

# SENATE Substitute for HOUSE BILL No. 2026

By Committee on Ways and Means

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AN ACT making and concerning appropriations for the fiscal year ending June 30, 2003, for the insurance department, state board of indigents' defense services, Kansas public employees retirement system, department of health and environment, department on aging, department of social and rehabilitation services, department of education and department of transportation; authorizing certain transfers and capital improvement projects, imposing certain restrictions and limitations, and directing or authorizing certain receipts and disbursements and acts incidental to the foregoing; amending K.S.A. 2002 Supp. 79-2959, 79-2964 and 79-3425i and repealing the existing sections.

*Be it enacted by the Legislature of the State of Kansas:*

Section 1. (a) For the fiscal year ending June 30, 2003, appropriations are hereby made, restrictions and limitations are hereby imposed, and transfers, capital improvement projects, fees, receipts, disbursements and acts incidental to the foregoing are hereby directed or authorized as provided in this act.

(b) This act shall not be subject to the provisions of subsection (a) of K.S.A. 75-6702 and amendments thereto.

Sec. 2.

## INSURANCE DEPARTMENT

(a) On the effective date of this act, the director of accounts and reports shall transfer \$4,000,000 from the workers compensation fund of the insurance department to the state general fund: *Provided*, That the amount transferred from the workers compensation fund of the insurance department to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the state agency involved by other state agencies which receive appropriations from the state general fund to provide such services.

Sec. 3.

## STATE BOARD OF INDIGENTS' DEFENSE SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2003, the following:

1	Operating expenditures .....	\$702,934
2	Capital defense operations.....	\$550,000

3     Sec. 4.

4             **KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM**

5     (a) On the effective date of this act, the director of accounts and reports  
6 shall transfer any unencumbered balance in the senior services trust fund  
7 of the Kansas public employees retirement system to the state general  
8 fund.

9     (b) On or before June 30, 2003, on a date certified by the director of  
10 the budget, the director of accounts and reports shall transfer any unen-  
11 cumbered balance in the Kansas endowment for youth fund of the Kansas  
12 public employees retirement system to the state general fund: *Provided*,  
13 That, at the same time that such certification is made by the director of  
14 the budget to the director of accounts and reports under this subsection,  
15 the director of the budget shall deliver a copy of such certification to the  
16 director of the legislative research department.

17     (c) On the effective date of this act, the amount in each account of the  
18 state general fund of each state agency that is appropriated for the fiscal  
19 year ending June 30, 2003, by chapter 204 or 205 of the 2002 Session  
20 Laws of Kansas or by this or other appropriation act of the 2003 regular  
21 session of the legislature and that is budgeted for payment of the cost of  
22 the plan of death and long-term disability benefits under K.S.A. 74-4927  
23 and amendments thereto, as certified by the director of the budget to the  
24 director of accounts and reports, for the period commencing on April 1,  
25 2003, and ending on June 30, 2003, is hereby lapsed: *Provided*, That, at  
26 the same time that each certification is made by the director of the budget  
27 to the director of accounts and reports under this subsection, the director  
28 of the budget shall deliver a copy of such certification to the director of  
29 the legislative research department.

30     Sec. 5.

31             **DEPARTMENT OF HEALTH AND ENVIRONMENT**

32     (a) On the effective date of this act, the director of accounts and reports  
33 shall transfer \$1,000,000 from the waste tire management fund of the  
34 department of health and environment to the state general fund: *Pro-*  
35 *vided*, That the amount transferred from the waste tire management fund  
36 of the department of health and environment to the state general fund  
37 pursuant to this subsection is to reimburse the state general fund for  
38 accounting, auditing, budgeting, legal, payroll, personnel and purchasing  
39 services and any other governmental services which are performed on  
40 behalf of the state agency involved by other state agencies which receive  
41 appropriations from the state general fund to provide such services.

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1 Sec. 6.

2 DEPARTMENT ON AGING

3 (a) On the effective date of this act, the director of accounts and reports  
4 shall transfer \$7,416,587 from the long-term care loan and grant fund of  
5 the department on aging to the state general fund.

6 Sec. 7.

7 DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

8 (a) There is appropriated for the above agency from the state general  
9 fund for the fiscal year ending June 30, 2003, the following:

10 Other medical assistance ..... \$12,335,519

11 (b) On the effective date of this act, the director of accounts and reports  
12 shall transfer \$1,033,222 from the SRS — IGT fund of the department  
13 of social and rehabilitation services to the state medicaid match fund —  
14 SRS of the department of social and rehabilitation services.

15 (c) On the effective date of this act, the director of accounts and reports  
16 shall transfer \$691,037 from the long-term care loan and grant fund of  
17 the department on aging to the state medicaid match fund — SRS of the  
18 department of social and rehabilitation services.

19 (d) On the effective date of this act, the expenditure limitation estab-  
20 lished by section 95(b) of chapter 204 of the 2002 Session Laws of Kansas  
21 on the SRS — IGT fund is hereby increased from \$62,529,094 to  
22 \$66,529,094.

23 (e) On the effective date of this act, of the \$89,151,475 appropriated  
24 for the above agency for the fiscal year ending June 30, 2003, by section  
25 95(a) of chapter 204 of the 2002 Session Laws of Kansas from the state  
26 general fund in the mental health and retardation services aid and assis-  
27 tance account, the sum of \$2,500,000 is hereby lapsed.

28 (f) On the effective date of this act, of the \$20,217,984 appropriated  
29 for the above agency for the fiscal year ending June 30, 2003, by section  
30 95(a) of chapter 204 of the 2002 Session Laws of Kansas from the state  
31 general fund in the community based services account, the sum of  
32 \$1,500,000 is hereby lapsed.

33 Sec. 8.

34 DEPARTMENT OF EDUCATION

35 (a) There is appropriated for the above agency from the state general  
36 fund for the fiscal year ending June 30, 2003, the following:

37 General state aid ..... \$4,637,027

38 Supplemental general state aid ..... \$21,999,043

39 Sec. 9.

40 DEPARTMENT OF CORRECTIONS

41 (a) There is appropriated for the above agency from the state general  
42 fund for the fiscal year ending June 30, 2003, the following:

43 Treatment and programs ..... \$2,692,595

1 Facilities operations..... \$1,305,259  
 2 Sec. 10.

3 DEPARTMENT OF TRANSPORTATION

4 (a) The director of accounts and reports shall not make the transfer of  
 5 \$94,608,648 from the state general fund to the state highway fund, which  
 6 was directed to be made on or before June 30, 2003, by section 40(b) of  
 7 chapter 205 of the 2002 Session Laws of Kansas.

8 Sec. 11. (a) On or after the effective date of this act, during the fiscal  
 9 year ending June 30, 2003, the director of accounts and reports shall not  
 10 make any transfer directed to be made by either subsection (f)(2) of  
 11 K.S.A. 2002 Supp. 75-4265 and amendments thereto or by section 56 of  
 12 chapter 204 of the 2002 Session Laws of Kansas from the intergovern-  
 13 mental transfer fund of the department on aging to the senior services  
 14 trust fund established by K.S.A. 2002 Supp. 75-4266 and amendments  
 15 thereto.

16 (b) On or after the effective date of this act, during the fiscal year  
 17 ending June 30, 2003, the director of accounts and reports shall not make  
 18 any transfer directed to be made by either subsection (f)(2) of K.S.A.  
 19 2002 Supp. 75-4265 and amendments thereto or by section 56 of chapter  
 20 204 of the 2002 Session Laws of Kansas from the intergovernmental trans-  
 21 fer fund of the department on aging to the long-term care loan and grant  
 22 fund of the department on aging established by K.S.A. 2002 Supp. 75-  
 23 4265 and amendments thereto.

24 (c) On or after the effective date of this act, during the fiscal year ending  
 25 June 30, 2003, the director of accounts and reports shall not make any  
 26 transfer directed to be made by either subsection (f)(2) of K.S.A. 2002  
 27 Supp. 75-4265 and amendments thereto or by section 56 of chapter 204  
 28 of the 2002 Session Laws of Kansas from the intergovernmental transfer  
 29 fund of the department on aging to the state medicaid match fund —  
 30 department on aging established by K.S.A. 2002 Supp. 75-4265 and  
 31 amendments thereto.

32 (d) On or after the effective date of this act, during the fiscal year  
 33 ending June 30, 2003, the director of accounts and reports shall not make  
 34 any transfer directed to be made by either subsection (f)(2) of K.S.A.  
 35 2002 Supp. 75-4265 and amendments thereto or by section 56 of chapter  
 36 204 of the 2002 Session Laws of Kansas from the intergovernmental trans-  
 37 fer fund of the department on aging to the state medicaid match fund —  
 38 SRS established by K.S.A. 2002 Supp. 75-4265 and amendments thereto.

39 (e) On or after the effective date of this act, during the fiscal year  
 40 ending June 30, 2003, the director of accounts and reports shall not make  
 41 any transfer directed to be made by either subsection (f)(2) of K.S.A.  
 42 2002 Supp. 75-4265 and amendments thereto or by section 56 of chapter  
 43 204 of the 2002 Session Laws of Kansas from the intergovernmental trans-

1 fer fund of the department on aging to the aging — IGT fund of the  
2 department on aging.

3 (f) Commencing on the effective date of this act, or as soon as moneys  
4 are available therefor, during the fiscal year ending June 30, 2003, the  
5 director of accounts and reports shall transfer to the SRS — IGT fund of  
6 the department of social and rehabilitation services, on the dates when  
7 the following transfers would have been made under the statutes speci-  
8 fied, the following: (1) All amounts of money that would have been di-  
9 rected by subsection (f)(2) of K.S.A. 2002 Supp. 75-4265 and amend-  
10 ments thereto or by section 56(b) of chapter 204 of the 2002 Session  
11 Laws of Kansas to be transferred from the intergovernmental transfer  
12 fund of the department on aging to the senior services trust fund, the  
13 long-term care loan and grant fund, the state medicaid match fund —  
14 department on aging, and the state medicaid match fund — SRS; and (2)  
15 all amounts of money that would have been directed by section 56(b) of  
16 chapter 204 of the 2002 Session Laws of Kansas to be transferred from  
17 the intergovernmental transfer fund of the department on aging to the  
18 aging — IGT fund of the department on aging.

19 Sec. 12. On the effective date of this act, K.S.A. 2002 Supp. 79-2959  
20 is hereby amended to read as follows: 79-2959. (a) There is hereby created  
21 the local ad valorem tax reduction fund. All moneys transferred or cred-  
22 ited to such fund under the provisions of this act or any other law shall  
23 be apportioned and distributed in the manner provided herein.

24 (b) On January 15 and on July 15 of each year, the director of accounts  
25 and reports shall make transfers in equal amounts which in the aggregate  
26 equal ~~4.5%~~ 3.63% of the total retail sales and compensating taxes credited  
27 to the state general fund pursuant to articles 36 and 37 of chapter 79 of  
28 Kansas Statutes Annotated and acts amendatory thereof and supplement-  
29 al thereto during the preceding calendar year from the state general fund  
30 to the local ad valorem tax reduction fund, except that: ~~(1) The transfers~~  
31 ~~on January 15 and July 15 of each year shall be in equal amounts which~~  
32 ~~in the aggregate equal 3.630% of such taxes credited to the state general~~  
33 ~~fund during the preceding calendar year, and (2) the amount of the trans-~~  
34 ~~fer on each such date during state fiscal year 2003 shall be \$26,246,722~~  
35 *no moneys shall be transferred from the state general fund to the local ad*  
36 *valorem tax reduction fund on or after November 26, 2002, during state*  
37 *fiscal year 2003. All such transfers are subject to reduction under K.S.A.*  
38 *75-6704 and amendments thereto. All transfers made in accordance with*  
39 *the provisions of this section shall be considered to be demand transfers*  
40 *from the state general fund, except that all such transfers during the fiscal*  
41 *year ending June 30, 2003, shall be considered revenue transfers from*  
42 *the state general fund.*

43 (c) The state treasurer shall apportion and pay the amounts transferred

1 under subsection (b) to the several county treasurers on January 15 and  
2 on July 15 in each year as follows: (1) Sixty-five percent of the amount to  
3 be distributed shall be apportioned on the basis of the population figures  
4 of the counties certified to the secretary of state pursuant to K.S.A. 11-  
5 201 and amendments thereto on July 1 of the preceding year; and (2)  
6 thirty-five percent of such amount shall be apportioned on the basis of  
7 the equalized assessed tangible valuations on the tax rolls of the counties  
8 on November 1 of the preceding year as certified by the director of prop-  
9 erty valuation.

10 Sec. 13. On the effective date of this act, K.S.A. 2002 Supp. 79-2964  
11 is hereby amended to read as follows: 79-2964. There is hereby created  
12 the county and city revenue sharing fund. All moneys transferred or cred-  
13 ited to such fund under the provisions of this act or any other law shall  
14 be allocated and distributed in the manner provided herein. The director  
15 of accounts and reports in each year on July 15 and December 10, shall  
16 make transfers in equal amounts which in the aggregate equal ~~3.5%~~  
17 2.823% of the total retail sales and compensating taxes credited to the  
18 state general fund pursuant to articles 36 and 37 of chapter 79 of the  
19 Kansas Statutes Annotated and acts amendatory thereof and supplement-  
20 al thereto during the preceding calendar year from the state general fund  
21 to the county and city revenue sharing fund, except that: ~~(a) The transfers~~  
22 ~~on July 15 and December 10 of each year shall be in equal amounts which~~  
23 ~~in the aggregate equal 2.823% of such taxes credited to the state general~~  
24 ~~fund during the preceding calendar year; and (b) the amount of the trans-~~  
25 ~~fer on each such date during state fiscal year 2003 shall be \$16,740,646~~  
26 *no moneys shall be transferred from the state general fund to the county*  
27 *and city revenue sharing fund on or after November 26, 2002, during*  
28 *state fiscal year 2003. All such transfers are subject to reduction under*  
29 *K.S.A. 75-6704 and amendments thereto. All transfers made in accord-*  
30 *ance with the provisions of this section shall be considered to be demand*  
31 *transfers from the state general fund, except that all such transfers during*  
32 *the fiscal year ending June 30, 2003, shall be considered revenue transfers*  
33 *from the state general fund.*

34 Sec. 14. K.S.A. 2002 Supp. 79-3425i is hereby amended to read as  
35 follows: 79-3425i. On January 15 and July 15 of each year, the director  
36 of accounts and reports shall transfer a sum equal to the total taxes col-  
37 lected under the provisions of K.S.A. 79-6a04 and 79-6a10, and amend-  
38 ments thereto, and credited to the state general fund during the six  
39 months next preceding the date of transfer, from the state general fund  
40 to the special city and county highway fund, created by K.S.A. 79-3425,  
41 and amendments thereto, except that: (1) Such transfers are subject to  
42 reduction under K.S.A. 75-6704, and amendments thereto; and (2) ~~the~~  
43 ~~amount of the transfer on each such date during state fiscal year 2003~~

1 ~~shall not exceed \$5,031,822~~ no moneys shall be transferred from the state  
2 general fund to the special city and county highway fund on or after  
3 November 26, 2002, during state fiscal year 2003. All transfers under this  
4 section shall be considered to be demand transfers from the state general  
5 fund, except that all such transfers during the fiscal year ending June 30,  
6 2003, shall be considered revenue transfers from the state general fund.

7 Sec. 15. *Appeals to exceed position limitations.* (a) The limitations im-  
8 posed by this act on the number of full-time and regular part-time posi-  
9 tions equated to full-time, excluding seasonal and temporary positions,  
10 paid from appropriations for the fiscal year ending June 30, 2003, made  
11 in this act or in any appropriation act of the 2002 regular session of the  
12 legislature or in any other appropriation act of the 2003 regular session  
13 of the legislature may be exceeded upon approval of the state finance  
14 council.

15 Sec. 16. *Appeals to exceed limitations.* Upon written application to the  
16 governor and approval of the state finance council, expenditures from  
17 special revenue funds may exceed the amounts specified in this act.

18 Sec. 17. On the effective date of this act, K.S.A. 2002 Supp. 79-2959,  
19 79-2964 and 79-3425i are hereby repealed.

20 Sec. 18. This act shall take effect and be in force from and after its  
21 publication in the Kansas register.

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