back to the SGF as required by appropriation bills, and that amount is included in SGF receipts.
- g) Amount approved by the House Appropriations Committee as of April 23. That figure includes the \$4.0 million demand transfer to the WCF, which has yet to be eliminated (see footnote f), due to veto of the workers compensation bill. However, \$4.0 million is transferred back to the SGF in FY 1994.
- h) Assumed growth rate (not a consensus estimate).

#### Demand Transfers

SDFF	School District Finance Fund
SDCIF	School District Capital Improvements Fund
SHF	State Highway Fund
LAVTRF	Local Ad Valorem Tax Reduction Fund
CCRSF	County-City Revenue Sharing Fund
CCHF	City-County Highway Fund
WPF	Water Plan Fund
WCF	Workers Compensation Fund

Kansas Legislative Research Department  
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