

FY'91 APPROPRIATIONS REPORT

ACTIONS OF THE 1990 LEGISLATURE

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Senator Robert V. Cullison**

**SENATE APPROPRIATIONS COMMITTEE
Senator Stratton Taylor, Chairman
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**Prepared by
Senate Fiscal Staff**

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SUMMARY OF FY'91 APPROPRIATIONS

Summary of the Fiscal Year 1991 State Budget

The 42nd Legislature appropriated \$3.2 billion from all funds available for the fiscal year ending June 30, 1991. The enactment of a balanced state budget for FY'91 completed the issues remaining from the previous special session. Of the additional monies available, more than \$205 million was due to the additional taxes enacted during the special session. The additional tax revenue was supplemented by \$163 million in growth revenue. Of funds appropriated, \$17.5 million were provided as supplemental monies for the 1990 fiscal year.

TABLE 1

**Comparison of FY'90-FY'91 Appropriations
(by subcommittee)**

<u>Subcommittee</u>	<u>FY'90 Appropriations¹</u>	<u>FY'91 Appropriations²</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Education	\$1,461,320,585	\$1,708,509,400	\$247,188,815	16.9%
General Government & Judiciary	173,809,711	185,037,132	11,227,421	6.5%
Health & Social Services	163,936,050	175,907,449	11,971,399	7.3%
Human Services	574,108,184	613,105,079	38,996,895	6.8%
Natural Resources & Regulatory Servs.	75,889,862	79,928,371	4,038,509	5.3%
Public Safety & Transportation	<u>219,463,165</u>	<u>434,987,504</u>	<u>215,524,339</u> ³	<u>98.2%</u>
Total Operations	<u>\$2,668,527,557</u>	<u>\$3,197,474,935</u>	<u>\$528,947,378</u>	<u>19.8%</u>

¹ Includes supplemental appropriations of \$17,491,100 provided in the 1991 Session. Excludes \$17,000,000 appropriated from the Constitutional Reserve Fund to the Department of Corrections.

² Excludes \$35,000,000 appropriated for Voluntary School Consolidation, \$30,000,000 appropriated to the Employees Group Insurance Board, and \$10,000,000 for the Ad Valorem Task Force. These appropriations were from the Constitutional Reserve Fund.

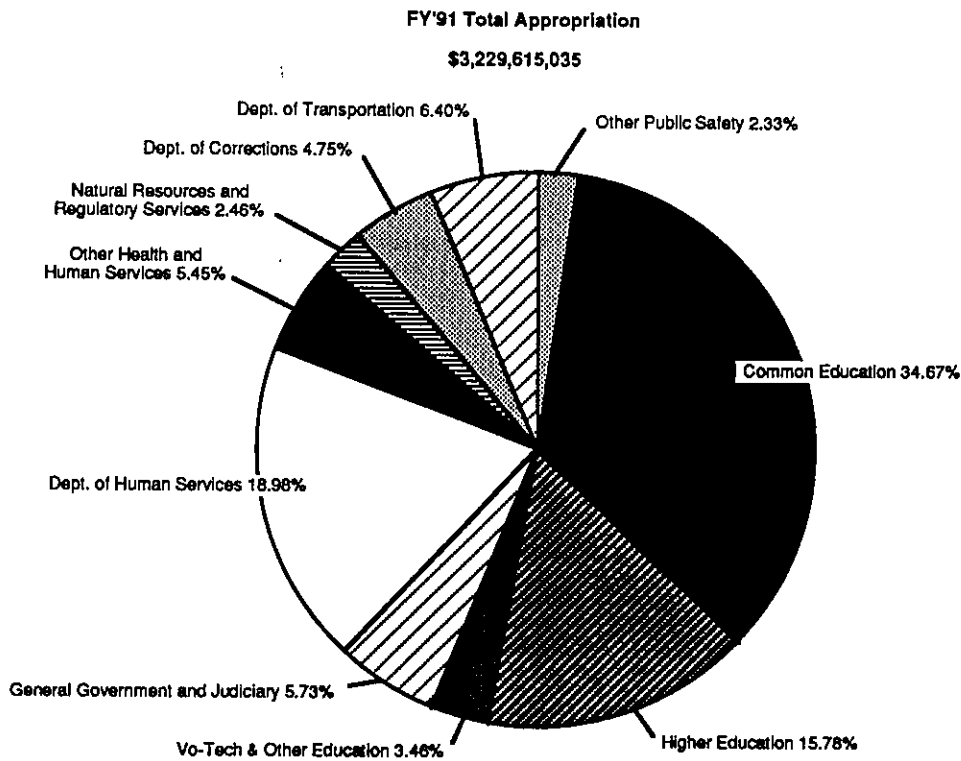
³ Includes \$197.7 million related to the appropriation of monies previously dedicated directly to the Department of Transportation.

The FY'91 appropriation includes growth revenue and cash carried forward from previous years. Excluding the additional tax revenue associated with HB 1017, the \$163 million of growth revenue represents an increase of 6% from the amount appropriated for Fiscal Year 1990. This barely exceeds the rate of inflation for 1989.

For the third consecutive year, additional revenues were available due to a gradual strengthening of the economy. The state's economy continues to more closely mirror that of the nation. However, even with a much more stable tax base, significant swings in the energy or agriculture sectors will have an affect on Oklahoma's ability to effectively deal with its fiscal problems.

With the additional revenue, the Legislature was able to increase funding for common schools, higher education, vocational technical education, health and human services and provide public employees a pay increase. A comparison of Fiscal Year 1990 to Fiscal Year 1991 shows appropriations from all funds increased by \$528.9 million, or 19.8%. Excluding the appropriation of monies previously dedicated directly to the Department of Transportation, the appropriation increase is \$331.2 million or 12.4%.

The Legislature continued its commitment to public schools by providing funding for those programs developed during the special session. An additional \$205 million was provided to school districts through the formula or as increased funding for textbooks. Funds will be used for teacher and support personnel salaries, early childhood education programs, providing computers for classrooms, for special education programs, programs for economically disadvantaged children, and for class size reduction.



The competitiveness of higher education was enhanced by a \$50 million (11%) appropriation increase. This increase will help raise faculty salaries to a level more competitive with peer institutions. The additional funds can also be used for retaining the brightest students and faculty in the state with increased funding for the academic scholars program and endowed chairs.

The Legislature funded additional staffing for prisons, provided funding for upgrading conditions in existing prison facilities and expanded funding for alternatives to incarceration (work centers and community sentencing programs).

Another agency contributing to the upward pressure on spending is the Department of Human Services. Much of the increase in funding for the Department of Human Services is due to federal mandates for nursing home reform, welfare reform, catastrophic health care, and insurance for children and pregnant women. Additional court mandates for improvements in the state's programs for the mentally retarded have also required additional state funds.

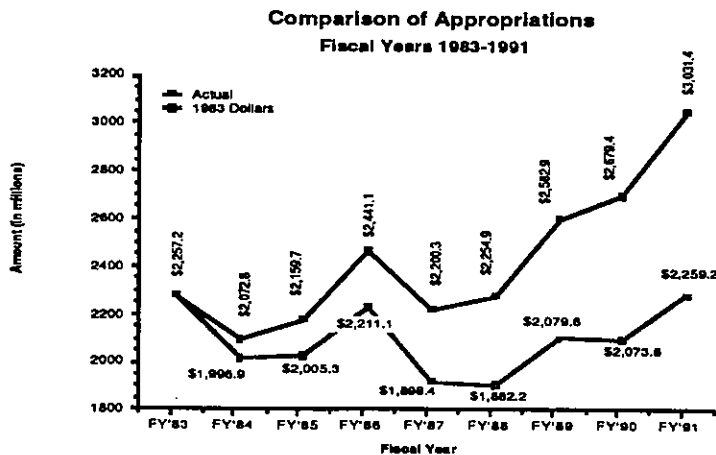
The State Budget, 1991 v. 1981

A comparison of FY'91 appropriations with FY'81 expenditures shows an increase of 101%. The largest dollar increases over this period have come in education, human services and corrections. The increased spending for education reflects the enhancements in public schools resulting from the enactment of HB 1466 of the 1985 Regular Session and HB 1017 of the 1989-90 Special Session.

STATE BUDGET FY'81 v. FY'91
(in millions)

	<u>FY'81</u>	<u>FY'91</u>	<u>\$ Change</u>	<u>% Change</u>
Common Education	\$525.7	\$1,119.6	\$593.9	113.0%
Higher Education	272.4	509.5	237.1	87.0%
Vocational Education	23.3	76.9	53.6	229.8%
Legal/Judiciary	19.9	61.5	41.6	208.8%
Human Services	343.6	613.1	269.5	78.4%
Mental Health	50.6	105.1	54.5	107.7%
Corrections	54.6	153.4	98.8	180.9%
Transportation	166.6	206.6	40.0	24.0%
Public Safety	30.8	68.6	37.8	122.7%
All Other	125.8	332.9	207.1	164.7%
TOTAL	1,613.3	3,247.1	1,633.8	101.3%

Most of the increased spending in human services is attributable to increased caseload and the increased cost of medical services. However, the addition of programs to serve new client groups and litigation requiring improved services for existing client groups have also contributed to spending growth during the past ten years. The increased spending in transportation results in large part from increases in both state and federal user-generated revenue from fuel taxes. The significant increase in spending for corrections reflects the large-scale commitment to prison construction during the decade.



* Excludes Transportation Fund Appropriation for FY'91.

TABLE 2

<u>Fiscal Year</u>	<u>Total Appropriations for Operations</u>	<u>Percentage that FY'91 Appropriation is Over/Under Prior Year Appropriation</u>
1991*	\$3,010.7	
1990	2,636.6	14.2
1989	2,471.8	6.7
1988	2,212.8	11.7
1987r (HB 1196)	2,165.9	2.2
1986	2,461.6	(12.0)
1985	2,138.6	15.1
1984r (HB 1451)	2,051.7	4.2
1983r (SB 69)	2,170.2	(5.5)

* Excludes the fund change for the Transportation Fund.

r Revised by mid-year budget reductions.

Despite the 38.7 percent actual increase in appropriations between FY'83 and FY'91, appropriations have barely kept pace with inflation. When adjusted for inflation, appropriations for Fiscal Year 1991 are only \$42 million or 2.0% above the Fiscal Year 1983 level.

SPECIAL SESSION

Acting from a call by the Governor, the Legislature considered and passed a number of bills that dealt with education reform, funding of common schools, increased funding for roads and highways, funding to provide an incentive for school consolidation, continuation of ad valorem reform, and funds to ensure the financial integrity of the State and Education Employees Group Health Insurance Program.

Specifically, the following education reforms were enacted:

- implementing early childhood programs for at-risk four year-olds
- emphasizing core courses and high school graduation made contingent on attaining a certain competency level.
- reducing class sizes and limiting the total number of pupils a teacher instructs to 140 by 1993-94 school year
- allowing local districts to extend school years
- implementing strong school accreditation standards.
- replacing the current teacher tenure system with a new due process system
- providing stronger incentives for school districts to consolidate
- providing for teacher salary increases and incentive pay plans
- raising beginning teachers' salaries to \$17,000 for the first year and to more than \$24,500 within five years
- providing for greater equity in school funding

A vital element in the education solution was the passage of \$238 million in new taxes which increased the amount available to spend on education by 24.2%. HB 1017 increased the state sales and use tax to 4.5%, increased the corporate income tax to 6%, and increased the personal income tax by slightly more than 8%.

Appropriations from the Constitutional Reserve Fund include \$35 million designed to encourage school consolidation, \$10 million for the continued implementation of a system to reform the state's ad valorem structure, and \$30 million to shore up the reserves of the State and Education Employees Group Health Insurance Program.

A solution to the Transportation funding shortage came with passage of HB 1010, which increased by 10.6% available transportation money. The bill sets the underground tank tax rate permanently at 1 cent per gallon.

**Revenue Gain from Tax Bills
Passed in the 1989 Special Session &
the 42nd Legislature
(in millions)**

	<u>FY'90</u>	<u>FY'91</u>
<u>House Bill 1010</u>		
Motor fuel tax rate @ 1¢	\$5.8	\$22.0
Subtotal Motor Fuel Tax	\$5.8	\$22.0
 <u>House Bill 1017</u>		
Personal Income Tax	\$0.0	\$100.3
Corporate Income Tax @ 5%	0.0	14.6
Sales Tax @ 4.5%	7.9	96.4
Use Tax @ 4.5%	0.38	5.0
Subtotal Income & Sales Tax	\$8.29	\$216.3
 <u>House Bill 1857</u>		
Income Tax Credit (low income tax payers)	\$0.0	(\$10.4)
Total Tax Changes	\$14.09	\$227.9

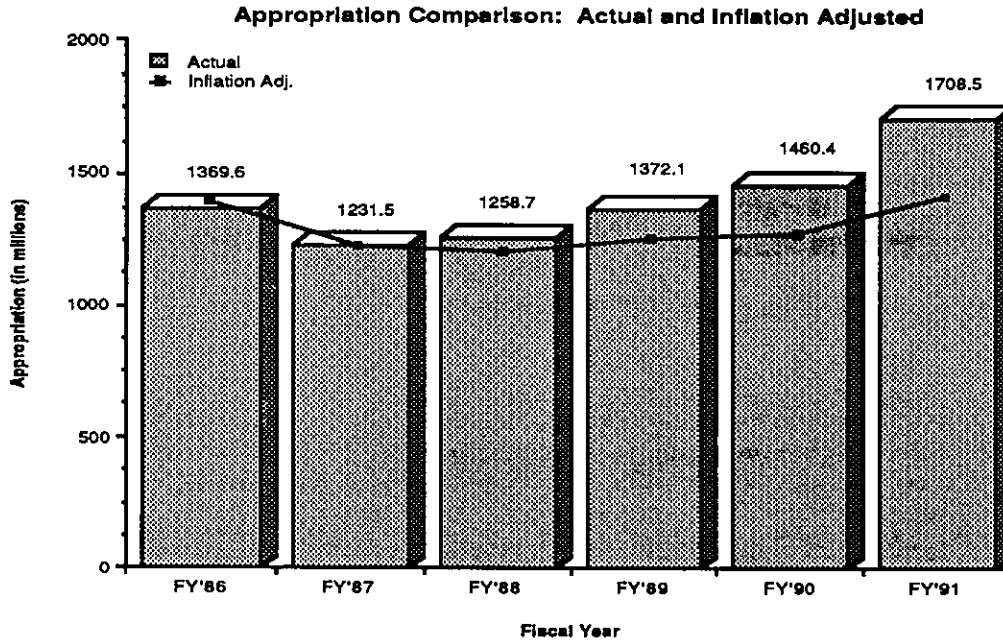
The annual effect of the sales and income tax increase for the average Oklahoman making between \$30,000 and \$40,000 per year will be slightly more than \$167. Those earning less than \$12,000 per year will actually experience a net tax reduction due to the effect of the \$40 annual tax credit provided for these individuals.



SUBCOMMITTEE ON EDUCATION

Historical Overview

Since FY'86, appropriated funding for the agencies comprising the Appropriations Subcommittee on Education has increased by \$339 million or 24.7%. Adjusted for inflation, the increase is only \$20 million or 1.5%. After a decline in FY'87, appropriations for these agencies has increased for each of the last four years. By far, the largest increase is for the current fiscal year.

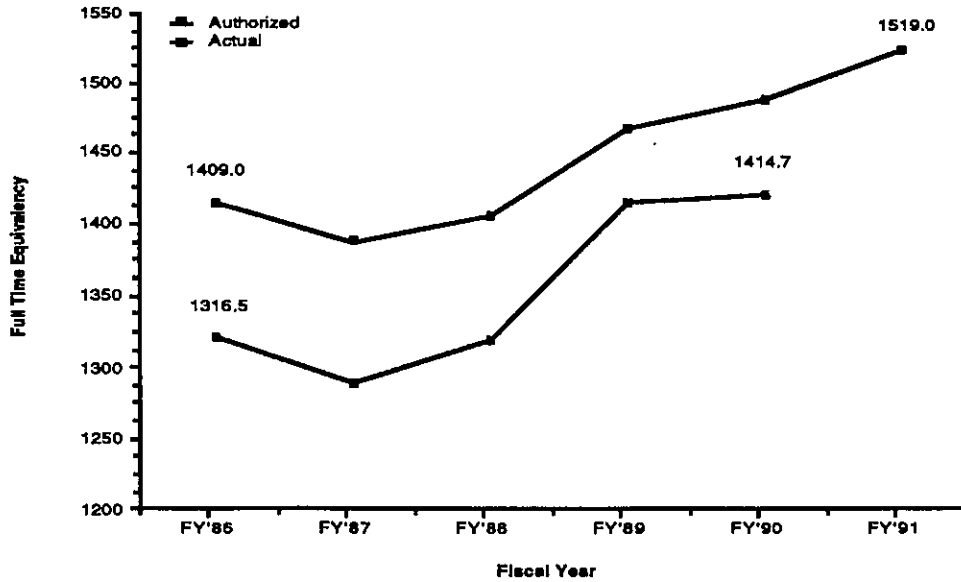


The vast majority of the funds available to this subcommittee are appropriated to the three major education agencies. Common Education currently receives 63.6% of the appropriated funding, Higher Education 29.8%, and Vocational Education 4.5%. Together, these three agencies receive nearly 98% of the funds available.

The largest percentage increase since FY'86 has gone to the State Arts Council which experienced an increase of 87%. The Will Rogers Commission and the JM Davis Memorial Commission each received increases in excess of 64%. Vocational and Technical Education realized an increase of 35% while Common Education received a 26% increase and Higher Education a 19% increase. Appropriations for the Physicians Manpower Training Commission have been decreased by over 9% since FY'86.

Two new agencies have been added to this Subcommittee in the last six years. The Oklahoma Center for the Advancement of Science and Technology was created in FY'88 in an effort to support research activities throughout the state. The Oklahoma School of Science and Mathematics will be open to its first class of students in FY'91. Work is currently underway on the campus for this new school.

FTE Comparison: Actual and Authorized



The FTE authorization for these agencies has increased by 110 since FY'86. This represents an increase of 7.8%. The actual FTE level increased by 98.2 between FY'86 and FY'90. In FY'86, 6.6% of the authorized positions were vacant. In FY'90, only 4.9% of the positions were vacant.

Both the authorized and the actual FTE levels for the Department of Education have declined since FY'86. The authorization has been reduced by 43 and the actual level has decreased by 26.4 (through FY'90). Sixty-five additional positions have been authorized for the Vocational and Technical Education Department over the last 6 years. This is an increase of 15.8%. The FTE authorization for the School Land Commission has increased by 29 or 43%. The following figures do not include any of the employees in Higher Education. The Regents Office is exempt from FTE limits.

<u>Fiscal Year</u>	<u>Appropriations</u>	<u>Total Expenditures</u>	<u>Actual¹ FTE</u>	<u>Authorized¹ FTE</u>
1986	1,369,110,127	1,667,700,196	1316.5	1409.0
1987 Revised	1,230,655,481	1,566,242,033	1285.2	1383.0
1988	1,261,058,228	1,614,380,104	1314.6	1401.0
1989	1,371,806,788	1,814,199,300	1409.6	1462.5
1990	1,458,837,837	1,906,608,730	1414.7	1482.0
1991	1,718,621,348	2,267,329,078		1519.0

¹ Employees of the Regents for Higher Education are excluded from these figures as this agency is not subject to FTE limits.

1990 Session

The FY'91 appropriation for the agencies comprising the Education Subcommittee was over \$1.7 Billion. This represents 53% of the total state appropriation (excluding appropriations from the Constitutional Reserve Fund). The FY'91 appropriation is an increase of \$247,188,815 or 16.9% over the previous year. This large increase is due primarily to the increase provided to Common Education. The Common Education increase of over \$195 million accounted for 78% of this change. Higher Education received the an increase of over \$50 million which represents a 11% increase over FY'90. Vocational and Technical Education received a 12.4% increase of \$8.5 million.

Four agencies in this subcommittee had their appropriation level reduced for FY'91. Funding of \$9 million was removed from the appropriation to the Center for the Advancement of Science and Technology. These were funds previously appropriated for the Centers of Excellence. Other agencies experiencing reductions were the State Arts Council, the Historical Society, and the Educational Television Authority. All of the reductions were the result of the removal of appropriations for nonrecurring expenditures.



STATE ARTS COUNCIL

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$1,600,962	16.3%	\$2,154,302	4.8%	12.0	12.0
FY'87 Revised	\$1,280,358 ²	-20.0%	\$2,118,636	-1.7%	12.0	12.0
FY'88	\$1,480,157	15.6%	\$2,198,397	3.8%	14.4	14.5
FY'89	\$2,621,255	77.1%	\$3,149,248	43.3%	15.0	15.0
FY'90	\$3,033,505	15.7%	\$3,789,497	20.3%	16.3	16.0
FY'91	\$2,997,005	-1.2%	\$3,659,455	3.4%		16.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$1,396,043 or 87.2% increase in appropriations; when adjusted for inflation the change is a \$837,610 or 52.3% increase.
- Since FY'86 the agency's total budget has increased by 69.9%. Compared to FY'90 the agency's total budget is expected to decrease by \$130,042 or 3.4%.
- In the years between FY'86 and FY'90 the agency's actual FTE has increased by 4.3 or 35.8%. Between FY'90 and FY'91 the authorized FTE limit remained constant.
- In the appropriations for FY'91, \$17,170 is related to adjustments for the state employees' pay plan and removal of \$53,670, one-time funding for "Traditions". As a result there is no actual change in the state appropriation for agency operations compared to FY'90.

SB 769
SB 770, Sections 1-2

STATE BOARD OF EDUCATION

	Appropriation ¹	Percent Change	Total ² Budget Expenditures	Percent Change	Actual FTE	Authorized FTE
FY'86	\$863,506,689	17.9%	\$970,062,375	16.4%	559.5	623.0
FY'87 Revised	\$776,714,499 ³	-10.1%	\$894,979,463	-7.7%	543.3	603.0
FY'88	\$786,919,266	1.3%	\$913,761,166	5.5%	551.2	585.0
FY'89 ⁴	\$841,025,111	6.9%	\$1,003,360,186	6.1%	552.4	594.0
FY'90 ⁵	\$892,067,007	6.1%	\$1,038,151,009	3.4%	533.1	572.0
FY'91 ⁶	\$1,087,553,495	21.9%	\$1,300,431,434	25.3%		580.0

- 1 Appropriation figures include funds appropriated for each fiscal year. Supplemental funding for the Midterm Adjustment is included in the fiscal year in which the funds are spent (Midterm funds appropriated this session are included in the FY'90 figure).
- 2 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations.
- 3 Does not include carryover.
- 4 Does not include \$16,192,000 appropriated for teachers stipends.
- 5 Includes supplemental funding, see Table 2.
- 6 Appropriation figure excludes \$35 million appropriated from the Constitutional Reserve Fund and \$32,050,802 that was appropriated for FY'92.

- Since FY'86 the agency has experienced a \$224,046,806 or 25.9% increase in appropriations; when adjusted for inflation the change is a \$21,402,583 or 2.5% increase.
- Since FY'86 the agency's total budget has increased by 34%. Compared to FY'90 the agency's total budget is expected to increase by \$262 million or 25.3%.
- In the years between FY'86 and FY'90 the agency's actual FTE has decreased by 26.4 or 4.7%. Between FY'86 and FY'91 the authorized FTE limit has decreased by 43 or 8.2%.
- Eight additional FTE have been authorized for FY'91. All of these positions are associated with the court order requiring the deinstitutionalization of children at the Hissom Memorial Center. Any positions that might be required due to the provisions of HB 1017 are to be filled within the existing FTE limit.
- HB 1017, passed in Special Session, provided \$195.5 million in additional funds available for appropriation in FY'91 (\$10 million is subtracted for the sales tax rebate included in HB 1857). All of these funds and approximately one-third of the growth revenue that was available were appropriated for the support of Common Education. An additional \$7.8 million in FY'90 sales tax revenue was generated due to HB 1017 but was not available for appropriation (see HB 1017, Section 98). In addition to the funding provided for FY'91, the Legislature appropriated over \$32 million to the State Board of Education for use in FY'92. These funds will be used to implement the second year costs of HB 1017.
- A petition to repeal HB 1017 is currently being reviewed by the Oklahoma Supreme Court. If validated, a State Question would be submitted to the people which, if adopted, would repeal both the reform and revenue provisions of HB 1017. Depending on the timing of the election, the passage of the question could effect the FY'91 appropriation to Common Schools and possibly the appropriations for other State agencies.

- The Legislature makes separate appropriations for the operations of the State Department of Education. For FY'91, the Department's appropriation was adjusted only for the changes in state employee pay and health insurance. Reappropriated funds were provided to the Department to allow the agency to meet the requirements of HB 1017 and to provide for other new programs.

FINANCIAL SUPPORT OF SCHOOLS (FORMULA) APPROPRIATION INCLUDING MIDTERM ADJUSTMENT

	<u>Formula Appropriation</u>	<u>Midterm Adjustment</u>	<u>Total Formula Funds</u>	<u>Dollar Change</u>	<u>Percent Change</u>
FY'86	\$785,052,910	\$10,000,000	\$795,052,910	123,471,756	18.3%
FY'87 Revised	721,983,555	10,844,815	732,828,370	-62,224,540	-7.8%
FY'88	729,694,458	8,437,000	738,131,458	5,303,088	0.7%
FY'89	781,175,958	8,500,000	789,675,958	51,544,500	7.0%
FY'90	830,915,958	10,101,948	841,107,906	51,431,948	6.5%
FY'91 ¹	1,032,034,672		1,032,034,672	190,926,766	22.7%

- ¹ The FY'91 midterm, if provided, will be appropriated in the 1991 session.
- Since FY'86, the Financial Support of Schools line item has shown a 29.8% increase in appropriations; when adjusted for inflation, the appropriation represents an 5.6% increase.
 - The increased appropriation for the formula will reduce the number of districts receiving a supplement (formerly known as hold harmless) from 115 to 32. The cost of the supplement will fall from \$10.5 million to \$2.5 million. For FY'91, the supplement will represent 0.2% of the formula funds.
 - An appropriation from the Constitutional Reserve Fund provided \$35 million for voluntary school consolidation. Funds will be used to help school districts defray the costs associated with consolidation or annexation. Districts will be eligible for up to \$500 per student if two districts merge, up to \$600 if three districts merge, up to \$700 if four districts merge, and up to \$800 for five or more districts. Each district can only count a maximum of 500 students for payment purposes. A General Fund appropriation of \$750,000 was provided for this program for FY'90. General Fund support for this program was removed for FY'91.
 - The Legislature provided an additional \$3.9 million for textbooks. This appropriation raised the per pupil state support for textbooks from \$17.96 to \$25.
 - Court ordered costs of \$988,000 associated with the settlement of the lawsuit regarding the deinstitutionalization of the residents of the Hissom Memorial Center were funded through an increased appropriation. Eight additional positions were authorized in order to meet the requirements of the settlement.
 - The Legislature provided funds for \$10,000 grants to be awarded to 43 schools that are identified as either Low Performing or At-Risk.
 - In HB 1017, the Legislature established a program for an extended school year. Districts that choose to participate in the program will be provided funding through the school funding formula. Participation in FY'91 will be limited to a total cost of \$15 million as provided for in Section 29 of Senate Bill 770.

- HB 1017 created a program designed to make 4 year old programs available to children across the state. Under the program, children from low income homes will be given priority for admission and will be able to attend classes free of charge. The state will pay districts for serving these children through a supplemental formula payment. Children not qualifying for free admission to the program can be charged a tuition at the discretion of the local district. The provisions of HB 1017 do not mandate that children attend the programs or that districts offer them.

- As was required by federal law, the Early Childhood Intervention Program was established in the 1989 session with the passage of HB 1618. Under the program the State will assume the responsibility of providing service for handicapped infants and toddlers. Much of the responsibility for these children currently rests with local school districts. Through regional centers, the State will begin to offer services in FY'91 to some of these children. The program is to serve all eligible children in FY'92. A revolving fund was established and an appropriation of \$582,281 was made to provide funding for the program.

SB 770, Sections 7-79
HB 2320, Sections 1-5
HB 1016, Section 1 (Special Session)

OKLAHOMA EDUCATIONAL TELEVISION AUTHORITY

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$1,933,841	16.8%	\$2,892,633	.4%	60.5	66.0
FY'87 Revised	\$1,558,482 ²	-19.4%	\$2,093,329	-27.6%	61.0	66.0
FY'88	\$1,697,756	8.9%	\$2,250,557	7.5%	58.3	66.0
FY'89	\$3,223,820	89.9%	\$3,437,121	52.7%	66.0	70.0
FY'90 ³	\$2,908,204	-10.9%	\$2,742,804	-20.2%	66.0	70.0
FY'91	\$2,704,952	-7.0%	\$2,883,476	5.13%		70.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

³ Includes supplemental funding, see Table 2.

- Since FY'86 the agency has experienced a \$771,112 or 39.8% increase in appropriations; when adjusted for inflation the change is a \$267,097 or 13.8% increase.
- Since FY'86 the agency's total budget has decreased by -.3%. Compared to FY'90 the agency's total budget is expected to increase by \$140,672 or 5.1%.
- In the years between FY'86 and FY'90 the agency's actual FTE has increased by 5.5 or 9%. Between FY'90 and FY'91 the authorized FTE limit remained constant.
- In the appropriations for FY'91, \$70,328 is related to adjustments for the state employees' pay plan and removal of \$188,514, one-time funding for antenna repairs. As a result there is no actual change in the state appropriation for agency operations compared to FY'90.
- For FY'90 OETA received a supplemental appropriation of \$85,066 for emergency repairs to the antenna at Eufaula, Oklahoma.

OKLAHOMA STATE REGENTS FOR HIGHER EDUCATION

	<u>Appropriation</u> ¹	<u>Percent Change</u>	<u>Total² Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$427,877,293	16.3%	\$601,575,161	12.4%	N/A	N/A
FY'87 Revised ³	\$383,689,564	-10.4%	\$577,907,969	-3.9%	N/A	N/A
FY'88	\$386,265,906	0.7%	\$599,088,144	3.7%	N/A	N/A
FY'89	\$430,191,321	11.4%	\$679,264,606	13.4%	N/A	N/A
FY'90	\$458,588,925	6.6%	\$746,865,099	9.9%	N/A	N/A
FY'91	\$509,471,081	11.1%	\$818,051,046	9.5%	N/A	N/A

1 Includes funding for the Endowed Chairs Program.

2 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations.

3 Does not include carryover.

- Since FY'86 the system has experienced a \$81,593,788 or 19.1% increase in appropriations; when adjusted for inflation the change is a \$13,336,137 or 3.1% decrease.
- Since FY'86 the system's total budget has increased by 36%. Compared to FY'90 the system's total budget is expected to increase by \$71,185,947 or 9.5%.
- An additional \$43 million was appropriated to the Regents for allocation to State's higher education institutions. These funds will allow the institutions to receive an average increase in their budgets of 10.3%.
- The Legislature appropriated \$3.5 million in new monies for the Endowed Chairs Program. This was in addition to the \$4 million that was included in the appropriation base. The Legislature has appropriated over \$26 million, which must be matched by non-state funds, for this program.
- Funding for the Academic Scholars program was again increased. This program, which was begun in FY'89, provides scholarships to qualifying students. The FY'91 appropriation of \$5,467,000 reflects an increase of \$3.2 million over the FY'90 appropriation level.
- The Legislature rejected requests from the Regents to authorize any tuition increases. New fees were authorized for a new pharmacy program and some changes in certain student fees were allowed.
- An appropriation of \$750,000 will allow for the completion of the fiber optic link between Oklahoma City and Stillwater. Funds available from the Office of State Finance and the Kellogg Foundation will also be used to complete this project.
- An additional \$171,000 was provided for the Oklahoma Tuition Aid Grants Program to offset a reduction in federal funds.

SB 770, Sections 82-96

SB 806, Sections 2-6 and 8

STATE HISTORICAL SOCIETY

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$3,613,207	21.5%	\$3,820,393	-.1%	108.1	114.5
FY'87 Revised	\$2,938,448 ²	-18.7%	\$3,955,268	3.5%	100.1	113.5
FY'88	\$3,292,485	12.1%	\$3,901,964	-1.4%	100.5	113.0
FY'89	\$3,235,070	-1.7%	\$4,109,809	5.3%	109.0	115.5
FY'90	\$3,864,618	19.5%	\$4,243,607	3.3%	108.1	116.0
FY'91	\$3,742,808	-3.1%	\$4,037,321	-4.9%		116.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$129,601, or 3.6% increase in appropriations; when adjusted for inflation the change is a \$567,798 or 15.7% decrease.
- Since FY'86 the agency's total budget has increased by 5.7%. Compared to FY'90 the agency's total budget is expected to decrease by \$206,286 or 4.9%.
- In the years between FY'86 and FY'90 the agency's actual FTE has remained the same. Between FY'90 and FY'91 the authorized FTE limit also remained constant.
- In the appropriations for FY'91, \$120,690 is related to adjustments for the state employees' pay plan. One-time funding of \$442,500 provided for FY'90 was removed from the appropriation base.
- For FY'91, the agency received an appropriation increase of \$200,000 for historical site renovation and maintenance.

J. M. DAVIS MEMORIAL COMMISSION

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$215,906	10.0%	\$252,508	3.3%	9.0	11.0
FY'87 Revised	\$200,684 ²	-7.1%	\$252,790	.1%	9.0	11.0
FY'88	\$208,314	3.8%	\$277,993	10.0%	9.4	10.0
FY'89	\$323,926	55.5%	\$397,089	42.8%	10.0	10.5
FY'90	\$360,722	11.4%	\$428,117	7.8%	9.7	10.5
FY'91	\$365,672	1.4%	\$411,452	-3.9%		10.5

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$149,766 or 69.3% increase in appropriations; when adjusted for inflation the change is a \$81,630 or 37.8% increase.
- Since FY'86 the agency's total budget has increased by 63%. Compared to FY'90 the agency's total budget is expected to decrease by \$16,665 or 3.9%.
- In the years between FY'86 and FY'90 the agency's actual FTE has increased by .7 or 7.8%. Between FY'90 and FY'91 the authorized FTE limit remained constant.
- All of the \$4,950 increase in appropriations for FY'91 is related to adjustments for the state employees' pay plan. There is no change in the state appropriation for agency operations compared to FY'90.

SB 771

SB 770, Sections 102-103

COMMISSIONERS OF THE LAND OFFICE

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$3,443,437	7.7%	\$3,123,101	8.9%	66.0	68.0
FY'87 Revised	\$3,139,726 ²	-8.8%	\$3,690,495	18.2%	68.0	68.0
FY'88	\$3,894,192	24.0%	\$3,866,854	4.8%	76.4	90.0
FY'89	\$5,889,760	51.0%	\$4,652,623	20.3%	90.0	92.0
FY'90	\$3,671,696	-37.7%	\$4,692,625	.9%	90.1	97.0
FY'91	\$4,764,791	29.8%	\$7,181,826	53.0%		97.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$1,321,354 or 38.3% increase in appropriations; when adjusted for inflation the change is a \$433,529 or 12.6% increase.
- Since FY'86 the agency's total budget has increased by 130.0%. Compared to FY'90 the agency's total budget is expected to increase by \$2,489,201 or 53.0%.
- In the years between FY'86 and FY'90 the agency's actual FTE has increased by 24.1 or 36.5%. Between FY'90 and FY'91 the authorized FTE limit remained constant.
- Of the \$1,093,095 increase in appropriations for FY'91, \$87,218 is related to adjustments for the state employees' pay plan. As a result the actual change in the state appropriation for agency operations is \$1,005,877 or 27.4% increase compared to FY'90. Revolving funds that were available for general operations in FY'90 had to be replaced by appropriated funds in FY'91.

OKLAHOMA DEPARTMENT OF LIBRARIES

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$3,782,665	5.6%	\$5,063,322	-3.9%	79.2	80.0
FY'87 Revised	\$3,404,398 ²	-10.0%	\$5,452,628	7.7%	71.0	80.0
FY'88	\$3,398,886	-.2%	\$6,271,495	15.0%	73.2	76.0
FY'89	\$4,730,534	39.2%	\$7,670,534	22.3%	89.0	86.0
FY'90	\$4,586,468	-3.1%	\$6,433,845	-16.1%	82.7	86.0
FY'91	\$4,667,140	1.8%	\$6,904,055	7.3%		86.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$884,475 or 23.3% increase in appropriations; when adjusted for inflation the change is a \$14,845 or .4% increase.
- Since FY'86 the agency's total budget has increased by 36.4%. Compared to FY'90 the agency's total budget is expected to increase by \$470,210 or 7.3%.
- In the years between FY'86 and FY'90 the agency's actual FTE has increased by 3.5 or 4.4%. Between FY'90 and FY'91 the authorized FTE limit remained constant.
- All of the \$80,672 increase in appropriations for FY'91 is related to adjustments for the state employees' pay plan. As a result, there is no actual change in the state appropriation for agency operations compared to FY'90.

SB 772
SB 770, Sections 116-118

PHYSICIAN MANPOWER TRAINING COMMISSION

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$6,519,948	10.3%	\$6,429,482	12.6%	5.0	5.5
FY'87 Revised	\$5,214,959 ²	-20.0%	\$5,620,897	-12.6%	5.0	5.5
FY'88	\$5,453,652	4.6%	\$5,673,650	.9%	5.1	5.5
FY'89	\$5,222,380	-4.2%	\$6,018,708	6.1%	5.5	6.0
FY'90	\$5,912,029	13.2%	\$6,090,871	1.2%	5.5	6.0
FY'91	\$5,917,792	.1%	\$6,671,906	9.5%		6.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$602,156 or 9.2% decrease in appropriations; when adjusted for inflation the change is a \$1,704,820 or 26.2% decrease.
- Since FY'86 the agency's total budget has increased by 3.8%. Compared to FY'90 the agency's total budget is expected to increase by \$581,035 or 9.5%.
- In the years between FY'86 and FY'90 the agency's actual FTE has increased by .5 or 10%. Between FY'90 and FY'91 the authorized FTE limit remained constant.
- All of the \$5,763 change in appropriations for FY'91 is related to adjustments for the state employees' pay plan. As a result there is no actual change in the state appropriation for agency operations compared to FY'90.

BOARD OF PRIVATE VOCATIONAL SCHOOLS

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$95,521	6.4%	\$91,868	9.1%	3.0	3.0
FY'87 Revised	\$94,591 ²	-2.0%	\$87,366	-4.9%	3.0	3.0
FY'88	\$101,391	7.2%	\$100,634	15.2%	3.0	3.0
FY'89	\$109,670	8.2%	\$109,670	9.0%	3.0	3.0
FY'90	\$111,540	1.7%	\$107,744	-1.8%	3.0	3.0
FY'91	\$117,276	5.1%	\$117,276	8.9%		3.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$20,755 or 21.5% increase in appropriations; when adjusted for inflation the change is a \$1,097 or 1.1% decrease.
- Since FY'86 the agency's total budget has increased by 27.7%. Compared to FY'90 the agency's total budget is expected to increase by \$9,532 or 8.9%.
- In the years between FY'86 and FY'91 the agency's authorized and actual FTE has remained the same.
- All of the \$5,736 increase in appropriations for FY'91 is related to adjustments for the state employees' pay plan. As a result there is no change in the state appropriation for agency operations compared to FY'90.

**OKLAHOMA CENTER FOR THE ADVANCEMENT
OF SCIENCE AND TECHNOLOGY**

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u> ¹	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	N/A	N/A	N/A	N/A	N/A	N/A
FY'87 Revised	N/A	N/A	N/A	N/A	N/A	N/A
FY'88	\$11,000,000	N/A	\$1,432,708	N/A	5.9	11.0
FY'89	\$12,723,359	15.7%	\$3,150,710	119.9%	12.2	14.0
FY'90	\$15,633,543	22.9%	\$5,253,909	66.7%	14.7	16.0
FY'91	\$6,798,466	-56.5%	\$16,845,644	221.8%		20.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures and is often overestimated.

- FY'88 was the first year of operations for the Oklahoma Center for the Advancement of Science and Technology. In FY'87 the duties of this agency were administered through the Science and Technology Division of the Department of Commerce. In that year, the Department of Commerce received \$1,000,000 for the Health Research program and \$2,000,000 for the Most Eminent Scholars and Research program. Unspent funds at the end of FY'87 were transferred to the newly created OCAST.
- Funds appropriated to OCAST for the research programs it administers are deposited in Research Support Revolving Fund. Funds given for research projects are often times obligated well before they are actually paid out. This explains the low level of expenditures compared to the appropriation level.
- The agency's FTE authorization was increased by 4 for FY'91. New positions to be filled are: Account Clerk/Receptionist; Data Processing Systems Coordinator; Secretary; and Data Entry/Clerk Typist.
- The agency receive \$150,000 in new funds for the operations of the agency. The funds will be used to support new positions and replace other monies that were previously being used for salaries.
- The appropriation level was reduced by \$9 million to remove new funding for the Centers of Excellence program. Previously appropriated funds have been awarded for the support of three Centers.
- The Legislature transferred \$3.6 million from the Research Support Revolving Fund to the Special Cash Fund for use in other areas. Of these funds, \$1.8 million was funding provided for the Centers of Excellence Program that was not awarded. The remaining amount had been committed for the operations of the Centers. The appropriation bill includes legislative intent that the funds that have been committed be replaced in the FY'92 appropriation.

OKLAHOMA SCHOOL OF SCIENCE AND MATHEMATICS

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u> ¹	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u> ²
FY'86	\$25,000	N/A	- 0 -	N/A	N/A	N/A
FY'87 Revised	\$25,000	0.0%	\$5,371	N/A	N/A	0.0
FY'88	\$50,000	100.0%	\$13,821	157.3%	0.0	0.0
FY'89	\$300,000	500.0%	\$198,480	1336.7%	3.0	4.0
FY'90 ³	\$2,001,460	567.1%	\$755,827	281.0%	13.2	19.0
FY'91	\$2,326,548	16.2%	\$2,918,778	286.0%		30.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations.

² FTE authorization includes 7 positions that are contingent on federal funds.

³ Includes supplemental funding, see Table 2.

- An additional \$1.1 million in operating funds will be used to hire eight additional teachers and a dorm counselor in anticipation of the schools opening in the fall of 1990. It is anticipated that around 60 students will comprise the schools inaugural class. Students will reside on the Campus of the University of Oklahoma and will be transported to classroom facilities at the Health Sciences Center.
- Language was placed in the appropriation bill requiring the Oklahoma City Chamber of Commerce to fulfill its financial commitments to the school in a timely fashion. These commitments include the provision of ten scholarships of \$15,000 each for students at the school by September 1 of 1990, and money and in-kind services necessary to renovate the Lincoln School site before September 1 of 1991. If these commitments are not met, the bill directs that the Director of the Office of State Finance transfer all new appropriated funds in the FY'91 budget to the State Board of Education for expenditure through the school funding formula.
- The Legislature authorized 11 new positions for the school for FY'91. This will allow the hiring of additional teachers and staff necessary for the operation of the school.
- The school received a supplemental appropriation of \$800,000 for architectural and engineering work on the new campus.

HB 2320, Section 7
 SB 770, Sections 125-133
 SB 806, Section 14

STATE BOARD OF VOCATIONAL AND TECHNICAL EDUCATION

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$56,675,493	15.2%	\$71,829,967	10.7%	401.2	410.0
FY'87 Revised ²	\$52,942,944	-6.6%	\$69,640,076	-3.0%	398.8	405.0
FY'88 ³	\$54,559,444	3.0%	\$75,083,758	7.8%	404.2	413.0
FY'89	\$62,013,045	13.6%	\$89,091,979	18.6%	439.5	438.0
FY'90	\$68,095,274	9.8%	\$86,409,517	-3.0%	459.0	463.0
FY'91	\$76,566,139	12.4%	\$96,540,174	11.7%		475.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations.

² Does not include carryover.

³ Does not include 1987-88 capital.

- Since FY'86 the agency has experienced a \$19,890,646 or 35.1% increase in appropriations; when adjusted for inflation the change is a \$5,624,050 or 9.9% increase.
- Since FY'86 the agency's total budget has increased by 34.4%. Compared to FY'90 the agency's total budget is expected to increase by \$10,130,657 or 11.7%.
- The agency received additional funding of \$1.7 million for distribution through the equalization formula. The equalization program provides additional state funds to districts with below average local property wealth. While the agency proposed a new formula, all funds were required to be used in the existing equalization program.
- Additional funding of \$3,128,501 was provided to fund salary increases for department employees and vocational teachers in the area schools. Funds were sufficient to provide teachers with \$1,500 increases and department employees increases of \$1,000. The salary of the State Director was increased from \$60,400 to \$72,500.
- The agency was provided with \$621,371 in new money for the Business and Industry Training Program. With these funds the agency will start 10 new Self Employment Training Programs and 3 new Business Development Programs. Funds will also be distributed to the new area schools and multi-campus schools to support industry training programs.
- Operational funds were provided to begin 20 new Technology Education programs (\$132,800). Funding was not provided, however, to pay the equipment costs for these new programs. The Department will utilize federal funds to provide \$10,000 per program for equipment.
- \$2.6 million was appropriated for capital projects at specified area schools. These funds were to be combined with \$350,000 in agency revolving funds for a capital program of \$2,950,000. An overappropriation by the Legislature, however, resulted in the reduction in appropriations for this program of \$372,886. Action by the Contingency Review Board reduced funding for each project proportionally by this amount.

- For the first time, the Legislature appropriated funds from the Capital Improvement and Economic Enhancement Fund. These funds were appropriated to the State Department of Vocational and Technical Education. While funds will be needed throughout the year, they will not be available for allocation to the agency until the latter part of the fiscal year. This will require the agency to reduce payments to area schools during the year. The agency is requesting that the Legislature address this problem at the beginning of the 1991 Legislative Session.
- The agency's FTE authorization was increased by 12. This includes a new coordinator for the Technology Education Program, eight additional positions that will be paid with non-state funds, and 3 additional positions to allow for substitute teachers in the Skills Centers.

SB 770, Sections 136-152
HB 2321, Sections 54 and 57 (repealed in HB 2289)
HB 2289, Sections 3 and 4
SB 806, Sections 15-17

WILL ROGERS MEMORIAL COMMISSION

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$320,165	9.4%	\$405,084	-3.2%	13.0	16.0
FY'87 Revised	\$296,643 ²	-7.4%	\$437,745	8.1%	14.0	16.0
FY'88	\$328,964	10.9%	\$458,963	4.9%	13.0	14.0
FY'89	\$452,537	37.6%	\$588,537	28.2%	15.0	14.5
FY'90 ³	\$485,594	7.3%	\$644,259	9.5%	14.5	14.5
FY'91	\$526,235	8.4%	\$675,235	4.8%		16.5

1 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

2 Does not include carryover.

3 Includes supplemental funding, see Table 2.

- Since FY'86 the agency has experienced a \$206,070 or 64.3% increase in appropriations; when adjusted for inflation the change is a \$108,016 or 33.7% increase.
- Since FY'86 the agency's total budget has increased by 66.7%. Compared to FY'90 the agency's total budget is expected to increase by \$30,976 or 4.8%.
- In the years between FY'86 and FY'90 the agency's actual FTE has increased by 1.5 or 11.5%. Between FY'90 and FY'91 the authorized FTE limit has increased by 2 or 13.7%.
- Of the \$62,641 increase in appropriations for FY'91, \$12,695 is related to adjustments for the state employees' pay plan. As a result the actual change in the state appropriation for agency operations is \$49,946 or a 10.7% increase compared to FY'90.
- The increase will provide for 1 secretary, 2 half-time tour guides and the production of promotional materials at the Memorial.
- In FY'90 the agency received a supplemental appropriation of \$22,000 for repairs at the Memorial.

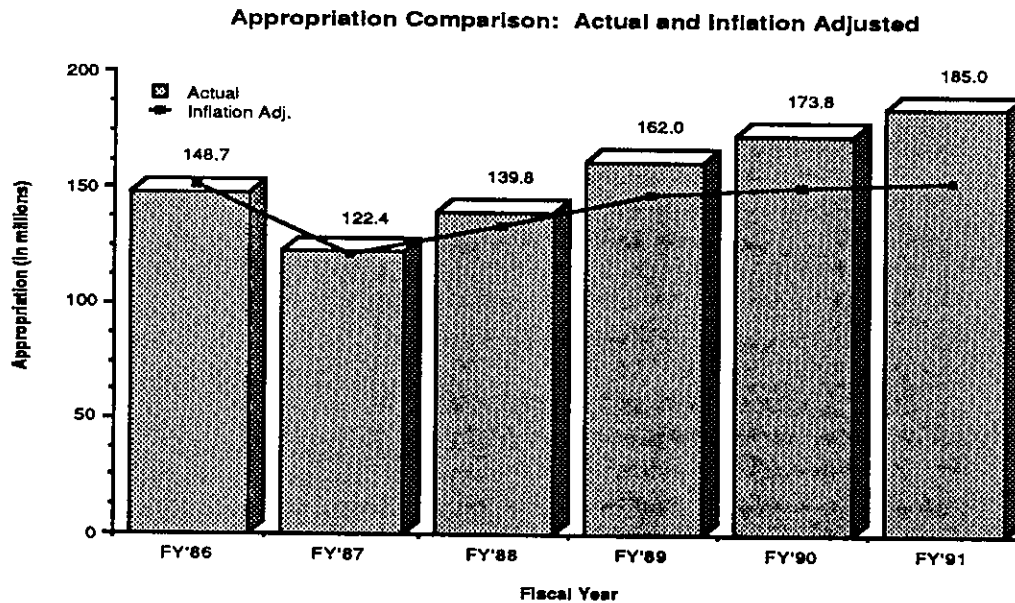
SB 774

SB 770, Sections 134-135

GENERAL GOVERNMENT AND JUDICIARY SUBCOMMITTEE

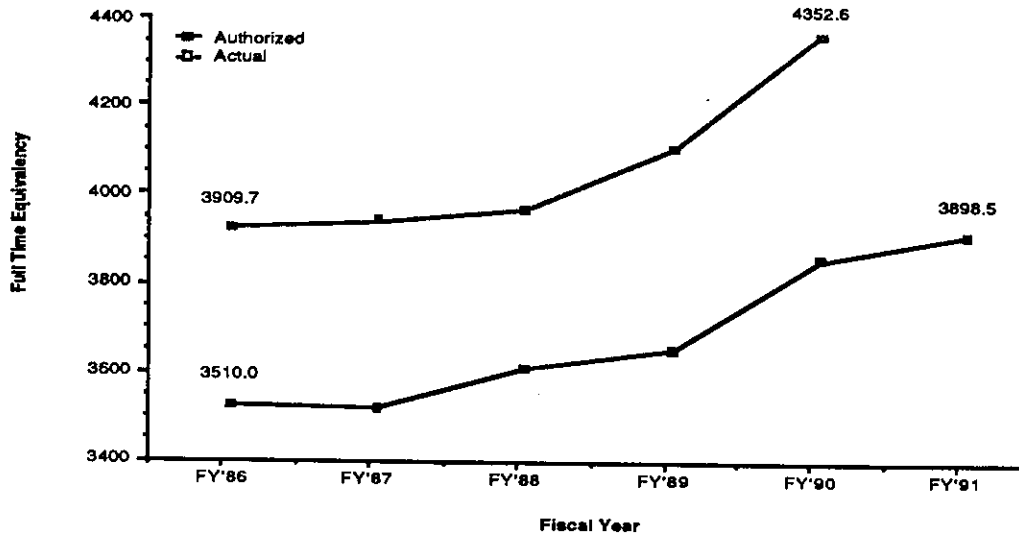
Historical Overview

In most of the five years since FY'86, the total appropriation and expenditure levels for the General Government and Judiciary subcommittee have increased steadily. Despite significant reductions in agency appropriations for FY'87, the total appropriation level for the subcommittee (including both operations and capital funding) has expanded at an average rate of approximately 5.25% per year. Overall, total appropriations grew from over \$148 million in FY'86 to \$185 million for FY'91, an increase of \$36.4 million or 24.5%. Similarly, the subcommittee's total actual expenditures, which include spending from all sources, appropriated and nonappropriated, increased from \$177 million in FY'86 to \$232 million in FY'90, an increase of \$55 million or 31%. The reasons for this growth are several, including the establishment of new programs, the expansion of existing programs, the funding of several major capital projects, and the expense of state employee pay increases.



The number of personnel employed by the agencies of the subcommittee has also increased steadily. The total number of actual FTE grew from 3,910 in FY'86 to 4,353 in FY'90, an increase of 443 or 11.3%. Four agencies account for over half of this growth. The District Attorneys and DA's Council added 125 FTE, mostly in personnel supported by nonappropriated funds. The District Courts increased by 104 FTE, due mainly to the inclusion of bailiffs as state employees in FY'90. The Auditor and Inspector's office grew by 42 FTE while the Treasurer's expanded by 37 FTE. Three other agencies-- the Attorney General, the Office of State Finance, and the House of Representatives -- added at least 20 FTE since FY'86.

FTE Comparison: Actual and Authorized



<u>Fiscal Year</u>	<u>Appropriation</u>	<u>Total Expenditures</u>	<u>Actual FTE</u>	<u>Authorized# FTE</u>
1986	148,650,832	177,725,833	3,909.7	3,510.0
1987 Revised	122,439,712	178,765,162	3,922.2	3,505.0
1988	139,785,984	178,879,015	3,948.4	3,594.0
1989	162,026,954	204,265,515	4,091.1	3,637.5
1990	173,809,711	232,263,489	4,352.6	3,838.5
1991	185,037,132 *			3,898.5

Agencies which are not subject to an authorized FTE limit are not included under the "Authorized FTE" column. These include the State Election Board, Governor's office, House of Representatives, Senate, Legislative Service Bureau, Lt. Governor's office since FY'88 and the Treasurer's office up to FY'87. In addition, some employees of the District Attorneys, the Auditor and Inspector's office, and the Office of Public Affairs are exempt from FTE limits. The number of exempted FTE totalled 621.6 in FY'86, 646.3 in FY'87, 639.4 in FY'88, 734.3 in FY'89, and 793.5 in FY'90.

* Does not include appropriations from the Constitutional Rainy Day Fund (ie. \$10 million to the Ad Valorem Task Force in FY'90).

New Programs: Several new programs were initiated in different agencies during this five year period. The Attorney General's office set up a Multicounty Grand Jury Program, a Student Loan Collection Program and a Medicaid Fraud Unit. A new Post-Conviction Relief program was started in the Appellate Public Defender's office in 1988. An entirely new agency was established in 1986 when the Ethics Commission (now the Council on Campaign Compliance and Ethical Standards) was created by the Legislature. The Office of Public Affairs was authorized additional duties including the Minority Bid Preference Program, the office of the State Bond Advisor, a state-wide property insurance program, and the Basic Health Benefits Program. In addition, the Office of Personnel Management was assigned the State Employees Flexible Benefits program in FY'90 while the Secretary of State implemented the Agricultural Lien Central Filing System. And, finally, the Treasurer's office has established Linked

Deposit Programs and a securities lending program. All these activities either currently operate with appropriated funds or received appropriated funds to pay for initial start-up costs.

Expansion of Existing Activities: Increases for existing activities were also a significant factor in the funding growth of the subcommittee. For example, a total of twenty-one new auditing FTE were added to the Auditor and Inspector's office during the past three years to meet the workload demands of that office. The number of judges on the Court of Criminal Appeals was increased by the Legislature from three to five, adding a total of ten positions to that agency. The District Courts were authorized four new special judges, six court reporters, and ten additional bailiffs. And, over the past four years, the Supreme court has received additional funding for fifteen new judicial assistants (attorneys).

Capital Projects: Several major capital projects also received funding during this period. The oldest of these is the Integrated Central Systems Project, the goal of which is to install a new central computer network for the state. Since FY'85 over \$12 million has been appropriated for this project. The project, which is now becoming operational, should provide the state with automated and integrated systems for central accounting, payroll, purchasing, and budgeting functions.

Another \$2.5 million has been appropriated to the Office of State Finance for various telecommunication projects. These include the replacement of the telephone circuits in the Capitol complex, acquisition of dedicated voice and data lines between Oklahoma City and Tulsa, installation of a new local communications network for the state agencies located at N. E. 36th St. and Martin Luther King Jr. Boulevard in Oklahoma City, and linking of the state's telecommunication system with the system of the Regents for Higher Education.

The Tax Commission was appropriated a total of \$4.6 million in FY'89 and FY'90 to upgrade its revenue processing system. When completed, the project will automate the processing of tax receipts which previously was largely a manual process. The new system will automatically sort, identify and microfilm tax returns and checks. The data on each individual return will also be "read" by a scanner and entered into the agency's computer system. The new equipment will also allow the Commission to print envelopes that can be presorted automatically according to tax type. In addition, the Commission used part of the capital appropriation to provide on-line computer links to an additional forty tag agents and to purchase approximately 70 portable computers for field auditors.

The most recent capital project funded by the Legislature is the Oklahoma Election Management System which will be implemented by the State Election Board. The project received funding totalling \$7 million in FY'90 and FY'91. The final cost of the project, over several years, could reach \$24 million. (For more details see Capital Funding / Special Projects under Major Policy and Program Issues.)

State Employee Pay Increases: One final major factor in the funding increases over the past five years was the change in salary and longevity pay for state employees authorized by the Legislature. These increases occurred in FY'86, FY'89, FY'90 and FY'91. The cost to the subcommittee was \$7.7 million in FY'86, nearly \$5 million in FY'89, over \$2.5 million in FY'90 and \$4.8 million in FY'91, a sum total of \$20 million.

1990 Session

Supplemental Appropriations: Two agencies received supplemental or special appropriations for FY'90 in HB 2320 which was approved by the Governor on May 7, 1990. The State Election Board received \$675,000 to fund the statewide special election in June 1990 on constitutional changes proposed by HJR 1005. The Election Board also received \$800,000 for the Election Management System in order to begin funding the second phase of the project. The other agency, the Merit Protection Commission, received \$15,000 for reimbursement of unexpected legal fees incurred earlier in the year.

Major Policy and Program Issues

Legal and Judiciary: The issue of salary increases for judges and District Attorneys received much attention during the 1990 session. Though the judiciary did not receive an increase anywhere near the 45% they requested, judges did get an increase substantially higher than the \$1,000 provided to other state employees. In FY'91, judges will receive a two-step increase with the cumulative effect of an 8% raise. The actual dollar value of the raise will range from \$3,772 for special judges to \$5,944 for the Chief Justice of the Supreme Court and the Presiding Judge of the Court of Criminal Appeals.

Salary increases for District Attorneys over the next four years was also set by the Legislature. Beginning on January 1, 1990 the salary will increase from \$56,180 to \$60,000 and then on January 1, 1992 will increase again to \$65,000. The Legislature also authorized the most populous counties to supplement the salaries of the District Attorney and Assistant District Attorneys by up to 25% (in effect, this authorization is limited to Oklahoma County).

The Legislature also appropriated \$150,000 to the Court of Criminal Appeals to establish an Orders Division. The Orders Division will be used to expedite those matters brought before the court that do not require full court opinions.

Central Service Agencies: Both the Office of State Finance and the Office of Public Affairs received funding to establish new programs. One of the Office of State Finance's top funding priorities was for \$430,000 to produce a Comprehensive Annual Financial Report for the state. Previously, the report had been handled by the State Auditor's office which had limited resources and was often unable to complete the report in a timely fashion.

The Legislature also appropriated \$1.8 million to the Office of State Finance to be deposited into a Super Computer Revolving Fund. These funds will be used to purchase processing time on a supercomputer for the state's major universities.

The Basic Health Benefits Board was created by the Legislature and placed under the Office of Public Affairs. The Board's responsibility is to design a basic health insurance coverage that private insurer's could offer businesses who do not currently provide health insurance for their employees. Employers would be eligible for an income tax credit of \$15 per month for each employee covered by the insurance.

Capital Funding / Special Projects: Several capital and special projects received large appropriations during the 1990 session. The largest of these appropriations, \$10 million, was made from the Constitutional Reserve Fund (Rainy Day Fund) for the Ad Valorem Task Force. The Task Force has the responsibility of overseeing the development of computer assisted mass appraisal systems in all county assessor offices. The Task Force received an initial appropriation of \$4 million in FY'90.

As mentioned previously, the Oklahoma Election Management System is another major project which received considerable funding for FY'91. In addition to total funding of \$2.2 million in FY'90, the Legislature provided over \$4.8 million in FY'91 for the project. The project has two primary objectives: to install computers in each county election board office and to purchase automated voting devices for each precinct. The system will create a computer network across the state that will provide county election board secretaries the benefits of office automation and also allow the transmission of registration data and election returns from the counties to the State Election Board.

Two smaller projects were funded in the Tax Commission and the Office of Public Affairs. The Tax Commission received \$1.2 million to implement the provisions of HB 1989 which modified the issuing of commercial driver's licenses. These funds will be used to purchase or upgrade data processing equipment necessary to make the changes. The Office of Public Affairs was appropriated \$200,000 to make repairs to the roof of the Capitol Building.

Appellate Public Defender*

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total 1 Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$434,815		\$417,601		13.1	15.0
FY'87 Revised	\$442,244 ²	1.7%	\$432,458	3.6%	13.6	15.0
FY'88	\$794,640	79.7%	\$753,771	74.3%	19.7	25.0
FY'89	\$947,551	19.2%	\$999,411	32.6%	23.6	38.0
FY'90	\$961,873	1.5%	\$1,694,739	69.6%	29.6	38.0
FY'91	\$1,088,226	13.1%	\$1,690,205	-0.3%		42.0

* Until FY'89, the Appellate Public Defender program was part of the Center for Criminal Justice. The program is now an independent agency under its own board.

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include FY'86 General Revenue carryover. Includes special appropriation of \$20,000 for a post conviction relief pilot project.

- Since FY'86 the agency has experienced a \$653,411 or 150.3% increase in appropriations; when adjusted for inflation, the change is a \$450,641 or 103.6% increase. The major increases during this period came in fiscal years 1988 and 1989 when a new post conviction relief program was implemented.
- Of the \$126,353 or 13.1% increase in appropriations for FY'91, \$26,353 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$100,000 or 10.4% increase compared to FY'90. The additional operations funding will be used to hire two attorneys for the noncapital appeals unit. The backlog of unbriefed noncapital appeals has nearly doubled in the past three years.
- Since FY'86 the agency's total budget has increased by 304.7%. The primary reason for this growth has been the implementation of a post conviction relief program. Compared to FY'90 the agency's total budget for FY'91 is expected to decrease by \$4,534 or 0.3%.
- In the five years between FY'86 and FY'90, the agency's actual FTE has increased by 16.5 or 126.0%. The increases were due primarily to the new post conviction relief program implemented during FY'88 and FY'90.

Attorney General

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$2,719,907		\$2,489,775		59.5	67.0
FY'87 Revised	\$2,242,605 ²	-17.5%	\$2,357,065	-5.5%	58.8	65.0
FY'88	\$2,789,228	24.4%	\$2,592,080	10.0%	59.1	65.0
FY'89	\$3,411,827	22.3%	\$3,131,682	20.8%	65.4	74.0
FY'90	\$3,611,732 ³	5.9%	\$4,092,697	30.7%	81.0	96.0
FY'91	\$4,051,745	12.2%	\$5,418,306	32.4%		96.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include FY'86 General Revenue carryover.

³ Does not include reappropriated funds of \$125,000.

- Since FY'86 the agency has experienced a \$1,331,838 or 49.0% increase in appropriations; when adjusted for inflation, the change is a \$576,875 or 21.2% increase.
- Of the \$440,013 or 12.2% increase in appropriations for FY'91, \$147,001 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, required property insurance premiums, and to replace one-time reappropriated funds. As a result, the actual change in the state appropriation for agency operations is a \$293,012 or 8.1% increase compared to FY'90.
- The FY'91 appropriation included an additional \$175,000 to replace lost federal funding for the financial fraud and special investigations unit.
- The FY'91 appropriation also included \$50,000 to contract for indigent legal services and \$50,000 for salary increases of Assistant Attorneys General.
- Since FY'86 the agency's total budget has increased by 117.6%. Compared to FY'90 the agency's total budget for FY'91 is expected to increase by \$1,325,609 or 32.4%.
- In the five years between FY'86 and FY'90, the agency's actual number of FTE has increased by 21.5 or 36.1%. Most of these additional FTE resulted from the creation of a medicaid fraud detection unit, the strengthening of the capital punishment litigation unit, and the hiring of attorneys whose services are contracted out to agencies.
- The Legislature expanded the Attorney General's authority to provide legal services to specific agencies on a contract basis. The agencies added this year include the Department of Mental Health and the Board of Regents of Oklahoma Colleges.

SB 775

SB 781, Sections 3-7, 128

HB 2321, Section 2

Auditor and Inspector

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$3,065,698		\$4,756,983		118.7	120.0
FY'87 Revised	\$2,799,034 ²	-8.7%	\$4,829,987	1.5%	117.6	120.0
FY'88	\$3,057,306 ³	9.2%	\$5,448,750	12.8%	121.5 ⁴	126.0
FY'89	\$3,280,532	7.3%	\$6,709,076	23.1%	148.1 ⁴	141.0
FY'90	\$7,949,684	142.3%	\$7,585,827	13.1%	163.5 ⁴	155.0
FY'91	\$3,898,273 ⁵	-51.0%	\$9,458,575	24.7%		169.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include FY'86 General Revenue carryover.

³ Includes a supplemental appropriation of \$285,000 (HB 2017).

⁴ For the fiscal years FY'88 through FY'90 those employees conducting reimbursable investigative audits of education entities were exempted from the FTE limit. The exempted FTE totalled approximately 6 FTE in FY'88, 14 FTE in FY'89, and 13 FTE in FY'90.

⁵ The FY'91 appropriation amount does not include an appropriation of \$10,000,000 from the Constitutional Reserve Fund for the Ad Valorem Task Force.

- Since FY'86 the agency has experienced a \$832,575 or 27.2% increase in appropriations; when adjusted for inflation, the change is a reduction of \$106,208 or 3.5%.
- Of the agency's appropriation for FY'91, \$121,638 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. The actual change in the state appropriation for agency operations is \$50,000 or a 0.6% increase compared to FY'90. The additional \$50,000 will be used for one-time capital expenditures for data processing equipment and other equipment. The large reduction in the FY'91 appropriation is due to the removal of \$4,000,000 for the Ad Valorem Task Force from the agency's appropriation base.
- Since FY'86 the agency's total budget has increased by 98.8%. Much of this increase is due to the growth in the number of reimbursable audits conducted by the agency. Between FY'86 and FY'90, the amount collected by the agency from reimbursable audits grew from approximately \$1,800,000 to \$3,800,000. Compared to FY'90 the agency's total budget for FY'91 is expected to increase by \$1,872,748 or 24.7%. Most of this increase for FY'91 is due to additional funds budgeted for the Ad Valorem Task Force.
- In the five years between FY'86 and FY'90, the agency's number of actual FTE has increased by 44.8 or 37.7%. Many of the additional FTE have been used for reimbursable audits. In addition, 14 new FTE were funded in FY'90 and other FTE have been added for the Ad Valorem Task Force. Beginning in FY'91, FTE used for reimbursable education audits will no longer be exempt from the agency's FTE limit. Therefore, the agency's FTE limit was increased by 14.0 FTE.

HB 1016, Section 2

SB 806, Sections 20-22

SB 781, Sections 8-15

HB 2289, Section 5, (repealer).

Oklahoma Capitol Improvement Authority

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$561,276		\$7,853,002		0.0	N/A
FY'87 Revised	\$527,404	-6.0%	\$11,352,700	44.6%	0.0	N/A
FY'88	\$575,895	9.2%	\$7,164,563	-36.9%	0.0	N/A
FY'89	\$575,895	0.0%	\$7,471,547	4.3%	0.0	N/A
FY'90	\$575,895	0.0%	\$8,352,281	11.8%	0.0	N/A
FY'91	\$273,509	-52.5%	\$8,087,518	-3.2%		N/A

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

- Since FY'86 the agency has experienced a \$287,767 or 51.3% decrease in appropriations; when adjusted for inflation, the change is a \$338,730 or 60.3% decrease.
- The reduction in the agency's appropriation for FY'91 is due to the transfer of appropriated funds to agencies leasing space in the Kerr State Office Building in Tulsa. Previously, these funds had been used to subsidize the rental expenses of the University Center at Tulsa (UCAT) in the Building. Since UCAT has moved out of the building, these funds are being distributed to the agencies that fill the vacated space.
- Since FY'86 the agency's total budget has increased by 3.0%. Compared to FY'90 the agency's total budget is expected to decrease by \$264,763 or 3.2%.

Council on Campaign Compliance and Ethical Standards*

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	N/A	N/A		N/A	N/A	N/A
FY'87 Revised	110,000 ²		\$93,513		1.7	2.0
FY'88	\$98,375	-10.6%	\$114,071	22.0%	2.0	2.0
FY'89	\$205,920	109.3%	\$188,783	65.5%	4.5	5.0
FY'90	\$208,506 ³	1.3%	\$236,740	25.4%	5.0	5.0
FY'91	\$233,284	11.9%	\$235,784	-0.4%		5.0

* The name of the agency was changed in FY'89 from the Oklahoma Ethics Commission to The Oklahoma Council on Campaign Compliance and Ethical Standards.

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Includes \$10,000 supplemental appropriation.

³ Does not include \$25,600 reappropriated from the Secretary of State to the Council on Campaign Compliance for equipment and operating expenses.

- Since FY'87, the first year of operation, the agency has experienced a \$123,284 or 112.1% increase in appropriations; when adjusted for inflation, the change is a \$103,080 or 93.7% increase. Most of this increase came in FY'89 when the agency received an additional \$100,000 to fund three FTE and to purchase data processing equipment.
- Of the \$24,778 or 11.9% increase in appropriations for FY'91, \$4,778 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. Another \$5,000 is to replace one-time reappropriated funds used for operations in FY'90. As a result, the actual change in the state appropriation for agency operations is an increase of \$15,000 or 7.2% compared to FY'90. This additional \$15,000 will be used for equipment and operating expenses.
- Since FY'87 the agency's total budget has increased by 152.1%. Compared to FY'90, the agency's total budget for FY'91 is expected to decrease by \$956 or 0.4%.

Court of Criminal Appeals

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$766,966		\$764,958		17.0	19.0
FY'87 Revised	\$834,966 ²	8.9%	\$712,852	-6.8%	16.2	19.0
FY'88	\$777,521	-6.9%	\$993,607	39.4%	19.5	19.0
FY'89	\$1,271,865	63.6%	\$1,230,610	23.9%	22.0	29.0
FY'90	\$1,421,415	11.8%	\$1,432,508	16.4%	26.5	29.0
FY'91	\$1,698,112	19.5%	\$1,677,063	17.1%		32.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include FY'86 General Revenue carryover. Includes a one-time capital appropriation of \$80,000 for the purchase of a computer system.

- Since FY'86 the agency has experienced a \$931,146 or 121.4% increase in appropriations; when adjusted for inflation, the change is a \$614,736 or 80.2% increase. The largest factor in this increase was the expansion of the court from three to five judges which was funded over two fiscal years, FY'89 and FY'90..
- Of the \$276,697 or 19.5% increase in appropriations for FY'91, \$29,917 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$246,780 or a 17.4% increase compared to FY'90. Of this amount, \$150,000 will be used to establish an orders division which should expedite those matters brought before the court that do not require full court opinions. Another \$37,192 is to fill two previously unfunded intern positions. In addition, \$10,860 was necessary for judicial pay raises and \$44,128 was provided for one-time remodeling expenses.
- Since FY'85 the agency's total budget has increased by 119.2%. Compared to FY'90 the agency's total budget is expected to increase by \$244,555 or 17.1%.
- In the five years between FY'86 and FY'90, the agency's number of actual FTE has increased 9.5 or 55.9%. This increase was due to the expansion of the court from three to five judges in FY'89-FY'90.

SB 777

SB 781, Sections 18-20

HB 2321, Sections 60-61

District Attorneys and District Attorneys Council

	Appropriation	Percent Change	Total ¹ Budget Expenditures	Percent Change	Actual ² FTE	Authorized FTE
FY'86	\$21,427,191		\$24,836,646		673.0	557.0
FY'87 Revised	\$19,962,616 ³	-6.8%	\$26,079,952	5.0%	725.0	566.0
FY'88	\$20,395,920	2.2%	\$28,241,847	8.3%	712.3	567.0
FY'89	\$22,220,247	8.9%	\$31,337,405	11.0%	751.8	567.0
FY'90	\$23,143,006	4.2%	\$34,254,198	9.3%	798.1	567.0
FY'91	\$23,711,112	2.5%	\$49,762,700	45.3%		567.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Personnel employed in the Child Support Enforcement Program, Bogus Check Restitution Program, and other nonappropriated programs are exempted from the agency's authorized FTE limit. The number of exempted employees totalled 142 in FY'86, 188 in FY'87, 184 in FY'88, 209 in FY'89 and 259 in FY'90.

³ Does not include FY'86 General Revenue carryover.

- Since FY'86 the agency has experienced an \$2,283,921 or 10.7% increase in appropriations; when adjusted for inflation, the change is actually a decrease of \$2,134,179 or 10.0%.
- All of the \$568,106 or 2.5% increase in appropriations for FY'91 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. As a result, there is no actual change in the state appropriation for agency operations compared to FY'90.
- The Legislature authorized salary increases for District Attorneys for the next four years. Beginning January 1, 1991, the salary will increase from \$56,180 to \$60,000. On January 1, 1993, the salary will increase to \$65,000. In addition, the Legislature allowed heavily populated counties to supplement the salary of the District Attorney and Assistant District Attorneys by up to 25%. (In effect, this authorization is limited to Oklahoma County.)
- The Legislature required audit reports of the Bogus Check Restitution Funds and other seizure and forfeiture funds to be submitted by the next legislative session.
- Since FY'86 the agency's total budget has increased by 100.4%. Compared to FY'90 the agency's total budget is expected to increase by \$15,508,502 or 45.3%. Much of this growth is due to the expansion of nonappropriated programs in the agency's budget. These include pass-through federal grants, child support enforcement, bogus check prosecution and DA employees supported by county funds. Total expenditures from nonappropriated funds have increased from \$2.6 million in FY'86 to almost \$11.5 million in FY'90.
- The agency's number of actual FTE has increased by 125.1 or 18.6% since FY'86. This growth has come primarily in the nonappropriated programs mentioned above. The agency's authorized FTE limit has not changed since FY'88.

SB 778

SB 781, Sections 21-28

District Courts

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$17,100,000		\$16,059,327		368.6	377.0
FY'87 Revised	\$15,515,646 ²	-9.3%	\$16,132,190	0.5%	369.1	377.0
FY'88	\$16,374,776	5.5%	\$16,240,586	0.7%	373.5	377.0,
FY'89	\$18,072,296	10.4%	\$17,783,975	9.5%	377.8	385.0
FY'90	\$20,229,710	11.9%	\$19,792,217	11.3%	472.2	522.0
FY'91	\$21,979,994	8.7%	\$21,979,994	11.1%		525.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include FY'86 General Revenue carryover.

- Since FY'86 the agency has experienced a \$4,879,994 or 28.5% increase in appropriations; when adjusted for inflation, the change is a \$784,454 or 4.6% increase.
- Of the \$1,750,284 or 8.7% increase in appropriations for FY'90, \$769,310 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$980,974 or a 4.8% increase compared to FY'90. Of this amount \$552,631 is to provide full-year funding for the secretary-bailiffs positions which were converted to state funding beginning the second quarter of FY'90. Another \$103,923 will be used to add three new court reporters. An additional \$313,170 was included for judicial pay increases.
- The Legislature authorized judicial pay increases that will total 8% by January 1, 1991.
- Since FY'86 the agency's total budget has increased by 36.9%. Compared to FY'90 the agency's total budget is expected to increase by \$2,187,777 or 11.1%
- In the five years between FY'86 and FY'90, the agency's number of actual FTE has increased by 103.6 or 28.1%. This increase is due mainly to the inclusion of secretary-bailiffs as state employees in FY'90. The agency's authorized FTE limit for FY'91 shows an increase of 3.0 FTE from FY'90 for the additional court reporters.

SB 779

SB 781, Sections 29-37

HB 2321, Sections 65-67

Election Board

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$3,096,404		\$1,944,675		15.0	N/A
FY'87 Revised	\$2,949,105 ²	-4.8%	\$4,223,905	117.2%	16.0	N/A
FY'88	\$3,628,804	23.0%	\$2,987,829	-29.3%	16.2	N/A
FY'89	\$4,258,226 ³	14.6%	\$4,810,179	61.0%	16.4	N/A
FY'90	\$4,989,830 ⁴	17.2%	\$4,345,791	-9.7%	15.0	N/A
FY'91	\$9,478,208	90.0%	\$9,929,816	128.5%		N/A

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include FY'86 General Revenue carryover.

³ Includes supplemental appropriation of \$100,000 for election expenses.

⁴ Includes supplemental appropriation of \$1,475,000; \$800,000 for the Election Management System and \$675,000 for the special election on HJR 1005 held on June 26, 1990 (see Table 2).

- Since FY'86 the agency has experienced an increase of \$6,381,804 or 206.1% in appropriations; when adjusted for inflation, the change is an increase of \$4,615,726 or 149.1%.
- The FY'91 appropriation includes additional funding of almost \$5,000,000 for the Oklahoma Election Management System. This project which will eventually computerize all county election board offices and place automated voting machines in each precinct. Nearly \$3,400,000 will be used for one-time professional service expenditures. Nearly \$600,000 will service the debt created to purchase the automated equipment used by the system. Another \$895,000 was necessary for ongoing operational expenses. The total cost of the project, including ten years of debt payments, could reach as high as \$24,000,000.
- The FY'91 appropriation also included \$1,400,000 to replace election funds that were used in FY'90 for the election management system.
- As indicated in the "Total Budget Expenditures" column, the agency's expenditures are usually higher in election years than nonelection years (election expenses for one cycle are approximately \$2.8 million). In order to maintain a fairly consistent appropriation level, the agency usually receives one-half of the election funding during the preceding year.
- In the five years between FY'86 and FY'90, the agency's number of actual FTE has not changed significantly.

HB 2320, Sections 12-13, Supplemental Appropriation
 SB 806, Sections 23-24
 SB 781, Sections 38-46
 HB 2321, Section 49

Office of State Finance

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$8,549,354		\$14,396,242		143.0	179.0
FY'87 Revised	\$7,804,001 ²	-8.7%	\$13,805,917	-13.4%	152.6	165.0
FY'88	\$8,860,294 ³	13.5%	\$12,483,883	-3.4%	147.4	167.0
FY'89	\$10,428,490	17.7%	\$15,753,520	26.2%	156.3	167.0
FY'90	\$9,821,773 ⁴	-5.8%	\$15,600,183	-1.0%	168.0	174.0
FY'91	\$12,374,532	26.0%	\$15,454,532	-0.9%		182.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include FY'86 General Revenue carryover. Includes special appropriations of \$1,000,000 for a telecommunications project and \$40,000 for transitional expenses of the new Governor and Lt. Governor.

³ Includes a special appropriation of \$1,500,000 for telecommunications projects.

⁴ Does not include reappropriated funds of \$75,000.

- Since FY'86 the agency has experienced a \$3,825,178 or 44.7% increase in appropriations; when adjusted for inflation, the change is a increase of \$1,519,427 or 17.8%.
- Of the \$2,552,759 or 26.0% increase in appropriations for FY'91, \$140,913 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. In addition, \$45,000 in one-time funds were removed from the agency's budget. As a result, the actual change in the state appropriation for agency operations is a \$2,456,846 or 25.0% increase compared to FY'90.
- The FY'91 appropriation included \$1,800,000 to purchase time on a supercomputer for the state's colleges and universities. Another \$429,625 will be used to produce a Comprehensive Annual Financial Report (CAFR) for the state.
- Since FY'86 the agency's total budget has increased by 7.4%. Compared to FY'90 the agency's total budget is expected to decrease by \$145,651 or 0.9%.
- In the five years between FY'86 and FY'90, the agency's number of actual FTE has increased by 25.0 or 17.5%. Most of the additional FTE were associated with the data services center and Centrex operation. A total of eight new FTE were authorized for FY'91 including six to produce the Comprehensive Annual Financial Report and two that will work in the communications division (Centrex).

SB 806, Sections 25-27
SB 781, Sections 47-61

Governor

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$1,641,622		\$1,686,930		38.9	N/A
FY'87 Revised	\$1,278,703 ²	-22.1%	\$1,581,367	-6.3%	32.7	N/A
FY'88	\$1,556,762	21.7%	\$1,814,837	14.8%	37.4	N/A
FY'89	\$1,697,151	9.0%	\$2,245,399	23.7%	38.6	N/A
FY'90	\$2,029,149	19.6%	\$1,865,179	-16.9%	34.5	N/A
FY'91	\$2,065,853	1.8%	\$2,148,585	15.2%		N/A

1 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

2 Does not include FY'86 General Revenue carryover.

- Since FY'86 the agency has experienced a \$424,231 or 25.8% increase in appropriations; when adjusted for inflation, the change is a \$39,300 or 2.4% increase.
- Of the \$36,704 or 1.8% increase in appropriations for FY'91, \$32,154 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. The remaining \$4,550 is due to a transfer of office rental funds from the Oklahoma Capitol Improvement Authority. As a result, there is no actual change in the state appropriation for agency operations compared to FY'90.
- Since FY'86 the agency's total budget has increased by 27.4%. Compared to FY'90 the agency's total budget is expected to increase by \$283,406 or 15.2%.
- The agency's number of actual FTE has not changed substantially since FY'86.

House of Representatives

	Appropriation		Percent Change	Total ¹ Budget Expenditures	Percent Change	Actual FTE	Authorized FTE
FY'86	\$7,475,798	2		\$7,441,117		213.1	N/A
FY'87 Revised	\$6,387,745	3	-14.6%	\$6,714,930	-9.8%	209.9	N/A
FY'88	\$8,192,652	4	28.3%	\$7,652,254	14.0%	216.6	N/A
FY'89	\$9,578,107	4	16.9%	\$9,326,650	21.9%	225.7	N/A
FY'90	\$11,662,116	4	21.8%	\$11,137,097	19.4%	240.5	N/A
FY'91	\$12,440,709	4	6.7%	\$12,440,709	11.7%		N/A

1 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

2 Includes special appropriations of \$250,000 for the purchase of statute books and \$105,000 for repairs and purchase of equipment.

3 Does not include FY'86 General Revenue carryover. Includes special appropriation of \$250,000 for the purchase of statute books.

4 Includes special appropriation of \$350,000 for the purchase of statute books.

- Since FY'86 the agency has experienced a \$4,964,911 or 66.4% increase in appropriations; when adjusted for inflation, the change is a \$2,646,829 or 35.4% increase.

- Of the \$778,593 or 6.7% increase in appropriations for FY'91, \$328,593 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$450,000 or a 3.9% increase compared to FY'90.

- Since FY'86 the agency's total budget has increased 67.2%. Compared to FY'90 the agency's total budget is expected to increase by \$1,303,612 or 11.7%.

- In the five years between FY'86 and FY'90, the agency's number of actual FTE has increased by 27.4 or 12.9%.

Legislative Service Bureau

	<u>Appropriation</u>		<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$1,257,410	2		\$1,317,825		33.8	N/A
FY'87 Revised	\$1,718,873	3	36.7%	\$2,047,542	55.4%	23.4	N/A
FY'88	\$2,139,418	4	24.5%	\$1,795,382	-12.3%	24.5	N/A
FY'89	\$3,534,530	5	65.2%	\$2,624,869	46.2%	28.0	N/A
FY'90	\$3,158,821		-10.6%	\$3,812,642	45.3%	28.0	N/A
FY'91	\$3,238,900		2.5%	\$3,238,900	-15.0%		N/A

1 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

2 Includes special appropriation of \$300,000 for audits and studies as required by the Joint Committee on Fiscal Operations.

3 Does not include FY'86 General Revenue carryover. Includes special appropriations of \$300,000 for audits and studies as required by the Joint Committee on Fiscal Operations and \$100,000 for preparation of the annual meeting of the National Conference of State Legislatures in Tulsa during August 1989.

4 Includes special appropriation of \$825,000 for audits and studies as required by the Joint Committee on Fiscal Operations.

5 Includes total funding of \$900,000 for the annual meeting of the National Conference of State Legislatures in Tulsa during August 1989 (\$400,000 was provided by supplemental appropriation in the 1989 session).

- Since FY'86 the agency has experienced a \$1,981,490 or 157.6% increase in appropriations; when adjusted for inflation, the change is a \$1,377,985 or 109.6% increase. During the same period the agency's total budget has increased by 145.8%. However, compared to FY'90 the agency's total budget is expected to decrease by \$573,742 or 15.0%. The Legislative Service Bureau was formed in FY'86 from the consolidation of the Legislative Fiscal Office and Joint Bill Processing.

- Of the \$80,079 or 2.5% increase in appropriations for FY'91, \$30,079 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$50,000 or 1.6% increase compared to FY'90. This \$50,000 is the result of funds transferred from the Department of Education to support Task Force 2000.

- In the five years between FY'86 and FY'90, the agency's number of actual FTE has decreased by 5.8 or 17.2%.

SB 780,
SB 781, Sections 64 and 127

Lieutenant Governor

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$313,123		\$280,441		5.0	5.0
FY'87 Revised	\$247,239 ²	-21.0%	\$293,947	4.8%	5.6	5.0
FY'88	\$386,485	56.3%	\$367,941	25.2%	9.0	N/A ³
FY'89	\$456,167 ⁴	18.0%	\$490,988	33.4%	9.4	N/A
FY'90	\$415,671	-8.9%	\$419,875	-14.5%	9.6	N/A
FY'91	\$428,534	3.1%	\$444,534	5.9%		N/A

1 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

2 Does not include FY'86 General Revenue carryover.

3 The FTE limit for the agency was removed in FY'88.

4 Includes a supplemental appropriation of \$35,000 for expenses related to the renovation of the Lt. Governor's office space.

- Since FY'86 the agency has experienced a \$115,411 or 36.9% increase in appropriations; when adjusted for inflation, the change is a \$35,562 or 11.4% increase.
- The only funding increase for the agency in its FY'91 appropriation is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. As a result, there is no actual change in the state appropriation for agency operations compared to FY'90.
- Since FY'86 the agency's total budget has increased by 58.5%. However, compared to FY'90 the agency's total budget is expected to increase by \$24,659 or 5.9%.
- In the five years between FY'86 and FY'90, the agency's number of actual FTE has increased by 4.6 or 92.0%.

Merit Protection Commission

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$438,412		\$391,385		9.1	10.0
FY'87 Revised	\$382,422 ²	-12.8%	\$448,047	14.5%	10.0	10.0
FY'88	\$405,201	6.0%	\$372,067	-17.0%	8.1	10.0
FY'89	\$483,138	19.2%	\$491,263	32.0%	9.8	10.0
FY'90	\$506,386 ³	4.8%	\$486,384	-1.0%	9.4	10.0
FY'91	\$550,418	8.7%	\$562,418	15.6%		11.0

1 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

2 Does not include FY'86 General Revenue carryover.

3 Includes \$15,000 supplemental appropriation for outside attorney fees (see Table 2).

- Since FY'86 the agency has experienced a \$112,006 or 25.5% increase in appropriations; when adjusted for inflation, the change is a \$9,446 or 2.2% increase.
- Of the \$44,032 or 8.7% increase in appropriations for FY'91, \$7,599 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. In addition, this increase was offset by a reduction of \$15,000 to remove one-time supplemental funding. As a result, the actual change in the state appropriation for agency operations is a \$51,433 or 10.2% increase compared to FY'90. Of this amount, \$36,433 will be used to hire one certified mediator. The remaining \$15,000 will be available for outside attorney fees, to be used only if necessary.
- Since FY'86 the agency's total budget has increased by 43.7%. Compared to FY'90 the agency's total budget is expected to increase by \$76,034 or 15.6%.
- In the five years between FY'86 and FY'90, the agency's number of actual FTE has remained virtually unchanged.

HB 2296
 SB 781, Sections 66-69
 HB 2320, Sections 14 and 15 (supplemental appropriation)

Office of Personnel Management

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$3,978,299		\$3,475,110		94.0	110.0
FY'87 Revised	\$2,961,844 ²	-25.5%	\$3,317,360	-4.5%	92.6	102.0
FY'88	\$3,541,920	19.6%	\$3,225,307	-2.8%	92.2	102.0
FY'89	\$3,973,270	12.2%	\$3,618,660	12.2%	98.0	109.0
FY'90	\$3,993,221 ³	0.5%	\$4,172,495	15.3%	108.1	114.0
FY'90	\$4,623,769	15.8%	\$17,134,335	310.6%		119.0

1 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

2 Does not include FY'86 General Revenue carryover.

3 Does not include \$300,000 in reappropriated funds.

- Since FY'86 the agency has experienced a \$645,470 or 16.2% increase in appropriations; when adjusted for inflation, the change is actually a reduction of \$216,078 or 5.4%.
- Of the \$630,548 or 15.8% increase in appropriations for FY'91, \$120,989 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. Another \$313,894 is to replace one-time funds and \$1,950 is for office rental adjustment. As a result, the actual change in the state appropriation for agency operations is a \$193,715 or 4.9% increase compared to FY'90.
- Most of the agency's increase for operations, \$171,215, will be used to fully implement the payroll and personnel systems of the Integrated Central Systems project. An additional \$17,500 will be budgeted for general operating expenses and the remaining \$5,000 will be used for outside reviews of protested job classifications.
- Since FY'86 the agency's total budget has increased by 393.1%. Compared to FY'90 the agency's total budget is expected to increase by \$12,961,840 or 310.6%. These large increases are due primarily to the creation of the Flexible Benefits Revolving Fund which will consist of "pass through" funds not directly effecting the agency's own operations.
- In the five years between FY'86 and FY'90, the agency's number of actual FTE has increased by 14.1 or 15.0%. For FY'91, the agency received authorization for five additional FTE for the new payroll and personnel systems.

HB 2297

SB 781, Sections 70-73

Office of Public Affairs

	<u>Appropriation</u>		<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$12,355,077	2		\$17,855,777		431.2	477.0
FY'87 Revised	\$7,539,825	3	-39.0%	\$18,619,400	4.3%	440.8	484.0
FY'88	\$9,167,934		21.6%	\$18,789,268	1.0%	430.1	488.0
FY'89	\$10,339,741	4	12.8%	\$21,066,315	12.1%	433.6	445.0 ⁵
FY'90	\$10,297,394		-0.4%	\$24,546,722	16.5%	447.4	448.0 ⁵
FY'91	\$11,395,888		10.7%	\$31,389,455	27.9%		448.0 ⁵

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Includes 30-month appropriation of \$4,737,426 for asbestos abatement and for capital expenditures on state buildings.

³ Does not include FY'86 General Revenue carryover. Includes special appropriation of \$287,000 for construction and repairs at the Jess Dunn Correctional Facility.

⁴ Includes a supplemental appropriation of \$99,000 for an Indian Flags Plaza.

⁵ Beginning in FY'89, personnel employed in the asbestos abatement program were exempted from the agency's FTE limit. The number of exempted FTE totalled approximately 39 in FY'89 and 40 in FY'90.

- Since FY'86 the agency has experienced a \$959,189 or 7.8% decrease in appropriations; when adjusted for inflation, the change is a reduction of \$3,082,589 or 24.9%.
- Of the \$1,098,494 or 10.7% increase in appropriations for FY'91, \$352,514 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$745,980 or 7.2% increase compared to FY'90.
- The FY'91 appropriation included capital funding of \$200,000 for repairs to the roof of the Capitol Building, another \$200,000 to implement the central purchasing module of the Integrated Central Systems Project, and \$300,000 to establish the new Basic Health Benefits program. An additional \$42,000 was appropriated to create a position in charge of pest control services for the capitol complex.
- Since FY'86 the agency's total budget has increased by 75.8%. Compared to FY'90 the agency's total budget is expected to increase by \$6,842,733 or 27.9%.
- In the five years between FY'86 and FY'90, the agency's number of actual FTE has increased by 16.2 or 3.8%. For FY'91, a total of ten new FTE were authorized-- three for central purchasing, one for pest control, and six for central printing operations.

SB 781, Sections 74-89
 HB 2321, Sections 3-6
 SB 806, Sections 28-34

Secretary of State

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$363,673		\$812,365		23.0	24.0
FY'87 Revised	\$263,740 ²	-27.5%	\$737,608	-9.2%	22.4	23.0
FY'88	\$719,977	173.0%	\$778,929	5.6%	22.1	26.0
FY'89	\$629,194 ³	-12.6%	\$1,081,096	38.8%	25.3	28.0
FY'90	\$347,883 ³	-44.7%	\$1,106,183	2.3%	26.8	29.0
FY'91	\$385,076	10.7%	\$1,378,315	24.6%		30.0

- 1 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.
- 2 Does not include FY'86 General Revenue carryover.
- 3 Does not include reappropriated funds.

- Since FY'86 the agency has experienced an increase in appropriations of \$21,403 or 5.9%; when adjusted for inflation, the change is a reduction of \$50,348 or 13.8%.
- Of the \$37,193 or 10.7% increase in appropriations for FY'91, \$31,652 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. The remaining \$5,541 is to pay for the statutorily mandated salary increase for the Secretary of State. As a result, there is no actual change in the state appropriation for agency operations compared to FY'90.
- The Legislature also authorized the following additional expenditures from the agency's revolving funds: (1) \$26,000 for an assistant finance officer; (2) \$14,000 for publishing ballot titles or hiring temporary help; (3) \$15,000 for a computerized cash register; (4) \$40,000 to convert old corporate records to microfiche; (5) \$2,700 for window insulation; and (6) 47,398 for an optical disk changer.
- Since FY'86 the agency's total budget has increased by 69.7%. Compared to FY'90 the agency's total budget is expected to increase by \$272,132 or 24.6%. These increases are due largely to the establishment of the Agricultural Lien Central Filing System which was created by the Legislature in 1987.
- In the five years between FY'86 and FY'90, the agency's number of actual FTE has increased by 3.8 or 16.5%. This increase has also been related to the Agricultural Lien Central Filing System. For FY'91, the agency received authorization for one additional FTE to be used as an assistant finance officer.

HB 2298
SB 781, Sections 89-96.

Senate

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$5,396,861 ²		\$5,247,368		149.0	N/A
FY'87 Revised	\$4,563,701 ³	-15.4%	\$5,020,593	-4.3%	142.3	N/A
FY'88	\$5,121,557	12.2%	\$5,106,532	1.7%	146.0	N/A
FY'89	\$6,091,361	18.9%	\$6,051,375	18.5%	154.2	N/A
FY'90	\$7,447,085	22.3%	\$6,713,668	10.9%	153.9	N/A
FY'91	\$7,996,988	7.4%	\$7,996,988	19.1%		N/A

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Includes special appropriation of \$105,000 for equipment, renovation and repair.

³ Does not include FY'86 General Revenue carryover.

- Since FY'86 the agency has experienced a \$2,600,127 or 48.2% increase in appropriations; when adjusted for inflation, the change is a \$1,110,045 or 20.6% increase.
- Of the \$549,903 or 7.4% increase in appropriations for FY'91, \$199,903 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$350,000 or 4.7% increase compared to FY'90.
- Since FY'86 the agency's total budget has increased by 52.4%. Compared to FY'90 the agency's total budget is expected to increase by \$1,283,320 or 19.1%.
- In the five years between FY'86 and FY'90, the agency's number of actual FTE has increased by 4.9 or 3.3%.

SB 783

SB 781, Sections 97-98

Supreme Court

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$5,580,469 ²		\$5,573,110		103.9	110.0
FY'87 Revised	\$5,183,427 ³	-7.1%	\$5,830,417	4.6%	105.7	110.0
FY'88	\$5,730,290	10.6%	\$5,968,789	2.4%	109.7	121.0
FY'89	\$6,443,962	12.5%	\$7,034,206	17.8%	119.1	127.0
FY'90	\$6,689,050 ⁴	3.8%	\$7,374,378	4.8%	122.6	131.0
FY'91	\$6,866,233	2.6%	\$7,750,483	5.1%		134.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Includes special appropriation of \$200,000 for expenses related to moving the Court Administrator's offices to the new court building.

³ Does not include FY'86 General Revenue carryover.

⁴ Does not include \$75,000 in reappropriated funds.

- Since FY'86 the agency has experienced a \$1,285,764 or 23.0% increase in appropriations; when adjusted for inflation, the change is a \$6,376 or 0.1% increase. The increases in FY'88 and FY'89 were used primarily to hire additional judicial assistants and for improvements in the Court Information System.

- Of the \$177,183 or 2.6% increase in appropriations for FY'91, \$181,781 is related to adjustments for the statewide mandated salary increase, judicial salary increases, state employee retirement and insurance, and required property insurance premiums. Another \$36,764 was related to the transfer of office rental funds from another agency. These increases were also offset by the removal of \$189,362 in one-time funds from the agency's budget. As a result, the actual change in the state appropriation for agency operations is a \$148,000 or 2.2% increase compared to FY'90.

- Of the \$148,000 in additional appropriations for operations, \$128,000 will be used to fill three new positions-- two legal assistants for the Court of Appeals and one assistant finance officer. The remaining \$20,000 will be used to purchase a word processing system for the Court Administrator's office.

- Since FY'86 the agency's total budget has increased by 39.1%. Compared to FY'90 the agency's total budget is expected to increase by \$376,105 or 5.1%.

- In the five years between FY'86 and FY'90, the agency's number of actual FTE has increased by 18.7 or 18.0%. This growth in FTE has included thirteen judicial assistants, three legal secretaries, two court fund auditors and seven new positions for the Court Information System (not necessarily all filled).

SB 806, Sections 35-40
 SB 781, Sections 99-108
 HB 2321, Sections 68-71

Tax Commission

	Appropriation		Percent Change	Total ¹ Budget Expenditures	Percent Change	Actual FTE	Authorized FTE
FY'86	\$48,547,645	2		\$52,608,099		1305.2	1372.0
FY'87 Revised	\$36,496,242	3	-24.8%	\$49,555,739	-5.8%	1263.5	1372.0
FY'88	\$40,230,121		10.2%	\$49,498,410	-0.1%	1257.2	1372.0
FY'89	\$46,847,736	4	16.4%	\$54,625,377	10.4%	1250.5	1372.0
FY'90	\$47,806,047	4	2.0%	\$65,726,463	20.3%	1269.5	1372.0
FY'91	\$48,068,383		0.5%	\$75,460,945	14.8%		1372.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Includes special appropriation of \$3,300,000 for computer system improvements, replacement of motor vehicle license plates, and for purchase and installation of oil field flow meters.

³ Does not include FY'86 General Revenue carryover.

⁴ Both the FY'89 and FY'90 appropriations include capital funding of \$2,300,000 for revenue processing equipment and data processing equipment.

- Since FY'86 the agency has experienced a decrease of \$479,262 or 1.0% in appropriations; when adjusted for inflation, the change is a reduction of \$9,435,861 or 19.4%.
- Increases in the agency's appropriation for FY'91 were offset by the removal of \$2,300,000 in capital funding from the agency's budget. Of the agency's FY'91 appropriation, \$1,350,961 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. Another \$11,375 is related to the transfer of office rental funds from another agency. As a result, the actual change in the state appropriation for agency operations is a \$1,200,000 or 2.5% increase compared to FY'90. This \$1,200,000 will be used to implement the provisions of HB 1989 which modifies the issuance of standard and commercial drivers licenses.
- The Legislature also authorized the following expenditures from the agency's revolving funds: (1) \$167,649 for six FTE in the motor vehicle division; (2) \$110,227 for two internal auditors in the administrator's office; (3) \$840,000 to begin development of a gross production information data base; (4) \$290,000 for portable computers for field auditors; and (5) \$700,000 for disk drive equipment for the agency's mainframe equipment.
- The Legislature also authorized the transfer of \$1.5 million into the Fund for Reimbursement of Counties. This fund repays counties for lost ad valorem revenue due to the second homestead exemption allowed low-income property owners. The transfer should allow a 100% reimbursement rate in FY'91.
- A total of \$4,800,000 was transferred from the Ad Valorem Reimbursement Fund to the Special Cash Fund for FY'91 cash appropriations. Another \$421,053 will be transferred to the General Revenue Fund in FY'91.

- Since FY'86 the agency's total budget has increased by 43.4%. Compared to FY'90 the agency's total budget is expected to increase by \$9,734,482 or 14.8%. Most of this increase is due to "pass through" funding to reimburse counties for certain property tax exemptions.
- In the five years between FY'86 and FY'90, the agency's number of actual FTE has decreased by 35.7 or 2.7%.

SB 806, Sections 41-44
SB 781, Sections 109-113

Treasurer

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$0		\$1,056,964		29.8	N/A
FY'87 Revised	\$0	0.0%	\$1,281,372	21.2%	34.0	N/A
FY'88	\$2,658,089	N/A	\$3,000,647	134.2%	48.3	53.0 ²
FY'89	\$4,427,620 ³	62.8%	\$3,404,767	13.5%	59.1	64.5
FY'90	\$3,506,819 ⁴	-20.8%	\$4,510,332	32.5%	66.6	70.5
FY'91	\$4,943,958 ⁵	41.0%	\$4,943,958	9.6%		76.5

- ¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.
 - ² The agency began FY'88 with an FTE limit of 50.0. Two FTE were added by the Contingency Review Board board and one FTE by SB 426 in March 1987.
 - ³ Includes special appropriation of \$100,000 to the State Land Reimbursement Fund.
 - ⁴ Includes special appropriation of \$200,000 to the State Land Reimbursement Fund. Does not include \$1,116,407 in reappropriated funds.
 - ⁵ Includes special appropriation of \$100,000 to the State Land Reimbursement Fund.
- FY'88 was the first year since FY'83 that the Treasurer's office received any appropriated funds. From FY'84 to FY'88 the agency operated off a revolving fund which received a portion of the interest earned from state investments in certificates of deposit.
 - Of the \$1,437,139 or 41.0% increase in appropriations for FY'91, \$73,453 is related to adjustments for the statewide mandated salary increase, state employee retirement and insurance, and required property insurance premiums. Another \$980,000 was necessary to replace one-time reappropriated funds. As a result, the actual change in the state appropriation for agency operations is a \$483,686 or 13.8% increase compared to FY'90.
 - Of the \$483,686 increase in appropriations for operations, \$200,000 was for consultant services to complete development of the agency's data processing systems. The other \$283,686 was to hire six additional employees, three for the data processing division and three for the operations division.
 - Since FY'86 the agency's total budget has increased by 367.8%. Compared to FY'90 the agency's total budget is expected to increase by \$433,626 or 9.6%. The large budget increases in FY'88 and FY'89 were used to fund additional personnel and purchase necessary computer equipment and software. In addition, in FY'89, the Treasurer began the process of replacing non-interest-earning compensating balances with the direct payment of bank service charges in order to increase the state's interest-earning investments.
 - In the five years between FY'86 and FY'90, the agency's number of actual FTE has increased by 36.8 or 123.5%. Since FY'88, the agency has received authorization 23.5 additional FTE. These have included three positions for the linked deposit programs, seven for the data processing division, nine and one-half for the operations division, and four for the securities lending program.

HB 2300
SB 781, Sections 114-118

Workers' Compensation Court

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$3,580,832 ²		\$6,160,223		65.8	68.0
FY'87 Revised	\$2,228,330 ³	-37.8%	\$3,296,301	-46.5%	68.7	70.0
FY'88	\$2,582,819	15.9%	\$3,487,665	5.8%	70.0	74.0
FY'89	\$2,852,128	10.4%	\$2,788,362	-20.1%	73.9	76.0
FY'90	\$3,036,645 ⁴	6.5%	\$3,004,890	7.8%	76.8	78.0
FY'91	\$3,245,428	6.9%	\$3,287,428	9.4%		80.0

1 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

2 Includes special appropriation of \$1,116,041 for expenses of moving to the new court building and for equipping the new space. Does not include funds reappropriated and redesignated for the same purposes.

3 Does not include FY'86 carryover.

4 Does not include \$85,000 in reappropriated funds.

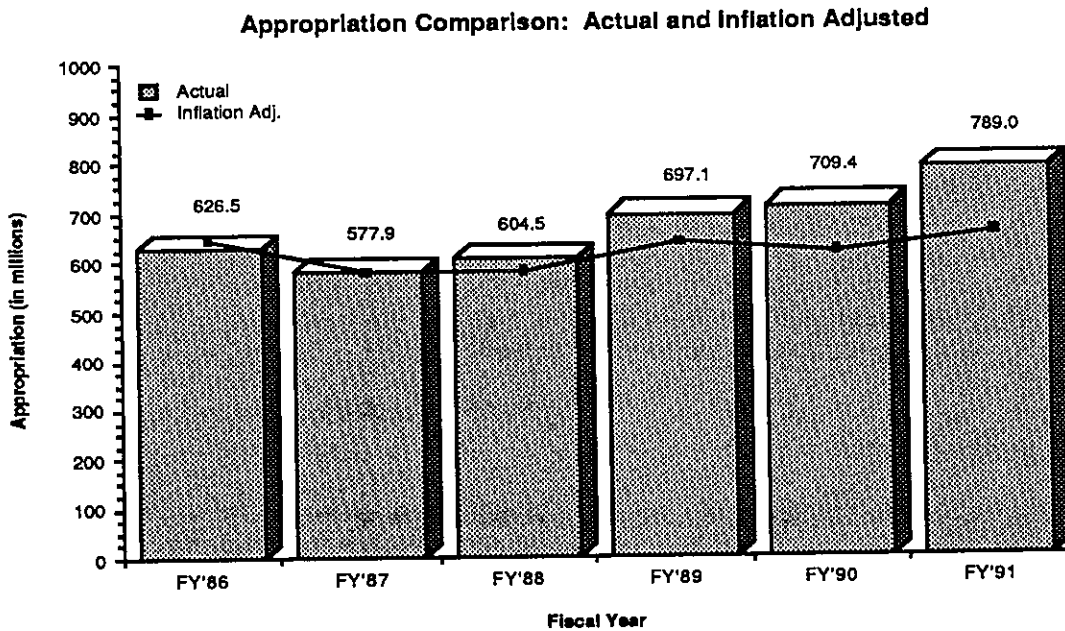
- Since FY'86 the agency has experienced a decrease in appropriations of \$335,404 or 9.4%; when adjusted for inflation, the change is a reduction of \$940,126 or 26.3%.
- Of the \$208,783 or 6.9% increase in appropriations for FY'91, \$110,686 is related to adjustments for the statewide mandated salary increase, judicial salary increases, state employee retirement and insurance, and required property insurance premiums. Another \$12,025 is due to the transfer of office rental funds from the Oklahoma Capitol Improvement Authority. As a result, the actual change in the state appropriation for agency operations is a \$81,922 or 2.7% increase compared to FY'90. Of this amount, \$46,922 will be used to hire two additional employees in the agency's insurance department. The remaining \$35,000 is necessary to meet the increased cost of maintenance contracts on data processing equipment.
- Since FY'86 the agency's total budget has decreased by 46.6%. Compared to FY'90 the agency's total budget is expected to increase by \$282,538 or 9.4%.
- In the five years between FY'86 and FY'90, the agency's number of actual FTE has increased by 11.0 or 16.7%. Additional staff that have been funded since during this period include four positions to administer the medical fee schedule, two to meet increased docketing demands, one researcher and one phone operator. For FY'91, the court was authorized two additional positions to work in its insurance regulation department.

SB 806, Section 45
 SB 781, Sections 119-123
 HB 2321, Sections 62-64

HEALTH AND SOCIAL SERVICES SUBCOMMITTEE

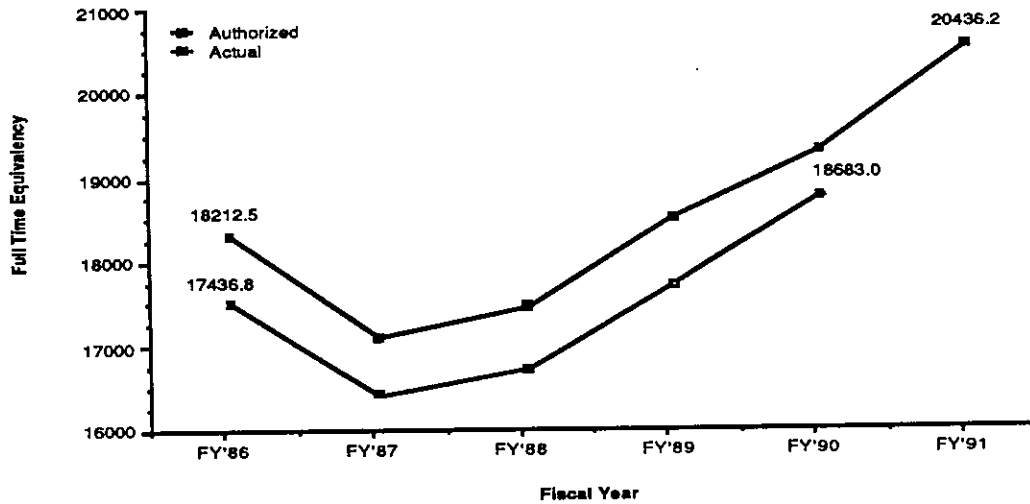
Historical Overview

Since FY'86, appropriations by the Subcommittee on Health and Social Services have increased steadily each year, with the exception of FY'87, when the state experienced a revenue failure. The appropriations over the past five years have increased only slightly more than the general inflation index, even though much of the services provided by health agencies are medical and the medical component of the inflation index has been nearly double the general index. Appropriations to subcommittee agencies increased from \$627 million in FY'86 to \$789 million in FY'91, an increase of \$163 million or 25.9%. The average annual increase has been about 5.2%. When adjusted for inflation, appropriated resources to the agencies in FY'91 amounted to about \$642 million in 1986 dollars, an increase of \$15 million or 2.5%. Reasons for the growth are new programs, expansion of existing programs, several capital projects and state employee pay increases.



Full-time-equivalent employees at agencies under the subcommittee's purview have increased by 2,999.4 or 17.2% since FY'86. Most of the new FTE are directly related to the funding increases described above. However, policy changes in accounting for Health Department employees have artificially inflated the number of FTE at that agency. Between FY'89 and FY'91, 887 FTE who were already employed at local health departments, and considered state employees, began being counted as the state agency's FTE.

FTE Comparison: Actual and Authorized



<u>Fiscal Year</u>	<u>Appropriations</u>	<u>Total Expenditures</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
1986	626,531,561	1,368,557,735	17,436.8	18,212.5
1987 Revised	577,857,584	1,398,681,779	16,339.4	17,027.0
1988	604,514,228	1,481,617,479	16,664.3	17,398.5
1989	697,082,886	1,682,148,587	17,646.8	18,428.5
1990	709,440,434	1,832,109,118	18,683.0	19,222.5
1991	789,012,528	2,095,101,904		20,436.2

Department of Human Services

Through increases in subcommittee allocation and reallocation of existing resources, the Subcommittee on Health and Social Services increased state funding of DHS programs by about \$297 million between FY'86 and FY'91. Employee pay and benefits increases accounted for \$62 million or 21% of the total increase. The largest increase in state expenditures at DHS during the past six years was in the Medicaid program, due to high inflation and increases in the number of recipients caused by both the state's economic downturn and federal mandates. Payments to doctors, hospitals, nursing homes and drug vendors for services to the needy were increased about \$99 million between FY'86 and FY'91, consuming one-third of the agency's state funding increase. State funding for Aid to Families with Dependent Children increased about \$22 million during the past six years, due to increases in the number of families entitled to assistance, increases in the cash payment level, and federal mandates related to the Welfare Reform Act of 1988. Another factor effecting the increase in state funding for DHS was the *Terry D.* lawsuit, which requires the agency to establish a continuum of less-restrictive, community-based treatment programs for juvenile offenders. State funding for such programs have increased nearly \$25 million over the past six years. Another lawsuit, *Homeward Bound v. Hissom*, is requiring DHS to dismantle existing institutions for severely mentally retarded/developmentally disabled (MR/DD) individuals and instead provide care in community settings. The switch from institutionalization has led to funding increases of more than \$27 million for community-based programs for MR/DD clients. Federal mandates such as the Nursing Home Reform Act (\$4.7 million) and the Medicare Catastrophic Coverage Act (\$12 million) also have forced increased appropriations by the

subcommittee. Heightened interest in protecting children has been reflected in programs such as increased subsidies for day care expenses of needy families (\$6.4 million), beefed-up child support enforcement efforts (\$400,000) and new child welfare case workers (\$10.6 million). Increases in services to the elderly, including community meals programs and geriatric day care, have been funded with more than \$2 million since FY'86. Funding has also increased for handicapped programs such as sheltered workshops (\$2.4 million), supplemental security income (\$700,000), and rehabilitative services (\$3 million). Capital projects totaled about \$7 million since FY'86.

Department of Mental Health and Substance Abuse Services

The subcommittee has earmarked about \$32 million in new and reallocated resources to DMHSAS since FY'86. About \$16 million, or 50% of the increase, was dedicated to employee pay and benefit adjustments. The next largest increase during that period was \$2.9 million that has been earmarked for increases in contracts to the 16 private Community Mental Health Centers. Other increases were \$2.6 million for Family Builder services to children adjudicated INT or at-risk of being institutionalized, \$1.8 million to improve operations at the Medical-Surgical Unit that serves mental patients and prisoners, \$1.6 million for contract increases to Room and Board Homes, and \$1.3 million for crisis and community programs. Other initiatives during this six-year period are programs to allow hearing-impaired individuals to access mental health care, an innovative treatment program for sexual assault offenders, increases in domestic violence services, and expansions in community-based and institutional alcohol and drug-abuse treatment. \$700,000 was provided for capital expenses in FY'91.

Health Department

About \$19 million in new and reallocated state dollars have been provided during the past six years to the State Health Department. \$10.2 million of that increase, or 54%, was intended for employee pay and benefit increases. The Eldercare Program, which provides information to help needy senior citizens remain independent, has been targeted for increases of \$2.75 million as it increased its scope from 33 counties to 55. Child Abuse Prevention programs have been increased by \$2.34 million. About \$1.75 million in state funds have been earmarked to provide perinatal services to low-income women and children at local health agencies throughout the state. Other areas of expansion since FY'86 are AIDS prevention, removing the fee for child immunizations, and increased child guidance services. About \$1.5 million in capital and one-time expenses has been provided since FY'86.

Department of Veterans Affairs

The subcommittee has funded \$7.2 million in programs at the state's veterans nursing homes since FY'86, an amount that includes new and reallocated resources. \$5 million of that amount was dedicated to employee pay and benefit adjustments. The remaining \$2.2 million was earmarked for financing and operation of a new 250-bed center at Claremore and a new 50-bed wing at the Talihina center.

Other Agencies

New and reallocated state resources for the other eight agencies under the subcommittee's purview totaled \$2.38 million between FY'86-91. About \$900,000 or 37% of that amount was earmarked for employee pay and benefit increases. Two agencies were eliminated from the subcommittee's oversight: The Board of Nursing Homes became a non-appropriated agency in FY'90, and the Health Planning Commission was enveloped in the Health Department in FY'90. Other new or expanded programs were:

- initiatives at OCCY to aid inter-agency planning on childrens concerns, ensure court-mandated juvenile justice reforms are enacted, and provide a statewide child abuse examiner system.
- increased investigative capacity at the Board of Medicolegal Investigations.
- increased investigative capacity at the Human Rights Commission, including the addition of age discrimination oversight.

- new resources to allow the Office of Handicapped Concerns to facilitate compliance with the Americans with Disabilities Act, sweeping federal legislation passed in 1990.

1990 Session

Children's Initiatives

The children of Oklahoma are served by a number of state agencies, including the Department of Human Services, the Department of Health, the Department of Mental Health and Substance Abuse Services, the J.D. McCarty Center for Handicapped Children, and the Commission on Children and Youth. For FY'91 the Legislature appropriated a total of more than \$28.8 million in new funding that will directly improve the quality of services to the state's youngest residents.

- \$560,000 was provided to hire 11 new perinatal nurses and nurse practitioners in county health departments. With this addition, the Legislature has increased perinatal services to Oklahoma families by more than \$1.5 million since 1987. Studies show each dollar invested in prenatal care for high-risk women prevents \$3.38 in medical costs on unhealthy babies.
- \$4.1 million was appropriated to expand federally mandated medical care (Medicaid) to pregnant women and children up to age 6 in families at 133% of the poverty level or below.
- \$2.7 million and 46 FTE were authorized for case management workers at the Department of Health to provide Early Intervention Services to identify and treat developmental problems of children under the age of three. Legislation was also passed to require the Commission on Children and Youth to coordinate such services for all children up to age 21.
- Nearly \$2.0 million was given to DHS to provide additional child welfare workers (100 new workers added in the past two years) as well as training for those workers.
- \$400,000 was provided to the Health Department for 12 new child guidance counselors who will diagnose and treat speech, hearing, developmental and behavioral problems for public school districts across the state.
- \$568,000 in Health Department resources were designated to provide a second measles vaccine to children before they start school, in accordance with new public health standards.
- \$842,000 was provided DHS to increase services for protective day care, foster care, adoption services, children's shelters and specialized community homes.
- \$800,000 was appropriated for community-based youth services organizations that help children at risk of entering the juvenile justice system.
- \$100,000 was appropriated to increase state support of local Child Abuse Prevention contracts. Also, legislation was passed to create a Child Abuse Examination Board and provide training for judges, law officers, prosecutors, and health care professionals in the detection and treatment of child abuse.
- Included in \$786,000 of state appropriations to the Department of Mental Health and Substance Abuse Services was \$600,000 for in-home counseling to families whose children are at risk of being hospitalized for mental conditions, \$120,000 for child specialists at domestic violence shelters, and \$75,000 for an adolescent half-way house.
- \$400,000 was appropriated for 30 new direct care staff at the L.E. Rader Center in Sand Springs and the Central Oklahoma Juvenile Treatment Center in Tecumseh. Additionally, \$422,000 was provided for rate increases for Level E secure beds to house violent youth offenders.
- \$122,000 in state support was initiated for the Emerson Teen Parent Program, an Oklahoma City Public School project that provides formal and practical education to teen-age parents.
- A total of \$7.0 million was appropriated to the Family Support Division of DHS to benefit families with dependent children (AFDC). \$1.8 million of this amount provides 5% increases in cash payments to AFDC families. \$2.2 million went to the JOBS program, which is designed to prepare AFDC recipients for the job market. Finally, \$4.0 million was for implementation of the federally mandated AFDC-Unemployed Parent program, which provides cash payments and Medicaid benefits to two-parent families contingent on one parent participating in JOBS.

- Child Day Care Centers were granted rate increases totaling \$6.5 million. The increases result from implementing a guaranteed weekly rate for day care and providing a higher reimbursement level for infants and toddlers.
- \$483,000 was provided for child support enforcement, mainly to allow DHS to contract for more staff support for prosecutors.

Elderly

- Programs benefitting Oklahoma's senior citizens received more than \$12.1 million in new funding in FY'91, reflected in the budgets of the Department of Human Services and the Department of Health.
- \$927,000 was provided to expand local nutrition programs for senior citizens.
- \$700,000 was appropriated to expand the Health Department's Eldercare program.
- \$150,000 will be used for increases in geriatric day care services.
- \$107,000 was provided to expand the NTMC program, which is designed to allow the elderly and other medically frail clients to remain in their homes.
- \$10 million was provided to increase reimbursements to nursing homes for bringing the level of care up to newly mandated federal standards.
- \$184,000 was appropriated to the Department of Veterans Affairs to provide full operations at the newly-opened Claremore Veterans Center, which brings system capacity close to the top in the nation at 1,194 beds.

Developmentally Disabled

- Over \$15.5 million was provided in the DHS budget to aid the state's developmentally disabled population.
- Included in the above total is \$8.2 million to continue implementation of the Hissom court decree, \$1.7 million for the state schools, \$1.3 million for group homes, \$2.4 million for sheltered workshops, and \$425,700 for supported employment services providing job coaches for clients in the community.
- Another \$1.3 million was appropriated to implement alternative placements and active treatment for the mentally retarded and mentally ill currently residing in nursing homes.

Mentally Ill

- \$1.25 million was appropriated to expand support of the state's 21 Community Mental Health Centers, which provide community-based mental health treatment and prevention services.
- An additional \$388,000 was provided to increase reimbursements to private room and board homes that provide services to the mentally ill.
- The Legislature also directed DHS to set aside 8 beds at the Enid Greer Center for clients who are diagnosed as both mentally ill and mentally retarded, but who do not qualify for Medicaid reimbursement.

Minorities

- A 26.6% funding increase was provided to the Office of Handicapped Concerns to provide information and referrals related to the Americans with Disabilities Act, which was enacted by Congress in 1990. The ADA extends civil rights protections to handicapped individuals.
- A total of \$800,000 was appropriated to DHS for programs enabling the physically and mentally disabled to obtain vocational training.
- The Legislature authorized the Human Rights Commission to hire additional community relations and investigative staff to address discriminatory hiring, housing and business practices.
- Additional funds were appropriated to the Oklahoma Indian Affairs Commission to allow the agency to continue promoting tribal concerns in governmental and cultural forums.

Environmental Issues

- The Legislature directed the Department of Health to spend \$384,000 to hire 12 new sanitarians in local health departments to inspect of regulated facilities such as restaurants, swimming pools, water supplies and sewage treatment operations.
- \$180,000 was authorized for the Health Department to start up the Birth Defects and Cancer Registry enacted by the Legislature in 1987. The registry is designed to provide the state's first mapping system for pinpointing environmental hazards that may have caused cancers and birth defects among nearby residents.
- 49 regulators were provided to enforce provisions of the Solid Waste Management Act (SB 153) and Controlled Industrial Waste Disposal Act (HB 1933). The \$2.8 million initiative addresses environmental concerns about landfill development and disposal of hazardous wastes in Oklahoma.

Substance Abuse

- \$277,000 was appropriated to increase contracts with private Alcohol and Drug Abuse Treatment providers who contract with the Department of Mental Health and Substance Abuse Services. This state funding will supplement \$3 million in new federal money in FY'91 for the war on drugs.

COMMISSION ON CHILDREN AND YOUTH

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$683,697	3.3%	\$644,805	-2.3%	7.8	8.5
FY'87	\$566,590 ²	-17.1%	\$1,559,635	141.9%	11.0	12.0
FY'88	\$664,522	17.3%	\$1,224,211	-21.5%	12.0	13.0
FY'89	\$776,425	16.8%	\$1,525,590	24.6%	13.5	14.0
FY'90	\$935,157	20.4%	\$1,575,345	3.3%	14.2	18.0
FY'91	\$1,175,040	25.7%	\$2,010,040	27.6%		20.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'90 figure is an estimate of anticipated expenditures and is often overestimated.

² Does not include carryover.

- Since FY'86, the first full year of operations, the agency has experienced a \$491,343 or 71.9% increase in appropriations; when adjusted for inflation, the change is a \$272,397 or 39.8% increase.
- Since FY'86 the agency's total budget has increased by 211.7%. Compared to FY'90 the agency's total budget is expected to increase by \$434,695 or 27.6%. Of this increase, 43.2% is due to an increased receipt of federal grants and state pass-through funding.
- In the five years between FY'86 and FY'90 the agency's actual FTE has increased by 6.4 FTE, or 82.1%. By FY'91 the agency's FTE level is expected to increase by up to 5.8 FTE -- for a total of 20.0 FTE -- as a result of a) new hirings in the area of planning and coordination of children's services and b) two new positions authorized for the implementation of SB 742, which calls for the coordination of special services to handicapped children and youth aged 3 to 21.
- Of the \$239,883 increase in appropriations for FY'91, \$14,414 or 6.0% is related to the statewide longevity and pay adjustments. As a result, the actual change in the state contribution for agency operations is \$225,469 or 24.1%.
- New monies appropriated to the agency for FY'91 included \$45,000 and 2.0 FTE - 1 professional and 1 secretarial position--for implementation of SB 742. This legislation sets up an Interagency Coordinating Council for Special Services to Children and Youth, which is to provide for coordination of services to handicapped children aged 3 to 21. A funding increase of \$45,000 was also provided the agency for the implementation of HB 2331, which establishes the Board of Child Abuse Examiners within the agency.
- Appropriation increases were provided for three pass-through funding contracts: \$3,750 (5.0% increase) for the Oklahoma Area-Wide Service Information System (OASIS) Program; \$52,872 (30.7%) for the Oklahoma University Juvenile Personnel Training Program (OUJPTP); and \$35,000 (87.5% increase) for the Court Appointed Special Advocates (CASA) Association.

SB 786

SB 788, Sections 16-20

HB 2321, Section 46.

OFFICE OF HANDICAPPED CONCERNS

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$227,184	3.6%	\$327,355	9.0%	8.6	10.5
FY'87 Revised	\$209,699 ²	-7.7%	\$299,563	-8.5%	7.9	9.0
FY'88	\$210,847	0.5%	\$276,707	-7.6%	7.8	9.0
FY'89	\$226,023	7.2%	\$309,677	11.9%	8.5	9.0
FY'90	\$230,441	2.0%	\$313,651	1.3%	8.6	9.0
FY'91	\$291,743	26.6%	\$391,743	24.9%		9.0

1 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

2 Does not include FY'86 General Revenue carryover.

- Since FY'86 the agency has experienced a \$64,559 or 28.4% increase in appropriations; when adjusted for inflation, the change is a \$10,198 or 4.5% increase.
- Since FY'86 the agency's total budget has increased by 19.7%. Compared to FY'90 the agency's total budget is expected to increase by \$78,092 or 24.9% in FY'91.
- In the five years between FY'86 and FY'90 the agency's FTE level has remained at or below 8.6.
- Of the \$61,302 or 26.6% increase in appropriations for FY'91, \$6,839 is related to adjustments for the \$1,000 increase in state employees' pay, decrease in employer contribution to OPERS and the increased cost of health insurance premiums. Thus, the actual change in the state appropriation for agency operations is a \$54,463 or 23.6% increase compared to FY'90.
- \$31,462 of the increase in appropriations for FY'91 was intended to allow the agency to accommodate increased demands for information related to the federal Americans with Disabilities Act (ADA), enacted by Congress in 1990. Of that amount, \$17,576 is for operational expenses and \$13,886 is for one-time expenses of an expanded telephone system and special office equipment for the agency's handicapped employees.
- The appropriation level was increase \$16,200 to implement an OPM reorganization study that concluded six of the agency's nine employees should be reclassified to higher-paying positions.
- \$4,133 of the increase in FY'91 is to fully fund longevity expansions enacted in 1989.
- \$2,594 was added to the agency's FY'91 appropriation to fully fund existing positions. \$1,148 of this amount is related to the creation of an Executive Secretary position in FY'90. The remaining \$1,446 is to fund the director's salary at the statutory limit.
- \$74 was provided for property insurance premiums through OPA Risk Management Division.

SB 787

SB 788, Sections 21-23

DEPARTMENT OF HEALTH

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual² FTE</u>	<u>Authorized² FTE</u>
FY'86	\$38,246,090	12.7%	\$78,348,847	10.8%	1203.3	1302.0
FY'87 Revised	30,354,986 ³	-26.0%	77,273,202	-1.4%	1131.1	1302.0
FY'88	33,739,663 ⁴	11.2%	73,965,224	-4.3%	1150.7	1273.0
FY'89	38,637,775	14.5%	85,690,910	15.9%	1403.9	1586.0
FY'90	43,320,746	12.1%	105,289,612	22.9%	1561.0	1700.0
FY'91	48,344,822	11.6%	133,458,749	26.8%		2556.4

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. For FY'91 this figure represents an estimate of anticipated expenditures and is often overestimated. Budget figures exclude intra-agency payments made for internal cost allocation purposes.

² Prior to FY'91, these figures do not include FTE supported by county millage funds, which ranged from 450.9 FTE in FY'88 to 650.0 in FY'90. Figures prior to FY'88 also do not include FTE supported by locally generated or WIC (federal) funds, which averaged 186.7 FTE in FY'88.

³ Does not include FY'86 General Revenue carryover.

⁴ Includes supplemental appropriation of \$550,000.

- Since FY'86 the agency has experienced a \$10,098,732 or 26.4% increase in appropriations; when adjusted for inflation, the change is a \$1,090,624 or 2.9% increase.
- Since FY'86 the agency's total budget has increased by \$55,109,902 or 70.3%. Of this amount \$45.0 million or 82% is due to increases in non-appropriated revenue. Compared to FY'90 the agency's total budget is expected to increase by \$28,169,137 or 26.8% if spending totals legislated limits. Spending limits were increased for FY'91 to accommodate possible increases of \$6 million in federal revenue and \$7.5 million in revolving fund revenue.
- In the five years between FY'86 and FY'90 the agency's actual FTE has increased by 357.7 or 29.7%. However, these numbers can be misleading due to changes made in accounting for agency FTE who are supported by county millage funds, Eldercare funds, federal funds and locally generated revolving revenues. In FY'89, 237.0 existing department FTE whose salaries were supported by locally generated fees or federal funds were no longer exempted from the agency's FTE calculation, which accounts for most of the actual FTE increase during that year. In FY'91, 650.0 existing county and Eldercare employees began being counted as state agency FTE so the state's flexible benefit plan could be offered to them. The agency was allowed 224.4 additional FTE in FY'91 to staff program expansions (50.0 funded by appropriated revenue, 103.0 supported with revolving fund increases, and 71.4 funded with increased federal or private grants).
- Of the \$5,024,076 or 11.6% increase in appropriations for FY'91, \$2,329,076 is related to adjustments for the \$1,000 increase in state employees' pay, decrease in employer contribution to OPERS and the increased cost of health insurance premiums. Thus, the actual change in the state appropriation for agency operations is a \$2,695,000 or 6.2% increase compared to FY'90.
- The Health Department's base appropriation level was reduced \$216,092 from its FY'90 level to reflect less expenditures in the Health Planning activity. The agency assumed the duties and budget of the Health Planning Commission beginning in FY'90. Also, \$60,000 was removed from its FY'90 base to reflect one-time expenditures for lab equipment and a survey of pesticide applicators.

- The department's Eldercare program was expanded by \$700,000 and 10.0 FTE. The increase will fund case management services for frail elderly in 5 additional counties, for a total of 55. Statutory language in the funding bill allows all county Eldercare employees to participate in the state employee benefit plan.
- \$568,205 was appropriated to expand perinatal services at local health departments. The funds will be used to hire 12 nurses and nurse practitioners, the primary providers of health care to pregnant women and young children. Included in the total is a \$9,000 increase for a perinatal education contract with the University of Oklahoma and \$1,250 increase to expand a teen pregnancy prevention project.
- \$400,000 of the increased appropriation will be used to hire 12 child guidance counselors at centers where high caseloads produce a backlog of diagnosis and services.
- \$100,000 was provided to expand child abuse prevention contracts with community agencies.
- \$43,937 was appropriated to support operations increases at six community health agencies that contract with the health department for community health projects. Also, \$122,000 was provided to initiate state support for a teen parenting pilot project and \$50,000 was provided for research of Alzheimer's disease.
- The agency was directed to fund the following new programs using excess revolving fund revenues: \$192,000 for 12 sanitarians at local health departments, \$568,000 to provide free second measles vaccines to children before they begin school, and \$180,000 and 4.0 FTE to establish a birth defects and cancer registry. Revolving funds will also be used in FY'91 to pay unfunded costs of FY'90 longevity increases (\$328,379) and property insurance premiums through the OPA Risk Management Division (\$19,465).
- \$935,000 was provided for capital projects and community contract expenses in FY'91.

SB 806, Sections 46-52
 SB 788, Sections 24-37

HUMAN RIGHTS COMMISSION

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$563,890	18.1%	\$673,264	6.4%	20.5	24.0
FY'87 Revised	509,368 ²	-9.7%	653,150	-3.0%	19.9	23.0
FY'88	521,835	2.4%	721,671	10.5%	21.1	25.0
FY'89	649,552 ³	24.5%	847,126	17.4%	24.9	27.0
FY'90	674,104	3.8%	857,973	1.3%	23.6	25.0
FY'91	696,144	3.3%	971,898	13.3%		27.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include FY'86 General Revenue carryover.

³ Includes a \$29,869 supplemental appropriation to compensate for decreased federal grants.

- Since FY'86 the agency has experienced a \$132,254 or 23.5% increase in appropriations; when adjusted for inflation, the change is a \$2,541 or 0.5% increase. The increase is attributable to expansion of the agency's services and target population. Prior to 1985, the agency was involved with employment discrimination only. Since then, investigation of housing discrimination has been added to the agency's duties. The population served has expanded from essentially racial minorities to handicapped persons and senior citizens.
- Since FY'86 the agency's total budget has increased by 44.4%. Compared to FY'90 the agency's total budget is expected to increase by \$113,925 or 13.3%.
- In the five years between FY'86 and FY'90 the agency's actual FTE has increased by 3.1 or 15.1%. The decrease of 2.0 authorized FTE between FY'89 and FY'90 was due to completion of a HUD study grant.
- Of the \$22,040 or 3.3% increase in appropriations for FY'91, \$20,309 is related to adjustments for the \$1,000 increase in state employees' pay, decrease in employer contribution to OPERS and the increased cost of health insurance premiums. Thus, the actual change in the state appropriation for agency operations is a \$1,731 or 0.3% increase compared to FY'90.
- The legislature authorized the agency to use an anticipated \$45,727 increase in federal funds in FY'91 to hire two new FTE (a community relations specialist and a clerk typist III).
- \$1,648 of the appropriations increase in FY'91 is to fully fund longevity expansions enacted in 1989.
- \$83 was provided for property insurance premiums through OPA Risk Management Division.

SB 789

SB 788, Sections 38,39

DEPARTMENT OF HUMAN SERVICES

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE²</u>	<u>Authorized FTE²</u>
FY'86 ³	\$476,121,333	8.3%	\$1,144,169,007	8.7%	12,507.6 ⁴	12,800.0
FY'87 ⁵	\$448,726,485	(5.8%)	\$1,181,360,277	3.3%	11,632.8 ⁴	11,850.0
FY'88 (6)(7)	\$473,152,021	5.4%	\$1,264,036,176	7.0%	11,913.7	12,265.0
FY'89(8)(9)	\$527,669,468	11.5%	\$1,436,046,485	13.6%	12,456.7	12,781.0
FY'90	\$574,108,184	8.8%	\$1,553,692,131	8.2%	13,237.9	13,477.0
FY'91	\$613,105,079	6.8%	\$1,770,461,773	14.0%		13,795.3

1 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures and is often overestimated.

2 Represents average FTE. OMC medical residents are not included in these figures.

3 Includes \$30 million Human Services carryover.

4 Furlough effect artificially lowers FTE figures during these years. Actual FTE figures for FY'86 and FY'87 with the furlough effect removed are 12,578.6 and 11,923.3, respectively.

5 Does not include FY'86 General Revenue carryover.

6 Includes supplemental appropriation of \$23,000,000 and 156.0 additional authorized FTE.

7 Includes \$900,000 for capital improvements in FY'88--\$200,000 for juvenile detention facilities and \$700,000 for emergency repairs at the state schools, the latter of which was funded in the supplemental.

8 Includes supplemental appropriation of \$16,500,000 and a reduction in authorized FTE of 25.0.

9 Does not include \$1,020,000 funded for capital improvements in FY'89 for juvenile detention facilities.

- Since FY'86 the agency has experienced a \$166,983,746 or 37.4% increase in appropriations; when adjusted for inflation, the change is a \$52,743,662 or 11.8% increase.

- Since FY'86 the agency's total budget has increased by 54.7%. Compared to FY'90 the agency's total budget is expected to increase by \$216,769,642 or 14.0%.

- Of the \$38,996,895 or 6.8% increase in appropriations for FY'91, \$12,031,227 is related to adjustments for the OPERS contribution and the state employees' pay plan. As a result, the actual change in the state appropriation for agency operations is a \$26,965,668 or 4.7% increase compared to FY'90.

- In the five years between FY'86 and FY'90 the agency's actual FTE level has increased by 730.3 or 5.8%. In FY'91 DHS was given authorization for an additional 318.3 FTE, an increase of 2.4%. Of this number, 82.1 new FTE were required to implement federal mandates, 57.9 FTE were needed to carry out the Hissom court decree, and 23.2 FTE were authorized to bring the Central Oklahoma Juvenile Treatment Center (COJTC) and the L.E. Rader Center (LERC) up to the proper staffing level as mandated by the Terry D. consent decree. Only 18.3 FTE were provided in various divisions throughout DHS for "maintenance" needs. The Legislature, however, did authorize DHS to phase in the hiring of an additional 60 child welfare workers (42.5 FTE) in an attempt to address the need for such staff as outlined in the Governor's Child Abuse Study Commission Report. In several other divisions of the agency, an additional 139.3 FTE were authorized, but for various reasons no additional funding was provided (e.g., in one case 100.0 FTE were required by the Oklahoma Medical Center in order to manage the high usage of overtime in its nursing and other direct care staff). Finally, the legislature reduced DHS's FTE authorization by 45.0 FTE as part of the agency's plan to close the Hissom Memorial Center by 1994.

- A total of \$2.2 million was appropriated to DHS for "annualization" of FY'90 funding decisions. This included funding for: 40 new child welfare positions; operation of the MR/MI Dual Diagnosis Greer Center in Enid; debt service for the Library for the Blind and Physically Handicapped; Geriatric Day Care program overruns brought about by a rate increase in FY'90; a district supervisors' pay upgrade; and monies to cover revenue losses at the state's three public ICF-MR institutions as a result of exceeding the Medicare upper limit. Annualization funding was not provided several programs that had not received prior approval by the Legislature during the 1989 session but which had been subsequently approved by the Commission for Human Services. The Commission had used carryover monies to fund these programs during their first year, but the Legislature declined to continue funding them with appropriated dollars. The programs not "annualized" were: an increase in the Provider Training program, which provides for the training of all direct care staff who contract with DDSD for services to the developmentally disabled; a planned expansion of Donna Nigh Group Homes for the developmentally disabled; and 34 additional DDSD case managers to coordinate the delivery of community-based services to the developmentally disabled. Because the 34 DDSD case managers were already hired, DHS has since decided to fund that item with other sources of funding.
- Federal and court-ordered mandates accounted for \$22.8 million in new appropriations to the agency. Included in this category were:
 - \$4.0 million net for the Catastrophic Health Care Act. Partial repeal of the 1988 Medicare Catastrophic Coverage Act occurred when Congress passed the Omnibus Budget and Reconciliation Act of 1989 (OBRA'89). Although passage of OBRA'89 resulted in certain savings at DHS, it also added to the agency's Medicaid obligation by expanding Medicaid benefits to pregnant women and children under the age of 6 in families at or below 133% of the poverty level. The Legislature not only provided \$3.8 million for the state's share of this expanded Medicaid coverage, but also provided \$0.3 million for 21.8 FTE to process the new eligibles.
 - \$4.5 million for the Nursing Home Reform Act (OBRA'87). The mandates of OBRA'87 require a number of changes to be made in all nursing homes that accept Medicaid patients. Such items as increased staffing levels, training and competency evaluations for nurse's aides, and preadmission screening and annual resident reviews all add to the cost of operating nursing facilities. Such costs are incorporated into per diem rate increases charged through Medicaid. For FY'91 the Legislature approved \$3.2 million in rate increases associated with OBRA'87. Another mandate of OBRA'87 calls for the alternative placement of all mentally retarded nursing home patients who are deemed to be inappropriately placed. The appropriation for such placements, whose number is estimated to be 360 in FY'91, was \$1.3 million.
 - \$6.6 million for the Family Support Act of 1988 (Welfare Reform). Several mandates associated with federal welfare reform required the Legislature to appropriate new state monies for FY'91. One significant change was the requirement that the state must implement an AFDC-Unemployed Parent program, which expands AFDC benefits to all two-parent families who otherwise meet eligibility standards. The different components of this increase include funding for cash payments, regular Medicaid benefits, JOBS activities, and transitional day care and Medicaid coverage following the client's successful placement in the work force. Although the Family Support Act only requires states to provide six months benefits for AFDC-UP clients, the Legislature opted to provide for a full twelve months of coverage.
 - \$7.6 million for the Hissom Memorial Center consent decree. This past year a consent decree was signed by all parties involved in the Homeward Bound/Hissom court case. The new timetable agreed upon for closing Hissom was set for October 1994. The money appropriated by the Legislature for this purpose included \$5.4 million for community placements of 240 Hissom residents, \$0.5 million for employment services for these clients, \$0.6 million to support the newly established consent panel, and \$1.5 million for Community Integrated Employment services for clients either exiting Hissom or identified as in need of services as a result of

assessments carried out in compliance with Nursing Home Reform. Because clients will be leaving Hissom, the agency expects to save \$0.5 million in operating costs during FY'91 at this institution.

The Legislature funded provider rate increases for FY'91 totaling \$27.2 million. However, because of a dispute with OSF concerning the legality of filing of a budget work plan with a alleged built-in deficit, DHS acted to reduce expenditures by delaying certain rate increases. Following the filing of a law suit against the agency by the providers affected by the rate delay decision, a compromise was reached wherein most of the rate increases were reinstated (with implementation dates slightly changed). Following are the major FY'91 rate increases funded by the Legislature:

- Medicaid per diem payment increases to nursing homes as a result of OBRA'87 requirements (mentioned above) and new federal minimum wage requirements. Because the Boren Amendment requires that facilities such as nursing homes must receive "reasonable and adequate" compensation for an "economically and efficiently run" operation, the Legislature approved nursing home reimbursement rate increases totaling \$8.5 million in state funds.
- Medicaid per diem reimbursements to hospitals based on the level of care required by patients. Following KPMG Peat Marwick recommendations in early 1990, DHS adopted a new reimbursement schedule for all Medicaid patients requiring hospitalization. The new payment schedule is not only hospital specific (i.e., each hospital has its own reimbursement level), but also takes into account the level of care provided by the hospital (previous Medicaid payments ignored this intensity of care factor). In order to implement these new payment schedules, which include cost-of-living increases, the Legislature appropriated \$7.8 million in additional funding.
- Day care per diem increases for child care providers. Following a demonstration of needs as outlined in the Report of the Joint Legislative Task Force on Child Care, the Legislature approved \$6.5 million in additional funding for child care per diem payments. The new monies provide for a weekly guaranteed payment to child care centers, whether or not the child is present for the entire week. The funding also provides for a per diem rate structured around the age of the child (i.e., higher rates would be paid for infants and toddlers because of the greater level of care and staffing requirements for those children).
- Group home and sheltered workshop increases for the mentally retarded. A total of \$3.6 million was appropriated for rate increases for these two categories.
- The issue of Medicaid utilization increases was addressed by funding the agency an additional \$5.1 million. This increase allows for a 3% increase in hospital utilization, a 5.5% increase in physician payments, a 1% increase in the Non-Technical Medical Care program, a 1% increase in nursing home utilization, and an 8% increase in the vendor drug program. The increase in the vendor drug program was based on projected increases in product cost and utilization, but it did not cover potential expenditures as a result of SB 457, which requires the agency to provide Medicaid patients with any drug prescribed by a physician. Prior to passage of SB 457 DHS only paid for prescriptions for drugs that were contained in the agency's formulary. Because there is no historical data on which to rely, the fiscal impact of mandating an open formulary is difficult to gauge, although estimates presented during the session ranged from \$1 million to \$6 million in additional expenditures. SB 457 was vetoed by the governor because of the potential impact on the DHS budget, but the Legislature overrode that veto.
- In the original appropriations bill, the only additional direct subsidy received by the Oklahoma Medical Center was \$0.3 million for debt service on a five-year lease purchase of a replacement high energy linear accelerator used in treating cancer tumors. However, the new Medicaid level of care reimbursement schedule approved by the Legislature meant that OMC would be receiving an estimated \$3.0 million in additional state funding through the Medicaid program. Thus, the

requested new monies for drug therapies, hazardous waste disposal, and inflation in drugs and medical supplies was not provided by the Legislature. Also not provided was some \$4.0 million that OMC estimated it would need to cover anticipated losses as a result of the hospital losing its "preferred provider" status through the state health insurance plan. Thus, when DHS presented its budget work program, the agency felt it needed to at least partially address this issue. It did so by allocating \$2.7 million for inflationary items and also to help OMC cover any revenue loss resulting from the implementation of the new state health insurance plan.

- A total of \$2.0 million in additional funding was approved by the Legislature to implement a 5% increase in AFDC payments. This increase was approved in order to maintain the AFDC payment level at approximately 39% of the federal poverty level. Included in this total was \$200,000 to cover an increase in the medically needy component of the Medicaid program, since eligibility for that program is tied to the AFDC payment standard.
- The Legislature approved \$2.3 million in additional funding to the Children and Youth Services Division of DHS. Approximately \$1.3 million was provided for 60 additional child welfare workers (42.5 FTE). Another \$0.4 million was appropriated to implement training for child welfare workers as well as other recommendations of the Child Abuse Study Commission. Also, \$117,000 was provided for additional protective day care services for abused children. This day care service gives abusing parents a place to leave their children while receiving needed treatment.
- The FY'91 contract with Oklahoma Youth Services Agencies was raised from \$9.2 million to \$10.0 million, an increase of 8.7% over the previous year. These agencies provide community-based prevention and treatment services for youth who have entered the juvenile justice system and for those who are at risk of doing so.
- Although the DHS appropriation increased by nearly \$39.0 million from the previous year, other factors enabled the agency to receive programmatic and other budget increases far above this level. For example, the federal financial participation rate for AFDC and Medicaid expenditures increased in FY'91, resulting in an infusion of over \$13.2 million in federal funds into the agency's budget. Other offsetting revenue included \$12.0 million in carryover funds from FY'90, and \$8.2 million in one-time base reductions, most of which occurred in Medicaid. Because the latter two items were one-time sources of revenue, they will need to be replaced in the agency's budget next year if the same level of funding is to be achieved.
- A major piece of substantive language included in the DHS appropriation involved the issue of provider rate increases. In this language the Legislature directed the agency not to finalize any provider rate changes for the following fiscal year (FY'92) until the end of the regular session in May 1991. The Legislature also prohibited the agency from making any changes in provider rates--for any fiscal year--from January 1, 1991 until the end of the regular session. These provisions are in effect except in cases of an emergency or when directed otherwise by state or federal law or by court order.

SB 788, Sections 1-15
SB 806, Sections 53-55

INDIAN AFFAIRS COMMISSION

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$177,302	0.9%	\$222,112	-13.3%	7.9	13.0
FY'87 Revised	103,911 ²	-41.4%	134,510	-39.4%	3.1	5.0
FY'88	60,231	-42.0%	141,549	5.2%	3.5	5.0
FY'89	191,573 ³	218.1%	185,826	31.3%	4.25	5.0
FY'90	187,995	-1.9%	181,266	-2.5%	4.2	5.0
FY'91	198,783	5.7%	198,783	9.7%		5.0

1 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

2 Does not include FY'86 General Revenue carryover.

3 Includes \$25,000 supplemental appropriation, \$18,000 of which was to fund agency operations.

- Since FY'86 the agency has experienced a \$21,481 or 12.1% increase in appropriations; when adjusted for inflation, the change is a \$15,558 or 8.8% reduction.
- Since FY'86 the agency's total budget has decreased by 10.5%, mainly due to loss of federal grants for such purposes as Indian Child Welfare and Indian employment. Federal grants that formerly were secured by the commission are now being channeled directly to tribal governments or private, non-profit corporations. Compared to FY'90 the agency's total budget is expected to increase by \$17,517 or 9.7%.
- In the five years between FY'86 and FY'90 the agency's actual FTE has decreased by 3.7 or 46.8%. The decreased personnel corresponds to decreased federal funding for programs such as cultural retention projects, agricultural assistance, Indian Child Welfare and other health-related services.
- Appropriation to the agency was increased by \$10,788 or 5.7% in FY'91. Of that amount, \$5,494 was provided for the \$1,000 increase in state employees' pay, decrease in employer contribution to OPERS and the increased cost of health insurance premiums. Thus, the actual change in state appropriation for agency operations is a \$5,294 or 2.8% increase compared to FY'90.
- \$2,725 of the increased appropriation was to implement an OPM recommendation that an existing clerk typist be reclassified as an executive secretary.
- \$1,900 was provided for increased operational expenses such as office supplies, registrations and postage. Of this amount, \$250 is a one-time expense for a typewriter.
- \$569 of the increase in FY'91 is to fully fund longevity expansions enacted in 1989.
- \$100 was provided for property insurance premiums through OPA Risk Management Division.

HB 2302
SB 788, Sections 40,41

J.D. MCCARTY CENTER FOR HANDICAPPED CHILDREN

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$1,831,592	12.1%	\$2,270,340	22.0%	83.7	85.5
FY'87	\$1,450,707 ²	-20.8%	\$2,316,716	2.0%	82.6	85.5
FY'88	\$1,219,518	-15.9%	\$2,332,120	0.7%	83.9	88.5
FY'89	\$1,397,964	14.6%	\$2,634,179	13.0%	90.7	91.5
FY'90	\$1,461,565	4.5%	\$3,084,396	17.1%	95.6	97.5
FY'91	\$1,065,199	-27.1%	\$3,322,110	7.7%		97.5

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures and is often overestimated.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$766,393 or 41.8% decrease in appropriations; when adjusted for inflation, the change is a \$964,872 or 52.7% reduction.
- Since FY'86 the agency's total budget has increased by 46.3%. Compared to FY'90 the agency's total budget in FY'91 (minus capital expenditures) is expected to increase by \$237,714 or 7.7%. In FY'85 and FY'86 the state substantially increased its investment in the J. D. McCarty Center by upgrading the facility and staffing levels. The purpose of this investment was to enable the agency to obtain: a) accreditation as a JACH (Joint Commission on Accreditation of Hospitals) specialized hospital, and b) certification for Medicaid reimbursement. (Medicaid certification was achieved in January 1985). Largely as a result of increased third-party collections -- in particular, Medicaid and the Crippled Children's Fund -- total expenditures from FY'87 to FY'91 are estimated to increase by 43.4%. During this same time period, state appropriations to the agency decreased by 26.6%.
- In the five years between FY'86 and FY'90, the agency's actual FTE increased by 11.9 FTE or 14.2%. One-half of that increase occurred in FY'90 as a result of an expansion in the Center's Respite Care Program from one to three beds. No new FTE were authorized for FY'91.
- Although the Legislature approved an FY'91 decrease of \$500,000 in appropriations for the agency, it also authorized a corresponding \$103,634 increase in appropriations to fund an increase in the employee pay plan (\$109,222), an increase in health insurance premiums (\$56,662), and a decrease in the OPERS contribution (-\$62,250). The net effect of these decisions from FY'90 to FY'91 was a \$396,366 or 27.1% decrease in the state contribution for agency operations.
- In order to make up for the decrease in state appropriations; the agency was directed to use its revolving fund for operations. This was made possible in part by the fact that the Center expected to have a sizable cash balance in its revolving fund at the end of FY'90 (this balance was conservatively estimated to be over \$500,000). In addition, as a result of cost-of-living increases and a new "Level of Care" reimbursement schedule to be adopted by the state Medicaid agency (the Department of Human Services), the Center expected Medicaid reimbursements for FY'91 to total \$1,653,040 (a 37% increase, or over \$500,000 more that could be used for operations). This increase in Medicaid funds, coupled with a large carryover balance, enabled the Legislature to decrease state appropriations while at the same time give the Center authority to spend an additional \$148,936 for various items in its budget. These items included: \$22,604 for a

projected shortfall in longevity payments; \$5,319 for property insurance coverage under OPA's risk management program; \$2,100 for an increase in the director's salary (from \$42,900 to \$45,000/year); \$7,792 to cover expenses associated with hiring a new director; \$30,000 for an increase in the agency's contract with the Norman school district; \$17,435 to annualize salaries for the additional FTE authorized last year to expand the Respite Care Program; \$30,000 for computer hardware and software; and \$33,686 for "other" operating budget increases.

- In addition to the above recommendations for the use of agency revolving funds, the Legislature also authorized the expenditure (within the funds available) of \$123,500 for capital projects (\$41,000 to replace the Center's main chiller unit, and \$82,500 to close in and remodel the breezeway at the Center).
- The Director's salary was increased from \$42,900 to \$45,000 per year.
- As already mentioned, the agency expects to continue increasing its third-party collections -- especially Medicaid -- in the upcoming year. In FY'84, prior to the upgrading of services and staffing levels at the Center, state appropriations represented 86.2% of the agency's total budget; in FY'91 state appropriations are estimated to represent only 32.1% of the total budget.

BOARD OF MEDICOLEGAL INVESTIGATIONS

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$1,712,463	2.9%	\$1,904,917	9.5%	43.0	43.5
FY'87 Revised	1,783,181 ²	4.1%	1,848,190	-3.0%	42.4	43.5
FY'88	1,925,038 ³	8.0%	1,925,255	4.2%	45.7	46.0
FY'89	2,211,083 ⁴	14.9%	2,174,318	12.9%	47.4	50.0
FY'90	2,251,674	1.8%	2,247,862	3.4%	49.4	50.0
FY'91	2,551,974 ⁵	13.3%	2,456,974	9.3%		52.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures and often is overestimated.

² Does not include FY'86 General Revenue carryover.

³ Includes supplemental appropriation of \$46,000 for AIDS protective supplies recommended by Centers for Disease Control.

⁴ Includes \$54,696 in appropriated funds for capital improvements.

⁵ Does not includes \$75,000 reappropriated from OCCY for capital expenses.

- Since FY'86 the agency has experienced a \$839,511 or 49.0% increase in appropriations; when adjusted for inflation, the change is a \$364,001 or 21.3% increase. About \$200,000 or 24% of this increase is due to the Legislature's mid-fiscal year 1987 decision to divert fee collections from the agency's revolving fund to the General Revenue Fund.
- Since FY'86 the agency's total budget has increased by 29.0%, primarily due to increased state support. Compared to FY'90 the agency's total budget is expected to increase by \$209,112 or 9.3%.
- In the five years between FY'86 and FY'90 the agency's actual FTE has increased by 6.4 or 14.9%. In FY'91 the actual FTE level is expected to increase by 2.0 due to addition of a Clerk Typist and a Fellow in Forensic Pathology.
- Of the \$300,300 or 13.3% increase in appropriations for FY'91, \$45,525 is related to adjustments for the \$1,000 increase in state employees' pay, decrease in employer contribution to OPERS and the increased cost of health insurance premiums. Thus, the actual change in the state appropriation for agency operations is a \$254,775 or 11.3% increase compared to FY'90.
- The FY'91 appropriation provides \$200,000 for one-time equipment expenses for the agency's toxicology laboratory, which must accommodate increased demands for drug analyses. \$75,000 of this amount is being provided through a reappropriation and redesignation of funds provided in 1989 to the Oklahoma Commission on Children and Youth.
- \$46,000 was provided to implement OPM recommendations that personnel salaries be increased to levels comparable with similar agencies.
- The appropriation was increased \$37,971 to establish the state's first Forensic Pathology Fellowship, which will provide Oklahoma physicians with in-state access to this specialty training as well as provide additional manpower to conduct autopsies. The Fellowship will be established in the Oklahoma City office.

- \$29,000 was appropriated for increased costs of the agency's Oklahoma City body transportation contract, which increased dramatically when the 1990 contract was let. AmCare, which has ceased operations, used to perform the service for \$15 per case. The new contract pays \$55 per case.
- \$16,804 was added to the agency's appropriation to hire an additional Clerk Typist II at the Oklahoma City office to handle paperwork associated with increased medical examiner cases.

HB 2303
SB 788, Sections 19 and 45-46
HB 2321, Section 53

DEPARTMENT OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$93,365,259	12.6%	\$116,791,124	5.3%	2699.3	3036.5
FY'87 Revised	83,679,942 ²	-10.4%	110,404,171	-5.5%	2564.4	2806.0
FY'88	82,496,338	-1.4%	114,162,064	3.4%	2569.2	2750.0
FY'89	111,471,417 ³	35.1%	123,438,496	8.1%	2571.3	2750.0
FY'90	100,015,592 ⁴	-10.3%	131,001,554	6.1%	2593.2	2674.0
FY'91	105,142,248	5.1%	144,428,338	10.2%		2673.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures and is often overestimated. Budget figures exclude intra-agency payments made for internal cost allocation purposes.

² Does not include FY'86 General Revenue carryover.

³ Includes \$2,117,000 supplemental appropriation (see Table 2).

⁴ Includes \$1,603,800 supplemental appropriation, \$1,073,200 of which was continuing expenses.

- Since FY'86 the agency has experienced a \$11,776,989 or 12.6% increase in appropriations; when adjusted for inflation, the change is a \$7,814,202 or 8.4% reduction.
- Since FY'86 the agency's total budget has increased by 23.7%. Compared to FY'90 the agency's total budget is expected to increase by \$13,426,784 or 10.2%. However, a procedural change in the way the agency accounts for Medicaid revenues and expenditures causes the FY'88-'91 total budget figures to be "artificially" lower than FY'87 and prior years' figures. For comparison purposes about \$2 million would need to be added to each of the FY'88-'90 figures, thus the increase in total budget since FY'86 is approximately 25.4%.
- In the five years between FY'86 and FY'90 the agency's actual FTE has decreased by 106.1 or 3.9%, primarily due to the down-sizing of the state hospitals and the shifting of the mental health workforce to community programs. Although not reflected in authorized FTE levels, 10 FTE will be added in FY'91 because of legislative funding initiatives.
- When FY'90 one-time appropriation projects are subtracted (FY'91 base = \$99,484,992), appropriations to the agency increased by \$5,657,256 or 5.7% in FY'91. Of that amount, \$3,057,256 is related to the \$1,000 increase in state employees' pay, decrease in employer contribution to OPERS and the increased cost of health insurance premiums. Thus, the actual change in state funds available for the agency is a \$2,600,000 or 2.6% increase compared to FY'90.
- The agency's FY'91 appropriation level was reduced by two offsetting increases in revolving fund income: \$1,090,228 in expected increased hospital revenues because of the new "level-of-care" Medicaid reimbursement system; and \$300,000 in expected Medicaid revenues due to legislative approval of the "open formulary," which will for the first time allow the agency to be reimbursed for psychotropic medications prescribed for its Medicaid clients.
- \$1,350,000 was appropriated in FY'91 for expansions in community mental health programs: \$584,000 for contracting with a 16-bed inpatient facility in Wagoner; \$300,000 for establishing a 6-bed emergency detention unit in Enid; \$194,000 for case managers at CMHCs throughout the

state; \$172,000 for vocational rehabilitation programs at CMHCs throughout the state; and \$100,000 for a project to address Tulsa's homeless population.

- \$795,025 was added to the FY'91 appropriation for Phase II of the agency's Childrens Initiatives. Of this amount, \$600,000 will be used to expand in-home family services to children at risk of being institutionalized, \$120,025 will be used to begin hiring children's specialists at domestic violence centers that contract with the agency, and \$75,000 is for annualizing the cost of an adolescent halfway house in southern Oklahoma.
- \$631,293 was provided in the FY'91 to increase contractual arrangements with the following private entities: domestic violence agencies (\$65,913), room and board homes (\$288,000), and substance abuse prevention and treatment centers (\$277,380).
- \$300,000 was provided for central office improvements. Of the total, \$150,000 is for increased resources in contract compliance and accounting, and \$150,000 is for annual lease-purchase payments on an expanded computer mainframe.
- \$200,000 was appropriated to help the agency meet costs of OPM-approved job reclassifications for existing employees during FY'89 and FY'90.
- The FY'91 appropriation includes \$713,910 in one-time capital projects: \$300,000 for electrical repairs at Eastern State Hospital, \$210,000 for a new X-ray machine at Griffin Memorial Hospital's medical-surgical unit, \$175,000 for roof replacement at the Central Oklahoma Community Mental Health Center, and \$28,910 for fire-safety equipment at the Oklahoma Youth Center.

DEPARTMENT OF VETERANS AFFAIRS

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$13,190,339	12.7%	\$23,205,964	11.9%	829.3	862.0
FY'87 Revised	10,263,933 ²	-22.2%	22,832,365	-1.6%	818.8	862.0
FY'88	10,238,284	-0.2%	22,832,502	0.0%	829.0	896.0
FY'89	12,805,636	25.1%	29,295,980	28.3%	996.9	1086.0
FY'90	14,858,776	16.0%	33,865,328	15.6%	1095.2	1168.0
FY'91	16,441,496	10.7%	37,401,496	10.4%		1201.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures and is often overestimated.

² Does not include FY'86 General Revenue carryover.

- Since FY'86 the agency has experienced a \$3,251,157 or 24.6% increase in appropriations; when adjusted for inflation, the change is a \$187,607 or 1.4% increase. The increase is attributable to costs associated with the opening of the Claremore Veterans Center and an additional wing at the Talihina Veterans Center.
- Since FY'86 the agency's total budget has increased by 61.2%, mainly due to the FY'89 expansions at Claremore and Talihina. Compared to FY'90 the agency's total budget is expected to increase by \$3,536,168 or 10.4%.
- In the five years between FY'86 and FY'90 the agency's actual FTE has increased by 265.9 or 32.1%. For FY'91, 33 new FTE were authorized to expand nursing staff at centers and add administrative staff at the central office.
- Of the \$1,582,720 or 10.7% increase in appropriations for FY'91, \$1,397,819 is related to adjustments for the \$1,000 increase in state employees' pay, decrease in employer contribution to OPERS and the increased cost of health insurance premiums. Thus, the actual change in the state appropriation for agency operations is a \$184,901 or 1.2% increase compared to FY'90.
- The FY'91 appropriation adds \$184,901 to annualize full operations at the 250-bed Claremore Veterans Center, which opened its final 50-bed ward at the end of FY'90. The state funds will be supplemented with \$881,347 in increased federal funds, at least \$160,000 in increased patient collections, and about \$250,000 in excess revolving funds to meet the estimated annualization cost of \$1.476 million.
- The director's salary limit was increased from \$45,400 to \$50,000, which includes the across-the-board pay raise.

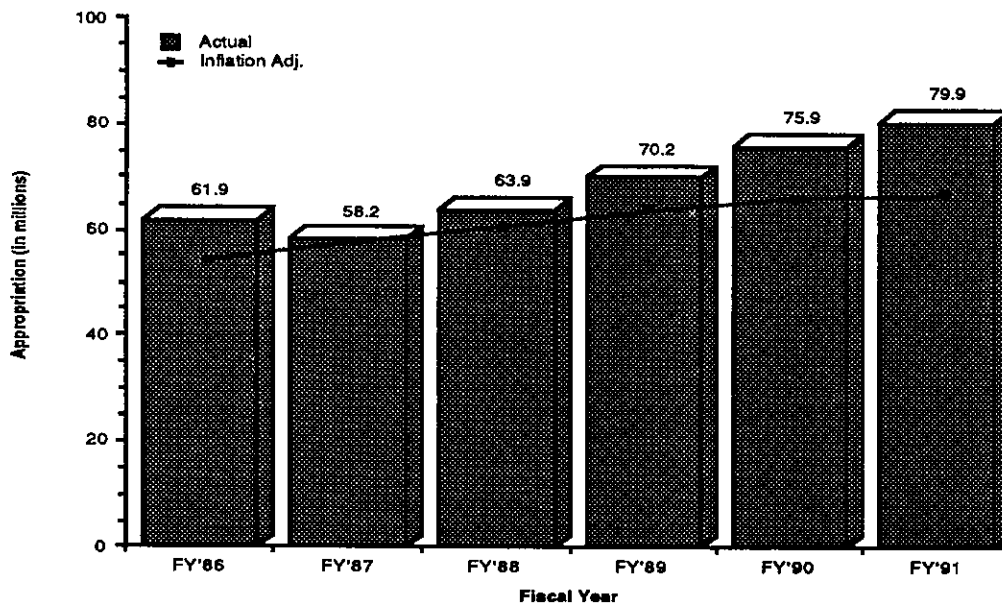
SB 791
 SB 788, Sections 68-72
 HB 2321, Sections 36, 40

SUBCOMMITTEE ON NATURAL RESOURCES AND REGULATORY SERVICES

Historical Overview

The appropriation level for FY'91 represents an increase in operations funding for the Natural Resources and Regulatory Services Subcommittee of \$4,038,509 or 5.3% from the FY'90 amount. The FY'91 amount is an increase of approximately \$18,059,125 million or 29.2% from the revised FY'86 level. After adjusting for inflation however, this change is a \$3,166,043 or 5.1% increase.

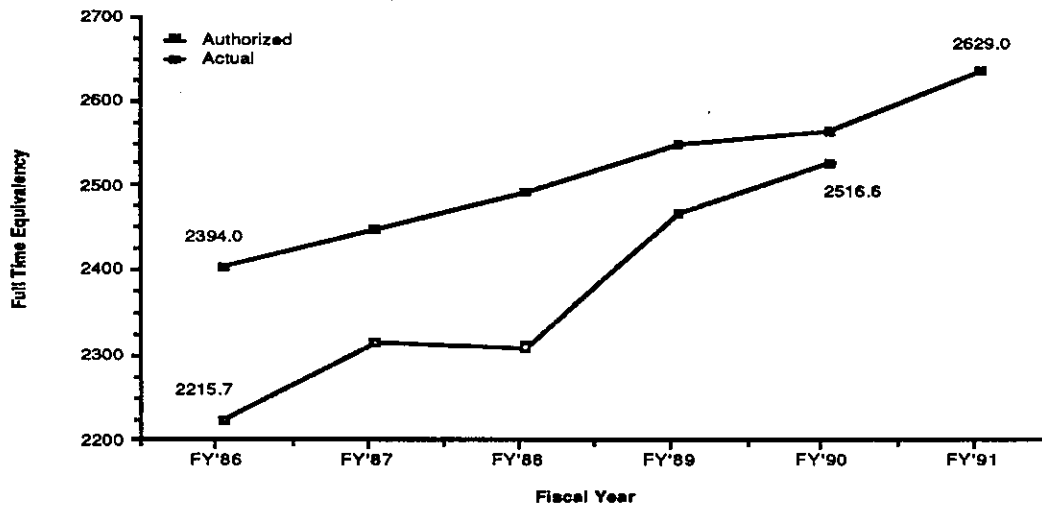
Appropriation Comparison: Actual and Inflation Adjusted



Of the increase in funding for this subcommittee since FY'86, nearly \$9 million is associated with the pay increases granted state employees for FY'86, FY'89 and FY'90. In FY'91, nearly \$3 million was granted in salary and benefit increases. Other areas of significant funding increases from FY'86 to FY'91 include the Department of Agriculture (\$2.58 million or 20.5%), the Conservation Commission (\$1.87 million or 59.3%), the Department of Commerce (\$1.62 million or 14.2%), the Horse Racing Commission (since FY'87, \$1.69 million or 179.0%), and the Department of Labor (\$1.29 million or 65.2%).

<u>Fiscal Year</u>	<u>Appropriation</u>	<u>Total Expenditures</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
1986	61,869,246	97,004,276	2215.7	2394.0
1987 Revised	58,171,191	163,496,271	2308.6	2437.5
1988	63,857,373	173,788,898	2301.5	2483.0
1989	70,194,427	197,832,949	2456.8	2541.0
1990	75,889,862	161,119,923	2516.6	2556.0
1991	79,928,371	172,823,666		2629.0

FTE Comparison: Actual and Authorized



Between FY'86 and FY'91 the authorized FTE level for the agencies in the Natural Resources and Regulatory Services Subcommittee has increased by 235 or 9.8%. Between FY'86 and FY'90, the actual FTE level has increased by 300.9 or 13.6%.

ECONOMIC DEVELOPMENT

The Economic Development Act of 1987, HB 1444, consolidated the Departments of Economic Development and Economic and Community Affairs into the Department of Commerce. A one-time, \$1 million appropriation from the several public trusts in FY'87 established several economic development programs, including assistance for new or improving businesses in Oklahoma as directed by several other pieces of legislation passed in 1987.

Partial year funding for FY'88 and \$432,351 of full-year funding for FY'89 were appropriated for programs addressing business and capital development, inventors needs, city certification, and international trade. Also in FY'88, \$1.5 million was appropriated for preparation of the Super Collider application. The FY'89 appropriation included new money for the Export Insurance Program and the creation of the Capital Investment Board, and increased funding for the Film Office and several Small Business Development Centers located around the state. While the Department's appropriation between FY'87 and FY'89 increased \$105,199 or 0.9%, the Department's FTE limit increased by 54 or 34.6%.

No new program money was appropriated to the Department for FY'90. In FY'89, the agency was allowed to use unspent FY'88 funds, thereby reducing their appropriation level by \$700,000. The agency was appropriated \$660,000 in new funds for FY'90 to maintain current operations, resulting in a 3.4% increase in appropriations from FY'89. The Job Training Partnership Act Program (JTPA) was transferred from the Department to the OK Employment Security Commission in FY'90, along with 21 associated FTE, or 10% of the agency's total authorized FTE.

The Horse Racing industry has proved to be a high revenue-generating area for state government when dollars spent on the industry are compared with the return. The races also attract tourism and provide a number of jobs to the state. In recognition of this fact, the Legislature gave the Horse Racing Commission a combined total of almost \$500,000 in FY'88 and FY'89 for an increased number of race days. An additional \$279,095 was appropriated in FY'89 to cover the anticipated growth needs in

personnel and law enforcement associated with the growing industry. For FY'90, \$481,877 more was appropriated to increase the number of race days and projects awarded to 597 days. Another law enforcement agent was added, as well as \$56,000 to eliminate a back-log of 1,600 fingerprint licensing cards.

REGULATION AND CONSUMER PROTECTION

In 1987, the Legislature passed the Credit Services Organization Act, SB 160, which directed the Commission on Consumer Credit to regulate the credit service organizations. The agency received \$50,013 and two FTE in FY'88 to comply with the directive. During FY'89, the Legislature passed the Oklahoma Rental-Purchase Act, which requires the examination and licensing of rental-purchase lessors by the Commission. Additional funding of \$44,653 and 3 FTE were added for FY'89, and \$22,492 in FY'90, to allow the agency to carry out the provisions of the legislation. The act contained provisions for fees that will be deposited to the General Revenue Fund that will more than offset the costs of the program.

Several livestock protection programs in the Department of Agriculture have been expanded by past appropriations. Increased funding from FY'88 to FY'90 for the Brucellosis program totaled \$547,058 and nine additional FTE to replace livestock inspectors previously supported with federal funds. Eradication of the deadly cattle disease from Oklahoma should be accomplished during 1991. Also related to livestock disease is the Pseudo-rabies Swine Industry program which was expanded in FY'90 with \$10,000. The Animal Damage Control Program was increased by \$117,827 to fund two additional full-time employees and increased aerial hunting. This program controls the population of certain predatory animals which endanger livestock and humans.

ENVIRONMENTAL CONCERNS

In FY'89, the Legislature appropriated \$8,012 to the Department of Pollution Control for a personal computer which allows the agency to tie into the Computer Aided Management of Emergency Operations (CAMEO). CAMEO is a national computer network that monitors pollution spills. Also in FY'89, the Leaking Underground Storage Tank trust fund and revolving fund were established. The trust fund receives and disburses Federal Underground Storage Tank trust fund monies for the cleanup of polluted sites. The revolving fund is the depository for damages collected by the state from parties responsible for polluted sites. The Corporation Commission received seven employees in FY'89 to administer the Underground Storage Tank Program.

Asbestos inspections increased over 114% from FY'87 to FY'88, from 1,508 inspections to 3,225 inspections. For FY'88 and FY'89, the Legislature appropriated \$363,000 to the Department of Labor for eight new asbestos inspectors. Also in FY'89, \$540,000 was appropriated for a consultation program to assist schools in developing management plans as required by the federal Asbestos Hazard Emergency Response Act (AHERA). A supplemental appropriation of \$135,000 and 10 FTE began this program. In the Department of Labor's FY'91 appropriation bill, the Legislature directed the Department to compile an Asbestos Abatement Report summarizing past accomplishments and present needs.

During FY'89, the Legislature provided \$57,996 to the Liquefied Petroleum Gas Board for two additional inspectors to be assigned primarily to the Oklahoma City and Tulsa areas. This relieved the workload demands placed on the four other inspectors, and increased the number back to its previous level.

Several conservation programs managed by the Conservation Commission have received significant funding increases in an effort to protect the people and resources of Oklahoma. The federal government's 1985 Food and Security Act required farmers to develop conservation plans as a prerequisite to receiving federal money. For FY'88, the Legislature appropriated \$340,000 to the Commission to assist the state's conservation districts in developing these plans with the farmers.

The Water Quality Cost Share Program received \$20,000 in FY'89 to minimize the effects of non-point source pollution problems. In FY'90, \$100,000 was appropriated for the Roadside Erosion program to provide for cost share programs with all County Commissioners on a 1:1 match basis. Conservation Districts provide technical assistance with funds used for construction and implementation of erosion control practices such as grade stabilization and vegetation of eroding areas.

Two Commission programs that focus on flood control received increased appropriations as well. The Watershed Flood Control fund was replenished in FY'87 with \$175,000, and the High Hazard Dam Safety Program received \$110,000 for FY'90 to repair six dams classified as high hazard.

Several of the Conservation Commission's personnel issues have been addressed in recent years. Since FY'88, Conservation District employees have been eligible for insurance benefits. The Legislature in FY'89 appropriated \$15,000 to cover insurance rate increases, and in FY'90, the Legislature made the District employees eligible for the State Insurance plan and retirement benefits at a cost of \$450,000. While the legislation authorizing the inclusion of the District employees was vetoed, the money was still used to purchase these benefits from other providers. In FY'90, a \$319,200 supplemental appropriation allowed the state to absorb the costs of 90 District employees previously paid with federal "Working as Employed" funds.

In 1988, HB 1914 established a revolving loan fund in the Water Resources Board to help communities finance the construction of wastewater treatment facilities. The 1987 federal Clean Water Act provided for the phase out of federal monies for construction grants that had been used to fund these projects. Loans are provided to communities at or below market rates with repayments made to the fund. Over the last three years the state has provided approximately \$6 million as matching funds for federal support.

During FY'89 and FY'90, over \$2.7 million in emergency grants were funded by the State Financial Assistance Program of the Water Resources Board. These grants were approved for water and sewer projects for the state's smaller communities and rural water districts. Fifteen loans totaling approximately \$26.6 million were also approved during the same time period and were funded by the 1989 Bond Series.

TOURISM PROMOTION

In 1987, The Legislature passed the Tourism Promotion Act, HB 1241, which levied a one-tenth of one-percent tax on tourism-related businesses to be spent on advertising and promotion. Revenue was first deposited in the Tourism Promotion Revolving Fund midway through FY'88, and approximately \$2 million has been deposited each fiscal year since FY'89. For FY'88, the Department was appropriated \$875,000 to begin development of a promotional campaign.

In FY'89, the Legislature provided funding for two tourism promotion programs. Funding of \$185,244 and six new FTE were granted to implement the marketing activities recommended by the study "Proposed Master Plan for Travel Marketing and Development for the State of Oklahoma" prepared by Price Waterhouse. The plan called for the development and further promotion of state tourism attractions and events. The second program provided a new 24 hour telephone marketing system for the state. The system provides toll-free access across the U.S. for information on Oklahoma tourist attractions. A new brochure was printed and is distributed to those who inquire about Oklahoma travel. Funding for this program included \$125,000 for the telephone service and \$50,000 for the brochures.

Over \$1.1 million in capital improvements and projects were funded during FY'88 and FY'89. These included new information centers at Lake Eufala and Oklahoma City, capital improvements at McGee Creek, Beavers Bend State Park and along the Illinois River, and a feasibility study on the Dripping

Springs area. For FY'90, the Legislature approved \$285,837 for lake associations, Scenic Rivers, brochure printing, and the Jazz Hall of Fame.

1990 Legislative Session

The \$4 million increase in subcommittee appropriations from FY'90 to FY'91 includes the following adjustments:

- .90 million	removal of one-time expenditures from FY'90 appropriation
- 1.08 million	other reductions associated with re-appropriations or drawing down revolving funds
2.91 million	funding for the state pay plan (at least a \$1,000 pay increase per employee), health insurance rates, and OPERS adjustments
4.06 million	funding for new or expanded programs.

The Department of Agriculture received a \$415,112 increase in appropriations for FY'91. This included \$400,000 to develop a food processing center, \$208,000 to continue a supplemental appropriation for continued fire protection at McGee Creek, and approximately \$240,000 for rural fire department operational grants.

The state banking examiners had been underpaid when compared with similar job opportunities available to them. This resulted in a high turn-over rate for the examiner staff, and increased costs to the state for the training and schooling of new employees. The Oklahoma banking industry supported the concept of raising examiner salaries to alleviate turnover, and was willing to tax itself at a higher rate to offset the raise for examiners. In FY'91, the fee assessed on bank assets was increased, and the state bank examiners received a 15% raise, making their salaries competitive with others in the marketplace.

Several new economic development programs were created or expanded with approximately \$1 million appropriated for FY'91. The Capital Investment Board and the Export Insurance Program received a total of \$260,000 in second-year funding for FY'91. Almost \$300,000 was appropriated to set up offices in Los Angeles and either Taiwan or Korea to attract businesses to Oklahoma. A new program developed for FY'91 is the Minority Business Development Program. A \$250,000 appropriation will provide competitive-bid grants for minority programming. Nine new FTE were authorized for the Department for FY'91.

The Legislature in FY'91 directed two agencies to open branch offices in Tulsa. The Corporation Commission is establishing a branch office in Tulsa to hold court cases through telecommunications equipment. This will eliminate Tulsa oil and gas firms from making time-consuming and expensive trips to Oklahoma City for hearings. The Department of Commerce was appropriated \$102,972 and 3 employees to staff the branch office in Tulsa. This location will allow them to offer more assistance to the businesses of Oklahoma's second-largest city.

The Corporation Commission was made responsible in FY'91 for the Above Ground Storage Tank Program and the Alternative Fuels Technician Certification Program. These programs include provisions to be self-funding from industry fee revenue.

The Water Quality Cost Share Program of the Conservation Commission received \$75,000 during FY'91. Through a cost-sharing design, this program encourages land owners to initiate techniques such as terracing to minimize the effects of non-point source pollution problems, such as erosion and pesticide run-off.

Due to a change in the IRS definition of employees, the Horse Racing Commission was required to establish state employee positions for the stewards and judges used at race tracks. Fifty-two new permanent/part-time positions were added to the Horse Racing Commission during FY'91 for these

employees who were formerly hired by contract. The Legislature appropriated \$453,800 for salaries and benefits, with the Commission directed to recover 60% of this cost back from the racetracks.

In FY'91, the federal government began requiring a 10% state match on all Leaking Underground Storage Tank monies. The Legislature appropriated \$66,714 to the Department of Pollution Control as a 10% match on \$667,140 of federal money.

During FY'91, the Tourism Department received appropriations as follows: \$100,000 for the Jazz Hall of Fame; \$50,000 for various Indian Expositions; \$292,383 for various park expansions and improvements; \$400,000 to complete the Oklahoma City Information Center; and \$100,000 to print brochures.

Supplemental Appropriations/Contingency Review Board Actions

Both the Department of Agriculture and the Conservation Commission received supplemental appropriations during the 1990 session. The Department of Agriculture received \$480,499 to reinstate Phases I and II of the McGee Creek Fire Protection District Project. The Conservation Commission received \$319,200 to replace lost federal Working As Employed Allowances.

The Contingency Review Board approved several requests for minor adjustments to spending limits for FY'91. The Liquefied Petroleum Gas Board requested an increase in its Professional and Personal Services Contracts line item from \$0 to \$1,063 to accommodate first-class mail costs and OPM Merit System costs. The Securities Commission requested an increase in the Lease Purchase agreement expenditure limit from \$0 to \$8,412 to accommodate a 1988 lease purchase agreement the Commission has with Xerox for two copiers. The Banking Commission requested a salary limit increase from \$1,642,472 to \$1,657,000 to include bank examiner raises. CRB approved all the requests.

Capital Outlays

The Natural Resources subcommittee funded two capital projects for FY'91. The Department of Agriculture received \$400,000 in SB 792 to build a food processing center, and the Department of Tourism received \$400,000 for completion of the Oklahoma City Information Center.

DEPARTMENT OF AGRICULTURE

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u> ¹	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$12,562,451	2.5%	\$19,613,659	4.3%	548.2	551.5
FY'87 Revised	\$10,518,360 ²	-16.3%	\$17,621,075	-10.2%	520.1	551.5
FY'88	\$11,661,850	10.9%	\$18,053,898	6.5%	508.6	544.0
FY'89	\$12,763,813	9.4%	\$20,218,826	8.5%	535.0	555.0
FY'90	\$14,727,130 ³	15.4%	\$21,157,473	7.9%	546.1	557.0
FY'91	\$15,142,242	2.8%	\$22,560,488	6.6%		557.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures and is often overestimated.

² Does not include FY'86 General Revenue carryover.

³ Includes the \$480,499 FY'90 supplemental appropriation (see Table 2).

- Since FY'86 the agency has experienced a \$2,579,791 or 20.5% increase in appropriations; when adjusted for inflation, the change is a (\$241,668) or 1.9% decrease.
- Since FY'86 the agency's total budget has increased by 15.0%. Compared to FY'90, the agency's total budget is expected to increase by \$1,403,015 or 6.6%.
- In the five years between FY'86 and FY'91 the agency's authorized FTE has increased by 5.5 or 1.0%. During the same time, the agency's actual FTE decreased by 2.1 or 0.4%. No new FTE were authorized for FY'91.
- Of the \$415,112 or 2.8% increase in appropriations for FY'91, \$475,100 is related to adjustments for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. As a result, there is no increase in the state appropriation for agency operations compared to FY'90.
- Funding provided in FY'90 for the Rural Fire Defense Equipment Revolving Fund (\$100,000), Rural Fire Department Operational Grants (\$200,000), and maintenance and purchase of fire fighting equipment (\$100,000) was removed from the agency's base (\$400,000 total).
- SB 792 appropriated \$400,000 to the Department of Agriculture for the development of a food processing center.
- \$242,500 will provide operational grants of \$1,500 to rural fire departments organized under Titles 18 and 19 of the Oklahoma Statutes and to municipalities with a population of 3,000 or less. Grants are required to decrease by 1% of the total grant amount for each \$1,000 of sales tax collected annually. Grant money may be expended for worker's compensation insurance, vehicle insurance, protective clothing or other operating expenses. The FY'91 funding level is \$42,500 more than the FY'90 funding level.
- In FY'90, the Department was directed to hire a state poultry veterinarian at a salary of \$60,000. This salary proved inadequate to attract qualified candidates, so in FY'91, \$20,000 of the \$60,000 originally appropriated for the salary was re-appropriated to increase the salary to \$80,000. The

\$40,000 remaining from the \$60,000 originally appropriated for the salary was re-appropriated and redirected for FY'91 agency operations.

- \$208,000 was appropriated as continued supplemental funding for personnel for the McGee Creek Fire Protection Area.
- An additional \$2,885 will increase the Administrator's salary from \$51,115 to \$55,000.
- \$170,000 in the base appropriation will fund the Ag/Link Mediation Program.

SB 806
SB 792
SB 799, Sections 1-10

BANKING DEPARTMENT

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u> ¹	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$1,768,411	27.0%	\$1,718,753	23.8%	42.9	55.0
FY'87 Revised	\$2,003,461 ²	13.3%	\$1,871,234	8.9%	47.3	55.0
FY'88	\$2,045,959	2.1%	\$1,907,428	1.9%	48.6	52.0
FY'89	\$2,184,365	6.8%	\$2,095,171	9.0%	48.1	52.0
FY'90	\$2,221,456	1.7%	\$2,223,050	6.1%	49.4	52.0
FY'91	\$2,431,113	9.4%	\$2,491,113	12.0%		52.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures and is often overestimated.

² Does not include FY'86 General Revenue carryover.

- Since FY'86 the agency has experienced an \$662,702 or 37.5% increase in appropriations; when adjusted for inflation, the change is a \$209,712 or 11.9% increase.
- Since FY'86 the agency's total budget has increased by 44.9%. Compared to FY'90, the agency's total budget is expected to increase by \$268,063 or 12.0%.
- In the five years between FY'86 and FY'90 the agency's authorized FTE has decreased by 3.0 or 5.5%. During the same time, the agency's actual FTE has increased by 6.5. These positions have been additional inspectors added in response to problems in the banking industry and the reduced federal involvement in banking regulation.
- In the FY'91 appropriation bill, the agency's FTE limit was changed from an authorized limit to an average limit to accommodate seasonal fluctuations in bank renewals.
- Of the \$209,657 or 9.4% increase in appropriations for FY'91, \$44,657 is related to adjustments for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. As a result, the actual change in the state appropriation for agency operations is an increase of \$165,000 or 7.4% compared to FY'90.
- The agency received \$165,000 to increase the salaries of bank examiners to a level competitive with the FDIC and Federal Reserve Banks. This cost was offset by an increase on the assessment raised on banks from 20¢ per \$1,000 of assets to 21 1/2¢ per \$1,000 of assets.

DEPARTMENT OF COMMERCE†

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u> ¹	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	N/A	N/A	N/A	N/A	N/A	N/A
FY'87 Revised	\$11,377,422 ²	N/A	\$71,498,789	N/A	138.6	156.0
FY'88	\$10,639,143 ³	-6.5%	\$80,645,506	12.8%	165.7	200.0
FY'89	\$11,482,621 ³	7.9%	\$88,621,582	9.9%	192.4	210.0
FY'90	\$11,878,015	3.4%	\$45,464,165	-48.7%	183.1	191.0
FY'91	\$12,992,863	9.4%	\$50,514,160	11.1%		200.0

† The Department of Commerce was created in FY'87 with the combining of the Departments of Economic Development and Economic and Community Affairs.

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures and is often overestimated.

² Does not include FY'86 General Revenue carryover.

³ Does not include capital or project funds.

- Since FY'87 the agency has experienced a \$1,615,441 or 14.2% increase in appropriations; when adjusted for inflation, the change is a -\$513,824 or 4.5% reduction.
- Since FY'87 the agency's total budget has decreased by 29.3%. Compared to FY'90 the agency's total budget is expected to increase by \$5,049,995 or 11.1%.
- Between FY'87 and FY'90 the agency's authorized FTE has increased by 35 or 22.4%, while the agency's actual FTE has increased by 44.5 or 32.1%. Nine new FTE were authorized for FY'91 for Community Development, Business Development, Marketing, new programs and program expansion.
- Of the \$1,114,848 or 9.4% increase in appropriations for FY'91, \$143,251 is related to adjustments for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$971,597 or 8.2% increase compared to FY'90.
- Phase II funding was provided for the Capital Investment Board (\$100,000) and the Export Insurance Program (\$160,000).
- A Minority Business Development Program was set up at a cost of \$250,000.
- \$120,000 was appropriated for International Marketing Activities to evaluate and fund potential foreign office sites.
- An Export Office in Los Angeles was funded at \$175,000 to recruit businesses to relocate to Oklahoma.
- \$102,972 was appropriated to fund expansion of the Tulsa Division.
- \$100,000 appropriated to the KEDDO planning district was vetoed by the Governor.

- The Oklahoma Literacy Initiatives Commission was transferred from the Department of Commerce to the Oklahoma Employment Security Commission (OESC). Language in the bill directs the OESC to transfer \$125,000 from its revolving fund to the Department of Commerce for administrative expenses previously paid from the Job Training Partnership Act Program grant.
- Substantive language included in the appropriation bill provides for the creation of the Minority Business Development Program Fund, a three-year probationary period for the LA Office, the auditing of all ODOC funds, and the abolishment of the Oklahoma Film Advisory Board.

CONSERVATION COMMISSION

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures¹</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$3,146,630	4.6%	\$5,755,692	0.8%	9.3	12.0
FY'87 Revised	\$2,931,633 ²	-6.8%	\$5,193,421	-9.8%	10.7	12.0
FY'88	\$3,387,550 ³	15.6%	\$5,474,706	5.4%	9.8	12.0
FY'89	\$3,874,383	14.4%	\$6,212,180	32.8%	15.8	18.0
FY'90	\$4,784,973 ⁴	23.5%	\$7,139,864	14.9%	16.3	18.0
FY'91	\$5,013,664	4.8%	\$8,711,518	4.1%		18.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures and is often overestimated.

² Does not include FY'86 General Revenue carryover.

³ Does not include special project funds.

⁴ Includes the \$319,200 FY'90 supplemental appropriation (see Table 2).

- Since FY'86 the agency has experienced a \$1,867,034 or 59.3% increase in appropriations; when adjusted for inflation, the change is a \$932,836 or 29.7% increase.
- Since FY'86 the agency's total budget has increased by 90.5%. Compared to FY'90 the agency's total budget is expected to increase by \$432,891 or 4.1%.
- In the five years between FY'86 and FY'90 the agency's authorized FTE has increased by 6 or 50%.
- Of the \$228,691 or 4.8% increase in appropriations for FY'91, \$305,691 is related to adjustments for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. As a result, there is no increase in the state appropriation for agency operations compared to FY'90.
- \$60,000 originally appropriated to the Commission for FY'90 was re-appropriated for FY'91 for the Water Quality Cost Share Program and for agency operations.
- The Conservation Commission received a supplemental appropriation during FY'90 of \$319,200 to pay the wages of 90 employees who were previously paid partially with federal "Working As Employed" (WAE) funds and partially with state appropriated dollars to the Conservation Districts. In federal fiscal year 1988, the USDA Soil Conservation Service provided a total of \$366,300 in WAE funding to Districts. Federal budget cuts and the increased cost of federal employee benefits caused these funds to be shifted to SCS's permanent employee force and resulted in a total of only \$33,900 in WAE funds for Oklahoma's Conservation Districts in federal fiscal year 1989.
- \$75,000 was added to \$20,000 in the base for a water quality cost share program for FY'91. This program encourages land owners to implement best management techniques to reduce the effect of non-point source pollutants such as erosion and pesticide run-off with the state providing 40% funding and the Environmental Protection Agency providing 60% funding.
- The FY'89 appropriation provided benefits for the employees of the conservation districts. This included a 5.0% pay increase, funding for these employees to join the state retirement system (\$335,000), and increased funding for the health insurance program begun in FY'88 (\$15,000).

These employees had previously been without any state benefits as they had been partially funded federal employees. The agency is working on making these people all state employees, with partial funding continuing from the federal government.

- Savings realized in FY'90 from using a private carrier for health insurance for conservation district employees rather than the State Insurance Plan totaled \$42,000 (In 1989, Governor Bellmon vetoed the bill which would have made district employees eligible for the State Insurance Plan in FY'90). This amount was re-appropriated for FY'91, thereby reducing the total appropriation by a like amount.
- The FY'90 appropriation included \$208,500 to include conservation district employees in the State Insurance Plan, and \$144,258 for inclusion in the longevity program. New funds were provided for the following programs: \$110,000 for dam safety to reduce the hazard classification of six priority sites; \$100,000 for roadside erosion to provide for cost share programs with all County Commissioners on a 1:1 match basis. Conservation Districts will provide technical assistance with funds used for construction and implementation of erosion control practices such as grade stabilization and vegetation of eroding areas; and \$20,000 for a water quality cost share program to develop a non-point water quality management program with the state providing 40% funding and the Environmental Protection Agency providing 60% funding.

COMMISSION ON CONSUMER CREDIT

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures¹</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$232,361	-44.4%	\$592,212	7.7%	16.0	16.0
FY'87 Revised	\$506,880 ²	118.1%	\$498,260	-15.9%	13.8	16.0
FY'88	\$525,459	3.7%	\$492,460	-1.2%	14.2	16.0
FY'89	\$627,569	19.4%	\$608,657	23.6%	15.6	19.0
FY'90	\$684,586	9.1%	\$679,949	11.7%	16.9	19.0
FY'91	\$706,460	3.2%	\$736,860	8.4%		19.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures and is often overestimated.

² Does not include FY'86 General Revenue carryover.

- Since FY'86 the agency has experienced a \$474,099 or 204% increase in appropriations; when adjusted for inflation, the change is a \$342,464 or 147.4% increase. The large increase in FY'87 came as the agency's revolving fund was abolished.
- Since FY'86 the agency's total budget has increased by 24.4%. Compared to FY'90 the agency's total budget is expected to increase by \$56,911 or 8.4%.
- In the five years between FY'86 and FY'90 the agency's authorized FTE has increased by 3 while the agency's actual FTE has increased by 0.9. No additional FTE have been authorized for FY'91.
- Of the \$21,874 or 3.2% increase in appropriations for FY'91, \$16,192 is related to adjustments for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$5,682 or 0.8% increase compared to FY'90.
- Additional funding of \$3,732 was added to increase the director's salary from \$42,768 to \$47,500.

CORPORATION COMMISSION

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u> ¹	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$3,991,523	21.8%	\$17,372,802	11.5%	417.5	429.0
FY'87 Revised	\$3,146,550 ²	-21.2%	\$15,794,440	-8.1%	407.8	429.0
FY'88	\$4,533,645	44.1%	\$13,870,431	87.8%	384.9	412.0
FY'89	\$4,842,717	6.8%	\$15,486,951	11.7%	395.5	412.0
FY'90	\$5,149,446	6.3%	\$16,573,879	7.0%	406.1	426.0
FY'91	\$4,540,592	-11.8%	\$17,445,754	5.3%		426.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures and is often overestimated.

² Does not include FY'86 General Revenue carryover.

- Since FY'86 the agency has experienced a \$549,069 or 13.8% increase in appropriations; when adjusted for inflation, the change is a -\$296,981 or 7.4% decrease.
- Since FY'86 the agency's total budget has increased by 0.4%. Compared to FY'90 the agency's total budget is expected to increase by \$871,875 or 5.3%.
- In the five years between FY'86 and FY'90 the agency's authorized FTE has decreased by 3 while the agency's actual FTE has decreased by 11.4 or 2.7%.
- One million dollars of surplus money used to alleviate cash-flow problems was cut from the agency's FY'91 appropriation. At the same time, the agency received an appropriation of \$391,146. Of that amount, \$384,490 is related to adjustments for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. As a result, there was a \$6,656 appropriation of new money for agency operations compared to FY'90.
- Of the \$4,540,592 total appropriation, \$1,000,000 was given to the agency in cash. This will be used to offset the time-lag in collecting certain fees, and allows the agency to absorb the \$1,000,000 appropriation decrease without affecting programs or services.
- The appropriation bill directs the agency to expend revolving funds for the following activities and associated FTE:

Seven FTE are directed to perform underground storage tank duties as directed in the Oklahoma Underground Storage Tank Regulation Act with employment contingent on continuance of the program. The Regulation Act increases the agency's involvement in the inspection of underground petroleum tanks and in the investigation of releases of petroleum products from underground systems.

Twenty-eight FTE are directed to perform duties in accordance with the Underground Injection Control and Underground Storage Tank Programs. These FTE are contingent upon sufficient federal funding or funding under the Oklahoma Petroleum Underground Release Indemnity Program.

One Hundred Twenty Thousand Dollars was directed to be spent from the agency's Revolving Fund to implement the provision of HB 1738, a bill directing the Corporation Commission to start a branch office in Tulsa.

- Language defining the authority of the General Administrator and outlining hiring procedures for that position was included in the bill.

HORSE RACING COMMISSION

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u> ¹	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$0	N/A	\$1,360,703	29.8%	8.9	9.0
FY'87 Revised	\$945,342 ²	N/A	\$1,436,911	5.6%	8.5	9.0
FY'88	\$1,119,805	18.4%	\$1,640,788	14.2%	9.8	10.0
FY'89	\$1,903,534	70.0%	\$3,890,758	137.1%	13.4	16.0
FY'90	\$2,458,056	29.1%	\$2,130,803	-45.2%	18.0	19.0
FY'91	\$2,637,224	7.3%	\$3,263,624	53.1%		71.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures and is often overestimated (Includes \$2,750,000 in expenditures from the Breeder Development Fund).

² Does not include FY'86 General Revenue carryover.

- Since FY'87 the agency has experienced a \$1,691,882 or 179.0% increase in appropriations; when adjusted for inflation, the change is a \$1,259,695 or 133.3% increase. In FY'86 the agency operated solely from revolving fund income.
- Since FY'86 the agency's total budget has increased by 139.9%. Compared to FY'90 the agency's total budget is expected to increase by \$1,132,821 or 53.1%. Much of the increase is due to re-appropriated funds for increased FTE.
- Of the \$179,168 or 7.3% increase in appropriations for FY'91, \$31,735 is related to adjustments for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$147,433 or 6.0% increase compared to FY'90.
- In the five years between FY'86 and FY'90 the agency's authorized FTE has increased by 62. Fifty-two (52) new FTE were authorized for FY'91 to include stewards, judges, and other track personnel as employees. Previously, these positions were filled with contract employees; however, the Legislature authorized permanent/part-time FTEs for these positions to comply with changes in IRS employee classification (see below).
- Several urgent needs were identified for FY'91 by the Commission totaling \$800,800. Since certain FY'90 funds were available for re-appropriation for FY'91 (\$411,415), the actual cost of these needs in new appropriated dollars totaled \$389,385. Of that amount, \$258,666 was uncertified money to be generated in FY'91.
- The Commission's \$800,800 worth of needs were as follows:
 - The IRS and the OK Employee Securities Commission assessed \$194,000 worth of penalties and back-taxes against the Horse Racing Commission for contract employees who, by updated IRS standards, were treated as employees, therefore requiring payments from the Commission for social security, FICA, etc.
 - For FY'91, the contract employee positions were classified as permanent/part-time positions which added 52 new FTEs at a cost of \$453,800 for salaries and benefits. In it's appropriation

bill, the Commission was directed to recover sixty percent (60%) of this cost from the racetracks which resulted in \$258,666 of uncertified money which was appropriated to the Commission.

- The Commission had overestimated the revenue generated in FY'90 by the Equine Drug Testing Center due to a delay in opening the facility and a lag on collections from race tracks. To cover the revenue shortfall, \$140,000 was appropriated to the Commission to fulfill the Drug Center contract with the OKC Police Department.
- The Equine Drug Testing Center needed two more lab technicians to lower the turnaround time on test results. The state's share of the equipment and salaries equaled \$13,000.
- \$411,415 of FY'90 funds were re-appropriated to the Commission for FY'91. Not all the FY'90 budgeted race days were used, leaving a positive balance in certain funds.

INSURANCE COMMISSION

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u> ¹	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$1,966,141	8.8%	\$3,199,024	31.7%	66.4	71.0
FY'87 Revised	\$1,974,319 ²	0.4%	\$3,060,874	-4.3%	78.1	84.0
FY'88	\$2,199,095	11.4%	\$3,173,305	3.7%	85.7	98.0
FY'89	\$2,437,150	10.8%	\$3,655,029	15.2%	92.0	98.0
FY'90	\$2,579,883	5.9%	\$3,983,426	9.0%	95.5	99.0
FY'91	\$2,674,651	3.7%	\$4,686,246	17.6%		103.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of total expenditures and is often overestimated.

² Does not include FY'86 General Revenue carryover.

- Since FY'86 the agency has experienced a \$708,510 or 36.0% increase in appropriations; when adjusted for inflation, the change is a \$210,141 or 10.7% increase.
- Since FY'86 the agency's total budget has increased by 46.5%. Compared to FY'90 the agency's total budget is expected to increase by \$702,820 or 17.6%. Much of the increase will accommodate increased revolving fund expenditures.
- In the five years between FY'86 and FY'90, the agency's authorized FTE has increased by 28 or 39.4%. For FY'91, 4 new FTE were authorized.
- All of the \$94,768 or 3.7% increase in appropriations for FY'91 is related to adjustments for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. As a result, there is no change in the state appropriation for agency operations compared to FY'90.
- The Department's FTE limit was raised by 4 to set up the Real Estate Appraisal Board as directed in HB 2267 to be funded through the agency's revolving fund.
- The Department's Revolving Fund expenditure limit was increased by \$277,106 to accommodate the Real Estate Appraisal Board (\$192,000) and merit position adjustments for analysts and examiners (\$85,106).

DEPARTMENT OF LABOR

	Appropriation	Percent Change	Total Budget Expenditures ¹	Percent Change	Actual FTE	Authorized FTE
FY'86	\$1,976,115	58.2%	\$2,552,020	44.2%	71.0	79.0
FY'87 Revised	\$1,919,105 ²	-2.9%	\$2,817,463	10.4%	82.4	89.0
FY 88 ³	\$2,408,125	18.4%	\$2,981,414	5.8%	89.3	103.0
FY'89	\$3,197,351	32.8%	\$4,003,950	34.3%	102.8	110.0
FY'90	\$3,169,724	-0.9%	\$3,994,078	-0.2%	105.5	112.0
FY'90	\$3,265,399	3.0%	\$4,554,072	14.2%		112.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of total expenditures and is often overestimated.

² Does not include FY'86 General Revenue carryover.

³ Includes \$135,000 and 10 FTE granted as a supplemental appropriation.

- Since FY'86 the agency has experienced a \$1,289,284 or 65.2% increase in appropriations; when adjusted for inflation, the change is a \$680,841 or 34.5% increase.
- Since FY'86 the agency's total budget has increased by 78.5%. Compared to FY'90 the agency's total budget is expected to increase by \$559,994 or 14.2%. The large increase in the last several years is mostly attributable to increases in boiler inspections, amusement ride inspections, the job safety program and asbestos related activities.
- In the five years between FY'86 and FY'90 the agency's authorized FTE has increased by 33 or 41.8%.
- Of the \$95,675 or 3.0% increase in appropriation for FY'91, \$88,750 is related to adjustments for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. As a result, the actual change in the state appropriation for agency operations was \$6,925 compared to FY'90. Additional funding was provided for rent increases.
- \$40,000 of excess FY'90 funds were re-appropriated to the Department to fill a hole created by a re-appropriation of FY'89 funds.
- The FY'89 appropriation included \$540,000 for a consultation program to assist schools in developing management plans as required by the federal Asbestos Hazard Emergency Response Act (AHERA). Although all school districts were required to develop management plans by October 21, 1988, the deadline was extended to June, 1989. Per agreement with the Legislature in the 1988 session, the agency is phasing the AHERA FTE into the Job Safety Program. However, this phase-in is occurring at a slower pace than originally scheduled due to the extended deadline. As such, \$47,750 in costs associated with a job safety consultant were removed from the FY'90 appropriation level. Language in SB 799 directs the Department to compile an Asbestos Abatement Report.

SB 799, Sections 64-69

HB 2308

LIQUEFIED PETROLEUM GAS BOARD

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u> ¹	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$274,298	7.2%	\$261,815	7.5%	8.9	9.0
FY'87 Revised	\$229,039 ²	-16.5%	\$234,336	-11.5%	7.4	9.0
FY'88	\$251,901 ³	10.0%	\$251,733	7.4%	8.0	9.0
FY'89	\$326,144	29.5%	\$292,085	16.0%	9.6	11.0
FY'90	\$347,191	6.5%	\$347,511	19.0%	10.2	11.0
FY'91	\$365,297	5.2%	\$365,297	5.1%		11.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of total expenditures and is often overestimated.

² Does not include FY'86 General Revenue carryover.

³ Includes \$9,423 granted as a supplemental appropriation.

- Since FY'86 the agency has experienced a \$90,999 or 33.2% increase in appropriations; when adjusted for inflation, the change is a \$22,933 or 8.4% increase.
- Since FY'86 the agency's total budget has increased by 39.5%. Compared to FY'90, the agency's total budget is expected to increase by \$17,786 or 5.1%.
- In the five years between FY'86 and FY'90 the agency's authorized FTE has increased by 2. During the same time, the agency's actual FTE has increased by 1.3.
- Of the \$18,106 or 5.2% increase in appropriations for FY'90, \$12,010 is related to adjustments for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. As a result, the actual change in the state contribution to agency operations is a \$6,096 or 1.8% increase compared to FY'90. The agency received \$750 for increased longevity, \$100 for increased property insurance, and \$5,246 to increase the Administrator's salary from \$30,400 to \$36,646.

MINING BOARD

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u> ¹	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$978,922	44.8%	\$2,322,845	26.8%	53.6	57.5
FY'87 Revised	\$817,400 ²	-16.5%	\$2,215,716	-4.6%	54.6	57.5
FY'88	\$845,700	3.5%	\$2,157,629	-2.8%	56.8	57.5
FY'89	\$989,758	17.0%	\$2,466,623	14.3%	56.8	57.5
FY'90	\$1,019,451	3.0%	\$2,583,944	4.8%	58.7	59.5
FY'91	\$1,059,412	3.9%	\$2,885,842	11.7%		59.5

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of total expenditures and is often overestimated.

² Does not include FY'86 General Revenue carryover.

- Since FY'86 the agency has experienced a \$80,490 or 8.2% increase in appropriations; when adjusted for inflation the change is a -\$116,910 or 11.9% decrease.
- Since FY'86 the agency's total budget has increased by 24.2%. Compared to FY'90, the agency's total budget is expected to increase by \$301,898 or 11.7%.
- In the five years between FY'86 and FY'90, the agency's authorized FTE has increased by 2 or 3.5% while the actual FTE has increased by 5.1 or 9.5%.
- All of the \$39,961 or 3.9% increase in appropriations for FY'91 is related to adjustments for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. As a result, there was no actual change in the state appropriation for agency operations compared to FY'90.
- The Department's Revolving Fund limit for federal funds was increased \$35,000 to accommodate anticipated federal funds.
- The Department's Revolving Fund expenditure limit was increased \$15,000 for the purchase of 17.5 acres of land where one of the field offices is located. Authorizing language was included in the appropriation bill.

DEPARTMENT OF POLLUTION CONTROL

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u> ¹	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$187,788	15.1%	\$1,113,424	5.3%	7.5	8.0
FY'87 Revised	\$148,497 ²	-21.0%	\$970,186	-12.9%	6.8	8.0
FY'88	\$160,237	7.9%	\$1,066,462	9.9%	6.4	8.0
FY'89	\$179,132	11.8%	\$1,650,484	54.8%	7.5	8.0
FY'90	\$174,671	(2.5)%	\$1,245,006	-24.6%	7.7	8.0
FY'91	\$252,108	44.3%	\$2,793,611	124.4%		8.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of total expenditures and is often overestimated.

² Does not include FY'86 General Revenue carryover.

- Since FY'86 the agency has experienced a \$64,320 or 34.3% increase in appropriations; when adjusted for inflation, the change is a \$17,345 or 9.2% increase.
- Since FY'86 the agency's total budget has increased by 150.9%. Compared to FY'90, the agency's total budget is expected to increase by \$1,548,605 or 124.4%. The large increases in FY'89 and in FY'91 are the anticipated receipt of federal funds associated with the Underground Storage Tank Program.
- In the five years between FY'86 and FY'90 the agency's actual FTE has increased by 0.2 or 2.7%.
- Of the \$77,437 or 44.3% increase in appropriations for FY'90, \$3,808 is related to adjustments for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. As a result, the actual change in the state contribution to agency operations is a \$73,629 or 42.2% increase compared to FY'90. The agency received \$6,915 to increase the Administrator's salary from \$39,585 to \$47,500.
- The agency received \$66,714 as a 10% state match of federal funds for the Leaking Underground Storage Tank program.

SECURITIES COMMISSION

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u> ¹	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$765,113	16.5%	\$1,290,738	12.8%	32.1	34.0
FY'87 Revised	\$629,200 ²	-17.8%	\$1,239,253	-4.0%	30.8	34.0
FY'88	\$661,029	5.1%	\$1,230,991	-0.7%	30.5	34.0
FY'89	\$764,412	15.6%	\$1,613,862	31.1%	35.4	37.0
FY'90	\$788,887	3.2%	\$1,623,595	0.6%	36.2	39.0
FY'91	\$824,842	4.6%	\$1,736,108	6.9%		39.0

1. Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of total expenditures and is often overestimated.

2 Does not include FY'86 General Revenue carryover.

- Since FY'86 the agency has experienced a \$59,729 or 7.8% increase in appropriations; when adjusted for inflation, the change is a -\$93,964 or 12.3% reduction.
- Since FY'86 the agency's total budget has increased by 34.5%. Compared to FY'90, the agency's total budget is expected to increase by \$112,513 or 6.9%.
- In the five years between FY'86 and FY'90 the agency's authorized FTE has increased by 5 or 14.7%, while the agency's actual FTE has increased by 4.1 or 12.8%.
- All of the \$35,955 or 4.6% increase in appropriations for FY'91 is related to adjustments for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. As a result, there is no change in the actual state appropriation for agency operations compared to FY'90.

DEPARTMENT OF TOURISM AND RECREATION

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u> ¹	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$21,944,919	12.1%	\$34,669,323	-0.6%	845.4	975.0
FY'87 Revised	\$18,420,604 ²	-16.1%	\$33,200,808	-4.2%	818.1	839.5
FY'88	\$20,546,818 ³	11.5%	\$36,465,388	9.8%	802.0	839.5
FY'89	\$21,361,305 ³	4.0%	\$41,044,450	12.6%	853.6	849.5
FY'90	\$22,530,333	5.5%	\$41,733,194	1.7%	875.0	849.5
FY'91	\$24,510,472	8.8%	\$41,958,822	0.5%		849.5

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of total expenditures and is often overestimated.

² Does not include FY'86 General Revenue carryover.

³ Excludes capital and project funds.

- Since FY'86 the agency has experienced a \$2,565,553 or 11.7% increase in appropriations; when adjusted for inflation, the change is a -\$2,001,491 or 9.1% reduction.
- Since FY'86 the agency's total budget has increased by 21.0%. Compared to FY'90, the agency's total budget is expected to increase by \$225,628 or 0.5%.
- In the five years between FY'86 and FY'90, the agency's authorized FTE has decreased by 126, while the agency's actual FTE has increased by 29.6 or 3.5%.
- The agency experienced a \$1,980,139 or 8.8% increase in appropriations for FY'91; \$1,183,756 is related to adjustments for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$796,383 or 3.5% increase compared to FY'90. All of the \$796,383 is earmarked for the capital expenditures or projects listed below.
- Phase II of the Oklahoma City Information Center was funded at \$400,000.
- Funding for brochures for park and recreation advertising was continued at \$100,000.
- The Jazz Hall of Fame near Tulsa received \$100,000 for furnishings and other needs.
- The Anadarko American Indian Expo and the National Gallery of Indian Art received a total of \$50,000 for FY'91.
- An additional appropriation of \$50,000 will be used to augment operational support for the lake associations administered under the multi-county organizations.
- An appropriation of \$4,000 increased the Director's salary from \$55,000 to \$60,000.
- \$242,383 was appropriated to the Parks Division for various expansions and improvements.

SB 799, Sections 79-86

WATER RESOURCES BOARD

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u> ¹	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$3,004,121	13.4%	\$5,181,266	21.4%	88.0	88.0
FY'87 Revised	\$2,603,379 ²	-13.3%	\$5,843,505	12.8%	83.6	88.0
FY'88	\$2,871,057 ³	10.3%	\$4,376,759	-25.1%	81.2	88.0
FY'89	\$3,260,173	-13.5%	\$5,972,341	3.5%	83.3	88.0
FY'90	\$3,376,060	3.6%	\$10,239,986	71.5%	91.9	96.0
FY'91	\$3,512,032	4.0%	\$8,120,151	20.7%		104.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of total expenditures and is often overestimated.

² Does not include FY'86 General Revenue carryover.

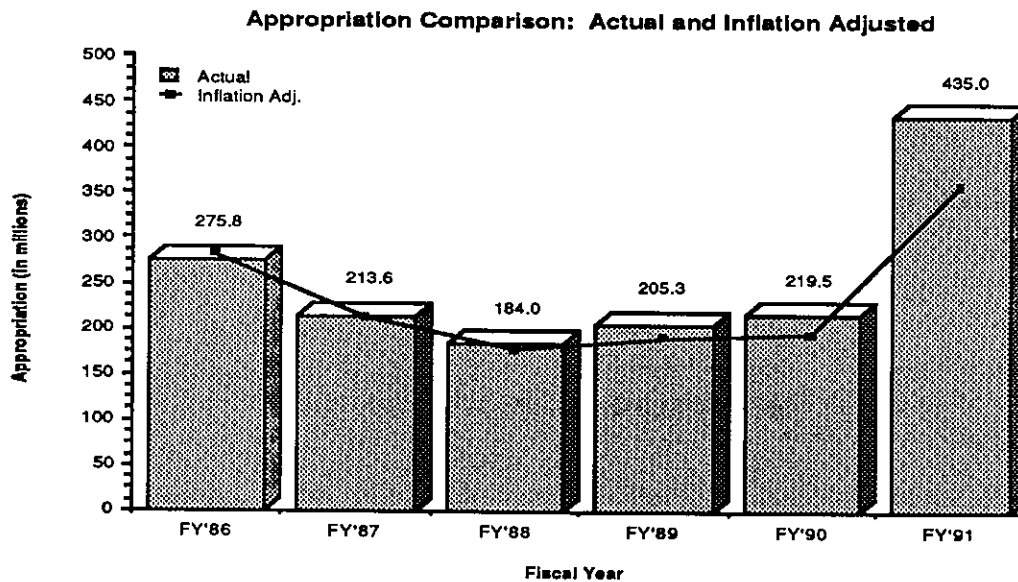
³ Includes a \$15,000 supplemental appropriation and excludes funding for water projects.

- Since FY'86 the agency has experienced a \$507,911 or 16.9% increase in appropriations; when adjusted for inflation the change is a -\$146,487 or 4.9% decrease.
- Since FY'86 the agency's total budget has increased by \$2,938,885 or 56.7%. Compared to FY'90, the agency's total budget is expected to decrease by -\$2,119,835 or 20.7%. The decrease since FY'90 is associated with the elimination of one-time funding for water resources projects.
- In the five years between FY'86 and FY'90, the agency's actual FTE has increased by 3.9 or 4.4%. Five new FTE were authorized for FY'91.
- The \$135,972 or 4.0% overall increase in appropriations for FY'91 includes \$64,047 for the \$1,000 increase in state employees' pay, the decrease in employer contribution to OPERS, and the increased cost of health insurance premiums. Excluding this increase, the state appropriation for the agency is a \$153,337 or 4.5% increase compared to FY'90.
- An appropriation of \$153,337 fulfilled Phase II funding for the National Pollutant Discharge Elimination System (NPDES). When all phases are completed, the agency will be able to assume single jurisdiction for the NPDES permits from the U.S. Environmental Protection Agency (EPA). This should save industries time and expense in making application for both state and federal permits and in fulfilling dual reporting requirements. Adequate staffing to draft and monitor permits must first be achieved before the EPA will relinquish jurisdiction. FY'91 funding provides for 5 FTE. Phase I funding in FY'90 provided \$80,972 for 3 new FTE. Substantive language was included in the appropriation bill requiring the Water Resource Board to generate funds sufficient to fully support the NPDES program.
- Governor Bellmon vetoed funding from the agency's base of \$81,412 for the Association of Central Oklahoma Governments sub-state planning district to carry out the work program of the Garber-Wellington Association.

PUBLIC SAFETY & TRANSPORTATION SUBCOMMITTEE

Historical Overview

Since FY'86, total appropriated funds for the Public Safety and Transportation Subcommittee have increased by \$159.2 million or 57.7%. When adjusted for inflation, the increase is \$78.2 million or 28.4%. After a decline in FY'87, a result of the severe economic conditions which existed, appropriations for the subcommittee have steadily increased. The largest increase of the four year period occurred in FY'91.

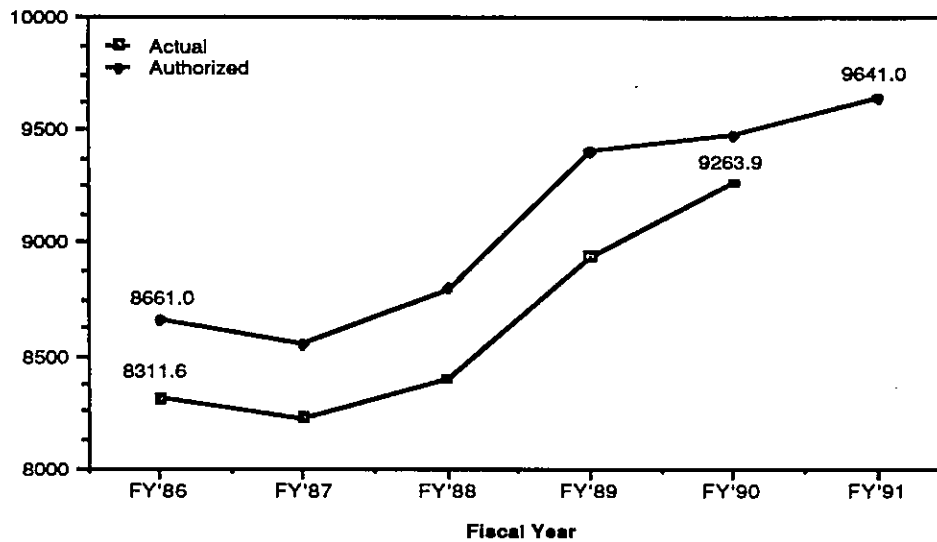


In FY'91 a State Transportation Fund was established to accumulate motor fuel tax revenues and to appropriate funds to the Department of Transportation. Creation of the State Transportation Fund increased the Subcommittee's total appropriated funds by approximately \$197.7 million. Disregarding the State Transportation Fund, Subcommittee appropriated funds reflect a \$38.5 million or 14.0% decrease from FY'86. The legislature created the State Transportation Fund as an appropriated fund to provide additional oversight of the state's public transportation system. Previously, motor fuel tax revenues were deposited directly to the Highway Construction and Maintenance Fund for Department of Transportation use.

Of the \$435.0 million appropriated to the Public Safety and Transportation Subcommittee in FY'91, 94.5% was allocated among three agencies. The Department of Transportation received 47.5% of the appropriated funding, Department of Corrections 35.3%, and Department of Public Safety 11.7%.

The Pardon and Parole Board experienced the largest appropriation increase, since FY'86, an increase of 86.3%. The Department of Transportation experienced a 8.3% decrease in appropriations if the State Transportation Fund is not considered. The Council on Law Enforcement Education and Training and Department of Public Safety received increases of 69.6% and 51.5%, respectively. Department of Corrections received a 34.4% increase and the State Fire Marshal received a 25.6% increase, while the Department of Civil Defense and the Oklahoma Military Department each received an increase of approximately 14.0%. The Bureau of Narcotics and Dangerous Drugs, the Alcoholic Beverage Laws Enforcement Commission, and the Oklahoma State Bureau of Investigation received increases of 8.5%, 2.5%, and 1.0%, respectively.

PUBLIC SAFETY & TRANSPORTATION SUBCOMMITTEE-FTE



The FTE authorization for the agencies comprising the Public Safety and Transportation Subcommittee increased by 980 or 11.3% since FY'86. The actual FTE level increased by 952.3 or 11.5% between FY'86 and FY'90. In FY'86 the vacancy rate was 4.2%, while only 2.2% in FY'90.

<u>Fiscal Year</u>	<u>Appropriation</u>	<u>Total Expenditures</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
1986	275,723,721	641,316,882	8,311.6	8,660.5
1987 Revised	213,563,118	558,423,156	8,227.9	8,548.5
1988	184,042,108	684,760,479	8,459.8	8,799.5
1989	205,296,058	719,186,922	8,936.6	9,409.5
1990	219,463,165	735,257,294	9,263.9	9,470.5
1991	434,987,504	739,968,113		9,640.5

Since FY'86 the FTE authorization for the Department of Corrections has increased by 640 or 18.3%. The Department of Transportation received authorization for 160 additional positions, representing a 4.9% increase. The FTE authorization for the Oklahoma Military Department increased by 79 or 46.6%, and Department of Public Safety increased by 46 or 3.5%.

1990 Session

The FY'91 appropriation for the agencies comprising the Public Safety and Transportation Subcommittee was approximately \$435 million. This represents 13.6% of the total state appropriation for FY'91. The FY'91 appropriation to the subcommittee represents an increase of \$215.5 million or 98.2% over FY'90. This dramatic increase is primarily due to the creation of the State Transportation Fund, which appropriates funds to the Department of Transportation. Disregarding the State Transportation Fund, the FY'91 appropriation reflects an increase of approximately \$17.8 million or 8.1% over FY'90. The Department of Corrections received an increase of \$10.1 million or 7.1% over FY'90 while the Department of Public Safety received an increase of \$5.6 or 12.4%.

Alcoholic Beverage Laws Enforcement Commission

	<u>Appropriation</u>	Percent <u>Change</u>	Total ¹ Budget <u>Expenditures</u>	Percent <u>Change</u>	Actual <u>FTE</u>	Authorized <u>FTE</u>
FY'86	\$2,801,445	174.1%	\$2,901,445	163.8%	70.0	72.0
FY'87 Revised	2,213,489 ²	-21.0%	2,448,489	-15.6%	67.0	72.0
FY'88	2,314,097	4.5%	2,434,295	-0.6%	67.1	72.0
FY'89	2,556,375	10.5%	2,617,488	7.5%	67.5	73.0
FY'90	2,677,504	4.7%	2,727,421	4.2%	72.8	75.0
FY'91	2,870,721	7.2%	2,983,721	9.4%		75.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$69,276 or 2.5% increase in appropriations; when adjusted for inflation, the change is a \$465,626 or 16.6% decrease. The agency's inflation adjusted funding level is not keeping up with inflation due to the statewide reduction in funding in FY'87.
- Since FY'86 the agency's total budget has increased by 2.8%. Compared to FY'90 the agency's total budget is expected to increase by \$256,300 or 9.4%.
- Between FY'86 and FY'91 the agency's authorized FTE has increased by 3.0 or 4.2%. In FY'91 the agency's FTE is expected to remain constant at 75.0.
- Of the \$193,217 or 7.2% increase in appropriations for FY'91, \$113,282 is related to adjustments for the \$1,000 increase in state employees' pay, increase in employer contribution to OPERS and the increased cost of health insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$79,935 or 3.0% increase compared to FY'90.
- The FY'91 appropriation will allow the agency to replace an additional 5 motor vehicles each year. These funds were returned to the base.
- The agency was appropriated an additional \$17,500 to begin establishing an automated Brand Registration Program for the certified liquors sold in Oklahoma.
- Monies for one of the unfunded positions of the agency was reinstated. This position lost funding during budget reductions in FY'87.

Civil Defense

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$429,458	5.4%	\$1,760,357	3.7%	29.0	29.0
FY'87 Revised	338,770 ²	-21.1%	1,776,370	-0.9%	25.0	29.0
FY'88	386,789	14.2%	12,111,266 ³	581.8%	28.0	30.0
FY'89	442,665	14.4%	6,754,339 ³	-44.2%	27.1	29.0
FY'90	450,761	1.8%	2,169,255	-67.9%	26.0	29.0
FY'91	492,334	9.2%	2,176,373	0.3%		29.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

³ Includes federal funds and supplemental state funds paid out for flood claims on October '86 and April '87 floods.

- Since FY'86 the agency has experienced a \$62,876 or 14.6% increase in appropriations; when adjusted for inflation, the change is a \$8,861 or 6.7% decrease.
- Since FY'86 the agency's total budget has increased 23.6%. Compared to FY'90 the agency's total budget is expected to increase by \$7,118 or 0.3%. The fluctuation in total funding is due to flood claims processed during FY'88 and FY'89.
- Between FY'86 and FY'91 the agency's authorized FTE has remained constant. The increase in FY'88 was due to federal funding for a position to assist in processing flood claims. This position was never filled and the FTE was removed.
- The agency received supplemental appropriations totaling \$1,821,700 during the 1987 session. These monies were used for federal match to assist with flood claims from all over the state.
- Of the \$41,573 or 9.2% increase in appropriations for FY'90, \$10,360 is related to adjustments for the state employees' pay plan, OPERS adjustment and Health Insurance adjustment. As a result, the actual change in the state appropriation for agency operations is a \$31,213 or 6.9% increase compared to FY'90.
- \$25,000 was appropriated as one-time funds for the completion of the Emergency Operations Center at Tahlequah.
- The appropriation received for FY'91 will allow the agency to continue all programs at their current level.

SB 801, Section 1
HB 2328, Section 10

Department of Corrections

	Appropriation	Percent Change	Total ¹ Budget Expenditures	Percent Change	Actual FTE	Authorized FTE
FY'86	\$114,146,829	15.8%	\$125,733,000	13.3%	3262.8	3496.0
FY'87 Revised	101,418,886 ²	-11.2%	121,865,000	-3.1%	3229.1	3384.0
FY'88	112,278,056	10.7%	125,015,799	2.6%	3402.1	3559.0
FY'89	131,370,721 ³	17.0%	143,764,276	15.0%	3725.3	4004.0
FY'90	143,267,691 ⁴	9.1%	169,162,061	17.7%	3966.8	4038.0
FY'91	153,416,633	7.1%	174,526,633	3.2%		4136.0

¹ Total of all appropriated, federal and revolving fund expenditures. FY'91 is an estimate of anticipated expenditures.

² Does not include carryover.

³ Does not include \$11,287,000 in capital funding approved in Special Session or \$77,718 for water well drilling

⁴ Does not include \$17,000,000 in capital funding from Constitutional Reserve Fund.

- Since FY'86 the agency has experienced a \$39,269,804 or 34.4% increase in appropriations; when adjusted for inflation, the change is a \$10,683,629 or 9.4% increase. This amount does not include appropriations for capital projects.
- Since FY'86 the agency's total budget has increased by 38.8%. Compared to FY'90 the agency's total budget is expected to increase by \$5,364,572 or 3.2%. Over this same period, Oklahoma's prison population has increased by 682 or 7.2%.
- Between FY'86 and FY'91 the agency's authorized FTE has increased by 640 or 18.3%. For FY'91, the FTE authorization was increased by 98 or 2.4%. This will allow for additional positions associated with the inmate work centers and the Community Service Sentencing Program.
- For FY'90, the agency received a supplemental appropriation for agency operations of \$1.2 million. The FY'91 appropriation included new monies to continue this funding.
- The Legislature provided \$305,649 in new monies for the cost of property insurance for correctional facilities throughout the state. These facilities will be insured through the state's Risk Management program. Prior to the implementation of this property insurance program, none (or all) of the state's prison facilities were insured (or uninsured).
- Of the \$10,148,942 or 7.1% increase in appropriations for FY'91, \$4,534,439 is related to adjustments for the state employees' pay plan, OPERS contribution and Health Insurance Premiums. As a result, the actual change in the state appropriation for agency operations is a \$5,614,503 or a 3.9% increase compared to FY'89.
- \$3,215,652 was appropriated and 49 FTE added for funding of existing FTE and facilities.
- \$700,000 was added for funding of inmate supplies for 11,200 inmates, and \$200,000 was designated for 20 more halfway house beds.
- The agency was appropriated \$506,809 for funding of trusty units at OSP and Mack Alford Correctional Center. \$167,500 was included for a computerized literacy assistance program.

- \$1,000,000 was added for additional contracts and reimbursement in the Community Service Sentencing Program.
- The CRB authorized the opening of three new work centers to help ease the current overcrowding situation. This could result in the need for a supplemental appropriation during FY'91. Even though the Legislature has added nearly 3,000 new beds since FY'83, or a 56.1% increase in bed space, the at-facility count will be 2,089 over the present capacity.

SB 800, Section 1
HB 2328, Section 12

State Fire Marshal

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$715,377	5.9%	\$715,377	5.9%	19.0	19.0
FY'87 Revised	596,827 ²	-16.6%	632,300	-11.6%	18.0	18.0
FY'88	601,766	-0.8%	597,246	-5.5%	16.4	17.0
FY'89	662,248	10.1%	632,239	5.9%	16.3	17.0
FY'90 ³	705,530	6.5%	701,544	11.0%	16.5	22.0
FY'91	898,746	27.4%	918,746	31.0%		23.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

³ Includes supplemental funding, see Table 2.

- Since FY'86 the agency has experienced a \$183,369 or 25.6% increase in appropriations; when adjusted for inflation, the change is a \$15,905 or 2.2% increase.
- Since FY'86 the agency's total budget has increased by 28.4%. Compared to FY'90 the agency's total budget is expected to increase by \$217,202 or 31.0%.
- Between FY'86 and FY'91 the agency's authorized FTE has increased by 4.0 or 21.1%. In FY'91 the agency's FTE is expected to increase 1.0 to 23.0 as a result of adding additional FTE and reducing the FTE vetoed through a line-item in FY'90.
- Of the \$193,216 or 27.4% increase in appropriations for FY'91, \$25,906 is related to adjustments for the state employees' pay plan, OPERS contribution and Health Insurance Premiums. As a result, the actual change in the state appropriation for agency operations is a \$167,310 or 23.7% increase compared to FY'90.
- The Fire Marshal received \$191,310 in new funding for 4 additional arson investigators, a data entry operator and an executive secretary.
- \$24,000 was approved as a supplemental appropriation for the agency to purchase Personal Computers for connecting on-line to the ICS system. These funds were vetoed by the Governor at the end of the 1989 session.
- The Legislature approved \$100,000 in new funding for the establishment of a regional training center. The Governor vetoed this line item.

SB 802, Section 1
HB 2328, Section 26

Oklahoma State Bureau of Investigation

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$7,917,856	11.5%	\$8,123,106	12.7%	181.0	187.0
FY'87 Revised	6,491,500 ²	-18.0%	7,208,000	-11.3%	181.0	187.0
FY'88	6,677,058	2.9%	7,108,270	-1.4%	175.1	187.0
FY'89	7,271,783	8.9%	7,623,544	7.2%	181.7	187.0
FY'90	7,450,472	2.5%	8,404,154	10.2%	182.0	187.0
FY'91	7,996,890	7.3%	12,306,890	46.4%		187.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$79,034 or 1.0% increase in appropriations; when adjusted for inflation, the change is a \$1,411,029 or 17.8% decrease.
- Since FY'86 the agency's total budget has increased by 51.5%. Compared to FY'90 the agency's total budget is expected to increase by \$3,902,736 or 46.4%. This is mainly due to the AFIS system being brought on-line.
- Between FY'86 and FY'91 the agency's authorized FTE level has remained constant.
- Of the \$546,418 or 7.3% increase in appropriations for FY'91, \$263,349 is related to adjustments for the state employees' pay plan, OPERS contribution and Health Insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$283,069 or 3.8% increase compared to FY'90.
- The agency received \$100,000 for one-time funding of lab counters and cabinets for the new McAlester office.
- \$50,000 was appropriated for overtime pay of Agent I's, Agent II's, Criminalist I's, Criminalist II's and Senior Criminalists.
- The State Auditor and Inspector was directed to conduct a complete audit of the agency. The audit is to include a review of agency personnel policies and practices.
- The Office of Personnel Management was directed to conduct position audits of all positions within the agency to properly classify employees and assist the agency in determining the status of employees as it relates to overtime pay..
- The OSBI received \$68,000 for increased rent in McAlester and lab repairs in Lawton.
- \$65,069 was appropriated for replacing federal funds associated with the Prescription Abuse Data Synthesis program.

- HB 2216 created the AFIS fund and provides revenue for the OSBI to Lease Purchase an Automated Fingerprint Identification System for the State over a five year period. Revenue is generated by a \$3 fingerprinting fee imposed upon any person convicted of any offense punishable by a fine of \$10 or more or by incarceration, excluding parking and standing violations. The system will cost \$1,027,000 for FY'91, and operational costs will be \$450,000 for maintenance and repair expense.

Council on Law Enforcement Education and Training

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$1,175,085	25.0%	\$1,175,085	25.0%	18.0	19.0
FY'87 Revised	1,025,450 ²	-12.7%	1,144,850	-2.6%	18.3	19.0
FY'88	1,503,499	46.6%	1,370,027	19.7%	24.5	25.0
FY'89	1,881,556	25.1%	1,730,323	26.3%	28.3	30.0
FY'90	1,866,278	-0.8%	1,718,340	-0.7%	29.7	30.0
FY'91	1,992,980	6.8%	1,992,980	16.0%		33.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$817,895 or 69.6% increase in appropriations; when adjusted for inflation, the change is a \$446,542 or 38.0% increase.
- Since FY'86 the agency's total budget has increased by 69.6%. Compared to FY'90 the agency's total budget is expected to increase by \$274,640 or 16.0%.
- Between FY'86 and FY'91 the agency's authorized FTE has increased by 14.0 or 73.7%. In FY'91 the agency's FTE is expected to reach 33.0, an increase of 3.0 or 10.0%. This increase is due to the authorization by the Legislature to hire three additional instructors.
- Of the \$126,702 or 6.8% increase in appropriations for FY'91, \$36,709 is due to the \$1,000 salary adjustments, OPERS premium reduction and the Health Insurance Premium increase. As a result of this adjustment, the actual increase in appropriated dollars is a \$89,993 or 4.8% increase.
- The agency was appropriated \$52,280 for three additional instructors.
- CLEET received \$37,713 for increased overhead costs of the agency.

Military Department

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$4,101,361	15.0%	\$6,670,360	21.3%	154.6	169.5
FY'87 Revised	3,408,789 ²	-16.9%	6,705,000	0.5%	157.3	170.5
FY'88	3,377,993	-0.9%	7,592,102	13.2%	179.3	192.5
FY'89	3,700,299	9.5%	8,853,927	16.6%	191.3	216.5
FY'90	4,248,550	14.8%	8,638,613	-2.4%	203.1	228.5
FY'91	4,653,226	9.5%	9,937,098	15.0%		248.5

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$551,865 or 13.5% increase in appropriations; when adjusted for inflation, the change is a \$315,172 or 7.7% decrease.
- Since FY'86 the agency's total budget has increased by 49.0%. Compared to FY'90 the agency's total budget is expected to increase by \$1,298,485 or 15.0%. The continued funding of armory construction, and additional support staff are the primary recipients of the increase in federal funds.
- In the five years between FY'86 and FY'91 the agency's authorized FTE has increased by 79 or 46.6%. The FTE involved in this increase are primarily support personnel, and administrative staff at the new or expanded armories.
- Of the \$404,676 or 9.5% increase in appropriations for FY'91, \$95,831 is related to adjustments for the state employees' pay plan, OPERS contribution and Health Insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$308,845 or 7.3% increase compared to FY'90.
- The agency was appropriated \$370,050 for construction of the Broken Arrow Armory. An additional \$25,000 was approved for roof repairs at the training facility at Pryor.
- \$25,000 was appropriated for the agency's share of the Real Property Insurance premium handled through the Office of Public Affairs.
- 12 FTE were authorized to be funded with 100% federal funds. Another 2 FTE and \$10,408 was approved for 2 positions which are 75% federally funded. \$47,300 and 5 FTE were approved for additional support staff at the Will Rogers Air National Guard base in Oklahoma City.
- 1 FTE and \$38,000 was approved for a support staff position in the finance section for the increased workload due to the implementation of ICS.
- \$10,565 was appropriated to pay off existing construction contracts and pay for design changes for armory plans.

SB 806, Section 82
HB 2328, Section 29

Bureau of Narcotics and Dangerous Drugs

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$3,492,785	10.6%	\$3,914,835	9.6%	73.5	77.0
FY'87 Revised	2,518,082 ²	-27.9%	3,792,982	-3.1%	75.0	77.0
FY'88	2,905,502	15.4%	3,282,973	-13.4%	70.2	83.0
FY'89	3,441,342	18.4%	4,108,206	25.1%	85.9	92.0
FY'90	3,534,243	2.7%	4,811,043	17.1%	93.6	94.0
FY'91	3,777,556	6.9%	5,350,256	11.2%		94.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$284,771 or 8.2% increase in appropriations; when adjusted for inflation, the change is a \$419,102 or 12.0% decrease.
- Since FY'86 the agency's total budget has increased by 36.7%. Compared to FY'90 the agency's total budget is expected to increase by \$539,213 or 11.2%. This increase is largely due to the increase of federal funds and seizure monies to be used for funding of the Black Box Tracking System for prescription drug abuse.
- In the five years between FY'86 and FY'91 the agency's authorized FTE has increased by 17 or 22.1%. In FY'91 the agency's FTE level is expected to remain 94.0
- Of the \$243,313 or 6.9% increase in appropriations for FY'91, \$133,313 or 54.8% is related to adjustments for the state employees' pay plan, OPERS adjustment and Health Insurance Premium adjustment. As a result, the actual change in the state appropriation for agency operations is a \$110,000 or 3.1% increase compared to FY'90.
- The BNDD was appropriated \$40,000 for General Revenue funding of the Public Information/Education Officer approved in FY'90 and previously funded with drug seizure monies.
- \$40,000 was appropriated to annualize the premium pay plan adopted by the agency in FY'90. This plan has reduced overtime in the agency by 51%.
- The agency received \$30,000 to purchase a new copying machine for the administrative offices.

Pardon and Parole Board

	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$749,191	14.0%	\$749,191	14.0%	22.0	22.0
FY'87 Revised	697,500 ²	-6.9%	709,500	-5.3%	21.0	22.0
FY'88	764,200	9.6%	755,644	6.5%	23.9	24.0
FY'89	1,045,365	36.8%	961,772	27.3%	27.5	29.0
FY'90	1,120,795	7.2%	1,135,290	18.0%	31.3	31.0
FY'91	1,395,780	24.5%	1,395,780	22.9%		39.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'91 figure is an estimate of anticipated expenditures.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$646,589 or 86.3% increase in appropriations; when adjusted for inflation, the change is a \$386,513 or 51.6% increase. This increase is due to the large increase in cases handled by the agency, equipment and personnel needed for the increased workload.
- Since FY'86 the agency's total budget has increased by 86.3%. Compared to FY'90 the agency's total budget is expected to increase by \$260,490 or 22.9%.
- In the five years between FY'86 and FY'91 the agency's authorized FTE has increased by 17.0 or 77.3%. In FY'91 the agency's FTE is expected to reach 39.0, an increase of 8.0 or 25.8%. This is the result of authorization for new FTE to help handle the increased workload.
- Of the \$274,985 or 24.5% increase in appropriations for FY'91, \$31,719 is related to adjustments for the state employees' pay plan, OPERS contribution and Health Insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$243,266 or 21.7% increase compared to FY'90.
- \$5,690 in one-time funds were removed. These funds were used in FY'90 for purchasing a personal computer to tie into the ICS system.
- The agency was appropriated \$218,666 for 8 new positions. A Docketing Investigator and two Word Processing Operators were added to replace employees on loan from the Department of Corrections. Three additional Investigators and two new clerks were also approved to assist in handling the current workload.
- \$16,033 was appropriated to annualize the effect of the expanded longevity program begun in FY'90. The \$2,000 originally approved for this agency covered the additional cost for only one employee.
- The agency received \$14,257 for additional lease space in the Oklahoma City office, two new word processors, two typewriters and additional travel costs.

SB 804, Section 1
HB 2328, Section 52

Department of Public Safety

	Appropriation	Percent Change	Total ¹ Budget Expenditures	Percent Change	Actual FTE	Authorized FTE
FY'86	\$33,614,126	13.7%	\$50,474,126	9.3%	1303.9	1317.0
FY'87 Revised	34,000,000 ²	1.1%	45,245,662	-10.4%	1261.0	1317.0
FY'88	43,917,839	29.2%	46,218,667	2.2%	1280.5	1317.0
FY'89	43,113,520	-1.8%	50,912,169	10.2%	1317.0	1319.0
FY'90	45,311,243	5.1%	54,895,212	7.8%	1350.6	1323.0
FY'91	50,917,822	12.4%	60,507,822	10.2%		1363.0

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'90 figure is an estimate of anticipated expenditures.

² Does not include carryover.

- Since FY'86 the agency has experienced a \$17,303,696 or 51.5% increase in appropriations; when adjusted for inflation, the change is a \$7,816,160 or 23.3% increase.
- Since FY'86 the agency's total budget has increased by 19.9%. Compared to FY'90 the agency's total budget is expected to increase by \$5,612,610 or 10.2%. The primary reason for this increase is the implementation of the Commercial Drivers License Program and the additional direct funding of the 800 MHz communications system.
- In the five years between FY'86 and FY'91 the agency's authorized FTE has increased by 46.0 or 3.5%. In FY'91 the agency's FTE should approach 1,363.0. This increase can be attributed to the implementation of the Commercial Drivers License Program which will necessitate an additional number of staff for a total of 20.0 FTE for CDL.
- Of the \$5,606,579 or 12.4% net increase in appropriations for FY'91, \$2,116,855 is related to adjustments for state employees' pay, OPERS contributions and Health Insurance premiums. As a result, the actual change in the state appropriation for agency operations is a \$3,489,724 or 7.7% increase compared to FY'90.
- The agency received \$2.2 million for implementation of the Commercial Drivers License Program approved in HB 1989. This program brings the state into compliance with the Commercial Motor Vehicle Safety Act of 1986, (federal law) which requires states to initiate a classified commercial licensing system by April of 1992. If the state is not in compliance a commercial operator-chauffeurs license will not be valid across state borders. To implement the program, the agency needs 40 Drivers License Examiners to contact and test approximately 316,000 commercial operator-chauffeur licensees. Testing of these licensees will generate approximately \$7.8 million in additional General Revenue funds over the next four years.
- Troopers received \$644,659 for an \$1,800 pay raise. Dispatchers received \$287,000 for a five percent (two grade) adjustment mandated by the Office of Personnel Management.
- \$76,065 was appropriated for 4 new Capitol Patrol Officers. Additionally, \$145,000 was provided for a five percent (two grade) pay adjustment for the patrol.

- \$145,000 and 2 FTE was approved for the implementation of HB 2155 which requires insurance companies to notify DPS upon termination of a motorists auto liability policy. The motorist has 30 days to provide subsequent proof of insurance to DPS or face suspension of their drivers license and vehicle registration, and the payment of a \$100 reinstatement fee.
- \$102,000 and 4 FTE was approved for the implementation of HB 1727 which authorizes DPS to suspend a defendants driving privileges until restitution is made for outstanding moving traffic violation fines imposed by a court. The Legislature allows DPS to charge \$75 for reinstating a suspended drivers license and will generate an estimated \$2 million in revenue.

Department of Transportation

	<u>Appropriation</u>		<u>Percent Change</u>	<u>Total ¹ Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Authorized FTE</u>
FY'86	\$106,610,208		0.8%	\$439,100,000	17.9%	3177.8	3253.0
FY'87 Revised	60,853,825	2	-42.9%	366,895,000	-16.4%	3175.2	3253.0
FY'88	9,315,309		-84.7%	478,274,190	30.4%	3192.7	3293.0
FY'89	9,810,184		5.3%	491,228,639	2.7%	3268.7	3413.0
FY'90	8,830,098		-10.0%	480,894,361	-2.1%	3291.5	3413.0
FY'91	206,574,816		2,239.4%	467,871,814	-2.7%		3413.0

1 Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'90 figure is an estimate of anticipated expenditures.

2 Does not include carryover.

- Since FY'86 the agency has experienced a \$99,964,608 or 93.8% increase in appropriations; when adjusted for inflation, the change is a \$61,473,450 or 57.7% increase.
- The State Transportation Fund was established in FY'91 to accumulate motor fuel tax revenues and to appropriate funds to the agency. The Legislature created the state transportation Fund as an appropriated fund to provide additional oversight of the state's public transportation system. During the period of FY'86 through FY'90 motor fuel tax revenues were deposited directly to the Highway Construction and Maintenance Fund for agency use.
- Since FY'86 the agency's total budget has increased by 6.6%. Compared to FY'90 the agency's total budget is expected to decrease by \$13,022,547 or 2.7%, due to decreases in federal funds.
- In the five years between FY'86 and FY'91 the agency's authorized FTE has increased by 160.0 or 4.9%. In FY'91 the agency's FTE is expected to remain at/or near 3413.0.
- The Aeronautics Commission was instructed to formulate a plan to enforce or strengthen the current system used for airplane registration. This direction was provided in response to the Commission's request for additional funding for grants.

TABLES

Table 1	Appropriations Comparison - FY'90 and FY'91, by Agency
Table 2	FY'90 Supplemental Appropriations
Table 3	FY'91 Capital Appropriations
Table 4	Line Item Vetoes



Table 4
Line Item Vetoes

<u>Agency/Purpose</u>	<u>Bill & Section Number</u>	<u>Amount</u>
Science and Technology, Center for Applied Research	HB 2281, § 1	3,100,000 (1)
Health Research	HB 2281, § 1	2,670,724 (1)
Technology Transfer	HB 2281, § 1	<u>60,000 (1)</u>
		5,830,724 (1)
Commerce, Department of Kiamichi Economic Development District	SB 799, § 21	100,000
Water Resources Board Garber-Wellington Aquifer Study	SB 799, § 88 HB 2311, § 2	81,412 (2)
Fire Marshal Claremore Training Center	HB 2328, § 27	100,000
Total Vetoes Sustained		<u><u>281,412</u></u>

(1) Veto overridden by the Legislature.

(2) Vetoed in two separate bills.



SUBCOMMITTEE ON HEALTH AND SOCIAL SERVICES

Health, Department of County Health Facilities/Environmental Projects	SB 788, § 24	935,000
Medicolegal Investigations, Board of Laboratory Equipment	SB 788, § 45	125,000
Mental Health and Substance Abuses Services Community Mental Health Centers	SB 788, § 49	175,000
Eastern State Hospital Repairs	SB 788, § 49	300,000
Equipment	SB 788, § 49	238,910
Subtotal		713,910
Subcommittee Total		<u>1,773,910</u>

SUBCOMMITTEE ON NATURAL RESOURCES AND REGULATORY SERVICES

Agriculture, Department of Food Processing Center	SB 792, § 1	400,000
Tourism and Recreation, Department of Parks/Facilities Improvements	SB 799, § 79	542,383
Oklahoma City Information Center	SB 799, § 81	400,000
Subtotal		942,383
Subcommittee Total		<u>1,342,383</u>

SUBCOMMITTEE ON PUBLIC SAFETY AND TRANSPORTATION

Investigation, State Bureau of Laboratory Repair, Lawton	HB 2328, § 41	40,000
Military, Department of Armory Construction, Broken Arrow	HB 2328, § 30	370,050
Forty-fifth Infantry Museum Repair		48,000
Whitaker Museum Repair	HB 2328, § 30	25,000
Subtotal		443,050
Subcommittee Total		<u>483,050</u>
TOTAL		<u><u>12,318,977</u></u>

- (1) Funding for these capital projects were reduced from the original amounts due to an overappropriation by the Legislature. Amounts shown reflect that reduction.
- (2) \$350,000 in agency revolving funds was utilized for the support of these projects.
- (3) Reappropriated funds were used to support this program.



Table 3
FY'91 Capital Appropriations

<u>Agency/Purpose</u>	<u>Bill Number and Section</u>	<u>Amount</u>
<u>SUBCOMMITTEE ON EDUCATION</u>		
Historical Society		
Coleman Opera House	SB 770, § 98	100,000
Jim Thorpe Memorial	SB 770, § 98	100,000
Subtotal		200,000
Vocational Technical Education, Board of (1)		
Wes Watkins AVTS	SB 770, § 149	174,720
Pontotoc County AVTS	SB 770, § 149	174,720
Western Oklahoma AVTS	SB 770, § 149	174,720
Chisholm Trail AVTS	SB 770, § 149	174,720
Gordon Cooper AVTS	SB 770, § 149	174,720
Southwest AVTS	SB 770, § 149	873,597
Kiamichi AVTS-Stigler Campus	SB 770, § 149	655,197
Kiamichi AVTS-Poteau Campus	SB 770, § 149	174,720
Less Revolving Fund Support (2)		-350,000
Subtotal		2,227,114
Subcommittee Total		2,427,114
<u>SUBCOMMITTEE ON GENERAL GOVERNMENT AND JUDICIARY</u>		
Auditor & Inspector		
Equipment	SB 781, § 9	50,000
Court of Criminal Appeals		
Remodeling	SB 781, § 19	44,128
Election Board		
Election Management System	SB 781, § 40-44	3,385,000
Less Reappropriation (3)		-406,608
Subtotal		2,978,392
Finance, Office of State		
Supercomputer Revolving Fund	SB 781, § 53	1,800,000
Public Affairs		
Capitol Roof Repair	SB 781, § 77	200,000
Supreme Court		
Equipment	SB 781, § 99-100	20,000
Tax Commission		
Commercial Drivers' License Equip.	SB 781, § 110	1,200,000
Subcommittee Total		6,292,520



SUBCOMMITTEE ON NATURAL RESOURCES AND REGULATORY SERVICES

Agriculture, Department of McGee Creek Fire Protection	HB 2320, § 19	480,499
Conservation Commission Replace Federal Funds	HB 2320, § 21	319,200
Subcommittee Total		<hr/> 799,699

SUBCOMMITTEE ON PUBLIC SAFETY AND TRANSPORTATION

Corrections, Department of Operations	SB 800, § 2	1,194,797
Prison Facilities	SB 800, § 3	1,289,000
Subtotal		<hr/> 2,483,797
Fire Marshal Computer Equipment	HB 2320, § 23	24,000
Subcommittee Total		<hr/> 2,507,797
TOTAL		<hr/> <hr/> 17,491,110



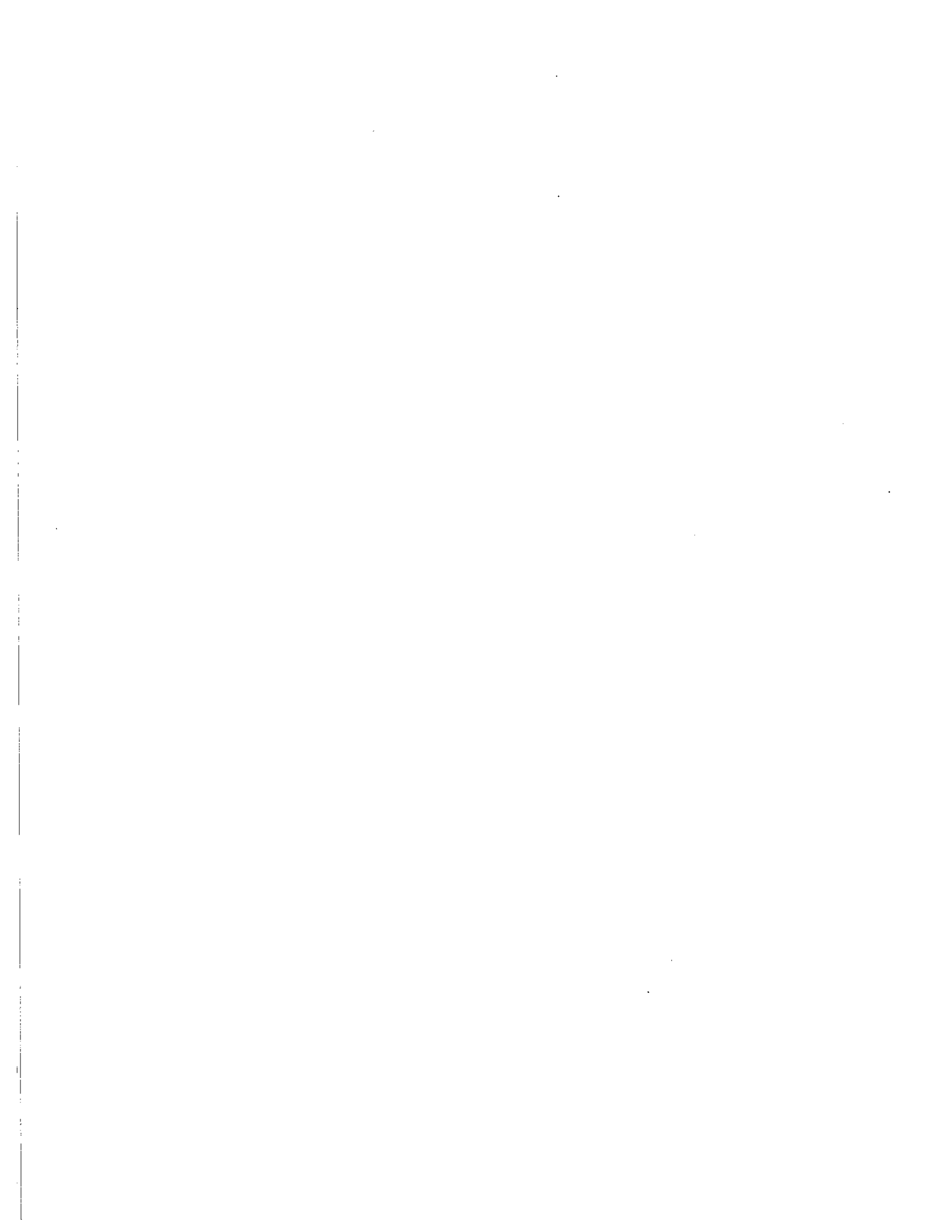
Table 2
FY'90 Supplemental Appropriations

<u>Agency/Purpose</u>	<u>Bill & Section Number</u>	<u>Amount</u>
<u>SUBCOMMITTEE ON EDUCATION</u>		
Education, State Board of		
Midterm Adjustment	HB 2320, § 1	10,101,948
County Superintendents Salaries	HB 2320, § 3	17,200
Emergency Chemical Removal	HB 2320, § 3	63,600
Subtotal		10,182,748
Educational Television Authority		
Antenna Repair	HB 2320, § 6	85,066
Science and Math, School of		
Archetectural & Engineering Work	SB 770, § 130 HB 2320 § 7	800,000
Will Rogers Memorial Commission		
Renovations	HB 2320, § 9	22,000
Subcommittee Total		11,089,814
<u>SUBCOMMITTEE ON GENERAL GOVERNMENT AND JUDICIARY</u>		
Election Board		
Special Election	HB 2320, § 13	675,000
Election Management System	HB 2320, § 12	800,000
Subtotal		1,475,000
Merit Protection Commission		
Operations	HB 2320, § 14	15,000
Subcommittee Total		1,490,000
<u>SUBCOMMITTEE ON HEALTH AND SOCIAL SERVICES</u>		
Mental Health & Substance Abuses Services		
Western State Hospital-Operations	SB 778, § 54 HB 2320, § 16	197,110
Western State Hospital-Capital	HB 2320, § 17	171,000
Eastern State Hospital-Capital	HB 2320, § 17	157,600
Phil Smalley Center-Sprinkler	HB 2320, § 16 SB 788, § 55	16,090
Community Mental Health Centers	SB 778 § 54-55 HB 2320 § 16	1,062,000
Subtotal		1,603,800
Subcommittee Total		1,603,800



<u>Agency</u>	<u>FY'90 Appropriation (1)</u>	<u>FY'91 Appropriation (1)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
<u>APPROPRIATIONS FROM CONSTITUTIONAL RESERVE FUND</u>				
Auditor & Inspector Ad Valorem Task Force		10,000,000		
Corrections Department				
Operations	750,000			
Prison Facilities	16,250,000			
Education, State Board of				
Voluntary School Consolidation		35,000,000		
Employees Group Insurance Board		30,000,000		
SUBTOTAL	17,000,000	75,000,000		
TOTAL APPROPRIATIONS	<u>2,685,527,557</u>	<u>3,272,474,935</u>	<u>586,947,378</u>	<u>21.9%</u>

- (1) Figures represent funds appropriated for the appropriate fiscal year. Supplemental appropriations made in the 1990 session are included in the FY'90 appropriation amounts. Appropriations from the Constitutional Reserve Fund are listed separately.
- (2) FY'90 figure includes supplemental appropriation, see Table 2.
- (3) Appropriation figure excludes \$32,050,802 appropriated for use in FY'92 and \$35,000,000 appropriated from the Constitutional Reserve Fund.
- (4) Excludes \$10,000,000 appropriated from the Constitutional Reserve Fund.
- (5) Excludes \$17,000,000 appropriated from the Constitutional Reserve Fund.



<u>Agency</u>	<u>FY'90 Appropriation (1)</u>	<u>FY'91 Appropriation (1)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
<u>SUBCOMMITTEE ON HEALTH AND SOCIAL SERVICES</u>				
Children and Youth, Commission on	935,157	1,175,040	239,883	25.7%
Handicapped Concerns, Office of	230,441	291,743	61,302	26.6%
Health, Department of	43,320,746	48,344,822	5,024,076	11.6%
Human Rights Commission	674,104	696,144	22,040	3.3%
Human Services, Department of	574,108,184	613,105,079	38,996,895	6.8%
Indian Affairs, Commission of	187,995	198,783	10,788	5.7%
J.D. McCarty Center	1,461,565	1,065,199	-396,366	-27.1%
Medicolegal Investigations, Board of	2,251,674	2,551,974	300,300	13.3%
Mental Health & Substance Abuse Services	100,015,592 (2)	105,142,248	5,126,656	5.1%
Veterans Affairs, Department of	14,858,776	16,441,496	1,582,720	10.7%
SUBTOTAL	738,044,234	789,012,528	50,968,294	6.9%
<u>SUBCOMMITTEE ON NATURAL RESOURCES AND REGULATORY SERVICES</u>				
Agriculture, Department of	14,727,130 (2)	15,142,242	415,112	2.8%
Banking, Department of	2,221,456	2,431,113	209,657	9.4%
Commerce, Department of	11,878,015	12,992,863	1,114,848	9.4%
Conservation Commission	4,784,973 (2)	5,013,664	228,691	4.8%
Consumer Credit, Department of	684,586	706,460	21,874	3.2%
Corporation Commission	5,149,446	4,540,592	-608,854	-11.8%
Horse Racing Commission	2,458,056	2,637,224	179,168	7.3%
Insurance Commissioner	2,579,883	2,674,651	94,768	3.7%
Labor, Department of	3,169,724	3,265,399	95,675	3.0%
Liquefied Petroleum Gas Board	347,191	365,297	18,106	5.2%
Mining Board	1,019,451	1,059,412	39,961	3.9%
Pollution Control, Department of	174,671	252,108	77,437	44.3%
Securities Commission	788,887	824,842	35,955	4.6%
Tourism and Recreation, Department of	22,530,333	24,510,472	1,980,139	8.8%
Water Resources Board	3,376,060	3,512,032	135,972	4.0%
SUBTOTAL	75,889,862	79,928,371	4,038,509	5.3%
<u>SUBCOMMITTEE ON PUBLIC SAFETY AND TRANSPORTATION</u>				
Alcoholic Beverage Laws Enforcement	2,677,504	2,870,721	193,217	7.2%
Civil Defense	450,761	492,334	41,573	9.2%
Corrections, Department of	143,267,691 (2) (5)	153,416,633	10,148,942	7.1%
Fire Marshal	705,530 (2)	898,746	193,216	27.4%
Investigation, State Bureau of	7,450,472	7,996,890	546,418	7.3%
Law Enforcement Education and Training	1,866,278	1,992,980	126,702	6.8%
Military, Department of	4,248,550	4,653,226	404,676	9.5%
Narcotics and Dangerous Drugs, Bureau of	3,534,243	3,777,556	243,313	6.9%
Pardon and Parole Board	1,120,795	1,395,780	274,985	24.5%
Public Safety, Department of	45,311,243	50,917,822	5,606,579	12.4%
Transportation, Department of	8,830,098	206,574,816	197,744,718	2239.4%
SUBTOTAL	219,463,165	434,987,504	215,524,339	98.2%
SUBTOTAL OF ALL SUBCOMMITTEES	2,668,527,557	3,197,474,935	528,947,378	19.8%



Table 1
Appropriations Comparison - FY'90 and FY'91
by Agency

<u>Agency</u>	<u>FY'90 Appropriation (1)</u>	<u>FY'91 Appropriation (1)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
<u>SUBCOMMITTEE ON EDUCATION</u>				
Arts Council	3,033,505	2,997,005	-36,500	-1.2%
Education, State Board of	892,067,007 (2)	1,087,553,495 (3)	195,486,488	21.9%
Educational Television Authority	2,908,204 (2)	2,704,952	-203,252	-7.0%
Higher Education, Regents for	458,588,925	509,471,081	50,882,156	11.1%
Historical Society	3,864,618	3,742,808	-121,810	-3.2%
J.M. Davis Memorial Commission	360,722	365,672	4,950	1.4%
Land Office, Commissioners of	3,671,696	4,764,791	1,093,095	29.8%
Libraries, Department of	4,586,468	4,667,140	80,672	1.8%
Physician Manpower Training Commission	5,912,029	5,917,792	5,763	0.1%
Private Vocational Schools, Board of	111,540	117,276	5,736	5.1%
Science & Technology, Center for	15,633,543	6,798,466	-8,835,077	-56.5%
Science and Math, School of	2,001,460 (2)	2,326,548	325,088	16.2%
Vocational Technical Education, Board of	68,095,274	76,556,139	8,460,865	12.4%
Will Rogers Memorial Commission	485,594 (2)	526,235	40,641	8.4%
SUBTOTAL	1,461,320,585	1,708,509,400	247,188,815	16.9%
<u>SUBCOMMITTEE ON GENERAL GOVERNMENT AND JUDICIARY</u>				
Appellate Public Defender	961,873	1,088,226	126,353	13.1%
Attorney General	3,611,732	4,051,745	440,013	12.2%
Auditor and Inspector	7,949,684	3,898,273 (4)	-4,051,411	-51.0%
Capitol Improvement Authority	575,895	273,509	-302,386	-52.5%
Cncl. on Cmpgn. Comp. & Eth. Stnds.	208,506	233,284	24,778	11.9%
Court of Criminal Appeals	1,421,415	1,698,112	276,697	19.5%
District Attorneys and DATCC	23,143,006	23,711,112	568,106	2.5%
District Courts	20,229,710	21,979,994	1,750,284	8.7%
Election Board	4,989,830 (2)	9,478,208	4,488,378	90.0%
Finance, Office of State	9,821,773	12,374,532	2,552,759	26.0%
Governor	2,029,149	2,065,853	36,704	1.8%
House of Representatives	11,662,116	12,440,709	778,593	6.7%
Legislative Service Bureau	3,158,821	3,238,900	80,079	2.5%
Lt. Governor	415,671	428,534	12,863	3.1%
Merit Protection Commission	506,386 (2)	550,418	44,032	8.7%
Personnel Management	3,993,221	4,623,769	630,548	15.8%
Public Affairs	10,297,394	11,395,888	1,098,494	10.7%
Secretary of State	347,883	385,076	37,193	10.7%
Senate	7,447,085	7,996,988	549,903	7.4%
Supreme Court	6,689,050	6,866,233	177,183	2.6%
Tax Commission	47,806,047	48,068,383	262,336	0.5%
Treasurer	3,506,819	4,943,958	1,437,139	41.0%
Workers' Compensation Court	3,036,645	3,245,428	208,783	6.9%
SUBTOTAL	173,809,711	185,037,132	11,227,421	6.5%

