

## HOUSE BILL No. 2497

By Legislative Educational Planning Committee

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AN ACT relating to children; authorizing a transfer from the Kansas endowment for youth fund; making appropriations relating thereto; amending K.S.A. 38-2102 and repealing the existing section.

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

Section 1. K.S.A. 38-2102 is hereby amended to read as follows: 38-2102. (a) There is hereby established in the state treasury the children's initiatives fund which shall be administered in accordance with this section and the provisions of appropriation acts.

(b) All moneys credited to the children's initiatives fund shall be used for the purposes of providing additional funding for programs, projects, improvements, services and other purposes directly or indirectly beneficial to the physical and mental health, welfare, safety and overall well-being of children in Kansas as provided by appropriation or other acts of the legislature. In allocating or appropriating moneys in the children's initiatives fund, the legislature shall emphasize programs and services that are data-driven and outcomes-based and may emphasize programs and services that are generally directed toward improving the lives of children and youth by combating community-identified risk factors associated with children and youth becoming involved in tobacco, alcohol, drugs or juvenile delinquency. Programs funded must have a clearly articulated objective to be achieved with any funds received. As a condition precedent to funding, every program must demonstrate that the program's design is supported by credible research, that the program as implemented will constitute best practices in the field, that data is available to benchmark the program's desired outcomes and that an evaluation and assessment component is part of the program design and that such evaluation is capable of determining program performance, needed program modifications to enhance performance, ways in which the program could be modified for transfer to other venues, and when performance no longer justifies funding. Community-based programs must demonstrate the availability of sufficient community leadership and the capacity to appropriately implement and administer the program that is funded. Programs which require community mobilization to successfully achieve program objectives must demonstrate a specific strategy to obtain the requisite

1 levels of community mobilization. Moneys allocated or appropriated from  
2 the children's initiatives fund shall not be used to replace or substitute  
3 for moneys appropriated from the state general fund in the immediately  
4 preceding fiscal year.

5 (c) All expenditures from the children's initiatives fund shall be made  
6 in accordance with appropriation acts upon warrants of the director of  
7 accounts and reports issued pursuant to vouchers approved in the manner  
8 prescribed by law.

9 (d) (1) On July 1, 2000, or as soon thereafter as moneys are available,  
10 the director of accounts and reports shall transfer, in the following order  
11 of priority, (A) first, \$70,740,000 from the Kansas endowment for youth  
12 fund to the state general fund and (B) second, \$30,000,000 from the  
13 Kansas endowment for youth fund to the children's initiatives fund.

14 (2) On July 1, 2001, or as soon thereafter as moneys are available,  
15 the director of accounts and reports shall transfer \$40,000,000 from the  
16 Kansas endowment for youth fund to the children's initiatives fund and  
17 shall transfer \$10,000,000 from the Kansas endowment for youth fund to  
18 the state general fund.

19 (3) On July 1, 2002, or as soon thereafter as moneys are available,  
20 the director of accounts and reports shall transfer \$45,000,000 from the  
21 Kansas endowment for youth fund to the children's initiatives fund.

22 (4) On July 1 of each fiscal year thereafter, or as soon thereafter as  
23 moneys are available, the director of accounts and reports shall transfer  
24 from the Kansas endowment for youth fund to the children's initiatives  
25 fund the amount equal to 102.5% of the amount transferred from the  
26 Kansas endowment for youth fund to the children's initiatives fund pur-  
27 suant to this section during the immediately preceding fiscal year.

28 *In addition to the transfer for fiscal year 2005 authorized above, on*  
29 *July 1, 2005, or as soon thereafter as moneys are available, the director*  
30 *of accounts and reports shall transfer \$7,000,000 from the Kansas endow-*  
31 *ment for youth fund to the children's initiatives fund.*

32 (5) If the amounts to be received during any fiscal year under the  
33 tobacco litigation settlement agreements entered into by the attorney  
34 general on behalf of the state of Kansas, or pursuant to any judgment  
35 rendered, regarding the litigation against tobacco industry companies and  
36 related entities, are reduced or increased from the amount that was an-  
37 ticipated to be received for such fiscal year, as of the time the settlement  
38 agreements were entered into, then the legislature may adjust the amount  
39 otherwise provided by this subsection to be transferred from the Kansas  
40 endowment for youth fund to the children's initiatives fund for such fiscal  
41 year by including provisions in appropriation acts for such fiscal year that  
42 proportionally reduce or increase, as appropriate, the amount otherwise  
43 provided by this subsection to be transferred from the Kansas endowment

1 for youth fund to the children’s initiatives fund for such fiscal year. In  
 2 addition, for purposes of circumstances related to the investment of mon-  
 3 eys in the Kansas endowment for youth fund or other circumstances or  
 4 matters deemed sufficient by the legislature, the legislature may adjust  
 5 the amount otherwise provided by this subsection to be transferred from  
 6 the Kansas endowment for youth fund to the children’s initiatives fund  
 7 for any fiscal year by including provisions in appropriation acts for such  
 8 fiscal year that proportionally reduce or increase, as appropriate, the  
 9 amount otherwise provided by this subsection to be transferred from the  
 10 Kansas endowment for youth fund to the children’s initiatives fund for  
 11 such fiscal year.

12 (e) It is the intent of the legislature that, except as provided by this  
 13 section, no amounts shall be transferred from the Kansas endowment for  
 14 youth fund to the children’s initiatives fund or to any other fund during  
 15 any state fiscal year.

16 (f) On or before the 10th day of each month, the director of accounts  
 17 and reports shall transfer from the state general fund to the Kansas en-  
 18 dowment for youth fund interest earnings based on (1) the average daily  
 19 balance of moneys in the children’s initiatives fund for the preceding  
 20 month and (2) the net earnings rate of the pooled money investment  
 21 portfolio for the preceding month.

22 New Sec. 2. There is hereby appropriated for the department of so-  
 23 cial and rehabilitation services from the children’s initiatives fund for the  
 24 fiscal year ending June 30, 2005, the following:

25 Children’s cabinet early childhood discretionary  
 26 grant program..... \$7,000,000

27 The appropriation provided for by this section shall be in addition to  
 28 any other appropriation for such purpose which may be made for the  
 29 fiscal year ending June 30, 2005.

30 Sec. 3. K.S.A. 38-2102 is hereby repealed.

31 Sec. 4. This act shall take effect and be in force from and after its  
 32 publication in the statute book.

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