

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Acting Chair Mike Farmer at 1:30 p.m. on February 18, 1998 in Room 514-S of the Capitol.

All members were present except: Representative Phil Kline - Excused

Committee staff present: Stuart Little, Mark Burenheide, Rae Anne Davis, Julian Efird, April Holman, Carolyn Rampey, Leah Robinson, Legislative Research Dept;
Jim Wilson, Mike Corrigan, Revisor of Statutes Office;
Helen Abramson, Administrative Aide; Linda Swain, Appropriations Secretary

Conferees appearing before the committee:

Representative Jim Morrison
Dan Stanley, Secretary, Department of Administration (DOA)
Don Heiman, Director, Division of Information Systems & Communications (DISC)

Others attending: See attached list

Hearing on HB 2704 - Legislative review of budget estimates for information technology

Julian Efird, Legislative Research, gave an introduction and description of **HB 2704** (Attachment 1). There were no questions.

Representative Jim Morrison testified in favor of **HB 2704** (Attachment 2). He noted this bill provides a structure of communication between the Judiciary, Executive and Legislative branches of government as well as bringing in County, City and other units of government in a compatible architecture for technology in Kansas.

A discussion followed the presentation. It was noted that Governor Graves, Justice Robert E. Davis and House Speaker Tim Shallenburger are all proponents for the bill.

Dan Stanley, Secretary, DOA, testified in favor on **HB 2704** (Attachment 3), explaining how the proposed governance structure would work.

After a discussion period the hearing on **HB 2704** was closed.

Subcommittee reports followed (Attachment 4).

Representative Peterson reported the House Subcommittee concurred with the Governor's recommendations for FY 98 and FY 99 for the Consumer Credit Commissioner.

A motion was made by Representative Peterson, seconded by Representative Holmes to adopt the Subcommittee's report for FY 98 and FY 99 for the Consumer Credit Commissioner. There was no discussion. The motion carried.

Representative Peterson reported the House Subcommittee concurred with the Governor's recommendations for FY 98 and FY 99, adding \$18,000 for Investor Education through the implementation of an "Investor Awareness Campaign" in FY 1999.

A motion was made by Representative Peterson, seconded by Representative Holmes to adopt the Subcommittee report for FY 98 and FY 99 for the Securities Commissioner. There was no discussion. The motion carried.

Representative Farmer noted there were no changes on the Abstracters Board of Examiners nor the Board of Accountancy.

A motion was made by Representative Neufeld, seconded by Representative O'Connor to adopt the Subcommittee report for FY 98 and FY 99 for the Abstracters Board of Examiners. The motion carried.

A motion was made by Representative Neufeld, seconded by Representative O'Connor to adopt the Subcommittee's report for FY 98 and FY 99 for the Board of Accountancy. The motion carried. Representative Edmonds abstained.

Representative Weber reported the House Subcommittee concurred with the Governor's recommendations for the Board of Barbering for FY 98 and for FY 99 with one comment.

A motion was made by Representative Weber, seconded by Representative Kejr to adopt the Subcommittee's report for FY 98 and FY 99 for the Board of Barbering. The motion carried.

Representative O'Connor reported for the House Subcommittee on the Behavioral Sciences Regulatory board. The Subcommittee concurred with the Governor's recommendations for FY 98 and asked for a report from the Department of Administration prior to omnibus on the actual needs and the estimated costs for a Year 2000 conversion for this agency. The Subcommittee concurred with the Governor's recommendations for the FY 99.

A motion was made by Representative O'Connor, seconded by Representative Neufeld to adopt the Subcommittee report for FY 98 and FY 99 for the Behavioral Sciences Regulatory Board. The motion carried.

Representative McKechnie reported for the House Subcommittee on the Board of Cosmetology. The Subcommittee does not recommend any funding for the agency for FY 98 nor FY 99 noting one comment applicable to both years.

A motion was made by Representative McKechnie, seconded by Representative Weber to adopt the Subcommittee report for FY 98 and FY 99 on the Board of Cosmetology. The motion carried.

Representative Edmonds reported for the House Subcommittee on the Kansas Dental Board. The Subcommittee concurred with the Governor's recommendation for FY 98 with two additions and concurred with the Governor's recommendation for FY 99.

A motion was made by Representative Edmonds, seconded by Representative Reinhardt to adopt the Subcommittee's report for FY 98 and FY 99 for the Kansas Dental Board. A brief discussion followed. The motion carried.

Representative Farmer noted there were no changes in the Board of Healing Arts, the Board of Hearing Aid Examiners, nor the Board of Mortuary Arts.

A motion was made by Representative Pottorff, seconded by Representative O'Connor to adopt the Subcommittee report of no change for the Board of Healing Arts, the Board of Hearing Aid Examiners, and the Board of Mortuary Arts for FY 98 and FY 99. The motion carried.

Representative Peterson reported for the House Subcommittee on the Board of Nursing. The Subcommittee concurred with the Governor's recommendation for FY 98 with two comments and concurred with the Governor's recommendation for FY 99.

A motion was made by Representative Peterson, seconded by Representative Feuerborn to adopt the Subcommittee report for the Board of Nursing for FY 98 and FY 99. A brief discussion followed. The motion carried.

Representative Farmer noted there was no change in the Board of Optometry Examiners.

A motion was made by Representative Landwehr, seconded by Representative O'Connor to adopt the report of no change in the Board of Optometry Examiners for FY 98 and FY 99. The motion carried.

Representative Edmonds reported for the House Subcommittee on the State Board of Pharmacy. The Subcommittee concurred with the Governor's FY 1998 recommendation with three exceptions and comments. The Subcommittee concurred with the Governor's FY 99 recommendation with three exceptions and comments.

A motion was made by Representative Edmonds, seconded by Representative Landwehr to adopt the Subcommittee report for the State Board of Pharmacy for FY 98 and FY 99. The motion carried.

Representative Farmer noted there were no changes for the Real Estate Appraisal Board and the Real Estate Commission.

A motion was made by Representative O'Connor, seconded by Representative Landwehr to adopt the Subcommittee report of no change for the Real Estate Appraisal Board and the Real Estate Commission for FY 98 and FY 99. The motion carried.

Representative McKechnie reported for the House Subcommittee on the Board of Technical Professions. The Subcommittee concurred with the Governor's recommendation for FY 98 and for FY 99.

A motion was made by Representative McKechnie, seconded by Representative Kejr to adopt the Subcommittee report for the Board of Technical Professions for FY 98 and FY 99. The motion carried.

Representative Packer reported for the House Subcommittee on the Board of Veterinary Examiners. The Subcommittee concurred with the Governor's recommendation for FY 98 and for FY 99.

A motion was made by Representative Packer, seconded by Representative Mollenkamp to adopt the Subcommittee report for the Board of Veterinary Examiners for FY 98 and FY 99. The motion carried.

Representative Pottorff reported for the House Subcommittee on the office of Attorney General. (Attachment 5) The Subcommittee concurred with the Governor's recommendation for FY 98 and for the FY 99 with two comments.

A motion was made by Representative Pottorff, seconded by Representative Dean to adopt the Subcommittee report for the Attorney General for FY 98 and FY 99. The motion carried.

Representative Pottorff reported for the House Subcommittee on the Secretary of State (Attachment 6). The Subcommittee concurred with the Governor's recommendation for FY 98 with one addition and with the Governor's recommendation for FY 99.

A motion was made by Representative Pottorff, seconded by Representative Minor to adopt the Subcommittee report for the Secretary of State for FY 98 and FY 99. A brief discussion followed. The motion carried.

Representative Pottorff reported for the House Subcommittee on the Insurance Department (Attachment 7). The Subcommittee concurred with the Governor's recommendation for FY 98 with one adjustment. The Subcommittee concurred with the Governor's recommendation for FY 99 with three adjustments.

A motion was made by Representative Pottorff, seconded by Representative Dean to adopt the Subcommittee report for the Insurance Department for FY 98 and FY 99. A discussion followed. The motion carried.

Representative Minor reported for the House Subcommittee on the Health Care Stabilization (Attachment 8). The Subcommittee concurred with the Governor's recommendations for FY 98 and FY 99 with two observations.

A motion was made by Representative Minor, seconded by Representative Pottorff to adopt the Subcommittee report for the Health Care Stabilization for FY 98 and FY 99. The motion carried.

Representative Pottorff reported for the House Subcommittee on the State Treasurer (Attachment 9). The Subcommittee concurred with the Governor's recommendations for FY 98 and with the FY 99 with three comments.

A motion was made by Representative Pottorff, seconded by Representative Minor to adopt the Subcommittee report for the State Treasurer for FY 98 and FY 99. The motion carried.

Representative Helgerson noted he has requested, from the Department of Social & Rehabilitation Services and the Attorney General, an analysis of the prevention dollars spent over the last three years on alcohol and drugs.

Representative Farmer noted handouts given out to the Representatives: KPERS Ad Hoc COLA Estimates (Attachment 10), requested by Chair Kline on 2/16/98; and Authorized Funds for State Finance Council FY 98 (Attachment 11).

A motion was made by Representative Dean, seconded by Representative Helgerson to approve the Minutes for February 11, 1998. The motion carried.

The meeting was adjourned at 3:00 p.m. The next meeting is scheduled for February 19, 1998.

APPROPRIATIONS COMMITTEE GUEST LIST

DATE: 2/18/98

NAME	REPRESENTING
General Taylor	SOS
Alan Dutcher	SOS
Terrie Tappert	Board of Cosmetology
Betty Laws	" " "
Kasemary Jly	bd of Cosmetology
Vidilyn Relsel	Budget
Joe Laframboise	K S H S
Fred Borch	Chief Insp Architect
Betty Rose	Bo. of Tech. Professions
Marty Kennedy	KS Ins. Dept.
RAY LAUSER	DPS
Sandy Manning	SRS
Kenneth Wood	
Danell Wood	Visitor
Don Jay	Visitor
Greg Kussch	KS Dept of Ag

January 26, 1998

To: Governor Bill Graves and the 1998 Kansas Legislature

From: Joint Committee on Computers and Telecommunications (JCCT)

Re: New Legislation Addressing Information Technology—1998 H.B. 2704

A Bill Introduced by the JCCT would:

1. Change the Legislature's structure for reviewing information technologies.
2. Modify the state's current procedural requirements relative to:
 - providing notice about information technology projects that exceed \$250,000;
 - planning, reviewing, and coordinating information technology budgets; and
 - monitoring state agencies in the legislative, executive, and judicial branches.
3. Rename the JCCT the Joint Committee on Information Technology (**Joint IT Committee**).
4. Create a new legislative Office of Information Technology (**IT Office**), headed by the Chief Information Technology Officer (**Chief IT Officer**).
5. Transfer the position currently filled by the Chief Information Architect (CIA) and four support staff into the Legislature's IT Office. The current CIA would fill the position of Chief IT Officer.
6. Shift current approved funding for the CIA's Office in FY 1998 to the legislative budget. FY 1999 and subsequent appropriations would be from the State General Fund, subject to the appropriations process to authorize the approved levels of funding and staffing.
7. Abolish the current Kansas Information Resources Council.
8. Change the cycle for rotating the Chair and Vice-Chair of the Joint IT Committee between House and Senate to coincide with the start of the legislative sessions.

*Appropriations
2-18-98
Attachment 1*

Legislative Structure

1. The bill would provide for:
 - establishing the **IT Office** within the legislative branch; and
 - designating a **Chief IT Officer** to head the IT Office.
2. For subsequent appointments of the Chief IT Officer, the **Joint IT Committee** would nominate three qualified persons, one of whom would be selected by the **Legislative Coordinating Council (LCC)** to serve as the Chief IT Officer.
3. The LCC would set the Chief IT Officer's salary and could remove the Chief IT Officer by a vote of five LCC members.
4. The legislative IT Office would be staffed by unclassified legislative branch employees, as authorized by law and the LCC, to be appointed by the Chief IT Officer.
5. The duties of the new IT Office and Chief IT Officer would include:
 - performing the functions as provided in this bill;
 - serving as staff to the Joint IT Committee; and
 - carrying out other duties as directed by the LCC and the Joint IT Committee.
6. The Director of Legislative Computing would be transferred to the IT Office and supervised by the Chief IT Officer. All staff authorized by the LCC to assist the Director also would be transferred to the IT Office.
7. The legislative IT Office would be required to review all budget estimates for certain projects proposed by state agencies and the Chief IT Officer would be required to report and make recommendations to the Joint IT Committee on each project's budget estimate, and to provide updates on subsequent revisions.
8. In addition, the Chief IT Officer would review all annual agency budget requests for information technology and report to the Joint IT Committee. The Chief IT Officer also would monitor implementation of projects and expenditures, and would report to the Joint IT Committee, especially in regard to any changes in planned expenditures for a project that exceed certain thresholds set in the bill.

Statewide Process

1. The new statewide process and requirements for state agencies would include:
 - notifying whenever a proposed agency information technology project costs \$250,000 or more by providing a budget estimate prescribed by guidelines enumerated;
 - submitting a three-year agency strategic information technology plan no later than January 1 of each year; and
 - submitting an annual agency information technology budget estimate no later than October 1 each year, with any subsequent revisions also required to be submitted.

2. Information technology projects costing \$250,000 or more would be included in both the agency's three-year plan and the annual budget estimate that would be required to contain all expenditures for information technology.

3. The Budget Director would be required to provide a copy of each agency's annual budget estimate, and to post the Governor's budget recommendations for the information technology budget estimates and certain projects by the time the Legislature receives the Governor's Budget Report in January of each year.

The bill would be effective upon publication in the *Kansas Register*.

Fiscal Note

**OFFICE OF INFORMATION TECHNOLOGY
FY 1998**

	On-Budget	Off-Budget	Total AF
Chief Information Technology Officer			
Salaries	\$ 131,740	\$ 206,807	\$ 338,547
OOE	0	229,330	229,330
Subtotals	\$ 131,740	\$ 436,137	\$ 567,877
FTE Positions	2.0	3.0	5.0
 Director of Legislative Computing			
Salaries	\$ 125,752	\$ 0	\$ 125,752
FTE Positions	3.0	0.0	3.0
 TOTALS	\$ 257,492	\$ 436,137	\$ 693,629
FTE Positions	5.0	3.0	8.0

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STATE OF KANSAS



TOPEKA

HOUSE OF REPRESENTATIVES

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CAPITOL OFFICE 174-W
(913) 296-7676
email: jmorriso@ink.org
URL: <http://www.idir.net/~jmorriso>

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TOPEKA, KANSAS 66612-1504
COMMITTEE ASSIGNMENTS
Vice Chairman:
JOINT COMMITTEE ON COMPUTERS
AND TELECOMMUNICATIONS
Vice-Chairman:
HEALTH & HUMAN SERVICES
Member:
EDUCATION
Member:
FISCAL OVERSIGHT

Mr. Chairman and members of the committee I thank you for scheduling a hearing on **HB 2704**. I appear before you as Chairman of the Joint Committee on Computers and Telecommunications in **support** of HB 2704. This legislation has been years in the making and has literally thousands of hours of communication in its construction. I want to publicly thank the Boeing Company for their very hard work in helping bring together the issues contained in the bill. The KIRC cabinet Secretaries have participated in the thousands of hours of hard work and deliberation in solving common problems that the three branches of government and the citizens of Kansas have in regards to use and deployment of technologies.

We all know of stories of computer systems not being implemented at an expected level of function. Many errant computer systems have been trashed and have cost the taxpayers millions of dollars for what should be avoidable errors.

Everyone here knows the battle between IBM, Apple, Unisys, Wang Digital Equipment and others over who will get "the contract" for a given agency. Little attention was given to issues of compatibility or ability of agency computers to talk with each other let alone talk with hospitals, libraries, city governments or county governments. We have asked counties to absorb the cost of our mistakes of compatibility by "mandating" counties acquire a given technology so they might communicate with the state. That was fine until another administration replaced that technology with another **not compatible** with what we previously mandated!

For the first time this bill provides a structure of communication between the Judiciary, Executive and Legislative branches of government as well as bringing in County, City and other units of government in a compatible **architecture** for technology in Kansas. Agencies will follow deployment

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Attachment 2*

within this technological definition and enjoy 100 per cent ability for data exchange and interchange within the State and throughout the world. Our architecture will be professionally designed to be inclusive of existing technology deployment with "convergence" to full worldwide standards as equipment is upgraded and replaced. In short it offers a negotiated plan to bring all levels of government together to fully cooperate in deploying telecommunications and technology in a fully compatible environment.

Possibly HUGE savings in non-duplication and wasteful deployment of systems that simply cannot succeed should be the result of this cooperative effort. Legislation creates an environment that is purposefully **non-political** and incapable of being controlled by any single individual or committee. Consensus in deployment and selection will be the guide and the KIRC has demonstrated that such goals are certainly achievable. Their Chief Information Architect, Fred Boesch, has worked tirelessly in helping agencies achieve a higher level of success than previously enjoyed. Passage of this bill should result in the Legislature, Governor, Judiciary and local units of government working cooperatively to build telecommunications and technology infrastructure that will make Kansas the envy of the country. I do not consider that statement even a slight exaggeration but possibly and understatement of what it represents.

As you can tell, the JCCT enthusiastically supports passage of this legislation and asks you to vote favorably for it. Please do not make amendments as this is very finely crafted and Mary has worked VERY hard to place into it the collective work of all. ANY possible amendment MUST have the support of all the stakeholders or should not be offered.

Thank you very much for your time and attention to this most important piece of legislation. I will stand for questions.

Sincerely,

A handwritten signature in cursive script that reads "Jim Morrison". The signature is written in dark ink and is positioned above the printed name.

Jim Morrison

Testimony to
HOUSE APPROPRIATIONS COMMITTEE
by
DAN STANLEY
SECRETARY OF ADMINISTRATION
HB 2704 (modified)
February 18, 1998

Mr. Chairman, Members of the Committee:

Thank you for the opportunity to present my views on this very important legislation. We have long struggled with the question of how best to manage our information technology and telecommunications. This is not unique to Kansas or to governments at any level. This debate rages daily throughout industry as well. If the number and price tag of consultants is any measure of the complexity of an issue, then managing information technology is modern day alchemy.

Early on, most in government viewed computers and automation as a cost effective investment which would dramatically improve productivity and reduce personnel costs. Indeed these promises were generally realized at some level or another. Where the bloom fell off the rose was when it became clear that these large capital expenditures were unlike any other. Buildings may last a hundred years or more. Typewriters, file cabinets, and furniture have useful life expectancies that we can understand. However with IT, the ever shrinking cycle of obsolescence, the proliferation of new technology, and the frustrating lack of industry standards created a nightmare for policy makers and businessmen at all levels. Systems that don't work, that require constant upgrade, or that simply cannot communicate with other systems are pervasive throughout government and the private sector. The challenge for each of us is how best to manage something that has seemingly taken us over. We are all in the same boat, and it is a very big boat indeed.

We have tried a number of approaches to getting our arms around these problems -- from total central control which proved stifling and bureaucratic to collegial cooperation which proved we could share information around the table but our computers still couldn't. By working together with the Joint Committee on Computers and Telecommunications we have crafted an approach designed to take the lessons learned from previous management approaches and meld the best aspects together.

HB 2704 as modified in the bill summary is designed to help all branches better plan and manage our use of computers and telecommunications. Today, we have the Kansas Information Resources Council whose members include leadership from all branches of government. This Council, called KIRC, sets information technology policy and approves technology initiatives over \$1 million. KIRC also establishes statewide plans, and manages the work of the state's Chief Information Architect. The Chief Information Architect staffs KIRC and chairs the Information Technology Advisory Board (ITAB). This Board includes the Information Technology Directors in state agencies as well as a representative for local units of government.

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Attachment 3

The KIRC and Chief Information Architect model promotes IT cooperation across state agencies and through its planning activities establishes a vision for state information technology strategy. KIRC, for example, recently released a statewide Information Technology master plan and created a number of very important policies for sharing data across state agencies, disaster recovery, and security.

In order to effectively implement these plans and policies, all branches of government need to better control approval for IT projects and need to more proactively manage to a common architecture for building and implementing systems. The JCCT as well as KIRC recognized this need and recommended a governance for information technology that expands on the KIRC and Chief Information Architect model.

The proposed governance structure in House Bill 2704 would retain the Chief Information Architect duties and KIRC would be reconstituted as an Information Technology Executive Council. This new body would be responsible for statewide IT policy, planning, and IT architecture. The legislation requires that the state adopt an information technology architecture which is based on standards and defines the products we would acquire to design, build, and deploy IT systems. The architecture would be used by all branches of government, guide bid specifications, and determine state contracts for Information Technology. Once the standards are adopted we can more efficiently train staff, and interconnect our systems to the state network. It is very expensive and unwise, in my opinion, to require DISC to interconnect any platform an agency acquires. We simply must have a shared commitment to an architecture to achieve goals of high network uptime and low risk system development. This bill will help us achieve these goals. Deviations from approved architectures will be reported and rectified. The architecture will be organic in the sense that it will change as technology as well as standards change. Nonetheless, we will always have an architectural blueprint that helps guide decisions and takes into account new directions as well as changes.

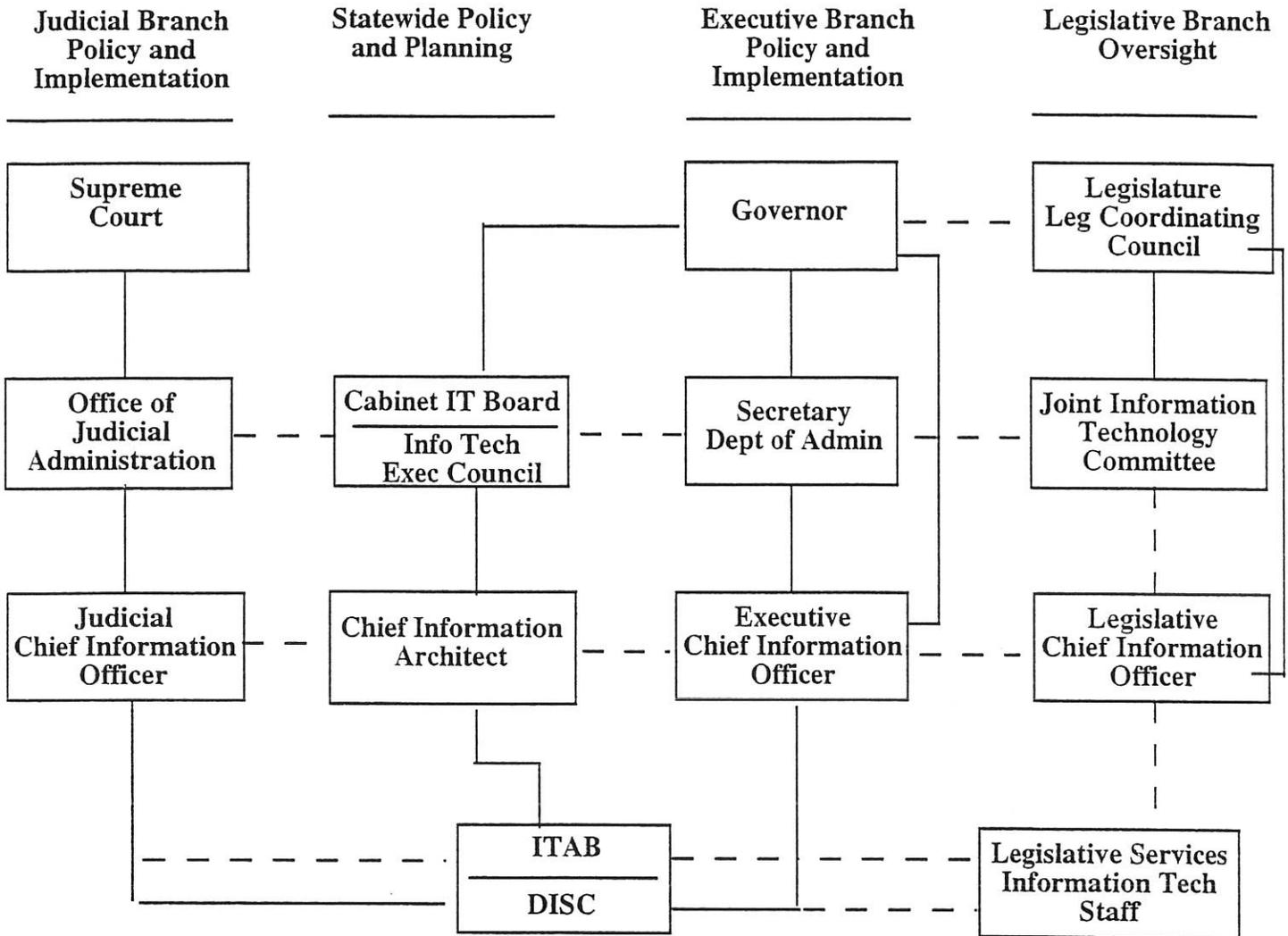
Under the Governor there is a Chief Information Officer. This position also reports to the Secretary of Administration. The Chief Information Officer and the heads of state agencies approves all IT initiatives over \$250,000 and tracks all major IT projects. If a project is over budget by 10% or \$1 million, whichever is less, the project must be reviewed and the overage reported to the Legislature and to the Executive branch. A similar structure would exist for the Judicial Branch.

Also, the Legislature would provide oversight through a Joint Information Technology Committee. This committee replaces the Joint Committee on Computers and Telecommunications. This new committee will work closely with a Legislative Chief Information Officer. State agencies will provide three year project plans to the Legislative Joint IT Committee in July of each year, in order for the Committee to study proposed initiatives in advance of receiving testimony on projects over \$250,000. This oversight is critical to the success of IT and to effective management of technology.

The overall management approach outlined in HB 2704 brings together the essential elements of policy and planning, implementation to architectural standards, and prudent oversight. The importance of successfully managing our IT and telecommunications resources cannot be overstated. I believe that this bill offers the best opportunity to assemble a cohesive management structure of these critical technologies. Lastly, I would like to commend Representatives Morrison, Dean, and Hayzlett as well as Senators Clark, Feleciano, and Salmans for their tireless leadership in this important matter.

Thank you for supporting this important initiative and for helping us more proactively manage information technologies. May I answer questions?

KIRC And HB 2704 Combined



Fiscal Years 1998 -1999
House Subcommittee Reports on
Consumer Credit Commissioner
Securities Commissioner
Board of Nursing



Representative Carl Dean Holmes, Chair



Representative Bill Feuerborn

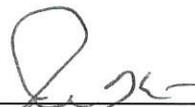


Representative Jeff Peterson

Appropriations
2-18-98
Attachment 4

Subcommittee Reports
for
Biennial Budget Agencies

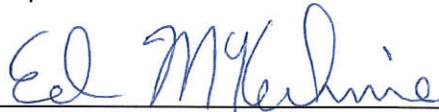
*Board of Technical Professions
Board of Barbering
Board of Cosmetology*



Representative Joe Kejr, Chairperson

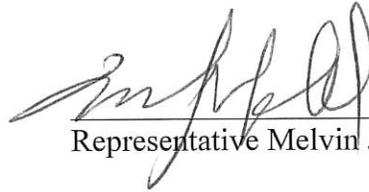


Representative Shari Weber



Representative Ed McKechnie

Fiscal Years 1998 -1999
House Subcommittee Report on
Behavioral Sciences Regulatory Board



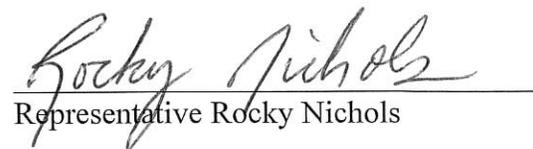
Representative Melvin J. Neufeld, Chair



Representative Barbara Ballard



Representative Brenda Landwehr



Representative Rocky Nichols



Representative Kay O'Connor

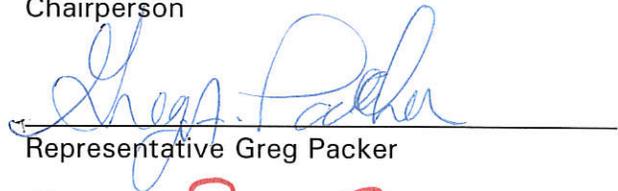
House Subcommittee Reports

FY 1998-FY 1999

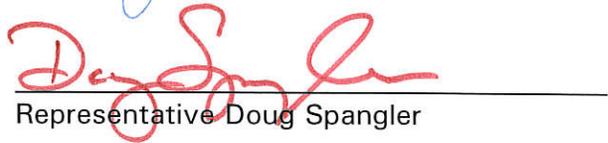
Board of Veterinary Medical Examiners



Representative Gayle Mollenkamp
Chairperson



Representative Greg Packer

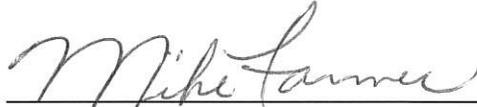


Representative Doug Spangler

HOUSE SUBCOMMITTEE REPORTS

Dental Board

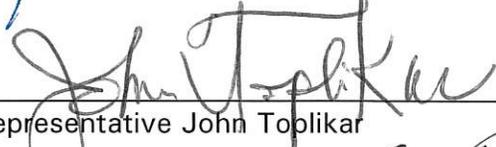
Board of Pharmacy



Representative Mike Farmer, Chairperson



Representative John Edmonds



Representative John Toplikar



Representative Henry Helgerson



Representative Richard Reinhardt

SUBCOMMITTEE REPORT

Agency: Biennial Budget Agencies

Bill No. --

Bill Sec. --

Analyst: Various

Analysis Pg. No. 516

Budget Page No. 1259

	Agency Estimate FY 1998	Gov. Rec. FY 1998	House Subcommittee Adjustments	Agency Request FY 1999	Gov. Rec. FY 1999	House Subcommittee Adjustments
Financial Institutions Regulatory Agencies						
Bank Commissioner, State	\$ 3,940,710	\$ 3,604,322	0	\$ 4,445,688	\$ 3,803,313	0
Consumer Credit Commissioner	392,064	392,064	0	401,066	405,411	0
Credit Unions, State Dept. of	743,054	743,054	0	768,491	777,140	0
Securities Commissioner	1,742,378	1,742,478	0	1,771,669	1,770,564	28,000
TOTAL	\$ 6,818,206	\$ 6,481,918	0	\$ 7,386,914	\$ 6,756,428	28,000
Occupational and Professional Licensing Boards						
Abstracters Board of Examiners	\$ 18,759	\$ 18,759	0	\$ 19,013	\$ 19,119	0
Accountancy, Board of	235,870	235,870	0	177,584	178,964	0
Barbering, Board of	103,212	103,212	0	105,691	106,371	(1,612)
Behavioral Sciences Regulatory	363,342	380,342	0	371,612	374,780	0
Cosmetology, Board of	528,800	504,866	(504,866)	661,979	625,596	(625,596)
Dental, Kansas Board	194,248	195,848	30,000	242,577	219,707	0
Healing Arts, Board of	1,650,663	1,650,663	0	1,671,279	1,679,884	0
Hearing Aid Examiners, Board	15,514	15,514	0	14,428	14,499	0
Mortuary Arts, Board of	177,868	177,868	0	186,409	188,566	0
Nursing, Board of	1,027,460	1,019,300	0	1,187,421	1,171,391	0
Optometry Examiners, Board of	81,244	81,244	0	82,686	83,020	0
Pharmacy, State Board of	493,717	483,017	0	504,777	504,326	0
Real Estate Appraisal Board	176,949	176,949	0	172,490	174,693	0
Real Estate Commission	621,958	621,958	0	631,525	637,926	0
Technical Professions, Board of	460,145	460,145	0	464,303	469,318	0
Veterinary Examiners, Board of	219,906	216,236	0	241,540	244,153	21,928
TOTAL	\$ 6,369,655	\$ 6,341,791	(474,866)	\$ 6,735,314	\$ 6,692,313	(605,280)
Total Expenditures	\$ 13,187,861	\$ 12,823,709	(474,866)	\$ 14,122,228	\$ 13,448,741	(577,280)
FTE Positions	223.6	220.9	(11.0)	224.6	219.5	(11.0)

Agency Estimate/Governor's Recommendation

All Agencies

Although funding for these agencies has already been authorized by the Legislature for FY 1998 and FY 1999, the law allows agencies to request adjustments to the approved expenditure limitations. Only agencies requesting adjustments to their previously approved budgets for FY 1998 or FY 1999 are discussed below. All adjustments made by the Governor which appear in the table above but are not discussed in the paragraphs below are due to health insurance rates, unclassified merit increases, classified step movement, longevity payments retirement reductions, and base salary adjustments.

Financial Institutions Regulatory Agencies

Bank Commissioner, State

No change.

Consumer Credit Commissioner

FY 1998. The Consumer Credit Commissioner does not request any adjustments for FY 1998. The Governor concurs.

FY 1999. The Consumer Credit Commissioner requests an expenditure limitation increase of \$2,500 for FY 1999. The requested increase is to raise the level of funding to Housing and Credit Counseling, Inc. (HCCI) from \$10,000 to \$12,500. The Legislature approved an increase from \$10,000 to \$12,500 for FY 1998 for HCCI. HCCI is a non-profit organization that provides financial counseling services to consumers by providing family budget counseling, as well as educational seminars on consumer credit and finance. The request will provide grants for households that are unable to pay the \$20 one-time counseling fee. According to the Commissioner, this expenditure will further the responsibility of this agency to meet consumer credit educational needs and will be directed at households that are experiencing severe difficulties in their finances.

The Governor concurs. The Governor also recommends a 1.5 percent base salary adjustment (\$3,079), excluding fringe benefits, and an unclassified merit pool (\$1,959), excluding fringe benefits, for salaries and wages in FY 1999.

House Subcommittee Recommendation. The Subcommittee concurs with the Governor's recommendation for FY 1998 and FY 1999.

Credit Unions, State Department of

No change.

Securities Commissioner

FY 1998. The Office of the Securities Commissioner does not request any adjustments for FY 1998. The Governor concurs.

FY 1999. The Office of the Securities Commissioner requests an expenditure limitation increase of \$68,600 to expand Investor Education services through implementation of an "Investor Awareness Campaign." According to the Commissioner, the overall strategic purpose for the Investor Awareness Campaign is to inform Kansas investors about service provided by the Commissioner and to encourage them to investigate the credentials and background of securities brokers and investment advisers before doing business with them. The Governor does not recommend this item. In salaries and wages, the Governor recommends a 1.5 percent base salary adjustment (\$14,246), excluding fringe benefits, and an unclassified merit pool (\$10,017), excluding fringe benefits, in FY 1999.

House Subcommittee Recommendation. The Subcommittee concurs with the Governor in FY 1998 and adds \$28,000 for Investor Education through the implementation of an "Investor Awareness Campaign" in FY 1999.

Occupational and Professional Licensing Boards

Abstracters Board of Examiners

No change.

Accountancy, Board of

No change.

Barbering, Board of

FY 1998. The Board requests no enhancements. The Governor concurs.

House Subcommittee Recommendation. The Subcommittee concurs.

FY 1999. The Board requests an increase of \$4,351 for salaries and wages (\$1,612), the increase in examination fees in the area of contractual services (\$800) and new office furniture in the area of capital outlay ((\$1,939).

The Governor does not recommend any additional funding for enhancements in FY 1999.

House Subcommittee Recommendation. The Subcommittee does not recommend funding for any enhancements for salaries and wages in FY 1999. The Subcommittee notes that recommending enhancements for salaries and wages at this point would be premature due to the unresolved status of H.B. 2720 which proposes that all inspections be conducted by the Secretary of Health and Environment rather than employees of the Board of Barbering.

Behavioral Sciences Regulatory Board

FY 1998. The Governor recommends an increased expenditure limitation of \$17,000 for Year 2000 conversion costs which the agency did not request.

House Subcommittee Recommendation. The Subcommittee concurs with the Governor and asks for a report from the Department of Administration prior to omnibus on the actual needs and the estimated costs for a Year 2000 conversion for this agency.

FY 1999. The agency did not request any adjustment.

The Governor's recommendation includes \$8,352 for state employee salary adjustments.

House Subcommittee Recommendation. The Subcommittee concurs with the recommendations of the Governor.

Cosmetology, Board of

FY 1998. The Board requests an increase of \$53,784 to upgrade two existing positions and hire an unclassified temporary inspector (\$16,031) and for postage and printing for large bulk mailing and additional office space (\$37,753).

The Governor recommends \$15,000 for the consultation of a new computer system and \$14,850 to change three part-time inspectors to full-time.

House Subcommittee Recommendation. The Subcommittee does not recommend any funding for the agency for FY 1998 due to concerns regarding the agency's response to the Performance Audit of June 1997 as well as the unresolved status of H.B. 2720 and H.B. 2714. The Subcommittee's detailed review of the agency's response to the Performance Audit brought grave concerns over the agency's capabilities. Additionally, the possible impacts that H.B. 2720 and H.B. 2714 could have on the agency causes the Subcommittee to not recommend any funding for the agency, awaiting the outcome of those bills. The Subcommittee notes that not recommending any funding for the agency until Omnibus reflects a responsibility toward public health and the Subcommittee's concern that the agency is incapable of effectively managing its affairs.

FY 1999. The Board requests an increase of \$168,157 of an additional Secretary II position and to change four part-time inspector positions to full-time (\$64,813) and for a new computer system, fax machine and new office equipment (\$103,344).

The Governor recommends \$100,000 for a new computer system and \$31,323 to upgrade three part-time inspectors to full-time.

House Subcommittee Recommendation. The Subcommittee does not recommend any funding for the agency for FY 1999 for the same reasons as stated for FY 1998.

Dental, Kansas Board

FY 1998. The agency requests no change from the \$194,248 approved by the 1997 Legislature.

The Governor recommends an increase of \$1,600 over the approved budget to fund the agency's year 2000 repairs.

House Subcommittee Recommendation. The Subcommittee concurs with the Governor's recommendation with the following additions:

1. Increase the agency's expenditure limitation by \$30,000 to pay for unusually high legal fees in FY 1998.
2. Request a Governor's Budget Amendment increasing the agency's expenditure limitation by \$30,000.

FY 1999. The agency requests an expenditure limitation increase of \$46,313 to fund the salary and benefits for two additional part-time inspectors. The Board voted to add the two inspectors in order to meet their goal of having each office inspected at least once a year. The current staff of one inspector has not been able to inspect some western offices in three years.

The Governor recommends an increase of \$23,000 to allow the agency to contract for inspections in the western half of the state. The Governor does not recommend the additional requested FTE. The Governor's FY 1999 recommendation also includes \$1,835 for a 1.5 percent classified base salary increase and a 4.0 percent unclassified merit pool, as well as \$1,600 to fund the agency's year 2000 repairs.

House Subcommittee Recommendation. The Subcommittee concurs with the Governor's recommendation.

Healing Arts, Board of

No change.

Hearing Aid Examiners, Board of

No change.

Mortuary Arts, Board of

No change.

Nursing, Board of

FY 1998. The agency requested an increased expenditure limitation of \$33,160 for FY 1998, this includes \$5,660 for an upgraded phone system and \$27,500 for a Year 2000 computer upgrade.

The Governor recommends \$25,000 for the computer upgrade.

House Subcommittee Recommendation. The Subcommittee concurs with the recommendation of the Governor.

FY 1999. The agency requested an increased expenditure limitation of \$201,230 for FY 1999, this includes \$5,300 for phone improvement, \$3,480 for office space rent, and \$192,450 for a Year 2000 computer upgrade.

The Governor recommends \$175,000 for the computer upgrade. The Governor's recommendation includes \$28,988 for state employee salary adjustments.

House Subcommittee Recommendation. The Subcommittee concurs with the recommendation of the Governor.

Optometry Examiners, Board of

No change.

Pharmacy, State Board of

FY 1998. The agency requests an expenditure limitation increase of \$30,700. This will fund salary and benefits to increase a part-time Office Assistant I position to full-time (\$15,500) as well as travel expenses resulting from increased state responsibility for oxygen distributor inspections (\$10,000). The Food & Drug Administration(FDA) now requests that states license and inspect oxygen distributors in Kansas. Kansas has not made yearly inspections in the past because the FDA made them. Now with the increased responsibility for inspections, the agency needs additional funds for travel as well as additional staff time for paperwork associated with the inspections. The increased expenditure limitation will also fund a 10 percent raise (\$5,200) for the Executive Secretary.

The Governor recommends an increase of \$20,000 for travel and other operating expenses in FY 1998. The Governor does not recommend the increase in salary for the Executive Secretary or the additional FTE position.

House Subcommittee Recommendation. The Subcommittee concurs with the Governor's FY 1998 recommendation with the following exceptions and comments:

1. The Subcommittee notes that the inspection and licensing of the 75 oxygen distributors will result in \$22,500 in additional annual receipts to the agency at the current licensing fee of \$300.
2. The Subcommittee directs the Board of Pharmacy to report back to the Legislature before the Omnibus session with a time frame identifying when the agency will be required by the FDA to take over the inspection of oxygen distributors. The

Subcommittee directs the Board of Pharmacy not to undertake inspections until and unless required by the FDA.

3. The Subcommittee directs the Board of Pharmacy to identify the costs of the following proposals and report back to the Legislature before the Omnibus session.
 - a. Giving a *Kansas Pharmacy Law Book* to each Kansas licensed Pharmacist instead of requiring them to purchase the book from the Kansas Pharmacy Association.
 - b. Establishing a Kansas Board of Pharmacy Web Page and E Mail.
 - c. Conducting educational programs directly to pharmacists including informational presentations of regulations, statutes and procedural changes as well as the conventional provision of information during inspections visits.

FY 1999 The agency requests the same increase as for FY 1998 (above). The request increases the agency's FY 1999 expenditure limitation to \$504,777.

The Governor recommends an increase of \$25,000 for travel and other operating expenses in FY 1999, as well as \$5,249 for a 1.5 percent base classified salary adjustment and a 4.0 percent unclassified merit pool.

House Subcommittee Recommendation. The Subcommittee concurs with the Governor's FY 1999 recommendation with the following exceptions and comments:

1. The Subcommittee notes that the inspection and licensing of the 75 oxygen distributors will result in \$22,500 in additional annual receipts to the agency at the current licensing fee of \$300.
2. The Subcommittee directs the Board of Pharmacy to report back to the Legislature before the Omnibus session with a time frame identifying when the agency will be required by the FDA to take over the inspection of oxygen distributors. The Subcommittee directs the Board of Pharmacy not to undertake inspections until and unless required by the FDA.
3. The Subcommittee directs the Board of Pharmacy to identify the costs of the following proposals and report back to the Legislature before the Omnibus session.
 - a. Giving a *Kansas Pharmacy Law Book* to each Kansas licensed Pharmacist instead of requiring them to purchase the book from the Kansas Pharmacy Association.
 - b. Establishing a Kansas Board of Pharmacy Web Page and E Mail.
 - c. Conducting educational programs directly to pharmacists including informational presentations of regulations, statutes and procedural changes as well as the conventional provision of information during inspections visits.

Real Estate Appraisal Board

No change.

Real Estate Commission

No change.

Technical Professions, Board of

FY 1998 and FY 1999. No enhancements are requested. The Governor concurs.

House Subcommittee Recommendation. The Subcommittee concurs with the Governor's recommendations.

Veterinary Examiners, Board of

FY 1998. The Board of Veterinary Examiners requests a new 1.0 FTE Investigator/Inspector for FY 1998 and consequently authority to expend \$3,670 (Fee Fund) to finance the position for the remainder of the current year. (Note: Granting of this request would increase the Board's approved budget to \$219,906 for FY 1998, an increase of 1.7 percent.) The agency states that the 1998 revisions to the Kansas Veterinary Practice Act have increased the agency's responsibilities. Additional duties of veterinary premises inspections and registrations, as well as an increased caseload of complaint investigations and hearing preparations, have necessitated the utilization of part-time temporary staffing. The agency reports, however, that the needs are neither part-time nor temporary. The requested increase in expenditures (\$3,670) will finance the last two months of FY 1998.

For FY 1998, the Governor recommends an expenditure limitation of \$216,239 which provides \$4,117 (including fringe benefits) for 1.5 percent base salary adjustment and a 2.5 percent unclassified merit pool. The Governor does not recommend the requested additional 1.0 FTE position for FY 1998.

House Subcommittee Recommendation. The Subcommittee concurs with the Governor's recommendation for FY 1998.

FY 1999. The Board requests the same new 1.0 FTE position noted above and also requests funding of \$21,928 to finance the position for all of FY 1999. If this increase were granted, the FY 1999 approved budget would be \$241,893, increase of 9.8 percent above that approved by the 1997 Legislature.

The Governor concurs with the agency's request for a new 1.0 FTE Investigator/Inspector and recommends an expenditure limitation of \$244,153. The recommendation is an increase of \$27,917 (12.9 percent) over the FY 1998 recommendation of \$216,239.

House Subcommittee Recommendation. The Subcommittee concurs with the Governor's recommendation for FY 1999.

SUBCOMMITTEE REPORT

Agency: Attorney General

Bill No. --

Bill Sec. --

Analyst: Rampey

Analysis Pg. No. 1007

Budget Page No. 81

<u>Expenditure</u>	<u>Agency Est. FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustment</u>
All Funds:			
State Operations	\$ 7,293,396	\$ 7,293,396	\$ 0
Aid to Local Units	7,003,639	7,003,639	0
Other Assistance	<u>3,200,000</u>	<u>3,200,000</u>	<u>0</u>
TOTAL	<u>\$ 17,497,035</u>	<u>\$ 17,497,035</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 4,623,579	\$ 4,623,579	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 4,623,579</u>	<u>\$ 4,623,579</u>	<u>\$ 0</u>
FTE Positions	86.0	85.8	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>86.0</u>	<u>85.8</u>	<u>0.0</u>

Agency Overview

The Attorney General is a constitutional, statewide elected official who is the chief legal officer and advocate of the state and its chief law enforcement officer. The office is organized into the Department of Criminal Justice, which is comprised of the criminal litigation division, the Child Death Review Board, the victims' rights unit, the Medicaid fraud division, and the Crime Victims Compensation Board; and the Department of Civil Law, which is comprised of the divisions of civil litigation, consumer protection, and legal opinions and government counsel. The administrative services division provides support services to both departments. The main office of the Attorney General is in the Kansas Judicial Center. The agency also has offices in the Jayhawk Tower. The agency expects to move into the Memorial Building in the fall of 1999.

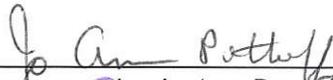
Agency Estimate/Governor's Recommendation

The Attorney General estimates expenditures from the State General Fund that are \$54,924 higher than approved by the 1997 Legislature. The entire amount is unexpended State General Fund savings from the prior year. The Governor makes no change to the Attorney General's estimated budget for FY 1998.

*Appropriations
2-18-98
Attachment 5*

House Subcommittee Recommendation

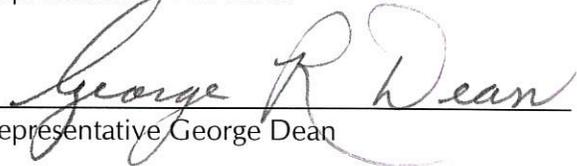
The House Subcommittee concurs with the recommendations of the Governor.



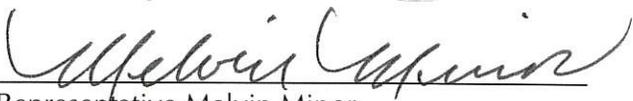
Representative Jo Ann Pottorff
Subcommittee Chairperson



Representative Phil Kline



Representative George Dean



Representative Melvin Minor

SUBCOMMITTEE REPORT

Agency: Attorney General

Bill No. 2893

Bill Sec. 28

Analyst: Rampey

Analysis Pg. No. 1007

Budget Page No. 81

<u>Expenditure Summary</u>	<u>Agency Req. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 7,417,321	\$ 7,362,154	\$ 0
Aid to Local Units	8,147,032	8,147,032	0
Other Assistance	<u>3,705,985</u>	<u>3,200,000</u>	<u>0</u>
TOTAL	<u>\$ 19,270,338</u>	<u>\$ 18,709,186</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 4,671,379	\$ 4,606,362	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 4,671,379</u>	<u>\$ 4,606,362</u>	<u>\$ 0</u>
FTE Positions	86.0	85.8	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>86.0</u>	<u>85.8</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

Requested expenditures from the State General Fund for FY 1999 are \$47,800 more than the agency's estimate for the current year. The Attorney General concurs with a suggestion by the Governor's staff that the best way to handle the Nebraska water funding issue would be for the 1998 Legislature to deal with a concurrent resolution recommended for introduction by the Special Committee on Energy and Natural Resources-Environment which requires the Attorney General to file and prosecute action against Nebraska. If the Legislature agrees with the recommendation, funds for the litigation could be added during the Session.

The Attorney General's requested FY 1999 enhancements total \$1,760,985 and are listed below.

- **Continued funding for Colorado Water Litigation.** The amount of money from the State General Fund to continue the remedies and damages phase of water litigation with Colorado is estimated to be **\$1,155,000** in FY 1999. Carry-forward savings of \$216,577 from prior years reduce the amount of new money that will be needed to **\$938,423**.
- **Litigation Expenses to Test the Constitutionality of the Federal Personal Responsibility and Work Opportunity Act of 1996.** Upon passage of federal welfare reform legislation, the 1996

Legislature enacted legislation in Kansas mandating the Attorney General to file litigation to test the constitutionality of Congress making certain federal funding contingent upon the states implementing provisions of federal law regarding child support enforcement. The Attorney General intends to have litigation on file by the beginning of the 1998 Legislative Session and is exploring the possibility of joining with other states that are considering similar action. In order to pay on-going expenses associated with the litigation, the Attorney General is requesting **\$100,000** for FY 1999 from the State General Fund.

- **Estimated Increase in Claims Paid from the Crime Victims Compensation Fund if Requested Legislation is Enacted.** The Attorney General plans to ask the 1998 Legislature to enact legislation to increase the limits on payments that may be made to victims of crime from the Crime Victims Compensation Fund.

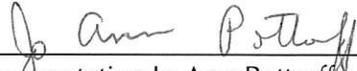
The Governor recommends a total of \$18,709,186 for FY 1999, of which \$4,606,362 is from the State General Fund. The State General Fund amount is \$65,017 less than requested by the agency. The difference is accounted for by an increase of \$46,540 in salary adjustments to fund a 4.0 percent merit pool and by a reduction of \$111,557 in other operating expenses. The latter consists primarily of the Governor not approving the requested enhancement of \$100,000 for expenses to test the constitutionality of the federal Personal Responsibility and Work Opportunity Act of 1996. The Governor approves the enhancement that concerns Colorado water litigation at the requested level of \$1,155,000. The Governor does not recommend an increased level of expenditure from the Crime Victims Compensation Fund, for which the agency had budgeted \$505,985 as an enhancement.

House Subcommittee Recommendation

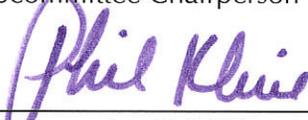
The House Subcommittee concurs with the recommendations of the Governor, with the following comments:

1. Concur with the Governor's decision not to add \$100,000 for expenses to test the constitutionality of the federal Personal Responsibility and Work Opportunity Act of 1996. The 1996 Legislature enacted legislation mandating the Attorney General to file litigation to test the constitutionality of Congress making certain federal funding contingent upon the states implementing provisions of federal law regarding child support enforcement. Legislation was on file when the 1998 Session began but, in order to pay on-going costs associated with the litigation, the Attorney General is requesting \$100,000 from the State General Fund for FY 1999. Efforts to join with other states considering similar legislation did not bear fruit when the other states decided not to proceed. The Subcommittee notes that the Attorney General, like other statewide elected officials, is authorized to carry forward State General Fund savings from the prior year. (The carry-forward amount in FY 1998 was almost \$55,000). Any savings in FY 1998 that are carried forward to FY 1999 could be used to fund the litigation against the federal government.
2. The Subcommittee calls attention to H.B. 2789 in the House Judiciary Committee. The bill was introduced at the request of the Attorney General and would increase certain limits on payments that may be made from the Crime Victims Compensation Fund. One example is an increase in the maximum that is allowed for funeral

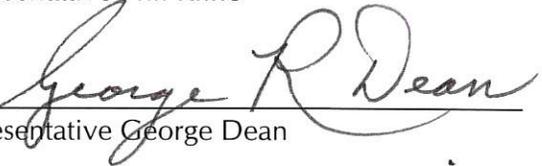
expenses from \$2,000 to \$5,000. If the legislation is enacted, no budget action would be necessary because the Fund has a "no limit" expenditure. However, the Subcommittee wants to inform the body that expenditures from the Fund would increase by about \$505,000 (from \$3.2 million to \$3.7 million.) Balances in the Fund are sufficient to fund the change in claim limits.



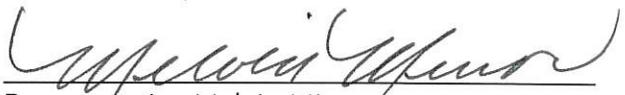
Representative Jo Ann Pottorff
Subcommittee Chairperson



Representative Phil Kline



Representative George Dean



Representative Melvin Minor

FY 1998 and FY 1999

House Subcommittee Report on

Secretary of State

Jo Ann Pottorff

Representative Jo Ann Pottorff, Chairperson

Phil Kline

Representative Phil Kline

George R Dean

Representative George Dean

Melvin Minor

Representative Melvin Minor

Appropriations
2-18-98
Attachment 6

SUBCOMMITTEE REPORT

Agency: Secretary of State

Bill No. –

Bill Sec.–

Analyst: Holman

Analysis Pg. No. 1029

Budget Page No. 403

<u>Expenditure Summary</u>	<u>Agency Estimate FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 1,482,155	\$ 1,482,155	\$ 0
Special Revenue Funds	1,413,205	1,413,205	0
TOTAL	\$ 2,895,360	\$ 2,895,360	\$ 0
FTE Positions	55.0	55.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	55.0	55.0	0.0

Agency Estimate/Governor's Recommendation

The agency's revised FY 1998 estimate of \$2,895,360 is equal to the amount approved by the 1997 Legislature. Of the total FY 1998 estimate for operating expenditures, \$1,482,155 is from the State General Fund and \$1,413,205 is from special revenue funds. **(Staff Note:** Due to a legislative staff oversight during the 1997 omnibus appropriation bill process, the agency inadvertently received \$57,368 (\$43,600 from the State General Fund) that the Conference Committee had intended to be deleted based on the passage of 1997 S.B. 227 (corporate code amendment). In addition, the Conference Committee had also intended to increase the expenditure limitation on the Franchise Fee Recovery Fund by \$20,000, also based on the passage of 1997 S.B. 227. This increase was not made, again due to a legislative staff oversight. The end result is that for FY 1998 the agency received net funding of \$37,368 (although \$43,600 from the State General Fund) higher than was intended by the 1997 Legislature. The agency's revised FY 1998 estimate is \$77,542 more than the amount intended by the 1997 Legislature. Of this amount, \$24,470 is from the State General Fund.)

Governor's Recommendation. The Governor concurs .

House Subcommittee Recommendation

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

1. The Subcommittee recommends that the agency use \$53,072 in fee fund moneys which were inadvertently appropriated to the agency by the 1997 Legislature to defray the cost of a new AS 400 computer. (See staff note above.)

SUBCOMMITTEE REPORT

Agency: Secretary of State

Bill No. 2893

Bill Sec. 29

Analyst: Holman

Analysis Pg. No. 1029

Budget Page No. 403

<u>Expenditure Summary</u>	<u>Agency Req. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 1,507,266	\$ 1,501,360	\$ 0
Special Revenue Funds	<u>1,475,759</u>	<u>1,471,315</u>	<u>0</u>
TOTAL	<u>\$ 2,983,025</u>	<u>\$ 2,972,675</u>	<u>\$ 0</u>
FTE Positions	55.0	55.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>55.0</u>	<u>55.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency requests FY 1999 state operations funding of \$2,983,025, an increase of \$87,665 or 3.0 percent above the FY 1998 estimate. The requested increase in operating expenditures for FY 1999 is proportioned as follows:

<u>Item</u>	<u>Total Change</u>
Salaries and Wages	\$ 96,675
Contractual Services	(15,687)
Commodities	0
Capital Outlay	<u>6,677</u>
TOTAL	<u>\$ 87,655</u>

Of the total FY 1999 request, \$ 2,983,025 is financed from the State General Fund and \$1,471,315 is financed from agency special revenue funds without expenditure limitations.

The Governor recommends FY 1999 state operations funding of \$2,972,675, \$10,350 less than the agency request. The decrease in the Governor's recommendation is due to an adjustment made to the agency's salary and wage request. The agency inadvertently requested a 2.5 percent increase for unclassified merit pay twice, resulting in an increase of approximately 5.0 percent. The Governor recommends a 4.0 unclassified merit pool. This is the only item of the agency's request with which the Governor does not concur.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations.

HOUSE APPROPRIATIONS SUBCOMMITTEE

ON

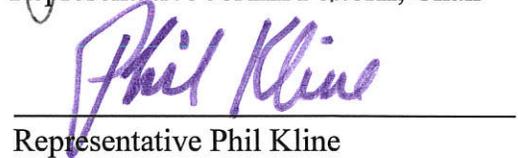
STATE HOSPITALS & GENERAL GOVERNMENT

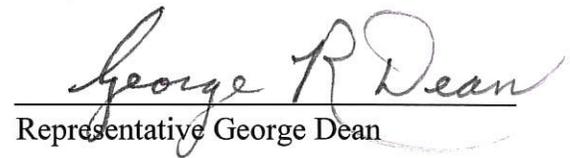
REPORT ON FY 1998 AND FY 1999 APPROPRIATIONS

FOR THE

**INSURANCE DEPARTMENT
HEALTH CARE STABILIZATION BOARD OF GOVERNORS
STATE TREASURER**


Representative JoAnn Pottorff, Chair


Representative Phil Kline


Representative George Dean


Representative Melvin Minor

Appropriations
2-18-98
Attachment 7

SUBCOMMITTEE REPORT

Agency: Insurance Department

Bill No. 2895

Bill Sec. New

Analyst: West

Analysis Pg. No. 1016

Budget Page No. 281

Expenditure	Agency Est. FY 98	Gov. Rec. FY 98	House Subcommittee Adjustments
All Funds:			
State Operations	\$ 10,462,513	\$ 10,462,490	\$ 0
Aid to Local Units	4,852,789	4,852,789	0
Other Assistance	<u>23,527,603</u>	<u>23,527,603</u>	<u>0</u>
Subtotal - Operating	\$ 38,842,905	\$ 38,842,882	\$ 0
Capital Improvements	<u>206,437</u>	<u>206,437</u>	<u>0</u>
TOTAL	<u><u>\$ 39,049,342</u></u>	<u><u>\$ 39,049,319</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 0	\$ 0	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
FTE Positions	161.5	161.5	0.0
Unclassified Temp. Positions	<u>2.0</u>	<u>2.0</u>	<u>0.0</u>
TOTAL	<u><u>163.5</u></u>	<u><u>163.5</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The Department estimates total FY 1998 operating expenditures of \$38,842,905, a reduction of \$5,827,823 from the \$44,670,728 authorized by the 1997 Legislature. The Department will distribute more money than originally anticipated to local firefighters relief associations. However, expenditures from the Workers' Compensation Fund are expected to be \$6.0 million less than originally anticipated. This drop in workers' compensation costs started to occur last year and was brought about in part because of reform by the 1993 Legislature on workers' compensation laws.

Governor's Recommendation. The Governor reduces the Department's revised estimate by \$23 for salaries and wages. He makes no other changes to the Department's revised current year estimate.

House Subcommittee Recommendation

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

1. The Senior Health Insurance Counseling for Kansas (SHICK) program provides counseling and advice on Medicare supplemental insurance policies and other insurance issues of interest to senior citizens. The Area Agencies on Aging perform the service delivery while the Insurance Department provides training to the volunteer counselors. The agency has requested authority to provide, within existing resources, refreshments to the volunteer counselors while they are undergoing training. This authority would be limited to a maximum of \$750 per year. The Subcommittee concurs.

SUBCOMMITTEE REPORT

Agency: Insurance Department

Bill No. 2893

Bill Sec. 31

Analyst: West

Analysis Pg. No. 1016

Budget Page No. 281

Expenditure	Agency Req. FY 99	Gov. Rec. FY 99	House Subcommittee Adjustments
All Funds:			
State Operations	\$ 10,936,616	\$ 10,699,665	\$ 0
Aid to Local Units	4,912,628	4,912,628	0
Other Assistance	<u>19,151,847</u>	<u>19,151,847</u>	<u>0</u>
Subtotal - Operating	\$ 35,001,091	\$ 34,764,140	\$ 0
Capital Improvements	<u>255,000</u>	<u>255,000</u>	<u>0</u>
TOTAL	<u><u>\$ 35,256,091</u></u>	<u><u>\$ 35,019,140</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 0	\$ 0	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
FTE Positions	<u>164.5</u>	<u>161.5</u>	<u>0.0</u>
Unclassified Temp. Positions	<u>2.0</u>	<u>2.0</u>	<u>0.0</u>
TOTAL	<u><u>166.5</u></u>	<u><u>163.5</u></u>	<u><u>0.0</u></u>

Agency Request/Governor's Recommendation

For FY 1999, the Department requests operating expenditures of \$35,001,091, a reduction of \$3,841,814 from the revised current year estimate of \$38,842,905. The Department anticipates that workers' compensation claim payments and administration costs will drop (from \$26,361,241 to \$21,911,193). Included in the request is \$213,634 for three enhancements, which provides for 3.0 new FTE positions. Absent the requested enhancements, the Department's request would be a reduction of \$4,055,448 or 10.4 percent from the current year revised estimate.

FY 1999 Enhancements						
Enhancement	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
New FTE Actuary Positions	\$ 0	\$ 168,901	2.0	\$ 0	0	0.0
New FTE Financial Analyst Position	0	35,733	1.0	0	0	0.0
Computer Equipment to Implement for SERFF	0	9,000	0.0	0	0	0.0
TOTAL - FY 1999 Enhancement Request	\$ 0	\$ 213,634	3.0	\$ 0	0	0.0

The Governor recommends none of the requested enhancements. He reduces the Department's FY 1999 request by \$236,951, of which \$213,634 would have been for the enhancements. He recommends the usual step movement for classified employees as well as a 1.5 percent base salary adjustment. For unclassified employees, he funds a 4.0 percent merit pool instead of the 2.5 percent that was requested. He also reduces the amount of moneys that were budgeted for longevity pay, the intent being to fund longevity pay that was budgeted for classified employees, but not to fund it for unclassified employees.

House Subcommittee Recommendation

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

1. Consistent with the Subcommittee's current year recommendation, add a proviso to permit the SHICK program to provide official hospitality from within existing resources, not to exceed \$750.
2. The Subcommittee notes that one enhancement requested by the agency is the authority to hire 2.0 actuaries to provide actuarial review of rate and form filings. The agency is hampered in achieving this enhancement by a statutory restriction which prohibits any employee of the Insurance Department from being paid more than the Insurance Commissioner. The Commissioner's salary, currently budgeted at \$66,211 (excluding fringe benefits), is below the market rate paid to actuaries. Senate Bill 426, currently in House Health and Human Services Committee, will eliminate this prohibition. Should this bill pass, the Subcommittee would recommend adding the requested positions.
3. During the review of the agency's operations by the Task Force on the Kansas Insurance Industry, it was noted that the agency was exceeding the \$4.8 million cap on receipts to the Insurance Department Regulation Fund. Under current law, amounts received from licensing fees in excess of \$4.8 million are deposited to the State General Fund and then the Insurance Commissioner is authorized to make additional assessments on the industry to cover program administration costs in excess of \$4.8 million. The Subcommittee has been informed that the agency is taking the necessary steps to ensure that it remains in compliance with the law. In addition, S.B. 494 has been introduced to address this issue. As introduced, the bill would eliminate the \$4.8 million cap and remove the authority for special

assessments, with a resulting reduction of State General Fund receipts of approximately \$1.3 million. As amended by the Senate Committee on Financial Institutions and Insurance, the bill would return the Insurance Department to a State General Fund financed agency in FY 2000. The bill is currently pending on Senate General Orders.

SUBCOMMITTEE REPORT

Agency: Health Care Stabilization Fund

Bill No. 2895

Bill Sec. 14

Analyst: West

Analysis Pg. No. 1023

Budget Page No. 233

<u>Expenditure Summary</u>	<u>Agency Est. FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 3,867,734	\$ 3,852,995	\$ 0
Other Assistance	<u>22,734,800</u>	<u>22,734,800</u>	<u>0</u>
TOTAL	<u>\$ 26,602,534</u>	<u>\$ 26,587,795</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
FTE Positions	16.0	16.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>16.0</u>	<u>16.0</u>	<u>0.0</u>

Agency Est./Governor's Recommendation

The Board's revised current year estimate of \$26.6 million reflects a net reduction of \$3,184,160 from the total amount approved by the 1997 Legislature. The amount for claim payments against the Health Care Stabilization Fund is reduced by \$4.0 million, which is offset some by an anticipated increase of legal fees of \$830,800. Also, the Board asks for an increase in the expenditure limitation on the Operating Expenditures Account of the Health Care Stabilization Fund by \$10,015 (from \$833,019 to \$843,034).

The Governor reduces the Board's request for salaries by \$14,739. He makes no other changes to the Board's revised estimate. His adjustment removes the need for a statutory change to increase the expenditure authority on the Operating Expenditures Account of the Health Care Stabilization Fund. Expenditures from the Operating Expenditures Account would be \$828,295, which is \$4,724 less than existing authority of \$833,019.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's FY 1998 recommendation.

*Appropriations
2-18-98
Attachment B*

SUBCOMMITTEE REPORT

Agency: Health Care Stabilization Fund

Bill No. 2893

Bill Sec. 32

Analyst: West

Analysis Pg. No. 1023

Budget Page No. 233

<u>Expenditure Summary</u>	<u>Agency Req. FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 4,012,152	\$ 3,984,287	\$ 0
Other Assistance	<u>21,884,200</u>	<u>21,884,200</u>	<u>0</u>
TOTAL	<u>\$ 25,896,352</u>	<u>\$ 25,868,487</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 0	\$ 0	\$ 0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
FTE Positions	16.0	16.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>16.0</u>	<u>16.0</u>	<u>0.0</u>

Agency Req./Governor's Recommendation

For FY 1999, the Board requests \$25,896,352 in expenditures from the Health Care Stabilization Fund, of which \$21,884,200 is for claim payments and \$4,012,152 is for state operations. The Board proposes no new enhancements and expects claim payments to drop by \$850,600.

The Governor recommends expenditures of \$25,868,487 in FY 1999, a reduction of \$27,865 in state operations from the Board's request. About half of the reduction is in capital outlay expenditures (from \$30,300 to \$17,500). Salaries also are reduced because of anticipated turnover savings of 3.7 percent. The Governor also adjusts salary expenditures to include a 1.5 percent base salary adjustment for classified employees and a merit pool of 4.0 percent for unclassified employees.

House Subcommittee Recommendation.

The House Subcommittee concurs with the Governor's FY 1999 recommendation with the following observations:

1. The Subcommittee has been informed that the Board of Governor's is exploring the idea of leasing personal computers in lieu of purchasing. Testimony to the Subcommittee indicated that this approach would make it easier for smaller agencies

who lack the technical resources to have relatively current equipment and better system support, but at an increased cost. The Joint Committee on Computers and Telecommunications (JCCT) may wish to explore the relative benefits of this approach to the acquisition of information technology.

2. The Subcommittee notes that in recent years a difference of opinion has arisen about who has the authority to make hire and set the salary of unclassified employees of the agency. S.B. 423, currently pending before the House Insurance Committee, would clarify that such appointment and salary authority rests with the Board of Governors.

SUBCOMMITTEE REPORT

Agency: State Treasurer

Bill No. --

Bill Sec. --

Analyst: West

Analysis Pg. No. 1038

Budget Page No. 465

Expenditure	Agency Estimate FY 1998	Gov. Rec. FY 1998	House Subcommittee Adjustments
All Funds:			
State Operations	\$ 3,277,309	\$ 3,191,167	\$ 0
Aid to Local Units	99,281,978	99,281,978	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 102,559,287	\$ 102,473,145	\$ 0
Debt Service Principal	<u>51,000</u>	<u>51,000</u>	<u>0</u>
TOTAL	<u><u>\$ 102,610,287</u></u>	<u><u>\$ 102,524,145</u></u>	<u><u>\$ 0</u></u>
State General Fund:			
State Operations	\$ 2,145,303	\$ 2,075,600	\$ 0
Aid to Local Units	83,479,578	83,479,578	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 85,624,881	\$ 85,555,178	\$ 0
Debt Service Principal	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 85,624,881</u></u>	<u><u>\$ 85,555,178</u></u>	<u><u>\$ 0</u></u>
FTE Positions	56.5	56.5	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>56.5</u></u>	<u><u>56.5</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The agency's revised state operations expenditures estimate for FY 1998 is \$3,277,309, or \$49,699 less than the amount approved by the 1997 Legislature. The estimate includes \$5,501 more than the anticipated level of State General Fund financing, which reflects the expenditure of approved FY 1997 funding carried forward to FY 1998. As do all elected officials, the State Treasurer has authorization to spend State General Fund amounts carried forward from the previous fiscal year. Therefore, this amount is not shown in the "Change From Approved Budget" table above. The decrease of \$49,699 in special revenue fund expenditures reflects the expenditure of \$41,687 less than the approved amount for the Pooled Money Investment Board (the Pooled Money Investment Portfolio Fee Fund and the Municipal Investment Pool Fee Fund), and a net reduction of \$8,012 in expenditures from other special revenue funds. The budget supports 56.6 FTE positions, the approved amount.

*Appropriations
2-18-98
Attachment 9*

The Governor recommends a current year state operations budget of \$3,191,167, a reduction of \$86,142 from the agency's request for salaries and wages.

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's current year recommendation.

SUBCOMMITTEE REPORT

Agency: State Treasurer

Bill No. 2893

Bill Sec. 30

Analyst: West

Analysis Pg. No. 1038

Budget Page No. 465

Expenditure	Agency Request FY 1999	Gov. Rec. FY 1999	House Subcommittee Adjustments
All Funds:			
State Operations	\$ 3,379,459	\$ 3,369,721	\$ 0
Aid to Local Units	112,004,400	101,785,488	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 115,383,859	\$ 105,155,209	\$ 0
Debt Service Principal	59,217	59,217	0
TOTAL	<u>\$ 115,443,076</u>	<u>\$ 105,214,426</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 2,218,964	\$ 2,209,201	\$ 0
Aid to Local Units	95,702,000	85,483,088	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 97,920,964	\$ 87,692,289	\$ 0
Debt Service Principal	0	0	0
TOTAL	<u>\$ 97,920,964</u>	<u>\$ 87,692,289</u>	<u>\$ 0</u>
FTE Positions	56.5	56.5	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>56.5</u>	<u>56.5</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The agency requests FY 1999 state operations funding of \$3,379,459, an increase of \$102,150, or 3.1 percent, above the FY 1998 estimate of \$3,277,309. The majority of the requested increase can be attributed to classified step movement and other salary adjustments (\$65,819), bank fees (\$30,000), and a requested enhancement (\$12,000). Net other changes decrease total expenditures by \$5,669. The request continues the current level of staffing with 56.5 FTE positions and includes salary shrinkage savings of \$81,586, or 3.6 percent. **Without the requested enhancement the agency's request would be an increase of \$90,150 or 2.8 percent.**

The Governor recommends FY 1999 state operations expenditures of \$3,369,721, including \$2,209,201 from the State General Fund. The FY 1999 recommendation represents an increase of

\$178,554 from the current year recommendation of \$3,191,167 and a net decrease of \$9,737 from the agency's request. The recommendation includes \$50,362 for a 1.5 percent classified base salary adjustment and a 4.0 percent unclassified merit pool.

Aid to Local Units. The FY 1999 request for aid to local units of \$112.0 million includes \$54.3 million for the Local Ad Valorem Tax Reduction Fund (LAVTRF) and \$41.4 million for the City and County Revenue Sharing Fund (CCRSF). Based on estimates developed by the Kansas Legislative Research Department, these two demand transfers would total \$95.7 million in FY 1999 under current law, an increase of \$12.2 million (14.6 percent) from the current year. The agency also anticipates that special revenue financed local aid will total \$16.3 million, a 3.2 percent increase from the current year.

The Governor recommends FY 1999 local aid payments of \$101.8 million, a decrease of \$10.2 million from the agency's estimate. The Governor concurs with the estimate of special revenue financed local aid and recommends that the demand transfers to the LAVTRF and the CCRSF be limited to a 2.4 percent increase over the current year.

House Subcommittee Recommendation

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

1. The Subcommittee notes that the requested enhancement, which was not recommended by the Governor, would provide cooling for the agency's servers on the weekends when the air conditioning is shut off in the Landon State Office Building. The Subcommittee encourages the agency to join with other building tenants who may be faced with the same problem and to work with the Division of Facilities Management to resolve this issue.
2. The Subcommittee recommends that even though the agency is not planning any major computer systems acquisitions in the near future that the agency review their information technology plan with the Joint Committee on Computers and Telecommunications (JCCT).
3. The Subcommittee notes that the agency's outreach efforts in the Unclaimed Property Division appear to be paying off, with increases in both the value of unclaimed property receipts deposited to the State General Fund (from \$9.3 million in FY 1997 to a projected \$11.25 million in FY 1999) and in the return of property to the rightful owners (from \$3.2 million in FY 1997 to an estimated \$4.2 million in FY 1999). The Subcommittee also received information about the activity at the agency's website, which is attached for the Committee's information.

Kansas State Treasurer's Office

Unclaimed Property Division

900 SW Jackson, Suite 201
Topeka, KS 66612

Monthly Website General Statistics

Unclaimed Property Inquiries.....	163,395
'Since' date.....	04/18/1997
Unclaimed Property Claim Count	6,484
Unclaimed Property Claim Amount	1,260,801.42
'Since' date.....	04/18/1997
Unclaimed Property Largest Claim	88,121.06
'Since' date.....	04/18/1997
Unclaimed Property Legislator Listings.....	13
'Since' date.....	04/18/1997
Cash Management Warrant Lookups	1,973 (January 1998 only)
'Since' date.....	01/01/1998 9,400 (April 1997-January 1998)
Cash Management Distributions by County.....	243
'Since' date.....	07/15/1997
Cash Management Distributions by City.....	201
'Since' date.....	07/15/1997
Bond Services Indebtedness by Year.....	79
'Since' date.....	07/15/1997
Bond Services Indebtedness by County	96
'Since' date.....	07/15/1997
Website Announcements Accesses.....	1,758
'Since' date.....	04/18/1997

kansasstatetreasurer.com

3% - All retirants
15 year amortization

AD HOC (ONE-TIME) COLA ESTIMATES

*HS APPROPRIATIONS
2-18-98
ATTACHMENT 10*

	<u>Increase in Actuarial Liability</u>	<u>Increase in Contribution Rate</u>	<u>Additional First Year Contribution</u>	<u>Total Additional Contributions</u>
KPERS				
State	25,000,000	0.32%	\$ 2,630,000	52,720,000
School	55,000,000	0.25%	5,670,000	113,600,000
Local	13,000,000	0.17%	1,460,000	29,190,000
TIAA	1,000,000	0.12%	560,000	1,750,000
Judges				
Judges	1,000,000	0.65%	130,000	2,560,000
KP&F				
KP&F-State	1,600,000	0.54%	180,000	3,690,000
KP&F-Local	11,400,000	0.54%	1,260,000	25,310,000
Totals	108,000,000		11,890,000	228,820,000

Notes: •COLA applied to all members retired on or before June 30, 1997
•Additional actuarial liability amortized over a 15-year period

*Appropriations
2-18-98
Attachment 10*

KPERS AD HOC COLA
PROJECTIONS

	Expected Payroll	Current Plan	Current Projections Employer Contributions	Proposed Cola	Revised Employer Rate	Proposed Employer Cont.	Add'l Dollars
STATE							
1997	\$ 731.40	3.79%	\$ 27.72	0.00%	3.79%	\$ 27.72	\$ 0.00
1998	760.66	3.99%	30.35	0.00%	3.99%	30.35	0.00
1999	791.08	4.19%	33.15	0.00%	4.19%	33.15	0.00
2000	822.73	4.39%	36.12	0.32%	4.71%	38.75	2.63
2001	855.63	4.59%	39.27	0.32%	4.91%	42.01	2.74
2002	889.86	4.71%	41.91	0.32%	5.03%	44.76	2.85
2003	925.45	4.61%	42.66	0.32%	4.93%	45.62	2.96
2004	962.47	4.54%	43.70	0.32%	4.86%	46.78	3.08
2005	1,000.97	4.48%	44.84	0.32%	4.80%	48.05	3.20
2006	1,041.01	4.44%	46.22	0.32%	4.76%	49.55	3.33
2007	1,082.65	4.41%	47.74	0.32%	4.73%	51.21	3.46
2008	1,125.96	4.40%	49.54	0.32%	4.72%	53.15	3.60
2009	1,170.99	4.39%	51.41	0.32%	4.71%	55.15	3.75
2010	1,217.83	4.38%	53.34	0.32%	4.70%	57.24	3.90
2011	1,266.55	4.38%	55.47	0.32%	4.70%	59.53	4.05
2012	1,317.21	4.38%	57.69	0.32%	4.70%	61.91	4.22
2013	1,369.90	4.39%	60.14	0.32%	4.71%	64.52	4.38
2014	1,424.69	4.39%	62.54	0.32%	4.71%	67.10	4.56
Total			\$ 823.83			\$ 876.55	\$ 52.72
SCHOOL							
1997	\$2,017.40	3.79%	\$ 76.46	0.00%	3.79%	\$ 76.46	\$ 0.00
1998	2,098.10	3.99%	83.71	0.00%	3.99%	83.71	0.00
1999	2,182.02	4.19%	91.43	0.00%	4.19%	91.43	0.00
2000	2,269.30	4.39%	99.62	0.25%	4.64%	105.30	5.67
2001	2,360.07	4.59%	108.33	0.25%	4.84%	114.23	5.90
2002	2,454.48	4.71%	115.61	0.25%	4.96%	121.74	6.14
2003	2,552.65	4.61%	117.68	0.25%	4.86%	124.06	6.38
2004	2,654.76	4.54%	120.53	0.25%	4.79%	127.16	6.64
2005	2,760.95	4.48%	123.69	0.25%	4.73%	130.59	6.90
2006	2,871.39	4.44%	127.49	0.25%	4.69%	134.67	7.18
2007	2,986.24	4.41%	131.69	0.25%	4.66%	139.16	7.47
2008	3,105.69	4.40%	136.65	0.25%	4.65%	144.41	7.76
2009	3,229.92	4.39%	141.79	0.25%	4.64%	149.87	8.07
2010	3,359.12	4.38%	147.13	0.25%	4.63%	155.53	8.40
2011	3,493.48	4.38%	153.01	0.25%	4.63%	161.75	8.73
2012	3,633.22	4.38%	159.14	0.25%	4.63%	168.22	9.08
2013	3,778.55	4.39%	165.88	0.25%	4.64%	175.32	9.45
2014	3,929.69	4.39%	172.51	0.25%	4.64%	182.34	9.82
Total			\$ 2,272.35			\$ 2,385.95	\$ 113.60

KPERS AD HOC COLA
PROJECTIONS

	Expected Payroll	Current Plan	Current Projections Employer Contributions	Proposed Cola	Revised Employer Rate	Proposed Employer Cont.	Add'l Dollars
LOCAL							
1997	\$ 762.40	2.63%	\$ 20.05	0.00%	2.63%	\$ 20.05	\$ 0.00
1998	792.90	2.78%	22.04	0.00%	2.78%	22.04	0.00
1999	824.61	2.93%	24.16	0.00%	2.93%	24.16	0.00
2000	857.60	3.08%	26.41	0.17%	3.25%	27.87	1.46
2001	891.90	3.23%	28.81	0.17%	3.40%	30.32	1.52
2002	927.58	3.38%	31.35	0.17%	3.55%	32.93	1.58
2003	964.68	3.42%	32.99	0.17%	3.59%	34.63	1.64
2004	1,003.27	3.37%	33.81	0.17%	3.54%	35.52	1.71
2005	1,043.40	3.34%	34.85	0.17%	3.51%	36.62	1.77
2006	1,085.13	3.31%	35.92	0.17%	3.48%	37.76	1.84
2007	1,128.54	3.29%	37.13	0.17%	3.46%	39.05	1.92
2008	1,173.68	3.28%	38.50	0.17%	3.45%	40.49	2.00
2009	1,220.63	3.27%	39.91	0.17%	3.44%	41.99	2.08
2010	1,269.45	3.27%	41.51	0.17%	3.44%	43.67	2.16
2011	1,320.23	3.27%	43.17	0.17%	3.44%	45.42	2.24
2012	1,373.04	3.27%	44.90	0.17%	3.44%	47.23	2.33
2013	1,427.96	3.27%	46.69	0.17%	3.44%	49.12	2.43
2014	1,485.08	3.27%	48.56	0.17%	3.44%	51.09	2.52
Total			\$ 630.78			\$ 659.97	\$ 29.19

% - ALL RETIRANTS
15 YEAR AMORTIZATION

KPERS AD HOC COLA
PROJECTIONS

	Expected Payroll	Current Plan	Current Projections Employer Contributions	Proposed Cola	Revised Employer Rate	Proposed Employer Cont.	Add'l Dollars
KPF STATE							
1997	\$ 30.30	9.73%	\$ 2.95	0.00%	9.73%	\$ 2.95	\$ 0.00
1998	31.51	9.45%	2.98	0.00%	9.45%	2.98	0.00
1999	32.77	7.36%	2.41	0.00%	7.36%	2.41	0.00
2000	34.08	7.36%	2.51	0.54%	7.90%	2.69	0.18
2001	35.45	7.36%	2.61	0.54%	7.90%	2.80	0.19
2002	36.86	7.36%	2.71	0.54%	7.90%	2.91	0.20
2003	38.34	7.36%	2.82	0.54%	7.90%	3.03	0.21
2004	39.87	7.36%	2.93	0.54%	7.90%	3.15	0.22
2005	41.47	7.36%	3.05	0.54%	7.90%	3.28	0.22
2006	43.13	7.36%	3.17	0.54%	7.90%	3.41	0.23
2007	44.85	7.36%	3.30	0.54%	7.90%	3.54	0.24
2008	46.65	7.36%	3.43	0.54%	7.90%	3.68	0.25
2009	48.51	7.36%	3.57	0.54%	7.90%	3.83	0.26
2010	50.45	7.36%	3.71	0.54%	7.90%	3.99	0.27
2011	52.47	7.36%	3.86	0.54%	7.90%	4.15	0.28
2012	54.57	7.36%	4.02	0.54%	7.90%	4.31	0.29
2013	56.75	7.36%	4.18	0.54%	7.90%	4.48	0.31
2014	59.02	7.36%	4.34	0.54%	7.90%	4.66	0.32
Total			\$ 58.57			\$ 62.25	\$ 3.69
KPF LOCAL							
1997	\$ 208.10	9.73%	\$ 20.25	0.00%	9.73%	\$ 20.25	\$ 0.00
1998	216.42	9.45%	20.45	0.00%	9.45%	20.45	0.00
1999	225.08	7.36%	16.57	0.00%	7.36%	16.57	0.00
2000	234.08	7.36%	17.23	0.54%	7.90%	18.49	1.26
2001	243.45	7.36%	17.92	0.54%	7.90%	19.23	1.31
2002	253.19	7.36%	18.63	0.54%	7.90%	20.00	1.37
2003	263.31	7.36%	19.38	0.54%	7.90%	20.80	1.42
2004	273.85	7.36%	20.16	0.54%	7.90%	21.63	1.48
2005	284.80	7.36%	20.96	0.54%	7.90%	22.50	1.54
2006	296.19	7.36%	21.80	0.54%	7.90%	23.40	1.60
2007	308.04	7.36%	22.67	0.54%	7.90%	24.34	1.66
2008	320.36	7.36%	23.58	0.54%	7.90%	25.31	1.73
2009	333.17	7.36%	24.52	0.54%	7.90%	26.32	1.80
2010	346.50	7.36%	25.50	0.54%	7.90%	27.37	1.87
2011	360.36	7.36%	26.52	0.54%	7.90%	28.47	1.95
2012	374.78	7.36%	27.58	0.54%	7.90%	29.61	2.02
2013	389.77	7.36%	28.69	0.54%	7.90%	30.79	2.10
2014	405.36	7.36%	29.83	0.54%	7.90%	32.02	2.19
Total			\$ 402.24			\$ 427.56	\$ 25.31

January 29, 1998

10-4

KPERS AD HOC COLA
PROJECTIONS

	Expected Payroll	Current Plan	Current Projections Employer Contributions	Proposed Cola	Revised Employer Rate	Proposed Employer Cont.	Add'l Dollars
JUDGES							
1997	\$ 17.50	15.20%	\$ 2.66	0.00%	15.20%	\$ 2.66	\$ 0.00
1998	18.20	15.27%	2.78	0.00%	15.27%	2.78	0.00
1999	18.93	13.98%	2.65	0.00%	13.98%	2.65	0.00
2000	19.69	13.98%	2.75	0.65%	14.63%	2.88	0.13
2001	20.47	13.98%	2.86	0.65%	14.63%	3.00	0.13
2002	21.29	13.98%	2.98	0.65%	14.63%	3.11	0.14
2003	22.14	13.98%	3.10	0.65%	14.63%	3.24	0.14
2004	23.03	13.98%	3.22	0.65%	14.63%	3.37	0.15
2005	23.95	13.98%	3.35	0.65%	14.63%	3.50	0.16
2006	24.91	13.98%	3.48	0.65%	14.63%	3.64	0.16
2007	25.90	13.98%	3.62	0.65%	14.63%	3.79	0.17
2008	26.94	13.98%	3.77	0.65%	14.63%	3.94	0.18
2009	28.02	13.98%	3.92	0.65%	14.63%	4.10	0.18
2010	29.14	13.98%	4.07	0.65%	14.63%	4.26	0.19
2011	30.30	13.98%	4.24	0.65%	14.63%	4.43	0.20
2012	31.52	13.98%	4.41	0.65%	14.63%	4.61	0.20
2013	32.78	13.98%	4.58	0.65%	14.63%	4.80	0.21
2014	34.09	13.98%	4.77	0.65%	14.63%	4.99	0.22
Total			\$ 63.19			\$ 65.75	\$ 2.56
TIAA							
1997	\$ 415.90	1.68%	\$ 6.99	0.00%	1.68%	\$ 6.99	\$ 0.00
1998	432.54	1.59%	6.88	0.00%	1.59%	6.88	0.00
1999	449.84	1.59%	7.15	0.00%	1.59%	7.15	0.00
2000	467.83	1.59%	7.44	0.12%	1.71%	8.00	0.56
2001	486.54	1.59%	7.74	0.12%	1.71%	8.32	0.58
2002	506.01	1.59%	8.05	0.12%	1.71%	8.65	0.61
Total			\$ 44.24			\$ 45.99	\$ 1.75

3% - All retirants
15 year amortization

AD HOC (ONE-TIME) COLA ESTIMATES

10-6

	<u>Increase in Actuarial Liability</u>	<u>Increase in Contribution Rate</u>	<u>Additional First Year Contribution</u>	<u>Total Additional Contributions</u>
KPERS				
State/School	80,000,000	0.27%	8,350,000	167,170,000
Local	13,000,000	0.17%	1,460,000	29,190,000
TIAA	1,000,000	0.12%	560,000	1,750,000
Judges				
Judges	1,000,000	0.65%	130,000	2,560,000
KP&F				
KP&F-State	1,600,000	0.54%	180,000	3,690,000
KP&F-Local	11,400,000	0.54%	1,260,000	25,310,000
Totals	108,000,000		11,940,000	229,670,000

Notes: •COLA applied to all members retired on or before June 30, 1997
•Additional actuarial liability amortized over a 15-year period

9-01

KPERS AD HOC COLA
PROJECTIONS

	Expected Payroll	Current Plan	Current Projections Employer Contributions	Proposed Cola	Revised Employer Rate	Proposed Employer Cont.	Aud'l Dollars
STATE SCHOOL							
1997	\$ 2,748.80	3.79%	\$ 104.18	0.00%	3.79%	\$ 104.18	\$ 0.00
1998	2,858.75	3.99%	114.06	0.00%	3.99%	114.06	0.00
1999	2,973.10	4.19%	124.57	0.00%	4.19%	124.57	0.00
2000	3,092.03	4.39%	135.74	0.27%	4.66%	144.09	8.35
2001	3,215.71	4.59%	147.60	0.27%	4.86%	156.28	8.68
2002	3,344.34	4.71%	157.52	0.27%	4.98%	166.55	9.03
2003	3,478.11	4.61%	160.34	0.27%	4.88%	169.73	9.39
2004	3,617.23	4.54%	164.22	0.27%	4.81%	173.99	9.77
2005	3,761.92	4.48%	168.53	0.27%	4.75%	178.69	10.16
2006	3,912.40	4.44%	173.71	0.27%	4.71%	184.27	10.56
2007	4,068.90	4.41%	179.44	0.27%	4.68%	190.42	10.99
2008	4,231.65	4.40%	186.19	0.27%	4.67%	197.62	11.43
2009	4,400.92	4.39%	193.20	0.27%	4.66%	205.08	11.88
2010	4,576.95	4.38%	200.47	0.27%	4.65%	212.83	12.36
2011	4,760.03	4.38%	208.49	0.27%	4.65%	221.34	12.85
2012	4,950.43	4.38%	216.83	0.27%	4.65%	230.20	13.37
2013	5,148.45	4.39%	226.02	0.27%	4.66%	239.92	13.90
2014	5,354.39	4.39%	235.06	0.27%	4.66%	249.51	14.46
Total			\$ 3,096.18			\$ 3,263.34	\$ 167.17
LOCAL							
1997	\$ 762.40	2.63%	\$ 20.05	0.00%	2.63%	\$ 20.05	\$ 0.00
1998	792.90	2.78%	22.04	0.00%	2.78%	22.04	0.00
1999	824.61	2.93%	24.16	0.00%	2.93%	24.16	0.00
2000	857.60	3.08%	26.41	0.17%	3.25%	27.87	1.46
2001	891.90	3.23%	28.81	0.17%	3.40%	30.32	1.52
2002	927.58	3.38%	31.35	0.17%	3.55%	32.93	1.58
2003	964.68	3.42%	32.99	0.17%	3.59%	34.63	1.64
2004	1,003.27	3.37%	33.81	0.17%	3.54%	35.52	1.71
2005	1,043.40	3.34%	34.85	0.17%	3.51%	36.62	1.77
2006	1,085.13	3.31%	35.92	0.17%	3.48%	37.76	1.84
2007	1,128.54	3.29%	37.13	0.17%	3.46%	39.05	1.92
2008	1,173.68	3.28%	38.50	0.17%	3.45%	40.49	2.00
2009	1,220.63	3.27%	39.91	0.17%	3.44%	41.99	2.08
2010	1,269.45	3.27%	41.51	0.17%	3.44%	43.67	2.16
2011	1,320.23	3.27%	43.17	0.17%	3.44%	45.42	2.24
2012	1,373.04	3.27%	44.90	0.17%	3.44%	47.23	2.33
2013	1,427.96	3.27%	46.69	0.17%	3.44%	49.12	2.43
2014	1,485.08	3.27%	48.56	0.17%	3.44%	51.09	2.52
Total			\$ 630.78			\$ 659.97	\$ 29.19

January 20, 1998

PROJECTIONS

	Expected Payroll	Current Plan	Current Projections Employer Contributions	Proposed Cola	Revised Employer Rate	Proposed Employer Cont.	Dollars
KPF STATE							
1997	\$ 30.30	9.73%	\$ 2.95	0.00%	9.73%	\$ 2.95	\$ 0.00
1998	31.51	9.45%	2.98	0.00%	9.45%	2.98	0.00
1999	32.77	7.36%	2.41	0.00%	7.36%	2.41	0.00
2000	34.08	7.36%	2.51	0.54%	7.90%	2.69	0.18
2001	35.45	7.36%	2.61	0.54%	7.90%	2.80	0.19
2002	36.86	7.36%	2.71	0.54%	7.90%	2.91	0.20
2003	38.34	7.36%	2.82	0.54%	7.90%	3.03	0.21
2004	39.87	7.36%	2.93	0.54%	7.90%	3.15	0.22
2005	41.47	7.36%	3.05	0.54%	7.90%	3.28	0.22
2006	43.13	7.36%	3.17	0.54%	7.90%	3.41	0.23
2007	44.85	7.36%	3.30	0.54%	7.90%	3.54	0.24
2008	46.65	7.36%	3.43	0.54%	7.90%	3.68	0.25
2009	48.51	7.36%	3.57	0.54%	7.90%	3.83	0.26
2010	50.45	7.36%	3.71	0.54%	7.90%	3.99	0.27
2011	52.47	7.36%	3.86	0.54%	7.90%	4.15	0.28
2012	54.57	7.36%	4.02	0.54%	7.90%	4.31	0.29
2013	56.75	7.36%	4.18	0.54%	7.90%	4.48	0.31
2014	59.02	7.36%	4.34	0.54%	7.90%	4.66	0.32
Total			\$ 58.57			\$ 62.25	\$ 3.69
KPF LOCAL							
1997	\$ 208.10	9.73%	\$ 20.25	0.00%	9.73%	\$ 20.25	\$ 0.00
1998	216.42	9.45%	20.45	0.00%	9.45%	20.45	0.00
1999	225.08	7.36%	16.57	0.00%	7.36%	16.57	0.00
2000	234.08	7.36%	17.23	0.54%	7.90%	18.49	1.26
2001	243.45	7.36%	17.92	0.54%	7.90%	19.23	1.31
2002	253.19	7.36%	18.63	0.54%	7.90%	20.00	1.37
2003	263.31	7.36%	19.38	0.54%	7.90%	20.80	1.42
2004	273.85	7.36%	20.16	0.54%	7.90%	21.63	1.48
2005	284.80	7.36%	20.96	0.54%	7.90%	22.50	1.54
2006	296.19	7.36%	21.80	0.54%	7.90%	23.40	1.60
2007	308.04	7.36%	22.67	0.54%	7.90%	24.34	1.66
2008	320.36	7.36%	23.58	0.54%	7.90%	25.31	1.73
2009	333.17	7.36%	24.52	0.54%	7.90%	26.32	1.80
2010	346.50	7.36%	25.50	0.54%	7.90%	27.37	1.87
2011	360.36	7.36%	26.52	0.54%	7.90%	28.47	1.95
2012	374.78	7.36%	27.58	0.54%	7.90%	29.61	2.02
2013	389.77	7.36%	28.69	0.54%	7.90%	30.79	2.10
2014	405.36	7.36%	29.83	0.54%	7.90%	32.02	2.19
Total			\$ 402.24			\$ 427.56	\$ 25.31

January 20, 1998

PROJECTIONS

	Expected Payroll	Current Plan	Current Projections Employer Contributions	Proposed Cola	Revised Employer Rate	Proposed Employer Cont.	Total Dollars
JUDGES							
1997	\$ 17.50	15.20%	\$ 2.66	0.00%	15.20%	\$ 2.66	\$ 0.00
1998	18.20	15.27%	2.78	0.00%	15.27%	2.78	0.00
1999	18.93	13.98%	2.65	0.00%	13.98%	2.65	0.00
2000	19.69	13.98%	2.75	0.65%	14.63%	2.88	0.13
2001	20.47	13.98%	2.86	0.65%	14.63%	3.00	0.13
2002	21.29	13.98%	2.98	0.65%	14.63%	3.11	0.14
2003	22.14	13.98%	3.10	0.65%	14.63%	3.24	0.14
2004	23.03	13.98%	3.22	0.65%	14.63%	3.37	0.15
2005	23.95	13.98%	3.35	0.65%	14.63%	3.50	0.16
2006	24.91	13.98%	3.48	0.65%	14.63%	3.64	0.16
2007	25.90	13.98%	3.62	0.65%	14.63%	3.79	0.17
2008	26.94	13.98%	3.77	0.65%	14.63%	3.94	0.18
2009	28.02	13.98%	3.92	0.65%	14.63%	4.10	0.18
2010	29.14	13.98%	4.07	0.65%	14.63%	4.26	0.19
2011	30.30	13.98%	4.24	0.65%	14.63%	4.43	0.20
2012	31.52	13.98%	4.41	0.65%	14.63%	4.61	0.20
2013	32.78	13.98%	4.58	0.65%	14.63%	4.80	0.21
2014	34.09	13.98%	4.77	0.65%	14.63%	4.99	0.22
Total			\$ 63.19			\$ 65.75	\$ 2.56
TIAA							
1997	\$ 415.90	1.68%	\$ 6.99	0.00%	1.68%	\$ 6.99	\$ 0.00
1998	432.54	1.59%	6.88	0.00%	1.59%	6.88	0.00
1999	449.84	1.59%	7.15	0.00%	1.59%	7.15	0.00
2000	467.83	1.59%	7.44	0.12%	1.71%	8.00	0.56
2001	486.54	1.59%	7.74	0.12%	1.71%	8.32	0.58
2002	506.01	1.59%	8.05	0.12%	1.71%	8.65	0.61
Total			\$ 44.24			\$ 45.99	\$ 1.75

January 20, 1998

3% - All retirants
Amortization through 2033

10-10

AD HOC (ONE-TIME) COLA ESTIMATES

	<u>Increase in Actuarial Liability</u>	<u>Increase in Contribution Rate</u>	<u>Additional First Year Contribution</u>	<u>Total Additional Contributions</u>
KPERS				
State/School	80,000,000	0.17%	5,260,000	367,200,000
Local	13,000,000	0.10%	860,000	59,910,000
TIAA	1,000,000	0.12%	560,000	1,750,000
Judges				
Judges	1,000,000	0.49%	100,000	6,740,000
KP&F				
KP&F-State	1,600,000	0.34%	120,000	8,100,000
KP&F-Local	11,400,000	0.34%	800,000	55,600,000
Totals	108,000,000		7,700,000	499,300,000

Notes: •COLA applied to all members retired on or before June 30, 1997
•Additional actuarial liability amortized through 2033

01-01

10
1/20/98

KPERS COLA PROJECTIONS

	Expected Payroll	Current Plan	Current Projections Employer Contributions	Proposed Cola	Revised Employer Rate	Proposed Employer Cont.	Add'l Dollars
STATE SCHOOL							
1997	\$2,748.80	3.79%	\$ 104.18	0.00%	3.79%	\$ 104.18	\$ 0.00
1998	2,858.75	3.99%	114.06	0.00%	3.99%	114.06	0.00
1999	2,973.10	4.19%	124.57	0.00%	4.19%	124.57	0.00
2000	3,092.03	4.39%	135.74	0.17%	4.56%	141.00	5.26
2001	3,215.71	4.59%	147.60	0.17%	4.76%	153.07	5.47
2002	3,344.34	4.71%	157.52	0.17%	4.88%	163.20	5.69
2003	3,478.11	4.61%	160.34	0.17%	4.78%	166.25	5.91
2004	3,617.23	4.54%	164.22	0.17%	4.71%	170.37	6.15
2005	3,761.92	4.48%	168.53	0.17%	4.65%	174.93	6.40
2006	3,912.40	4.44%	173.71	0.17%	4.61%	180.36	6.65
2007	4,068.90	4.41%	179.44	0.17%	4.58%	186.36	6.92
2008	4,231.65	4.40%	186.19	0.17%	4.57%	193.39	7.19
2009	4,400.92	4.39%	193.20	0.17%	4.56%	200.68	7.48
2010	4,576.95	4.38%	200.47	0.17%	4.55%	208.25	7.78
2011	4,760.03	4.38%	208.49	0.17%	4.55%	216.58	8.09
2012	4,950.43	4.38%	216.83	0.17%	4.55%	225.24	8.42
2013	5,148.45	4.39%	226.02	0.17%	4.56%	234.77	8.75
2014	5,354.39	4.39%	235.06	0.17%	4.56%	244.16	9.10
2015	5,568.56	4.39%	244.46	0.17%	4.56%	253.93	9.47
2016	5,791.31	4.39%	254.24	0.17%	4.56%	264.08	9.85
2017	6,022.96	4.39%	264.41	0.17%	4.56%	274.65	10.24
2018	6,263.88	4.39%	274.98	0.17%	4.56%	285.63	10.65
2019	6,514.43	4.39%	285.98	0.17%	4.56%	297.06	11.07
2020	6,775.01	4.39%	297.42	0.17%	4.56%	308.94	11.52
2021	7,046.01	4.39%	309.32	0.17%	4.56%	321.30	11.98
2022	7,327.85	4.39%	321.69	0.17%	4.56%	334.15	12.46
2023	7,620.96	4.39%	334.56	0.17%	4.56%	347.52	12.96
2024	7,925.80	4.39%	347.94	0.17%	4.56%	361.42	13.47
2025	8,242.84	4.39%	361.86	0.17%	4.56%	375.87	14.01
2026	8,572.55	4.39%	376.33	0.17%	4.56%	390.91	14.57
2027	8,915.45	4.39%	391.39	0.17%	4.56%	406.54	15.16
2028	9,272.07	4.39%	407.04	0.17%	4.56%	422.81	15.76
2029	9,642.95	4.39%	423.33	0.17%	4.56%	439.72	16.39
2030	10,028.67	4.39%	440.26	0.17%	4.56%	457.31	17.05
2031	10,429.82	4.39%	457.87	0.17%	4.56%	475.60	17.73
2032	10,847.01	4.39%	476.18	0.17%	4.56%	494.62	18.44
2033	11,280.89	4.39%	495.23	0.17%	4.56%	514.41	19.18
Total			\$ 9,860.69			\$ 10,227.89	\$ 367.20

KPERS COLA PROJECTIONS

	Expected Payroll	Current Plan	Current Projections Employer Contributions	Proposed Cola	Revised Employer Rate	Proposed Employer Cont.	Add'l Dollars
LOCAL							
1997	\$ 762.40	2.63%	\$ 20.05	0.00%	2.63%	\$ 20.05	\$ 0.00
1998	792.90	2.78%	22.04	0.00%	2.78%	22.04	0.00
1999	824.61	2.93%	24.16	0.00%	2.93%	24.16	0.00
2000	857.60	3.08%	26.41	0.10%	3.18%	27.27	0.86
2001	891.90	3.23%	28.81	0.10%	3.33%	29.70	0.89
2002	927.58	3.38%	31.35	0.10%	3.48%	32.28	0.93
2003	964.68	3.42%	32.99	0.10%	3.52%	33.96	0.96
2004	1,003.27	3.37%	33.81	0.10%	3.47%	34.81	1.00
2005	1,043.40	3.34%	34.85	0.10%	3.44%	35.89	1.04
2006	1,085.13	3.31%	35.92	0.10%	3.41%	37.00	1.09
2007	1,128.54	3.29%	37.13	0.10%	3.39%	38.26	1.13
2008	1,173.68	3.28%	38.50	0.10%	3.38%	39.67	1.17
2009	1,220.63	3.27%	39.91	0.10%	3.37%	41.14	1.22
2010	1,269.45	3.27%	41.51	0.10%	3.37%	42.78	1.27
2011	1,320.23	3.27%	43.17	0.10%	3.37%	44.49	1.32
2012	1,373.04	3.27%	44.90	0.10%	3.37%	46.27	1.37
2013	1,427.96	3.27%	46.69	0.10%	3.37%	48.12	1.43
2014	1,485.08	3.27%	48.56	0.10%	3.37%	50.05	1.49
2015	1,544.48	3.27%	50.50	0.10%	3.37%	52.05	1.54
2016	1,606.26	3.27%	52.52	0.10%	3.37%	54.13	1.61
2017	1,670.51	3.27%	54.63	0.10%	3.37%	56.30	1.67
2018	1,737.33	3.27%	56.81	0.10%	3.37%	58.55	1.74
2019	1,806.83	3.27%	59.08	0.10%	3.37%	60.89	1.81
2020	1,879.10	3.27%	61.45	0.10%	3.37%	63.33	1.88
2021	1,954.26	3.27%	63.90	0.10%	3.37%	65.86	1.95
2022	2,032.43	3.27%	66.46	0.10%	3.37%	68.49	2.03
2023	2,113.73	3.27%	69.12	0.10%	3.37%	71.23	2.11
2024	2,198.28	3.27%	71.88	0.10%	3.37%	74.08	2.20
2025	2,286.21	3.27%	74.76	0.10%	3.37%	77.05	2.29
2026	2,377.66	3.27%	77.75	0.10%	3.37%	80.13	2.38
2027	2,472.77	3.27%	80.86	0.10%	3.37%	83.33	2.47
2028	2,571.68	3.27%	84.09	0.10%	3.37%	86.67	2.57
2029	2,674.54	3.27%	87.46	0.10%	3.37%	90.13	2.67
2030	2,781.53	3.27%	90.96	0.10%	3.37%	93.74	2.78
2031	2,892.79	3.27%	94.59	0.10%	3.37%	97.49	2.89
2032	3,008.50	3.27%	98.38	0.10%	3.37%	101.39	3.01
2033	3,128.84	3.27%	102.31	0.10%	3.37%	105.44	3.13
Total			\$ 2,028.30			\$ 2,088.21	\$ 59.91

KPERS COLA PROJECTIONS

	Expected Payroll	Current Plan	Current Projections Employer Contributions	Proposed Cola	Revised Employer Rate	Proposed Employer Cont.	Add'l Dollars
KPF STATE							
1997	\$ 30.30	9.73%	\$ 2.95	0.00%	9.73%	\$ 2.95	\$ 0.00
1998	31.51	9.45%	2.98	0.00%	9.45%	2.98	0.00
1999	32.77	7.36%	2.41	0.00%	7.36%	2.41	0.00
2000	34.08	7.36%	2.51	0.34%	7.70%	2.62	0.12
2001	35.45	7.36%	2.61	0.34%	7.70%	2.73	0.12
2002	36.86	7.36%	2.71	0.34%	7.70%	2.84	0.13
2003	38.34	7.36%	2.82	0.34%	7.70%	2.95	0.13
2004	39.87	7.36%	2.93	0.34%	7.70%	3.07	0.14
2005	41.47	7.36%	3.05	0.34%	7.70%	3.19	0.14
2006	43.13	7.36%	3.17	0.34%	7.70%	3.32	0.15
2007	44.85	7.36%	3.30	0.34%	7.70%	3.45	0.15
2008	46.65	7.36%	3.43	0.34%	7.70%	3.59	0.16
2009	48.51	7.36%	3.57	0.34%	7.70%	3.74	0.16
2010	50.45	7.36%	3.71	0.34%	7.70%	3.88	0.17
2011	52.47	7.36%	3.86	0.34%	7.70%	4.04	0.18
2012	54.57	7.36%	4.02	0.34%	7.70%	4.20	0.19
2013	56.75	7.36%	4.18	0.34%	7.70%	4.37	0.19
2014	59.02	7.36%	4.34	0.34%	7.70%	4.54	0.20
2015	61.38	7.36%	4.52	0.34%	7.70%	4.73	0.21
2016	63.84	7.36%	4.70	0.34%	7.70%	4.92	0.22
2017	66.39	7.36%	4.89	0.34%	7.70%	5.11	0.23
2018	69.05	7.36%	5.08	0.34%	7.70%	5.32	0.23
2019	71.81	7.36%	5.29	0.34%	7.70%	5.53	0.24
2020	74.68	7.36%	5.50	0.34%	7.70%	5.75	0.25
2021	77.67	7.36%	5.72	0.34%	7.70%	5.98	0.26
2022	80.77	7.36%	5.95	0.34%	7.70%	6.22	0.27
2023	84.01	7.36%	6.18	0.34%	7.70%	6.47	0.29
2024	87.37	7.36%	6.43	0.34%	7.70%	6.73	0.30
2025	90.86	7.36%	6.69	0.34%	7.70%	7.00	0.31
2026	94.50	7.36%	6.95	0.34%	7.70%	7.28	0.32
2027	98.27	7.36%	7.23	0.34%	7.70%	7.57	0.33
2028	102.21	7.36%	7.52	0.34%	7.70%	7.87	0.35
2029	106.29	7.36%	7.82	0.34%	7.70%	8.18	0.36
2030	110.55	7.36%	8.14	0.34%	7.70%	8.51	0.38
2031	114.97	7.36%	8.46	0.34%	7.70%	8.85	0.39
2032	119.57	7.36%	8.80	0.34%	7.70%	9.21	0.41
2033	124.35	7.36%	9.15	0.34%	7.70%	9.57	0.42
Total			\$ 183.58			\$ 191.67	\$ 8.10

January 20, 1998

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KPERS COLA PROJECTIONS

	Expected Payroll	Current Plan	Current Projections Employer Contributions	Proposed Cola	Revised Employer Rate	Proposed Employer Cont.	Add'l Dollars
KPF LOCAL							
1997	\$ 208.10	9.73%	\$ 20.25	0.00%	9.73%	\$ 20.25	\$ 0.00
1998	216.42	9.45%	20.45	0.00%	9.45%	20.45	0.00
1999	225.08	7.36%	16.57	0.00%	7.36%	16.57	0.00
2000	234.08	7.36%	17.23	0.34%	7.70%	18.02	0.80
2001	243.45	7.36%	17.92	0.34%	7.70%	18.75	0.83
2002	253.19	7.36%	18.63	0.34%	7.70%	19.50	0.86
2003	263.31	7.36%	19.38	0.34%	7.70%	20.28	0.90
2004	273.85	7.36%	20.16	0.34%	7.70%	21.09	0.93
2005	284.80	7.36%	20.96	0.34%	7.70%	21.93	0.97
2006	296.19	7.36%	21.80	0.34%	7.70%	22.81	1.01
2007	308.04	7.36%	22.67	0.34%	7.70%	23.72	1.05
2008	320.36	7.36%	23.58	0.34%	7.70%	24.67	1.09
2009	333.17	7.36%	24.52	0.34%	7.70%	25.65	1.13
2010	346.50	7.36%	25.50	0.34%	7.70%	26.68	1.18
2011	360.36	7.36%	26.52	0.34%	7.70%	27.75	1.23
2012	374.78	7.36%	27.58	0.34%	7.70%	28.86	1.27
2013	389.77	7.36%	28.69	0.34%	7.70%	30.01	1.33
2014	405.36	7.36%	29.83	0.34%	7.70%	31.21	1.38
2015	421.57	7.36%	31.03	0.34%	7.70%	32.46	1.43
2016	438.44	7.36%	32.27	0.34%	7.70%	33.76	1.49
2017	455.97	7.36%	33.56	0.34%	7.70%	35.11	1.55
2018	474.21	7.36%	34.90	0.34%	7.70%	36.51	1.61
2019	493.18	7.36%	36.30	0.34%	7.70%	37.97	1.68
2020	512.91	7.36%	37.75	0.34%	7.70%	39.49	1.74
2021	533.42	7.36%	39.26	0.34%	7.70%	41.07	1.81
2022	554.76	7.36%	40.83	0.34%	7.70%	42.72	1.89
2023	576.95	7.36%	42.46	0.34%	7.70%	44.43	1.96
2024	600.03	7.36%	44.16	0.34%	7.70%	46.20	2.04
2025	624.03	7.36%	45.93	0.34%	7.70%	48.05	2.12
2026	648.99	7.36%	47.77	0.34%	7.70%	49.97	2.21
2027	674.95	7.36%	49.68	0.34%	7.70%	51.97	2.29
2028	701.95	7.36%	51.66	0.34%	7.70%	54.05	2.39
2029	730.03	7.36%	53.73	0.34%	7.70%	56.21	2.48
2030	759.23	7.36%	55.88	0.34%	7.70%	58.46	2.58
2031	789.60	7.36%	58.11	0.34%	7.70%	60.80	2.68
2032	821.18	7.36%	60.44	0.34%	7.70%	63.23	2.79
2033	854.03	7.36%	62.86	0.34%	7.70%	65.76	2.90
Total			\$ 1,260.82			\$ 1,316.42	\$ 55.60

KPERS COLA PROJECTIONS

	Expected Payroll	Current Plan	Current Projections Employer Contributions	Proposed Cola	Revised Employer Rate	Proposed Employer Cont.	Add'l Dollars
JUDGES							
1997	\$ 17.50	15.20%	\$ 2.66	0.00%	15.20%	\$ 2.66	\$ 0.00
1998	18.20	15.27%	2.78	0.00%	15.27%	2.78	0.00
1999	18.93	13.98%	2.65	0.00%	13.98%	2.65	0.00
2000	19.69	13.98%	2.75	0.49%	14.47%	2.85	0.10
2001	20.47	13.98%	2.86	0.49%	14.47%	2.96	0.10
2002	21.29	13.98%	2.98	0.49%	14.47%	3.08	0.10
2003	22.14	13.98%	3.10	0.49%	14.47%	3.20	0.11
2004	23.03	13.98%	3.22	0.49%	14.47%	3.33	0.11
2005	23.95	13.98%	3.35	0.49%	14.47%	3.47	0.12
2006	24.91	13.98%	3.48	0.49%	14.47%	3.60	0.12
2007	25.90	13.98%	3.62	0.49%	14.47%	3.75	0.13
2008	26.94	13.98%	3.77	0.49%	14.47%	3.90	0.13
2009	28.02	13.98%	3.92	0.49%	14.47%	4.05	0.14
2010	29.14	13.98%	4.07	0.49%	14.47%	4.22	0.14
2011	30.30	13.98%	4.24	0.49%	14.47%	4.39	0.15
2012	31.52	13.98%	4.41	0.49%	14.47%	4.56	0.15
2013	32.78	13.98%	4.58	0.49%	14.47%	4.74	0.16
2014	34.09	13.98%	4.77	0.49%	14.47%	4.93	0.17
2015	35.45	13.98%	4.96	0.49%	14.47%	5.13	0.17
2016	36.87	13.98%	5.15	0.49%	14.47%	5.34	0.18
2017	38.34	13.98%	5.36	0.49%	14.47%	5.55	0.19
2018	39.88	13.98%	5.58	0.49%	14.47%	5.77	0.20
2019	41.47	13.98%	5.80	0.49%	14.47%	6.00	0.20
2020	43.13	13.98%	6.03	0.49%	14.47%	6.24	0.21
2021	44.86	13.98%	6.27	0.49%	14.47%	6.49	0.22
2022	46.65	13.98%	6.52	0.49%	14.47%	6.75	0.23
2023	48.52	13.98%	6.78	0.49%	14.47%	7.02	0.24
2024	50.46	13.98%	7.05	0.49%	14.47%	7.30	0.25
2025	52.48	13.98%	7.34	0.49%	14.47%	7.59	0.26
2026	54.58	13.98%	7.63	0.49%	14.47%	7.90	0.27
2027	56.76	13.98%	7.93	0.49%	14.47%	8.21	0.28
2028	59.03	13.98%	8.25	0.49%	14.47%	8.54	0.29
2029	61.39	13.98%	8.58	0.49%	14.47%	8.88	0.30
2030	63.85	13.98%	8.93	0.49%	14.47%	9.24	0.31
2031	66.40	13.98%	9.28	0.49%	14.47%	9.61	0.33
2032	69.06	13.98%	9.65	0.49%	14.47%	9.99	0.34
2033	71.82	13.98%	10.04	0.49%	14.47%	10.39	0.35
Total			\$ 200.33			\$ 207.07	\$ 6.74
TIAA							
1997	\$ 415.90	1.68%	\$ 6.99	0.00%	1.68%	\$ 6.99	\$ 0.00
1998	432.54	1.59%	6.88	0.00%	1.59%	6.88	0.00
1999	449.84	1.59%	7.15	0.00%	1.59%	7.15	0.00
2000	467.83	1.59%	7.44	0.12%	1.71%	8.00	0.56
2001	486.54	1.59%	7.74	0.12%	1.71%	8.32	0.58
2002	506.01	1.59%	8.05	0.12%	1.71%	8.65	0.61
Total			\$ 44.24			\$ 45.99	\$ 1.75

KANSAS LEGISLATIVE RESEARCH DEPARTMENT

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<http://www.kumc.edu/kansas/ksleg/KLRD/klrd.html>

February 17, 1998

To: Representative Phil Kline

Office No.: 514-S

From: Shannon Nichols

Re: Authorized Funds for the State Finance Council from FY 1998 through FY 1999

1. Request of the Commissions of the Juvenile Justice Authority to Release Funds to Community Initiatives Grants—\$2.5 million.
2. Request of the Commissioner of the Juvenile Justice Authority to release State Funds and Approve Federal Funds for Purchase of an Information System—\$345,000.
3. Request from the Secretary of the Department of Corrections for the Release of Funds for Construction of a 200-bed unit at Norton Correctional Facility—\$6,202,450.
4. Request of the Executive Director of the Sentencing Commission to Release Matching State Funds for Development of the Criminal Justice Information System—\$812,169.
5. Request of the State Treasurer to Transfer Monies from the State General Fund to the Unclaimed Mineral Proceeds Trust Fund—\$5.0 million.
6. Request from the Attorney General to Pay Tort Claims Settlements—\$10,000.
7. Request of the Secretary of Administration for Release of Funds and FTE Positions Authorized for Topeka State Hospital Transition—\$500,000.
8. Request from the Department of Corrections for Release of Funds for Community Corrections Grants—\$700,000.
9. Request of the Secretary of the Department of Corrections for Release of Funds for Construction of a Minimum Security Unit at Hutchinson Correctional Facility—\$227,497.
10. Request of the Attorney General to Pay Tort Claims Settlements—\$430,000.
11. Request of Fort Hays State University to Release Funds for the New Sternberg Museum—\$250,000.
12. Request of the Executive Director of the Kansas Commission on Governmental Standards and Conduct to Increase the Expenditure Limitation on the Fee Fund for Operating Expenditures—\$63,378.
13. Request of the Attorney General to Pay Tort Claims Settlements—\$30,000.

SN/aem

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Appropriations
2-18-98
Attachment 11