

Approved: March 23, 1993
Date

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson August Bogina at 11:00 a.m. on March 18, 1993 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Leah Robinson, Legislative Research Department
Scott Rothe, Legislative Research Department
Norm Furse, Revisor of Statutes
Judy Bromich, Administrative Assistant
Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

HB 2046--APPROPRIATIONS FOR FY94, OCCUPATIONAL AND HEALTH PROFESSIONS LICENSING AGENCIES AND FINANCIAL REGULATORY AGENCIES
Senator Morris presented the FY93 and FY94 subcommittee reports for all of the fee agencies (Attachment 1).

ABSTRACTERS' BOARD OF EXAMINERS (Attachment 2)
BOARD OF ACCOUNTANCY (Attachment 3)
Senator Morris moved, Senator Kerr seconded that the FY93 and FY94 subcommittee reports be approved.
The motion carried on a voice vote.

BANK COMMISSIONER (Attachment 4)
Subcommittee members explained their reluctance to add moneys to pay for salary increases higher than the Governor recommended without definitive language from the Department of Administration (Attachment 4-5). A memorandum dated March 18, 1993 from the Secretary of Administration stating that the agency would provide step to step movement if the Legislature approves the increased expenditure limit was distributed (Attachment 5). It was the Chairman's opinion that the Committee should not diverge from policy No. 27. Senator Brady noted the problem with retaining experienced bank examiners and indicated that this solution was provided by the agency. Senator Brady moved and Senator Karr seconded that the BY94 subcommittee report be amended by adding \$134,015 to provide funding for salary increases of financial examiners.

Senator Kerr stated that when retention of nurses at the University of Kansas Medical Center became a problem, the nurses were moved to the unclassified service. Senator Kerr offered a substitute motion, seconded by Senator Moran, to amend the FY94 subcommittee report by adding \$134,015 from the fee fund for salary increases of financial examiners, to introduce legislation to unclassify the financial examiners, and to make the use of the funds contingent upon the passage of such bill. The motion carried on a voice vote.

Senator Morris moved that the FY93 subcommittee report and the FY94 subcommittee report as amended be recommended favorable for passage. The motion carried on a voice vote.

SAVINGS AND LOAN DEPARTMENT (Attachment 6)
KANSAS BOARD OF BARBERING (Attachment 7)
BEHAVIORAL SCIENCES REGULATORY BOARD (Attachment 8)
It was moved by Senator Morris and seconded by Senator Salisbury that the subcommittee reports be adopted.
The motion carried on a voice vote.

BOARD OF HEALING ARTS (Attachment 9)
BOARD OF COSMETOLOGY (Attachment 10)

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, Room 123-S Statehouse, at 11:00 a.m. on March 18, 1993.

DEPARTMENT OF CREDIT UNIONS (Attachment 11)

KANSAS DENTAL BOARD (Attachment 12)

Senator Morris moved that the subcommittee reports be adopted. The motion was seconded by Senator Salisbury and carried on a voice vote.

BOARD OF MORTUARY ARTS (Attachment 13)

BOARD OF HEARING AID EXAMINERS (Attachment 14)

CONSUMER CREDIT COMMISSIONER (Attachment 15)

BOARD OF NURSING (Attachment 16)

It was moved by Senator Morris and seconded by Senator Kerr that the subcommittee reports be approved. The motion carried on a voice vote.

BOARD OF OPTOMETRY EXAMINERS (Attachment 17)

BOARD OF PHARMACY (Attachment 18)

REAL ESTATE COMMISSION (Attachment 19)

It was moved by Senator Morris and seconded by Senator Salisbury that the subcommittee reports be adopted. The motion carried on a voice vote.

OFFICE OF THE SECURITIES COMMISSIONER (Attachment 20)

BOARD OF TECHNICAL PROFESSIONS (Attachment 21)

BOARD OF VETERINARY EXAMINERS (Attachment 22)

It was moved by Senator Morris and seconded by Senator Kerr that the subcommittee reports be adopted. The motion carried on a voice vote.

Senator Lawrence moved, Senator Morris seconded that **HB 2046** as amended be recommended favorable for passage. The motion carried on a roll call vote.

It was moved by Senator Salisbury and seconded by Senator Lawrence that the minutes of March 10, 11, and 12, 1993 be approved. The motion carried on a voice vote.

The Chairman adjourned the meeting at 11:50 A.M.

The next meeting is scheduled for March 19, 1993.

GUEST LIST

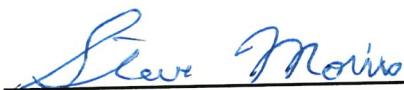
COMMITTEE: SENATE WAYS AND MEANS

DATE: March 18, 1993

[illegible]

1993 House Bill 2046

- §2---Abstracters' Board of Examiners
- §3---Board of Accountancy
- §4---State Bank Commissioner
- §5---Savings and Loan Department
- §6---Kansas Board of Barbering
- §7---Behavioral Sciences Regulatory Board
- §8---State Board of Healing Arts
- §9---Kansas State Board of Cosmetology
- §10--State Department of Credit Unions
- §11--Kansas Dental Board
- §12--State Board of Mortuary Arts
- §13--Kansas Board of Hearing Aid Examiners
- §14--Consumer Credit Commissioner
- §15--Board of Nursing
- §16--Board of Examiners in Optometry
- §17--State Board of Pharmacy
- §18--Kansas Real Estate Commission
- §19--Office of the Securities Examiner of Kansas
- §20--State Board of Technical Professions
- §21--State Board of Veterinary Examiners



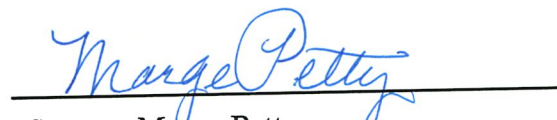
Senator Steve Morris
Subcommittee Chairman



Senator Barbara Lawrence



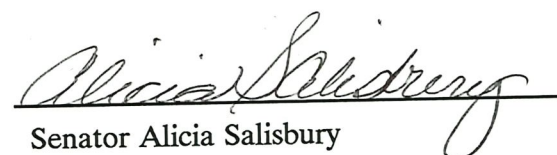
Senator Bill Brady



Senator Marge Petty



Senator Dave Kerr



Senator Alicia Salisbury

SWAM
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Attachment 1

SUBCOMMITTEE REPORT

Agency: Abstracters' Board of Examiners

Bill No. --

Bill Sec. --

Analyst: Mah

Analysis Pg. No. 1

Budget Page No. 2

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>House Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 16,225	\$ 16,430	\$ --
FTE Positions	0.0	0.0	--

Agency Estimate/Governor's Recommendation

The Board estimates FY 1993 expenditures of \$16,225, a decrease of \$272 from the authorized expenditure limitation of \$16,497. The Governor recommends FY 1993 expenditures of \$16,430, an increase of \$205 from the Board's estimate because of adjustments to fringe benefit expenses.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis. The fee fund analysis below reflects the status of the agency's fee fund.

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Estimated FY 93</u>
Beginning Balance	\$ 6,909	\$ 7,406
Net Receipts	15,932	15,932
Total Funds Available	\$ 22,841	\$ 23,338
Less: Expenditures	15,435	16,430
Ending Balance	<u>\$ 7,406</u>	<u>\$ 6,908</u>

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

The House concurs with the recommendation of the Committee.

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Attachment 2

<u>Expenditure Summary</u>	<u>House Adj.</u>	<u>House Rec. FY 93</u>	<u>Senate Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ --	\$ 16,430	\$ --
FTE Positions	--	0.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

SUBCOMMITTEE REPORT

Agency: Abstracters' Board of Examiners **Bill No.** 2046 **Bill Sec.** 2
Analyst: Mah **Analysis Pg. No.** 1 **Budget Page No.** 2

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>House Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 16,944	\$ 16,860	\$ --
FTE Positions	0.0	0.0	--

Agency Request/Governor's Recommendation

The Board requests \$16,944, an increase of \$719 above the FY 1993 revised estimate. Most of the increase is for travel expenditures. The Governor recommends expenditures of \$16,860 in FY 1994, a reduction of \$84 from the Board's request. The recommendation reduces travel expenditures by \$639 and increases salary expenditures by \$555. Included in the recommendation is an unclassified merit pool of 2.5 percent for the Executive Director.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis. The fee fund analysis below reflects the status of the agency's fee fund.

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Estimated FY 93</u>	<u>Estimated FY 94</u>
Beginning Balance	\$ 6,909	\$ 7,406	\$ 6,908
Net Receipts	15,932	15,932	20,304
Total Funds Available	\$ 22,841	\$ 23,338	\$ 27,212
Less: Expenditures	15,435	16,430	16,860
Ending Balance	<u>\$ 7,406</u>	<u>\$ 6,908</u>	<u>\$ 10,352</u>

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

The House concurs with the recommendation of the Committee.

<u>Expenditure Summary</u>	<u>House Adj.</u>	<u>House Rec. FY 94</u>	<u>Senate Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ --	\$ 16,860	\$ --
FTE Positions	--	0.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

SUBCOMMITTEE REPORT

Agency: Board of Accountancy

Bill No. 2046

Bill Sec. 3

Analyst: Piekalkiewicz

Analysis Pg. No. 3

Budget Page No. 4

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 211,668	\$ 202,073	\$ 2,871
FTE Positions	3.0	3.0	--

Agency Request/Governor's Recommendation

The Board of Accountancy's request for FY 1994 represents a net increase of \$8,335 over FY 1993 of which \$4,839 is for salary and fringe benefit rate increases for the agency's 3.0 FTE positions. The agency is also requesting an increase of 1 percent for examinations and grading services; and \$6,175 for the reprinting of a directory of licensed CPAs (\$5,000 was approved in the current year for the printing of the directory).

The Governor's recommendation for FY 1994 includes reductions of \$699 in salaries and \$6,175 for the directory of licensed CPAs; and an increase over the agency's request of \$1,450 in capital outlay for a replacement microcomputer. The Governor concurs with the agency's request for a one percent increase for examinations and grading services.

House Subcommittee Recommendation

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

FY 1994. The Subcommittee concurs with the Governor's recommendation for FY 1994, with the following adjustment:

1. Add \$2,871 for travel and subsistence for total of \$12,051 for FY 1994, which is approximately the same amount as recommended by the Governor in FY 1993 (\$12,317).

The status of the Fee Fund based on the Subcommittee recommendation is shown below:

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Attachment 3

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Est. FY 93</u>	<u>Est. FY 94</u>
Beginning Balance	\$ 84,293	\$ 80,421	\$ 64,215
Net Receipts	183,601	187,467	188,313
Total Funds Available	<u>\$ 267,894</u>	<u>\$ 267,888</u>	<u>\$ 252,528</u>
Less: Expenditures	187,473	203,673	204,944
Ending Balance	<u><u>\$ 80,421</u></u>	<u><u>\$ 64,215</u></u>	<u><u>\$ 47,584</u></u>

<u>Expenditure Summary</u>	<u>House Adj. FY 94</u>	<u>House Rec. FY 94</u>	<u>Senate Sub. Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 2,871	\$ 204,944	\$ --
FTE Positions	--	3.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House.

SUBCOMMITTEE REPORT

Agency: Bank Commissioner

Bill No. --

Bill Sec. --

Analyst: Mah

Analysis Pg. No. 6

Budget Page No. 100

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>House Subcommittee Adjustments</u>
Fee Funds:			
State Operations	\$ 2,988,289	\$ 2,986,684	\$ --
FTE Positions	73.0	73.0	--

Agency Estimate/Governor's Recommendation

The agency estimates total expenditures of \$2,988,289 for the current year, a reduction of \$228,449 from the expenditure limitation of \$3,216,738 approved by the 1992 Legislature. The reduction is mostly in expenditures for salaries and wages. Estimated expenditures include \$2,444,845 for salaries and wages, \$36,440 for communications, \$67,784 for rent, \$307,673 for travel, \$85,124 for capital outlay, and \$46,423 for all other items.

The Governor recommends total expenditures of \$2,986,684 for the current year, a reduction of \$1,605 from the agency's revised estimate of \$2,988,289. Expenditures are reduced by \$1,192 for salaries and \$413 for printing.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation with the following comment:

1. Significantly higher revenues are being collected by the agency now than in prior years for activities relating to, among other things, the location of bank charters or branches; the merging of two or more banks; and the acquisition of Kansas banks by bank holding companies located in states contiguous to Kansas or in the states of Arkansas or Iowa (interstate banking). Total receipts of \$5,787 were collected in FY 1992 as compared to receipts of \$183,000 collected so far in FY 1993. Receipts have increased due to a change in fee structure (1992 H.B. 2750) and a surge in applications with regard to interstate banking (1991 H.B. 2059).

These collected receipts due to the new legislation are credited to a special fund different from the Bank Commissioner's Fee Fund. However, the agency's budget document shows no new receipts to this special fund for either the current year or FY 1994. Nor does it show any anticipated expenditures from the special fund for FY 1994. Following payment of expenses incurred for examining and investigating the various applications being made, all remaining receipts in this

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Attachment 4

special fund are transferred to the Bank Commissioner's Fee Fund. Total expenditures of \$530 from this special fund are estimated for the current year. Therefore, current information indicates that approximately \$187,035 (including a carry forward balance of \$4,565) will be credited to the Bank Commissioner's Fee Fund. Since the revenues collected in this special fund are available to the agency and consequently could impact the level of fees assessed against banks and trust companies in support of agency operations, the Subcommittee encourages the agency to more adequately reflect in its budget document for legislative evaluation all anticipated receipts to be credited to and expenditures to be made from this special fund. The table below combines the two funds to show the projected resource status of the agency.

Resource Estimate	Actual FY 92	Estimated FY 93
Beginning Balance	\$ 739,823	\$ 122,274
Net Receipts	2,090,848	3,406,088
Total Funds Available	\$ 2,830,671	\$ 3,528,362
Less: Expenditures	2,703,220	2,986,684
Nonreportable Expend.	5,177	--
Ending Balance	<u>\$ 122,274</u>	<u>\$ 541,678</u>

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

The House concurs with the recommendation of the Committee.

Expenditure Summary	House Adj.	House Rec. FY 93	Senate Subcommittee Adjustments
Fee Funds:			
State Operations	\$ --	\$ 2,986,684	\$ --
FTE Positions	--	73.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

SUBCOMMITTEE REPORT

Agency: Bank Commissioner

Bill No. 2046

Bill Sec. 4

Analyst: Mah

Analysis Pg. No. 6

Budget Page No. 100

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>House Subcommittee Adjustments</u>
Fee Funds:			
State Operations	\$ 3,593,299	\$ 3,291,860	\$ 1,085
FTE Positions	73.0	73.0	--

Agency Request/Governor's Recommendation

The agency requests total expenditures of \$3,593,299 in FY 1994, an increase of \$605,010 (20.2 percent) over revised current year estimate of \$2,988,289. Included in the request is funding to provide for a salary increase for the unclassified Deputy Commissioner and for the promotion of 28.0 Financial Examiners positions. In addition, based upon a plan by the Division of Personnel, Department of Administration, all state Financial Examiner positions will be reclassified to higher salary pay ranges beginning in FY 1994. The agency requests a total of \$177,086 for the reclassification of 61.0 of the current 73.0 agency employees. The other major increase from the agency's current year revised estimate is for travel and subsistence expenditures to provide for sending the agency's staff to various training workshops. Estimated expenditures include \$2,981,877 for salaries and wages, \$40,518 for communications, \$72,745 for rent, \$390,487 for travel, \$59,560 for capital outlay, and \$48,112 for all other items.

The Governor recommends total expenditures of \$3,291,860 in FY 1994, a reduction of \$301,439 from the agency's request of \$3,593,299. Expenditures are reduced mostly for salaries, out-of-state travel for training workshops, and capital outlay equipment. The Governor recommends \$50,836 instead of the proposed \$177,086 for reclassifying 61.0 of the 73.0 current employees to higher salary pay ranges. The salary ranges used for the reclassification are lower than those that were proposed by the agency. Funding is recommended for the agency's annual reallocation (promotion) of staff to higher salary pay ranges based upon experience. However, the recommendation does not include funds for increasing by \$9,696 the annual base pay for the unclassified Deputy Commissioner. Included in the recommendation is salary step movement for classified employees and an unclassified employee merit pool of 2.5 percent.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation, except for the following adjustment:

1. Add \$1,085 for the reclassification of the Assistant Deputy Commissioner to salary range 33. The Division of Personnel Services, Department of Administra-

tion, has verified that this is the current recommendation to the Governor for the reclassification of this position. When the Governor's recommendations were being completed, the Division of Personnel Services recommended salary range for this position was still under consideration. Recommended expenditures by the Governor provided funding for this position at salary range 32 instead of 33. The agency proposed a salary range of 36 for the position as well as higher salary ranges than are funded by the Governor for state Financial Examiner positions III through V. The agency reported to the Subcommittee that it has lost many of its most experienced staff in recent years because it could not offer a competitive salary to retain these valuable employees. This has caused tremendous hardship for the agency. The Subcommittee is very sympathetic to the agency's plight and believes that further consideration should be given to the salary ranges proposed by the agency for Financial Examiner positions. The Subcommittee strongly supports adding moneys to pay for higher than the currently recommended salary ranges should policies be adopted that will allow for higher salary upgrades for the positions.

Fee Fund Analysis. The table below combines the agency's two fee funds to show the projected resource status of the agency.

Resource Estimate	Actual FY 92	Estimated FY 93	Estimated FY 94
Beginning Balance	\$ 739,823	\$ 122,274	\$ 541,678
Net Receipts	2,090,848	3,406,088	2,973,450
Total Funds Available	\$ 2,830,671	\$ 3,528,362	\$ 3,515,128
Less: Expenditures	2,703,220	2,986,684	3,292,945
Nonreportable Exp.	5,177	--	--
Ending Balance	<u>\$ 122,274</u>	<u>\$ 541,678</u>	<u>\$ 222,183</u>

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

The House concurs with the recommendation of the Committee.

<u>Expenditure Summary</u>	<u>House Adj.</u>	<u>House Rec. FY 94</u>	<u>Senate Subcommittee Adjustments</u>
Fee Funds:			
State Operations	\$ 1,085	\$ 3,292,945	\$ --
FTE Positions	--	73.0	--

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the recommendation of the House and makes the following further recommendation:

1. Like the House, the Senate Subcommittee is very supportive of adding moneys to pay for salary increases that are higher than the Governor's recommendation. The Governor's recommendation includes funding in the agency's FY 1994 budget to implement reclassification of Financial Examiners (affecting 61.0 of the 73.0 current agency employees) in accordance with Division of Personnel Services policy statement No. 27. Policy No. 27 says that, when a promotion is made to implement the reclassification of a classified employee, the employee must be moved to a step on the new salary range which will result in a maximum salary increase of 2.5 percent. The only exception to this is for classified employees who are being moved to the first step (step A) of the new salary range.

With regard to job reclassifications, the first phase of a multi-year study comparing the job classification and pay ranges of state employees to the private sector and other public sectors was implemented in 1986. The recommendations for implementing the final phase of the study, except for state Financial Examiner positions which are found in respective agency budgets, are included in House Bill 2192. According to information from the Division of Personnel, all prior phases of the study for classified employees have been implemented using policy No. 27.

The agency has asked to be excluded from policy No. 27. This would allow the agency's classified Financial Examiners to be promoted at their current step levels rather than being moved to lower step levels when the Governor's recommended higher salary ranges for the positions are implemented. The result would be that each of the employees being reclassified would receive salary increases greater than 2.5 percent. The Subcommittee is supportive of the higher salary increases for the agency's Financial Examiners because the lack of experienced staff within the agency has raised concerns among many, including bankers and others in the banking industry. (The agency has not been able to retain experienced staff in recent years. Once significant moneys are expended to get employees trained, the employees leave because they are able to get higher salaries elsewhere.) Quality state examinations can be maintained only if the agency keeps its most experienced staff. If quality state examinations are not maintained, the federal government could discontinue the current system which allows required state and federal examinations to be reciprocal. The result would be a significant increase in workload for state bank examiners. The Subcommit-

tee understands that the banking industry is very supportive of the agency's proposal and is willing to pay additional fees to cover the costs of the proposal.

The Subcommittee received a copy of a memorandum from the Secretary of the Department of Administration which says that an exception to policy No. 27 could be considered by the Division of Personnel Services to address the agency's critical need. The Bank Commissioner told the Subcommittee that he has had several conversations with the Division of Personnel and believes that the Division will issue an exception to the current policy. Without clear direction as to the extent to which an exception will be made for these classified employees by the executive branch, the Subcommittee believes that providing additional funding for salary increases may be premature. At this point, there are no assurances that additional funds for the higher salaries could be used unless the Division of Personnel Services makes an exception to policy No. 27.

The Subcommittee strongly encourages the agency to seek a Governor's Budget Amendment for this item in order to clarify the Governor's position regarding the higher reclassifications and to indicate any additional funding that would be necessary to implement the Governor's recommendation. The Subcommittee notes that receipt of the Budget Amendment will be helpful when the Subcommittee further considers providing for the additional funding for the salary upgrades in the Omnibus Bill.

STATE OF KANSAS



DEPARTMENT OF ADMINISTRATION

State Capitol
Room 263-E
Topeka 66612-1572
(913) 296-3011

SUSAN SELTSAM, *Secretary*

JOAN FINNEY, *Governor*

TO: Frank Dunnick, Commissioner
Banking Department

FROM: Susan Seltsam, Secretary
Department of Administration *SS*

DATE: March 18, 1993

SUBJECT: Implementation of Financial Examiner Class Series

This will confirm our conversation of March 17, 1993. Providing the legislature approves the increased expenditure limits necessary, the Department of Administration Division of Personnel Services agrees to recommend step to step advancement for certain financial examiners.

This recommendation attempts to address the retention of qualified senior staff in your department.

SMS:jp

SWAM
March 18, 1993
Attachment 5

SUBCOMMITTEE REPORT

Agency: Savings and Loan Department

Bill No. --

Bill Sec. --

Analyst: Duncan

Analysis Pg. No. 55

Budget Page No. 512

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 148,906	\$ 144,208	\$ --
FTE Positions	3.0	3.0	--

Agency Estimate/Governor's Recommendation

The Savings and Loan Department's FY 1993 revised budget estimate is \$148,906 a reduction of \$4,354 from the amount approved by the 1992 Legislature, as adjusted for Finance Council action.

The Governor recommends \$144,208 in FY 1993, a reduction of \$4,698 from the agency's request. Recommended reductions occur in salaries and wages (\$1,198), and travel and subsistence (\$3,500).

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor.

The fee fund analysis, based on the recommendation of the Subcommittee, is as follows:

<u>Resource Estimate</u>	<u>Est. FY 93</u>	<u>Rec. FY 93</u>
Beginning Balance	\$ 90,351	\$ 90,351
Net Receipts	69,964	69,964
Total Funds Available	\$ 160,315	\$ 160,315
Less: Expenditures	148,906	144,208
Ending Balance	<u>\$ 11,409</u>	<u>\$ 16,107</u>

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

SWAM
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Attachment 6

<u>Expenditure Summary</u>	<u>House Adj. FY 93</u>	<u>House Rec. FY 93</u>	<u>Senate Sub. Adjustments</u>
State Operations: Special Revenue Fund	\$ --	\$ 144,208	\$ --
FTE Positions	--	3.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

SUBCOMMITTEE REPORT

Agency: Savings and Loan Department

Bill No. 2046

Bill Sec. 5

Analyst: Duncan

Analysis Pg. No. 55

Budget Page No. 512

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 108,359	\$ 107,175	\$ --
FTE Positions	2.0	2.0	--

Agency Request/Governor's Recommendation

The Department requests \$108,359 for FY 1994, a reduction of \$40,547 (27.2 percent) from the current year. The agency is proposing a reduction in staffing from 3.0 FTE to 2.0 FTE by reducing the Department Secretary and the Commissioner to half-time positions. According to the agency, the decline in the numbers of state savings and loans contributes to this decision. During FY 1988 there were 28 associations, while the current number of state chartered associations is 15. Reductions anticipated by the agency for FY 1994 include \$33,836 for salaries and wages, \$500 for communication, \$500 for freight, \$100 for printing and advertising, \$3,611 for rents (office space will be reduced from the present 1,090 square feet to 800 square feet in FY 94), \$2,000 for travel and subsistence, and \$300 for contractual services. The only increase requested by the agency is a \$300 increase in repairing and servicing due to the age of the agency's office equipment.

The Governor recommends \$107,175 for FY 1994, a reduction of \$1,184 from the agency's request. The recommendation increases salaries and wages (\$316) and decreases travel and subsistence (\$1,500).

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Governor, with the following observation:

1. The Subcommittee notes that S.B. 58 transfers all of the powers, duties and functions of the existing Savings and Loan Department to the State Bank Commissioner. Testimony indicated that the Savings and Loan Commissioner is in favor of this bill and that most, if not all, state chartered savings and loans will be converted to federal charters by the end of the calendar year. The Subcommittee recommends that this budget be revisited pending passage of S.B. 58.

The fee fund analysis, based on the recommendation of the Subcommittee, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Agency Est. FY 93</u>	<u>Governor's Rec. FY 94</u>
Beginning Balance	\$ 80,060	\$ 90,351	\$ 16,107
Net Receipts	149,856	69,964	105,600
Total Funds Available	<u>\$ 229,916</u>	<u>\$ 160,315</u>	<u>\$ 121,707</u>
Less: Expenditures	139,565	148,906	107,175
Ending Balance	<u><u>\$ 90,351</u></u>	<u><u>\$ 11,409</u></u>	<u><u>\$ 14,532</u></u>

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

<u>Expenditure Summary</u>	<u>House Adj. FY 94</u>	<u>House Rec. FY 94</u>	<u>Senate Sub. Adjustments</u>
State Operations: Special Revenue Fund	\$ --	\$ 107,175	\$ --
FTE Positions	--	2.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

SUBCOMMITTEE REPORT

Agency: Board of Barbering

Bill No. 2046

Bill Sec. 6

Analyst: Piekalkiewicz

Analysis Pg. No. 13

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<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 94,758	\$ 95,046	\$ --
FTE Positions	2.0	2.0	--

Agency Request/Governor's Recommendation

The Board of Barbering's request for FY 1994 represents a net increase of \$2,997 over FY 1993 of which \$2,481 is for salary and fringe benefit rate increases for the agency's 2.0 FTE positions. The Governor recommends increases over the agency's request in salaries and wages (\$183) and travel (\$135).

House Subcommittee Recommendation

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

The status of the Fee Fund is shown below:

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Estimated FY 93</u>	<u>Estimated FY 94</u>
Beginning Balance	\$ 45,955	\$ 60,501	\$ 72,983
Net Receipts	102,091	105,716	109,016
Total Funds Available	\$ 148,046	\$ 166,217	\$ 181,999
Less: Expenditures	87,545	93,234	95,046
Ending Balance	<u>\$ 60,501</u>	<u>\$ 72,983</u>	<u>\$ 86,953</u>

Senate Subcommittee Recommendation

Concur.

SUBCOMMITTEE REPORT

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

Bill Sec. --

Analyst: Robinson

Analysis Pg. No. 16

Budget Page No. 104

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 330,308	\$ 330,128	\$ --
FTE Positions	5.0	5.0	--

Agency Estimate/Governor's Recommendation

The Board estimates FY 1993 expenditures of \$330,308, as approved by the 1992 Legislature and adjusted by State Finance Council action. The Governor recommends FY 1993 expenditures of \$330,128, a reduction of \$180 from the agency's estimate. The recommended reduction is in printing and advertising.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor.

The status of the fee fund, based on the recommendation of the House Subcommittee is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1992</u>	<u>Estimated FY 1993</u>
Beginning Balance	\$ 30,469	\$ 126,130
Net Receipts	331,573	321,562
Total Funds Available	\$ 362,042	\$ 447,692
Less: Expenditures	235,912	330,128
Ending Balance	<u>\$ 126,130</u>	<u>\$ 117,564</u>
Ending Balance as a Percentage of Expenditures	53.5%	35.6%

House Committee Recommendation

Concur.

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House Committee of the Whole Recommendation

Concur.

<u>Expenditure Summary</u>	<u>House Adj. FY 93</u>	<u>House Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
State Operations: Special Revenue Fund	\$ --	\$ 330,128	\$ --
FTE Positions	--	5.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Behavioral Sciences Regulatory Board **Bill No.** 2046

Bill Sec. 7

Analyst: Robinson

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<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 469,001	\$ 335,263	\$ 31,352
FTE Positions	7.3	5.0	1.0

Agency Estimate/Governor's Recommendation

The agency's FY 1994 budget request totals \$469,001, an increase of \$138,693 (42.0 percent) over the revised FY 1993 estimate. The request includes \$56,759 for the addition of 2.5 FTE positions. The increase in the requested position limitation includes 1.0 new FTE Investigator III position, a 0.5 FTE Attorney III position, and would increase a 0.5 FTE Office Assistant II position to 1.0 FTE, and a 0.5 FTE Social Worker II position to 0.75 FTE.

For FY 1994 the Governor recommends expenditures of \$335,263, a reduction of \$133,738 from the agency's request. The reductions are recommended in: salaries and wages (\$76,743); communication (\$16,726); printing and advertising (\$4,868); rents (\$300); fees -- professional services (\$29,700); commodities (\$3,687); and capital outlay (\$1,714). The Governor does not recommend any of the new positions.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor, with the following adjustments:

1. As a technical adjustment, increase the position limitation as reflected in House Bill No. 2046 from 4.0 FTE to 5.0 FTE.
2. Increase the expenditure limitation on the Board's fee fund by \$31,352 (\$28,852 in salaries and wages and \$2,500 for travel and subsistence) and increase the position limitation from 5.0 to 6.0. This would provide for the addition of 1.0 FTE Investigator III position. The Subcommittee notes that the agency has seen substantial growth in the number of professions regulated since the Board was organized in 1981, without a corresponding increase in staffing. The Board continues to experience an increase in the number of reports of alleged violations and as additional professional groups are placed under the Board's jurisdiction, this number will continue to increase. The addition of 1.0 FTE Investigator III position should assist in quicker resolution of these complaints.

The status of the fee fund, based on the recommendation of the House Subcommittee, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Estimated FY 93</u>	<u>Estimated FY 94</u>
Beginning Balance	\$ 30,469	\$ 126,130	\$ 117,564
Net Receipts	331,573	321,562	498,932
Total Funds Available	<u>\$ 362,042</u>	<u>\$ 447,692</u>	<u>\$ 616,496</u>
Less: Expenditures	235,912	330,128	366,615
Ending Balance	<u><u>\$ 126,130</u></u>	<u><u>\$ 117,564</u></u>	<u><u>\$ 249,881</u></u>
Ending Balance as a Percentage of Expenditures	53.5%	35.6%	68.2%

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

<u>Expenditure Summary</u>	<u>House Adj. FY 94</u>	<u>House Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations: Special Revenue Fund	\$ 31,352	\$ 366,615	\$ 17,317
FTE Positions	1.0	6.0	0.5

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House, with the following adjustment:

1. Increase the agency's expenditure limitation by \$17,317 and add a 0.5 FTE position. This would allow the agency to upgrade an existing 0.5 FTE Social Worker II position to a 1.0 FTE Administrative Officer II position.

The status of the fee fund, based on the recommendations of the Senate Subcommittee, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Estimated FY 93</u>	<u>Estimated FY 94</u>
Beginning Balance	\$ 30,469	\$ 126,130	\$ 117,564
Net Receipts	331,573	321,562	498,932
Total Funds Available	<u>\$ 362,042</u>	<u>\$ 447,692</u>	<u>\$ 616,496</u>
Less: Expenditures	235,912	330,128	383,932
Ending Balance	<u><u>\$ 126,130</u></u>	<u><u>\$ 117,564</u></u>	<u><u>\$ 232,564</u></u>
Ending Balance as a Percentage of Expenditures	53.5%	35.6%	68.2%

SUBCOMMITTEE REPORT

Agency: Board of Healing Arts

Bill No. --

Bill Sec. --

Analyst: Robinson

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<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 1,266,967	\$ 1,266,967	\$ --
FTE Positions	23.0	23.0	--

Agency Estimate/Governor's Recommendation

The Board estimates FY 1993 expenditures of \$1,266,967, a reduction of \$46 from the approved amount. Reductions of \$22,536 in contractual services and \$12,193 in commodities are partially offset by increases of \$34,562 in salaries and wages, and \$31 in capital outlay. The Governor concurs with the agency's revised estimate.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor.

The status of the fee fund, based on the recommendation of the House Subcommittee is as follows:

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Estimated FY 93</u>
Beginning Balance	\$ 1,067,038	\$ 1,154,512
Net Receipts	1,280,604	1,407,345
Total Available	\$ 2,347,642	\$ 2,561,857
Less: Expenditures	1,193,130	1,266,967
Ending Balance	\$ 1,154,512	\$ 1,294,890
Ending Balance as a Percentage of Expenditures	96.8%	102.2%

House Committee Recommendation

Concur.

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House Committee of the Whole Recommendation

Concur.

<u>Expenditure Summary</u>	<u>House Adj. FY 93</u>	<u>House Rec. FY 93</u>	<u>Senate Sub. Adjustments</u>
State Operations:			
Special Revenue Fund	\$ --	\$ 1,266,967	\$ --
FTE Positions	--	23.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Board of Healing Arts

Bill No. 2046

Bill Sec. 8

Analyst: Robinson

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<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 1,495,997	\$ 1,325,009	\$ --
FTE Positions	26.5	23.0	1.0

Agency Request/Governor's Recommendation

The Board requests an FY 1994 expenditure limitation of \$1,495,997, an increase of \$229,030 (18.1 percent) above the revised FY 1993 estimate. The request includes \$85,103 for the salaries and wages of 3.5 new FTE positions: a 0.5 FTE Programmer II; a 1.0 Office Assistant III; and 1.0 Special Investigator. The request includes \$246,587 for funding of impaired provider contracts. The Board also requests that the FY 1994 appropriations bill contain a proviso excluding costs directly related to administrative proceedings from the agency's expenditure limitation.

The Governor recommends FY 1994 expenditures of \$1,325,009 in FY 1994, a reduction of \$170,988 from the agency's request. The Governor does not recommend any new FTE positions and does not recommend the exclusion of administrative hearing costs from the agency's expenditure limitation. The Governor recommends reductions from the agency's request for: salaries and wages (\$103,460); communication (\$3,800); printing and advertising (\$5,000); repairing and servicing (\$500); travel and subsistence (\$8,900); fees--other services (\$1,750); fees--professional services (\$20,900); commodities (\$5,300); and capital outlay (\$21,378).

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor, with the following adjustments:

1. Increase the agency's position limitation by 1.0 FTE Office Assistant III position. The Board indicates that it is in the process of reclassifying and, in some cases, downgrading positions. If these actions are approved by the Division of Personnel Services, more than enough funding would be available to cover the costs of the new position. For that reason, the Subcommittee does not recommend any additional funding for the position.
2. The Subcommittee has some concern with the agency's projected ending balances. These balances have consistently amounted to approximately 100 percent of expenditures. There has been a valid rationale for these high ending balances due to the fact that most licenses are renewed in May and June, which

concentrates revenue at the end of the fiscal year. The 1992 Legislature, however, repealed the June renewal requirements and allowed the Board to institute any other system of renewal it deemed appropriate. The reason for the change given at the time was to reduce the peak workload on clerical staff in May and June. The Board informed the Subcommittee that it is currently studying a system of license renewal based on birth dates. The Subcommittee encourages the Board to continue to explore this system since it would significantly reduce the need for the high ending balances, probably eliminate the \$14,000 included in the budget for temporary help, and potentially free up existing staff time. The Subcommittee recommends that the Board be instructed to address this issue in its FY 1995 budget submission.

3. The Subcommittee reviewed the January 1993 Performance Audit Report by the Division of Post Audit on impaired provider programs. That report notes that the cost of the program has increased significantly from 1988 to 1992 primarily because the Kansas Medical Society (KMS), which operates the impaired provider program for medical physicians, has hired a full-time director at a salary of \$112,000 and a part-time program coordinator. The number of physicians served under the program by the KMS has dropped from 82 in 1990 to 71 in 1992. The cost per referral is significantly higher even than other professions under the authority of the Board of Healing Arts. The Subcommittee recommends that serious consideration be given to a consolidated impaired provider program, run under contract with one provider.

The status of the fee fund, based on the recommendation of the House Subcommittee, is as follows:

Resource Estimate	Actual FY 92	Estimated FY 93	Estimated FY 94
Beginning Balance	\$ 1,067,038	\$ 1,154,512	\$ 1,294,890
Net Receipts	1,280,604	1,407,345	1,518,465
Total Available	\$ 2,347,642	\$ 2,561,857	\$ 2,813,355
Less: Expenditures	1,193,130	1,266,967	1,325,009
Ending Balance	\$ 1,154,512	\$ 1,294,890	\$ 1,488,346
Ending Balance as a Percentage of Expenditures	96.8%	102.2%	112.3%

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

<u>Expenditure Summary</u>	<u>House Adj. FY 94</u>	<u>House Rec. FY 94</u>	<u>Senate Sub. Adjustments</u>
State Operations: Special Revenue Fund	\$ --	\$ 1,325,009	\$ --
FTE Positions	1.0	24.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Board of Cosmetology

Bill No. 2046

Bill Sec. 9

Analyst: Piekalkiewicz

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<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 448,883	\$ 383,575	\$ 5,000
FTE Positions	11.0	9.0	--

Agency Request/Governor's Recommendation

The Board of Cosmetology's request for FY 1994 represents a net increase of \$48,516 over FY 1993 of which \$46,053 is for salary and fringe benefit rate increases for the agency's 8.0 FTE positions and for funding for 1.5 additional positions (\$31,272). The Board also requests an increase in its position limitation authority by 1.5 FTE to increase three 0.5 FTE Inspectors to full-time. In the current year, half of the Inspectors' appointments are as Special Project positions. The Board also requests 1.5 FTE additional positions including an additional 1.0 FTE Keyboard Operator (\$18,838) for data entry related to tanning facility licensure; and an additional 0.5 FTE Inspector (\$12,434) for the Kansas City area. The agency in FY 1994 also requests \$26,125 for cosmetology examinations, an increase of \$16,000 over the current year. The Governor's recommendation for FY 1994 does not include funding for the requested new positions, but includes an increase in the position limitation from 8.0 FTE to 9.0 FTE. The Governor's recommendation includes a \$20,797 reduction in travel and subsistence from the agency's request.

House Subcommittee Recommendation

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

FY 1994. The Subcommittee concurs with the Governor's recommendation for FY 1994, with the following exception:

1. As of January 29, 1993, the Board's inspectors have located about 800 tanning facilities. To date, the Board has received 400 applications for tanning facility licenses. The license fee is \$100. The inspectors are making an effort to visit as many of the nonlicensed facilities as possible to ensure licensure. The Board is also conducting a mailing to the 400 facilities that have not applied for a license, to inform them that they need to be in compliance with the law. The Board has indicated that there will be many investigations to ensure that all owners using their tanning beds for public use are licensed. It is still the belief of the Board that it will license 800 to 1,000 tanning facilities, though it is the opinion of the Subcommittee that this estimate is overly optimistic given the fact that only 400 facilities have been licensed to date.

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2. Add \$5,000 for travel and subsistence to bring the total recommended travel budget to \$53,761 (the agency requested \$69,558). The Subcommittee recommends that if the number of tanning facilities licensed by the Board reaches or exceeds the 1,000 estimate that the Board may need supplemental funding during the next legislative session for additional travel expenses. The Subcommittee does not recommend additional funding above the \$5,000 at this time because of the concern whether the Board will have adequate receipts from the licensure of tanning facilities to pay for additional travel expenses above the amount recommended by the Subcommittee.

The status of the Fee Fund is shown below:

Resource Estimate	Actual FY 92	Estimated FY 93	Estimated FY 94
Beginning Balance	\$ 105,560	\$ 75,702	\$ 56,936
Net Receipts	277,504	381,601	418,098
Total Funds Available	\$ 383,064	\$ 457,303	\$ 475,034
Less: Expenditures	307,362	400,367	388,575
Ending Balance	<u>\$ 75,702</u>	<u>\$ 56,936</u>	<u>\$ 86,459</u>

Expenditure Summary	House Adj. FY 94	House Rec. FY 94	Senate Sub. Adjustments
State Operations:			
Special Revenue Fund	\$ 5,000	\$ 388,575	\$ --

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House.

SUBCOMMITTEE REPORT

Agency: Department of Credit Unions

Bill No. --

Bill Sec.

Analyst: Mah

Analysis Pg. No. 26

Budget Page No. 166

<u>Expenditure Summary</u>	<u>Agency FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>House Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 611,972	\$ 611,972	\$ --
FTE Positions	12.0	12.0	--

Agency Estimate/Governor's Recommendation

The agency estimates expenditures of \$611,972 in FY 1993, the same amount as the approved budget. The estimate includes \$498,117 for salaries and wages, \$11,190 for communications, \$14,716 for rents, \$78,844 for travel and subsistence, and \$9,105 for all other operating expenditures. The Governor concurs with the agency's FY 1993 estimate.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation.

Fee Fund Analysis. The fee fund analysis below reflects the status of the agency's fee fund.

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Estimated FY 93</u>
Beginning Balance	\$ 172,998	\$ 196,338
Net Receipts	601,115	641,990
Total Funds Available	\$ 774,113	\$ 838,328
Less: Expenditures	577,775	611,972
Ending Balance	<u>\$ 196,338</u>	<u>\$ 226,356</u>

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

The House concurs with the recommendation of the Committee.

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<u>Expenditure Summary</u>	<u>House Adj.</u>	<u>House Rec. FY 93</u>	<u>Senate Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ --	\$ 611,972	\$ --
FTE Positions		12.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

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SUBCOMMITTEE REPORT

Agency: Department of Credit Unions

Bill No. 2046

Bill Sec. 10

Analyst: Mah

Analysis Pg. No. 26

Budget Page No. 166

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>House Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 696,123	\$ 646,475	\$ 1,850
FTE Positions	12.0	12.0	--

Agency Request/Governor's Recommendation

The agency requests \$696,123 for operating expenditures in FY 1994, an increase of \$84,151 over the FY 1993 estimate. The request includes funding to reclassify the agency's Financial Examiner positions (9.0 of the 12.0 current employees). Based upon a plan by the Division of Personnel, Department of Administration, all state Financial Examiner positions will be reclassified to higher salary pay ranges beginning in FY 1994. The agency requests a total of \$35,649 for this reclassification. Other major increases from the current year estimate include: \$10,000 for a one time fee to cover the expense of an audit for certification by the National Association of State Credit Union Supervisors; \$2,500 for an attorney to assist with answering questions arising from consumer complaints; \$3,000 for the expense of a liquidation agent for at least one credit union that may not meet qualifications for federal deposit insurance coverage required by state law; and \$5,200 for two microcomputers and one copy machine.

The Governor recommends expenditures of \$646,475 in FY 1994, a reduction of \$49,648 from the agency's request of \$696,123. Included in the recommendation is \$10,418 instead of the proposed \$35,649 for reclassifying 9.0 of the 12.0 current employees to higher salary pay ranges. The salary ranges used for the reclassification are lower than those that were proposed by the agency. Also, the recommendation includes salary step movement for classified employees and an unclassified employee merit pool of 2.5 percent. The Governor recommends the \$2,500 for an attorney to assist with answering questions arising from consumer complaints. Funding is not recommended for the expense of an audit for agency certification by the National Association of State Credit Union Supervisors (\$10,000) or a liquidation agent (\$3,000). The Governor also does not recommend the requested \$5,200 for two microcomputers and one copy machine.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendation, except for the following adjustment:

1. Add \$1,850 for one microcomputer.

Fee Fund Analysis. The fee fund analysis below reflects the status of the agency's fee fund.

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Estimated FY 93</u>	<u>Estimated FY 94</u>
Beginning Balance	\$ 172,998	\$ 196,338	\$ 226,356
Net Receipts	601,115	641,990	656,172
Total Funds Available	\$ 774,113	\$ 838,328	\$ 882,528
Less: Expenditures	577,775	611,972	648,325
Ending Balance	<u>\$ 196,338</u>	<u>\$ 226,356</u>	<u>\$ 234,203</u>

House Committee Recommendation

The House Committee concurs with the recommendation of the Subcommittee.

House Committee of the Whole Recommendation

The House concurs with the recommendation of the Committee.

<u>Expenditure Summary</u>	<u>House Adj.</u>	<u>House Rec. FY 94</u>	<u>Senate Subcommittee Adjustments</u>
Fee Fund:			
State Operations	\$ 1,850	\$ 648,325	\$ --
FTE Positions	--	12.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

SUBCOMMITTEE REPORT

Agency: Kansas Dental Board

Bill No. 2087

Bill Sec. 3

Analyst: Robinson

Analysis Pg. No. 30

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<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 177,277	\$ 177,612	\$ --
FTE Positions	1.8	1.8	--

Agency Estimate/Governor's Recommendation

The Board estimates FY 1993 expenditures of \$177,277, an increase of \$9,665 above the amount approved by the 1992 Legislature and adjusted by State Finance Council action. The Governor recommends FY 1993 expenditures of \$177,612, an increase of \$335 from the agency's estimate. The Governor recommends reductions in communication (\$204), printing and advertising (\$50), and commodities (\$48), along with an increase in salaries and wages (\$637).

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor.

The status of the fee fund, based on the recommendation of the House Subcommittee is as follows:

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Estimated FY 93</u>
Beginning Balance	\$ 165,184	\$ 151,850
Net Receipts	146,505	146,900
Total Funds Available	\$ 311,689	\$ 298,750
Less: Expenditures	159,839	177,612
Ending Balance	<u>\$ 151,850</u>	<u>\$ 121,138</u>
Ending Balance as a Percentage of Expenditures	95.0%	68.2%

House Committee Recommendation

Concur.

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House Committee of the Whole Recommendation

Concur.

<u>Expenditure Summary</u>	<u>House Adj. FY 93</u>	<u>House Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
State Operations: Special Revenue Fund	\$ --	\$ 177,612	\$ --
FTE Positions	--	1.8	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Kansas Dental Board

Bill No. 2046

Bill Sec. 11

Analyst: Robinson

Analysis Pg. No. 30

Budget Page No. 171

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94*</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 184,665	\$ 171,189	\$ --
FTE Positions	1.8	1.8	--

* Includes Governor's Budget Amendment No. 1.

Agency Estimate/Governor's Recommendation

The Board requests FY 1994 expenditures of \$184,665, an increase of \$7,388 above its revised FY 1993 estimate. For FY 1994 the Board has included a funding request for expansion of the Board from five to seven members. In addition, the Board requests that the Administrative Secretary position, currently a 0.8 FTE be increased to 1.0 FTE.

For FY 1994, the Governor recommends expenditures of \$171,189, a reduction of \$13,476 from the amount requested by the agency. Recommended areas of reduction include: salaries and wages (\$5,741); communication (\$704); printing and advertising (\$742); travel and subsistence (\$147); fees--other services (\$609); fees--professional services (\$2,318); capital outlay (\$2,911); and all other (\$304). The Governor does not recommend increasing the position limitation or the size of the Board.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendation of the Governor, with the following adjustment and observation:

1. Adopt Governor's Budget Amendment No. 1, which adds \$300 for capital outlay to accurately reflect the Governor's recommendation.
2. The Subcommittee notes that H.B. 2159, which would require dentists to heat sterilize all instruments which come into physical contact with a patient and which allows the Dental Board to revoke, suspend or refuse to renew the license of a dentist who is not in compliance, could cause the Board to incur increased expenses in investigations. Should this bill be enacted, additional funding for the Board should be considered as an Omnibus item.

The status of the fee fund, based on the recommendation of the House Subcommittee, is as follows:

Resource Estimate	Actual FY 92	Estimated FY 93	Requested FY 94
Beginning Balance	\$ 165,184	\$ 151,850	\$ 121,138
Net Receipts	146,505	146,900	158,060
Total Funds Available	\$ 311,689	\$ 298,750	\$ 279,198
Less: Expenditures	159,839	177,612	170,880
Ending Balance	\$ 151,850	\$ 121,138	\$ 108,318
Ending Balance as a Percentage of Expenditures	95.0%	68.2%	63.4%

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

Expenditure Summary	House Adj. FY 94	House Rec. FY 94	Subcommittee Adjustments
State Operations:			
Special Revenue Fund	\$ --	\$ 171,189	\$ --
FTE Positions	--	1.8	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Board of Mortuary Arts

Bill No. --

Bill Sec. --

Analyst: Duncan

Analysis Pg. No. 33

Budget Page No. 448

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 151,813	\$ 149,892	\$ --
FTE Positions	3.0	3.0	--

Agency Estimate/Governor's Recommendation

The Board of Mortuary Art's FY 1993 budget estimate is \$151,813, the amount approved by the 1992 Legislature, as adjusted by Finance Council action. The Governor recommends \$149,892 for FY 1993 state operations, a \$1,921 decrease from the agency's estimate. Adjustments include an increase of \$299 in salaries and wages and a \$2,220 decrease in travel and subsistence.

House Subcommittee Recommendations

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

The fee fund analysis, based on the recommendation of the Subcommittee, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Est. FY 93</u>
Beginning Balance	\$ 47,694	\$ 43,147
Net Receipts	134,759	147,134
Total Funds Available	\$ 182,453	\$ 190,281
Less: Expenditures	139,306	149,892
Ending Balance	<u>\$ 43,147</u>	<u>\$ 40,389</u>

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

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<u>Expenditure Summary</u>	<u>House Adj. FY 93</u>	<u>House Rec. FY 93</u>	<u>Senate Sub. Adjustments</u>
State Operations: Special Revenue Fund	\$ --	\$ 149,892	\$ --
FTE Positions	--	3.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House.

SUBCOMMITTEE REPORT

Agency: Board of Mortuary Arts

Bill No. 2046

Bill Sec. 12

Analyst: Duncan

Analysis Pg. No. 33

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<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 157,628	\$ 149,205	\$ --
FTE Positions	3.0	3.0	--

Agency Request/Governor's Recommendation

The Board requests \$157,628 for FY 1994, an increase of \$5,815 (3.8 percent) over the current year estimate. The request includes \$104,019 for salaries and wages, \$4,675 for capital outlay items, and \$48,934 for other operating expenditures. The request would maintain the agency's current 3.0 FTE positions. The Governor recommends \$149,205, a decrease of \$8,423 from the agency's request. Adjustments include an increase of \$634 in salaries and wages and decreases \$5,200 in travel and subsistence and \$1,000 in professional services.

House Subcommittee Recommendation

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

The fee fund analysis, based on the recommendation of the Subcommittee, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Est. FY 93</u>	<u>Est. FY 94</u>
Beginning Balance	\$ 47,694	\$ 43,147	\$ 40,389
Net Receipts	134,759	147,134	136,834
Total Funds Available	\$ 182,453	\$ 190,281	\$ 177,223
Less: Expenditures	139,306	149,892	149,205
Ending Balance	<u>\$ 43,147</u>	<u>\$ 40,389</u>	<u>\$ 28,018</u>

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

<u>Expenditure Summary</u>	<u>House Adj. FY 94</u>	<u>House Rec. FY 94</u>	<u>Senate Sub. Adjustments</u>
State Operations:			
Special Revenue Fund	\$ --	\$ 149,205	\$ --
FTE Positions	--	3.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Board of Hearing Aid Examiners **Bill No.** 2046 **Bill Sec.** 13
Analyst: Rampey **Analysis Pg. No.** 37 **Budget Page No.** 268

<u>Expenditure Summary</u>	<u>Agency Est. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 15,309	\$ 14,502	\$ --
FTE Positions	0.0	0.0	--

Agency Estimate/Governor's Recommendation

FY 1993. The Board estimates expenditures of \$14,273, which are \$34 less than the approved amount. The Governor recommends the approved amount of \$14,307.

FY 1994. The Board requests expenditures of \$15,309, an increase of \$1,036 (7.3 percent) over the current year. The request generally would maintain the Board's activities at the current level, except to increase printing costs from \$250 in the current year to \$790 in FY 1994.

The Governor recommends expenditures of \$14,502, an increase of \$195 over the recommendation for the current year and a decrease of \$807 from the Board's request. The main difference between the request and the Governor's recommendation is in the area of printing, which the Governor reduces from \$790 to \$325.

House Subcommittee Recommendation

FY 1993. The House Subcommittee concurs with the Governor.

FY 1994. The House Subcommittee concurs with the Governor.

An analysis of the Board's fee fund based on the Subcommittee's recommendations for FY 1993 and FY 1994 is shown below:

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<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Gov. Rec. FY 93</u>	<u>Gov. Rec. FY 94</u>
Beginning Balance	\$ 23,630	\$ 21,622	\$ 20,155
Net Receipts	12,858	12,840	12,880
Total Funds Available	<u>\$ 36,488</u>	<u>\$ 34,462</u>	<u>\$ 33,035</u>
Less: Expenditures	14,866	14,307	14,502
Ending Balance	<u><u>\$ 21,622</u></u>	<u><u>\$ 20,155</u></u>	<u><u>\$ 18,533</u></u>
Ending Balance as a Percentage of Expenditures	145.4%	140.9%	127.8%

House Committee Recommendations

FY 1993. The Committee concurs.

FY 1994. The Committee concurs.

Senate Subcommittee Recommendation

FY 1993. The Senate Subcommittee concurs with the recommendations of the House.

FY 1994. The Senate Subcommittee concurs with the recommendations of the House.

93-4577/CR

SUBCOMMITTEE REPORT

Agency: Consumer Credit Commissioner

Bill No. 2087

Bill Sec. 4

Analyst: Duncan

Analysis Pg. No. 40

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<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 324,106	\$ 319,140	\$ 6,614
FTE Positions	7.0	7.0	--

Agency Estimate/Governor's Recommendation

The Consumer Credit Commissioner's FY 1993 revised budget estimate is \$324,106, a reduction of \$10,643 from the amount approved by the 1992 Legislature, as adjusted by Finance Council action.

The Governor recommends \$319,140 for state operations in FY 1993, a decrease of \$4,966 from the agency estimate. Reductions occur in salaries and wages (\$4,714) and repairing and servicing (\$252).

House Subcommittee Recommendation

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

1. Add \$6,614 for travel and subsistence to allow the Commissioner to oversee the liquidation of a recently failed investment certificate company.

The fee fund analysis, based on the recommendation of the Subcommittee, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Estimated FY 93</u>
Beginning Balance	\$ 254,372	\$ 223,290
Net Receipts	368,633	375,112
Total Available	\$ 623,005	\$ 598,402
Less: Expenditures	329,715	325,754
Nonreportable	70,000	70,000
Ending Balance	<u>\$ 223,290</u>	<u>\$ 202,648</u>

House Committee Recommendation

Concur.

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House Committee of the Whole Recommendation

Concur.

<u>Expenditure Summary</u>	<u>House Adj.</u>	<u>House Rec. FY 93</u>	<u>Senate Subcommittee Adjustments</u>
State Operations: Special Revenue Fund	\$ 6,614	\$ 325,754	\$ --
FTE Positions	--	7.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Consumer Credit Commissioner **Bill No.** 2046 **Bill Sec.** 14
Analyst: Duncan **Analysis Pg. No.** 40 **Budget Page No.** 132

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 339,738	\$ 342,776	\$ (486)
FTE Positions	7.0	7.0	--

Agency Request/Governor's Recommendation

The Commissioner requests \$339,738 for FY 1994, an increase of \$15,632 (4.8 percent) over the current year estimate. The request includes \$285,957 for salaries and wages (\$10,270 increase) and \$53,781 (\$5,362 increase) for other operating expenditures. The request would maintain the agency's current 7.0 FTE positions. The Commissioner also requests that a transfer of \$70,000 for consumer education be made to the Kansas Council on Economic Education in FY 1994. The Governor recommends \$342,776 for state operations in FY 1994, an increase of \$3,038 over the agency request. The recommendation increases salaries and wages (\$4,696, primarily to reclassify four Financial Examiners as part of the final phase of the Comprehensive Classification and Job-Rate Study); and decreases printing and advertising (\$279), repairing and servicing (\$202), and travel and subsistence (\$1,177). The Governor concurs with the agency's request for a \$70,000 transfer for consumer education.

House Subcommittee Recommendation

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

1. Delete \$486 for salaries and wages to correctly reflect the Governor's intent.

The fee fund analysis, based on the recommendation of the Subcommittee, is as follows:

Resource Estimate	Actual FY 92	Estimated FY 93	Estimated FY 94
Beginning Balance	\$ 254,372	\$ 223,290	\$ 202,648
Net Receipts	368,633	375,112	402,380
Total Available	\$ 623,005	\$ 598,402	\$ 605,028
Less: Expenditures	329,715	325,754	342,290
Nonreportable	70,000	70,000	70,000
Ending Balance	<u>\$ 223,290</u>	<u>\$ 202,648</u>	<u>\$ 192,738</u>

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

Expenditure Summary	House Adj.	House Rec. FY 94	Senate Subcommittee Adjustments
State Operations:			
Special Revenue Fund	\$ (486)	\$ 342,290	\$ --
FTE Positions	--	7.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. 2087

Bill Sec. 6

Analyst: Colton

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<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Board of Nursing Fee Fund	\$ 762,785	\$ 739,797	\$ 20,603
Educ. Conference Fund	350	350	--
TOTAL	<u><u>\$ 763,135</u></u>	<u><u>\$ 740,147</u></u>	<u><u>\$ 20,603</u></u>
 FTE Positions	 16.0	 15.0	 --

Agency Estimate/Governor's Recommendation

The Board of Nursing estimates FY 1993 expenditures from the Board of Nursing Fee Fund of \$762,785, an increase of \$23,324 over the approved FY 1993 amount; the agency requests an increase in the FY 1993 expenditure limitation on the Board of Nursing Fee Fund in this amount. The major reason for the increase is agency's request for the addition of a 1.0 FTE Secretary II for the last half of FY 1993; the addition would entail costs of \$11,323, including fringe benefits. The additional position would aid in the processing of disciplinary cases at the agency. The agency also requests additional money for longevity bonuses (\$240); communications (\$3,880); printing and duplicating (\$2,350); and travel (\$2,000).

The Governor recommends FY 1993 operating expenditures of \$739,797 from the Board of Nursing Fee Fund, a reduction of \$22,988 from the agency's estimate for FY 1993, and a reduction of \$4,126 from the actual FY 1992 figure. The Governor does not concur with the agency's request for the addition of a 1.0 FTE position for one-half year. Instead, she recommends that the agency hire a half-time temporary Office Assistant III to help with the processing of disciplinary cases, and recommends funding of \$3,240 for this purpose. The Governor apparently concurs with the agency's request for \$240 in additional funding for longevity bonuses, but does not recommend any of the additional FY 1993 funding proposed by the agency. Where the agency proposed an FY 1993 turnover rate of 3.5 percent (\$17,557), the Governor recommends a rate of 3.9 percent (\$19,119).

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendations, with the following modifications:

1. Add \$16,945 for salaries and wages. The money is to reduce salary turnover from the Governor's recommended rate of 3.9 percent to about 0.5 percent. The agency reports that during the current fiscal year, only two positions have been open, for less than one month each.

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2. Add \$3,658 for other operating expenditures. Of the recommended addition, \$1,276 is for communications expenditures, \$432 is for rents and \$1,950 is for new software for the agency's mainframe computer which, according to the agency, will help to speed the processing of information on the groups of professionals that the agency is charged with regulating.

The Board of Nursing Fee Fund analysis, reflecting the agency's revised receipts projections and the recommendations of the Subcommittee, is shown in the following table.

<u>Expenditure</u>	<u>Actual FY 92</u>	<u>Rec. FY 93</u>
Beginning Balance	\$ 350,718	\$ 313,851
Projected Receipts	707,176	757,558
Total Available	\$ 1,057,894	\$ 1,071,409
Less: Expenditures	744,043 *	760,400
Ending Balance	<u>\$ 313,851</u>	<u>\$ 311,009</u>

* Includes \$120 in non-reportable expenditures

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

Senate Subcommittee Recommendation

Concur.

SUBCOMMITTEE REPORT

Agency: Board of Nursing

Bill No. 2046

Bill Sec. 15

Analyst: Colton

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<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Board of Nursing Fee Fund	\$ 969,639	\$ 778,170	\$ 60,833
Educ. Conference Fund	300	300	--
TOTAL	<u>\$ 969,939</u>	<u>\$ 778,470</u>	<u>\$ 60,833</u>
FTE Positions	19.0	15.0	2.0

Agency Request/Governor's Recommendation

The Board of Nursing requests an FY 1994 expenditure limitation on the Board of Nursing Fee Fund of \$969,639. This is an increase of 27.1 percent over its revised FY 1993 estimate. The main reason for the increase is the Board's request to continue to fill the Secretary II position that it requested for the last half of FY 1993, and to add a Practice Specialist (at a cost of \$43,276, including fringe benefits), and an additional Secretary II position (\$24,134). All of these new positions would be assigned to the processing of disciplinary cases at the agency. The Board also requests the addition of an Attorney II position (\$42,841 including fringe benefits); the attorney would serve as general counsel to the Board, and assist in ongoing updating and revision of nursing rules and regulations.

The Governor recommends an FY 1994 expenditure limitation on the Board of Nursing Fee Fund of \$778,170, a reduction of nearly 20 percent (\$191,469) from the amount requested by the agency. The Governor does not recommend any of the new positions requested by the agency, but does recommend funding (\$16,800) so that the agency can hire a private attorney in order to help with disciplinary cases. The Governor recommends continued funding in the amount of \$3,775 for the temporary Office Assistant III that is recommended for FY 1993. The Governor recommends an FY 1994 turnover rate of 4.5 percent (\$23,334), where the agency had requested a rate of 3.5 percent.

House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendations, with the following modifications:

1. Add a 1.0 FTE Attorney II position and funding in the amount of \$24,521 (this is partial funding; the agency indicated that it would finance the rest of the position from funding already included in the Governor's recommendations.)

2. Add a 1.0 FTE Secretary II and funding of \$21,083 (this is partial funding; the agency indicated that it would finance the rest of the position from funding already included in the Governor's recommendations.)

The two positions are intended mainly to help the agency reduce the backlog of disciplinary cases that has developed at the agency. The agency indicated that, as of February 1, 1993, there were 198 disciplinary cases under investigation at the agency, with 69 cases more than a year old. The number of cases that the agency must deal with is increasing from year to year. As cases get older, it is more difficult to obtain the evidence needed to resolve disciplinary cases. While licensees under investigation often are suspended from their current employment while the investigations take place, they often obtain employment elsewhere, and this could, under the worst circumstances, represent a danger to patients and to the public health. It is, therefore, important, in the Subcommittee's view to reduce the backlog of disciplinary cases now pending at the agency and to provide the agency with a level of staffing that is more realistic than the current staffing level, in light of the agency's statutory responsibilities and the number of licensees that it must oversee. It is with this objective in mind (*i.e.*, the processing of the current disciplinary backlog and the prevention of future backlogs) that the Subcommittee has recommended the two new positions.

The Subcommittee notes that the agency has, until now, used the services of the Attorney General's office to aid in processing disciplinary cases. While the work of the AG's office has been satisfactory, staff there, as shown by the backlog of disciplinary cases, has not had the time necessary to deal with nursing cases. Forty-nine of the agency's 69 backlogged cases are at the AG's office. Also, turnover at the AG's office has prevented staff there from developing the expertise necessary to deal satisfactorily with disciplinary cases involving the practice of nursing. This was also a factor in the Subcommittee's recommendation.

The Subcommittee feels that the recommended Attorney II should not only assist in the processing of disciplinary cases, but should act as a sort of "General Counsel" to the agency and help the agency in the ongoing revision of the rules and regulations that pertain to the practice of nursing. The Subcommittee has instructed the agency to inform the Subcommittee of the 1994 Legislature that deals with the Board of Nursing's budget of the amount of time spent by the Attorney II dealing with disciplinary cases and the amount of time spent fulfilling the functions of a General Counsel.

The Subcommittee also recommends:

3. \$14,329 in other operating expenditures. Much of the increase is necessary in order to finance OOE for the two new recommended positions. \$1,500 is for modifications to the agency's mainframe computer, and \$3,744 is for the agency's contract with the Kansas State Nurses' Association for impaired-provider services.

It is the Subcommittee's expectation that the agency will use the recommended funding for OOE to improve the figures on the number of licensees provided in its annual report and to improve the accuracy of its revenue projections.

The Subcommittee realizes that the recommendations will lower the FY 1994 ending balance to \$229,564, or 27.4 percent of expenditures, compared to \$311,009 in FY 1993 (40.9 percent of expenditures). The Subcommittee notes, however, that 1993 House Bill No. 2072, which would raise the statutory limits for license renewals and reinstatements for LPNs and RNs, has been introduced and has the support of the Kansas State Nurses' Association. The Subcommittee feels that the additional revenue which would result from the passage of 1993 House Bill No. 2072 should alleviate any ending balance problems that might result from the additional positions at the agency. Should 1993 House Bill No. 2072 not pass, the Subcommittee has directed the agency has directed the agency to develop a plan, to be presented to the 1994 House Appropriations Subcommittee for the Board of Nursing, showing how the Board will deal with the revenue shortfall, including, if necessary, cuts in staffing at the agency.

The following table, reflecting the recommendations of the Subcommittee, shows the status of the Board of Nursing Fee Fund.

Expenditure	Actual FY 1992	Rec. FY 1993	Rec. FY 1994
Beginning Balance	\$ 350,718	\$ 313,851	\$ 311,009
Projected Receipts	707,176	757,558	757,558
Total Available	\$ 1,057,894	\$ 1,071,409	\$ 1,068,567
Less: Expenditures	744,043	760,400	839,003
Ending Balance	<u>\$ 313,851</u>	<u>\$ 311,009</u>	<u>\$ 229,564</u>
Ending Balance as Percentage of Expenditures	42.2%	40.9%	27.4%

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House's recommendations, with the following comment:

1. A representative of the Kansas Association of Nurse Anesthetists (KANA) appeared before the Subcommittee to express his organization's concern over the fact that there are no registered nurse anesthetists on the Board of Nursing or its investigative committee. KANA has a practice committee of four people, and the organization has agreed to pay the expenses necessary for a member of that practice committee to serve on the Board of Nursing's investigative committee when anesthesia issues are being dealt with. The Subcommittee feels that input from nurse anesthesia is important when anaesthesia issues are being handled, and urges the Board of Nursing, in such cases, to utilize the services of the KANA's practice committee to the extent allowed by the statutes and regulations governing nursing practice in Kansas.

SUBCOMMITTEE REPORT

Agency: Board of Optometry Examiners

Bill No. 2046

Bill Sec. 16

Analyst: Colton

Analysis Pg. No. 43

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<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 44,097	\$ 38,731	\$ 1,550
FTE Positions	0.3	0.3	--

Agency Request/Governor's Recommendation

The agency requests FY 1994 expenditures of \$44,097. This is an increase of 18.5 percent over the agency's revised current year estimate. The request would finance one **new initiative** by the agency, *i.e.*, the payment of rent to the Secretary-Treasurer for use of office and storage space at the Secretary-Treasurer's practice (\$1,742); heretofore, such space has been furnished to the State without cost. It would also finance a telecopier and an answering machine for Board business (\$550); until now, these machines have been provided without cost by the Secretary-Treasurer. It would also allow for an increase in the fee paid by the Board to its lawyer from \$55/hour to \$80/hour; for this, the Board requests an increase in expenditures for fees -- professional services from FY 1993's estimate of \$20,980 to \$22,000.

The Governor recommends FY 1994 operating expenditures of \$38,731. This is a decrease of \$5,366 from the agency request, but an increase of 3.5 percent over the Governor's recommended amount for FY 1993. The Governor recommends financing the payment of rent to the Secretary-Treasurer by reducing FY 1994 expenditures for legal fees by \$2,000. The Governor does not recommended the funding for the telecopier and answering machine that the agency requested.

Subcommittee Recommendation

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

FY 1994. The House Subcommittee concurs with the Governor's recommendations with the following modification:

1. Add \$1,550 for other operating expenditures. Of the recommended funding, \$550 for a FAX/answering machine, and \$1,000 is to give the agency some extra flexibility in funding for legal services and rental expenditures. The Governor's recommended funding for legal services in FY 1994 (\$13,000) is well below the actual FY 1992 level (\$16,900).

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House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

<u>Expenditure Summary</u>	<u>House Rec.</u>	<u>Senate Sub. Adj.</u>	<u>Senate Sub. Rec.</u>
State Operations: Special Revenue Fund	\$ 40,281	\$ 3,000	\$ 43,281

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the following adjustment:

1. Add \$3,000 for legal fees. The Subcommittee notes that the Kansas Optometric Association recently endorsed a fee increase -- within the Board's statutory limits -- in order for the Board's enforcement activities under the Optometry Act to be expanded.

The Fee Fund analysis, reflecting the Subcommittee's recommendations, is shown in the following table:

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Rec. FY 93</u>	<u>Rec. FY 94</u>
Beginning Balance	\$ 38,415	\$ 39,579	\$ 38,771
Projected Receipts	37,521	36,596	36,596
Total Available	\$ 75,936	\$ 76,175	\$ 75,367
Less: Expenditures	36,357	37,404	43,281
Ending Balance	<u>\$ 39,579</u>	<u>\$ 38,771</u>	<u>\$ 32,086</u>

SUBCOMMITTEE REPORT

Agency: Board of Pharmacy

Bill No. 2046

Bill Sec. 17

Analyst: Colton

Analysis Pg. No. 48

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<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 392,926	\$ 384,720	\$ 8,000
FTE Positions	6.0	6.0	--

Agency Request/Governor's Recommendation

The agency requests an FY 1994 expenditure limitation of \$392,926, an increase of \$9,583, or 2.5 percent, over its FY 1993 estimate. The request would maintain the agency's present staffing level of 6.0 FTE positions. The agency's request would provide for maintenance of the Board's current level of operations.

The Governor recommends FY 1994 expenditures in the amount of \$384,720. This is a decrease of \$8,206 from the amount requested by the agency. It reflects an increase of 0.4 percent over the Governor's recommendations for FY 1993.

House Subcommittee Recommendation

FY 1993. The Subcommittee concurs with the Governor's recommendations.

FY 1994. The Subcommittee concurs with the Governor's recommendations, with the following exception:

1. Add \$8,000 for a computer upgrade at the agency. The Subcommittee learned that the agency currently shares a mainframe computer with the Board of Nursing. The agency considers the arrangement to be cumbersome, and poorly-suited to the agency's information-management needs. The Board of Pharmacy is currently working with DISC to develop a system that will be better suited to the agency's needs. The upgrade will consist of three PCs for the agency's Topeka personnel, networking of the three PCs, laptop computers for the agency's inspectors in the field, and modems that will allow the inspectors to connect with the agency's computers in Topeka. Specifications for the upgrade are being developed by DISC. The system will allow the agency to respond better to inquiries about its licensees, would allow the inspectors to file reports by computer from the field (they are currently written in longhand and mailed) and will, the Subcommittee feels, ultimately result in a savings of time, as well as paper. The agency told the Subcommittee that, faced with its current load of paperwork, it saw itself faced either with adding another clerical position or

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developing an efficient method for information management. The Subcommittee feels that the computer upgrade will prove more economical than the addition of another State employee. The agency estimates the cost of this project at \$20,000. Part of the project will be financed from turnover savings resulting from a vacancy at the agency, and part will come from moneys encumbered during FY 1992 for a personal computer. The rest will be financed by the addition recommended by the Subcommittee.

The Subcommittee was told by the agency that its receipts are up by almost \$20,000 in the current Fiscal Year, and will exceed FY 1994 projections by nearly the same amount. This is due to the fact that, because of legislation passed during the 1992 Session, wholesale pharmaceutical distributors are now licensed and regulated by the Board of Pharmacy (\$250 per year license fee), as are non-resident pharmacies (\$125 licensing fee, \$105 renewal fee). The Subcommittee decided to recommend to add the additional funding for the computer project not only because it felt that the project was necessary, but also because, in light of the additional revenues projected by the agency, the project will not have a deleterious effect on the agency fee fund's ending balances.

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the House's recommendations, but recommends that the computer project, for which the House added funding, be studied by the Joint Committee on Computers and Telecommunications before it is carried out.

The status of the Board of Pharmacy Fee Fund, reflecting the recommendations of the Subcommittee, is shown below.

Expenditure	Actual FY 92	Rec. FY 93	Rec. FY 94
Beginning Balance	\$ 201,256	\$ 149,386	\$ 185,797
Projected Receipts	313,589	419,515	394,900
Total Available	<u>\$ 514,845</u>	<u>\$ 568,901</u>	<u>\$ 580,697</u>
Less: Expenditures	365,459	383,104	392,720
Ending Balance	<u><u>\$ 149,386</u></u>	<u><u>\$ 185,797</u></u>	<u><u>\$ 187,977</u></u>
Ending Balance as Percentage of Expenditures	40.9%	48.5%	47.9%

SUBCOMMITTEE REPORT

Agency: Real Estate Commission

Bill No. 2087

Bill Sec. 7

Analyst: Howard

Analysis Pg. No. 51

Budget Page No. 482

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
Special Revenue Funds			
State Operations	\$ 644,769	\$ 625,039	\$ --
Other Assistance	17,000	17,000	--
TOTAL	<u>\$ 661,769</u>	<u>\$ 642,039</u>	<u>\$ --</u>
FTE Positions	15.0	15.0	--

Agency Request/Governor's Recommendation

The Real Estate Commission's estimate for state operations in FY 1993 is an increase of \$24,340 from the amount approved by the 1992 Legislature as adjusted by Finance Council action. The agency requests an expenditure limitation increase of \$13,040 for real estate operations and \$11,300 for appraisal operations. Claims against the Real Estate Recovery Revolving Fund are estimated to total \$17,000, an increase of \$6,000 from the amount estimated by the 1992 Legislature.

The Governor recommends state operations expenditures of \$625,039 in FY 1993, a reduction of \$19,730 from the agency estimate. The recommendation is an increase of \$4,610 from the approved amount. The Governor recommends an expenditure limitation increase of \$1,670 for real estate operations and a \$2,940 increase for appraisal operations.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Governor.

The fee fund analyses, based on the recommendations of the Subcommittee, are as follows:

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Real Estate Fee Fund

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Estimated FY 93</u>
Beginning Balance	\$ 434,462	\$ 496,214
Transfer from Appraiser Fee Fund	25,000	--
Net Receipts	524,900	463,400
Total Funds Available	<u>\$ 984,362</u>	<u>\$ 959,614</u>
Less: Expenditures	488,148	560,459
Ending Balance	<u><u>\$ 496,214</u></u>	<u><u>\$ 399,155</u></u>

Appraiser Fee Fund

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Estimated FY 93</u>
Beginning Balance	\$ 23,470	\$ 96,976
Transfer from Appraiser Fee Fund	153,212	145,120
Total Funds Available	<u>\$ 176,682</u>	<u>\$ 242,096</u>
Less: Expenditures	54,706	64,580
Transfer to Real Estate Fee Fund	25,000	--
Ending Balance	<u><u>\$ 96,976</u></u>	<u><u>\$ 177,516</u></u>

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

The House Committee of the Whole concurs with the recommendations of the Committee.

<u>Expenditure Summary</u>	<u>House Adj. FY 93</u>	<u>House Rec. FY 93</u>	<u>Senate Sub. Adjustments</u>
Special Revenue Funds:			
State Operations	\$ --	\$ 625,039	\$ --
Other Assistance	--	17,000	--
TOTAL	<u>\$ --</u>	<u>\$ 642,039</u>	<u>\$ --</u>
FTE Positions	--	15.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House.

SUBCOMMITTEE REPORT

Agency: Real Estate Commission

Bill No. 2046

Bill Sec. 18

Analyst: Howard

Analysis Pg. No. 51

Budget Page No. 482

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 658,346	\$ 638,388	\$ --
Other Assistance	17,000	17,000	--
	<u>\$ 675,346</u>	<u>\$ 655,388</u>	<u>\$ --</u>
FTE Positions	15.0	15.0	--

Agency Request/Governor's Recommendation

The Real Estate Commission's state operations request for FY 1994 is an increase of \$13,577 from the FY 1993 estimate. The request includes \$581,791 for real estate operations (an increase of \$9,962 from FY 1993), and \$76,555 for appraisal operations (an increase of \$3,615 from FY 1993). Claims from the Real Estate Recovery Revolving Fund are estimated to total \$17,000 in FY 1994, the same amount as the current year.

The Governor recommends state operations expenditures of \$638,388 in FY 1994, a reduction of \$19,958 from the agency request. The recommendation includes \$565,003 for real estate operations (a reduction of \$16,788 from the agency request) and \$73,385 for appraisal operations (a reduction of \$3,170 from the agency request). The Governor concurs with the agency's claims estimate from the Real Estate Recovery Revolving Fund. The recommendation includes funding for step movement and a 2.5 percent unclassified merit increase.

House Subcommittee Recommendation

The Subcommittee concurs with the recommendations of the Governor with the following comment:

1. The Subcommittee notes that legislation is being drafted to separate the Appraisal Board from the Real Estate Commission. The Board was attached to the Real Estate Commission for administrative purposes when the Board was created in 1990. The Board believes it is currently in a position to assess its needs in terms of staff and has the fiscal ability to operate independently. The Subcommittee notes that even if legislation to formally separate the two functions is not enacted, additional staffing and operating support will be needed for the Appraisal Board. The Subcommittee therefore recommends that the budgets of the Real Estate Commission and Appraisal Board be reviewed during the Omnibus Session.

The fee fund analyses, based on the recommendations of the Governor and the Subcommittee are as follows:

Real Estate Fee Fund

Resource Estimate	Actual FY 92	Est. FY 93	Est. FY 94
Beginning Balance	\$ 434,462	\$ 496,214	\$ 399,155
Transfer from Appraiser Fee Fund	25,000	--	--
Net Receipts	524,900	463,400	501,936
Total Funds Available	\$ 984,362	\$ 959,614	\$ 901,091
Less: Expenditures	488,148	560,459	565,003
Ending Balance	<u>\$ 496,214</u>	<u>\$ 399,155</u>	<u>\$ 336,088</u>

Appraiser Fee Fund

Resource Estimate	Actual FY 92	Est. FY 93	Est. FY 94
Beginning Balance	\$ 23,470	\$ 96,976	\$ 177,516
Net Receipts	153,212	145,120	130,800
Total Funds Available	\$ 176,682	\$ 242,096	\$ 308,316
Less: Expenditures	54,706	64,580	73,385
Transfer to Real Estate Fee Fund	25,000	--	--
Ending Balance	<u>\$ 96,976</u>	<u>\$ 177,516</u>	<u>\$ 234,931</u>

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole Recommendation

The House Committee of the Whole concurs with the recommendations of the Committee.

<u>Expenditure Summary</u>	<u>House Adj. FY 94</u>	<u>House Rec. FY 94</u>	<u>Senate Sub. Adjustments</u>
Special Revenue Funds:			
State Operations	\$ --	\$ 638,388	\$ --
Other Assistance	--	17,000	--
	<u>\$ --</u>	<u>\$ 655,388</u>	<u>\$ --</u>
FTE Positions	--	15.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House with the following comment:

1. S.B. 269, currently in the House Governmental Organization and Elections Committee, would separate the Real Estate Appraisal Board from the Real Estate Commission and establish the Board as an independent state agency. Currently, the Appraisal Board is attached to the Real Estate Commission for administrative support services. The Subcommittee concurs with the recommendation of the House to review these budgets during the Omnibus Session. Even if S.B. 269 is not enacted, the Appraisal Board will be in a better position to assess its staffing and support needs at that time.

SUBCOMMITTEE REPORT

Agency: Office of the Securities Commissioner **Bill No.** 2087

Bill Sec. 8

Analyst: Robinson

Analysis Pg. No. 58

Budget Page No. 526

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 1,454,381	\$ 1,442,643	\$ --
FTE Positions	26.0	26.0	--

Agency Estimate/Governor's Recommendation

The Securities Commissioner's revised FY 1993 budget estimate totals \$1,454,381, a reduction of \$51 from the approved amount. The Governor recommends FY 1993 expenditures of \$1,442,643, a reduction of \$11,738 from the revised agency estimate. The recommended reduction is in salaries and wages. The Governor recommends a shrinkage rate of 1 percent to recapture turnover savings from a vacant position.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Governor, with the following adjustment:

1. Amend the language of the appropriations bill (H.B. 2087) to include litigation costs in the proviso which limits expenditures for hearing costs to \$60,000.

The status of the fee fund, based on the House Subcommittee recommendation, is as follows:

<u>Resource Estimate</u>	<u>Actual FY 1992</u>	<u>Estimated FY 1993</u>
Beginning Balance	\$ 503,809	\$ 500,000
Net Receipts	3,313,620	3,489,281
Total Funds Available	\$ 3,817,429	\$ 3,989,281
Less: Expenditures	1,354,709	1,442,643
Transfer to SGF	1,962,620	2,046,638
Nonreportable Expenditures	100	--
Ending Balance	<u>\$ 500,000</u>	<u>\$ 500,000</u>
Ending Balance as a Percentage of Expenditures	36.9%	34.7%

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House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

<u>Expenditure Summary</u>	<u>House Adj. FY 93</u>	<u>House Rec. FY 93</u>	<u>Senate Sub. Adjustments</u>
State Operations:			
Special Revenue Fund	\$ --	\$ 1,442,643	\$ --
FTE Positions	--	26.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House, with the following adjustment:

1. As a technical adjustment, amend H.B. 2087 to include litigation costs in the proviso limiting costs for hearings to \$60,000. This recommendation was made by the House, but was inadvertently omitted from the bill.

SUBCOMMITTEE REPORT

Agency: Office of the Securities Commissioner **Bill No.** 2046

Bill Sec. 19

Analyst: Robinson

Analysis Pg. No. 58

Budget Page No. 526

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 1,619,939	\$ 1,459,274	\$ --
FTE Positions	26.0	26.0	--

Agency Request/Governor's Recommendation

The Securities Commissioner requests FY 1994 expenditures of \$1,619,939, an increase of \$165,558 (11.4 percent) above the agency's revised FY 1993 estimate. The agency is proposing two new sub-accounts under the Securities Act Fee Fund for FY 1994. The sub-accounts are requested to have no-limit expenditure limitations, with expenditures restricted to use for prosecutions and administrative hearings, and investor education and public information. The proposed sub-account for prosecutions and administrative hearings would be for professional fees charged by hearing officers, court reporters, and expert witnesses, as well as other special investigation costs such as purchase of evidence, payments to county or district courts for witness and prosecution costs, and costs associated with cooperative or coordinated investigations involving other agencies. The other sub-account proposed by the agency would provide funds for investor education and public information services.

The Governor recommends FY 1994 expenditures of \$1,459,274, a reduction of \$160,665 from the amount requested by the agency. The Governor does not recommend the creation of new sub-accounts. The Governor's recommendation includes a proviso in the appropriations bill which would limit costs for hearings to \$20,000.

House Subcommittee Recommendation

The House Subcommittee concurs with the recommendations of the Governor with the following adjustment and observations:

1. Amend the language of the appropriation bill (H.B. 2046) to include litigation costs in the proviso which limits expenditures for hearings to \$20,000.
2. The Subcommittee believes that the agency's proposal for investor education activities appears to have merit. The agency does not, however, have a specific plan for implementation of this program at this time. As a result, the Subcommittee does not recommend any additional funding for this purpose. The Subcommittee encourages the agency to prepare a more detailed plan for this program to the Senate Ways and Means Subcommittee later in the Session.

3. The agency requested, in its FY 1994 budget submission, a total of \$45,458 to allow the agency's investigators to be covered under the provisions of the Kansas Police and Fire (KP&F) retirement system. The Governor did not recommend this funding or the statutory changes which would be required. Without making any recommendation as to the merit of KP&F coverage specifically for securities investigators, the Subcommittee recommends that the broader issue of KP&F coverage for securities investigators and other similar classes be studied further by either the House Appropriations Subcommittee reviewing the KPERS budget and retirement issues or the Joint Committee on Pensions, Investments and Benefits.

The status of the fee fund, based on the recommendation of the House Subcommittee is as follows:

Resource Estimate	Actual FY 92	Estimated FY 93	Estimated FY 94
Beginning Balance	\$ 503,809	\$ 500,000	\$ 500,000
Net Receipts	3,313,620	3,489,281	3,673,838
Total Funds Available	<u>\$ 3,817,429</u>	<u>\$ 3,989,281</u>	<u>\$ 4,173,838</u>
Less: Expenditures	1,354,709	1,442,643	1,459,274
Transfer to SGF	1,962,620	2,046,638	2,214,564
Nonreportable Expenditures	100	--	--
Ending Balance	<u><u>\$ 500,000</u></u>	<u><u>\$ 500,000</u></u>	<u><u>\$ 500,000</u></u>
Ending Balance as a Percentage of Expenditures	36.9%	34.7%	34.3%

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

Expenditure Summary	House Adj. FY 94	House Rec. FY 94	Senate Sub. Adjustments
State Operations:			
Special Revenue Fund	\$ --	\$ 1,459,274	\$ 5,000
FTE Positions	--	26.0	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House, with the following adjustment:

1. Increase the expenditure limitation on the Securities Act Fee Fund by \$5,000 to allow for a grant to the Kansas Council on Economic Education. The Senate Subcommittee concurs with the House Subcommittee regarding the potential merit of a consumer education program involving the Office of the Securities Commissioner. This grant would be utilized for support of the Stock Market game in schools.

The status of the fee fund, based on the recommendations of the Senate Subcommittee, is as follows:

Resource Estimate	Actual FY 92	Estimated FY 93	Estimated FY 94
Beginning Balance	\$ 503,809	\$ 500,000	\$ 500,000
Net Receipts	3,313,620	3,489,281	3,673,838
Total Funds Available	<u>\$ 3,817,429</u>	<u>\$ 3,989,281</u>	<u>\$ 4,173,838</u>
Less: Expenditures	1,354,709	1,442,643	1,464,274
Transfer to SGF	1,962,620	2,046,638	2,209,564
Nonreportable Expenditures	100	--	--
Ending Balance	<u><u>\$ 500,000</u></u>	<u><u>\$ 500,000</u></u>	<u><u>\$ 500,000</u></u>
Ending Balance as a Percentage of Expenditures	36.9%	34.7%	34.1%

SUBCOMMITTEE REPORT

Agency: Board of Technical Professions

Bill No. 2046

Bill Sec. 20

Analyst: Rampey

Analysis Pg. No. 62

Budget Page No. 564

<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 374,985	\$ 320,478	\$ 14,880
FTE Positions	5.0	4.0	--

Agency Request/Governor's Recommendation

FY 1993. The Board of Technical Professions estimates expenditures of \$321,981, which is the amount approved by the 1992 Legislature, as adjusted by Finance Council action. The Governor recommends expenditures of \$321,484, a reduction of \$497 from the Board's estimate.

FY 1994. The Board requests authority to spend \$374,985 in FY 1994, which is a revision of its original budget submission. Included in the Board's revised request is funding for a new clerical position (\$18,000, including fringe benefits).

The Governor recommends expenditures of \$320,478 in FY 1994, a reduction of \$54,507 from the Board's revised request and a reduction of \$1,006 from the Governor's recommended amount for the current year. The Governor does not recommend a new position.

House Subcommittee Recommendations

FY 1993. The Subcommittee concurs with the Governor.

FY 1994. The Subcommittee concurs with the Governor, with the exceptions noted below, and prefaces its recommendations by calling attention to the fact that the Board is in the early stages of implementing legislation that became effective on January 1, 1993.

The legislation, enacted by the 1992 Legislature, expanded the Board from nine to 13 members, redefined the different terms associated with the practice of the technical professions (architecture, engineering, land surveying, and landscape architecture), changed the statutory requirements for licensure of the technical professions, strengthened the Board's enforcement powers, and increased certain fees. For these reasons, the Board anticipates additional expenses due to its expanded membership and increased workload, as well as additional revenues due to higher fees (the Board in December went to its statutory maximum for fees) and the possibility of additional revenues from civil fines assessed persons who violate statutes relating to the practice of the technical professions.

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Attachment 21

However, at this point the Board does not have enough experience under the new law to precisely predict its expenditures and revenues. The Subcommittee believes expenditures in FY 1994 will be greater than in the current year and has selectively increased expenditure authority in those areas that appear to be underfunded. If actual experience shows that areas of underfunding still exist, those areas can be addressed during the 1994 Session.

1. Add \$10,680 for professional fees for attorneys and investigators, for a total of \$27,500. The Governor's recommendation of \$16,820 is less than the amount approved for the current year (\$17,620) and fails to take into account the expanded activity envisioned under the new legislation. In fact, the Board estimates it will exceed its budget for attorneys and investigators in the current year by spending a total of \$23,760, not \$17,620. (It will reduce expenditures in other areas to make up the difference.)
2. Add \$1,200 for rent, for a total of \$27,049. Because of its expanded membership (from nine to 13), the Board needs a larger conference room in which to hold its meetings.
3. Add \$2,000 for travel, for a total of \$23,238. This amount is an increase of \$2,607 over the current year and recognizes additional costs due to the travel expenses of the larger Board.
4. Add \$1,000 for office supplies, for a total of \$5,000.

The table below shows the status of the Board's fee fund, based on the Subcommittee's recommendations and the Board's revenue estimates revised to reflect recent fee increases:

Resource Estimate	Actual FY 92	Subcommittee Rec. FY 93	Subcommittee Rec. FY 94
Beginning Balance	\$ 161,922	\$ 115,949	\$ 133,942
Net Receipts	231,563	339,477	370,950
Total Funds Available	\$ 393,485	\$ 455,426	\$ 504,892
Less: Expenditures	277,536	321,484	335,358
Ending Balance	<u>\$ 115,949</u>	<u>\$ 133,942</u>	<u>\$ 169,534</u>
Ending Balance as a Percentage of Expenditures	41.8%	41.7%	50.6%

House Committee Recommendations

FY 1993. The Committee concurs.

FY 1994. The Committee concurs.

<u>Expenditure Summary</u>	<u>House Adj. FY 94</u>	<u>House Rec. FY 94</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
Special Revenue Fund	\$ 14,880	\$ 335,358	\$ 8,520
FTE Positions	4.0	4.0	--

Senate Subcommittee Recommendations:

FY 1993. The Senate Subcommittee concurs with the recommendations of the House.

FY 1994. The Senate Subcommittee concurs with the recommendation of the House, with the following exception:

1. Add \$8,520 for professional fees for attorneys and investigators, for a total of \$36,020. The addition is made in recognition of the Board's expanded enforcement activities under legislation that became effective January 1, 1993.

The table below shows the status of the Board's fee fund, based on the Subcommittee's recommendations:

<u>Resource Estimate</u>	<u>Actual FY 92</u>	<u>Subcommittee Rec. FY 93</u>	<u>Subcommittee Rec. FY 94</u>
Beginning Balance	\$ 161,922	\$ 115,949	\$ 133,942
Net Receipts	231,563	339,477	370,950
Total Funds Available	<u>\$ 393,485</u>	<u>\$ 455,426</u>	<u>\$ 504,892</u>
Less: Expenditures	277,536	321,484	343,878
Ending Balance	<u><u>\$ 115,949</u></u>	<u><u>\$ 133,942</u></u>	<u><u>\$ 161,014</u></u>

Ending Balance as a Percentage of Expenditures

41.8%

41.7%

46.8%

SUBCOMMITTEE REPORT

Agency: Board of Veterinary Examiners **Bill No.** 2087 **Bill Sec.** New
Analyst: Colton **Analysis Pg. No.** 66 **Budget Page No.** 606

<u>Expenditure Summary</u>	<u>Agency Est. FY 93</u>	<u>Gov. Rec. FY 93</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 107,387	\$ 106,090	\$ 136
FTE Positions	1.0	1.0	--

Agency Estimate/Governor's Recommendation

The agency estimates FY 1993 operating expenditures of \$107,387. This amount is \$4,517 less than the amount approved by the 1992 Legislature as adjusted by the State Finance Council. The Governor recommends FY 1993 expenditures of \$106,090, which is \$1,297 less than the agency request.

Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendations, with the following adjustment:

1. Add \$136 for salaries as requested in Budget Amendment No. 1, Item 27. The addition is a technical adjustment.

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

Senate Subcommittee Recommendation

Concur.

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The status of the agency's fee fund, reflecting the Subcommittee's recommendation, is shown below:

<u>Expenditure</u>	<u>Actual FY 1992</u>	<u>Rec. FY 1993</u>
Beginning Balance	\$ 166,890	\$ 141,867
Projected Receipts	<u>81,370</u>	<u>81,370</u>
Total Available	\$ 248,260	\$ 223,237
Less: Expenditures	<u>106,393</u>	<u>106,226</u>
Ending Balance	<u>\$ 141,867</u>	<u>\$ 117,011</u>

SUBCOMMITTEE REPORT

Agency: Board of Veterinary Examiners

Bill No. 2046

Bill Sec. 21

Analyst: Colton

Analysis Pg. No. 66

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<u>Expenditure Summary</u>	<u>Agency Req. FY 94</u>	<u>Gov. Rec. FY 94</u>	<u>Subcommittee Adjustments</u>
State Operations:			
Special Revenue Funds	\$ 115,542	\$ 107,443	\$ 279
FTE Positions	1.0	1.0	--

Agency Request/Governor's Recommendation

The agency requests FY 1994 operating expenditures in the amount of \$115,542. The requested amount represents an increase of 7.6 percent over the agency's FY 1993 estimate.

The Governor recommends FY 1994 expenditures of \$107,443. This is a decrease of \$8,099 from the agency request.

Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendations, with the following adjustment:

1. Add \$279 for salaries as requested in Budget Amendment No. 1, Item 27. The addition is a technical adjustment.

House Committee Recommendation

Concur.

House Committee of the Whole Recommendation

Concur.

Senate Subcommittee Recommendation

Concur.

The status of the agency's fee fund, reflecting the Subcommittee's recommendation, is shown below:

<u>Expenditure</u>	<u>Actual FY 1992</u>	<u>Rec. FY 1993</u>	<u>Rec. FY 1994</u>
Beginning Balance	\$ 166,890	\$ 141,867	\$ 117,011
Projected Receipts	<u>81,370</u>	<u>81,370</u>	<u>81,370</u>
Total Available	\$ 248,260	\$ 223,237	\$ 198,381
Less: Expenditures	<u>106,393</u>	<u>106,226</u>	<u>107,722</u>
Ending Balance	<u>\$ 141,867</u>	<u>\$ 117,011</u>	<u>\$ 90,659</u>

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