

Message from the Governor

Pursuant to Article 2, Section 14 of the Constitution of the State of Kansas, I veto Senate Bill 123. Senate Bill 123 codifies into law funding the State Treasurer's Office through "banking fees," fees charged on warrants issued by other state agencies. This funding mechanism was first implemented in the FY 2004 budget as a response to my request for the State Treasurer's Office to become a self-supporting agency. In my FY 2004 budget, I recommended a new plan to fund this office, one that would not place an unnecessary burden upon other state agencies. However, the State Treasurer rejected that plan. In the FY 2005 budget, and again in the FY 2006 budget the Legislature approved last week, "banking fees" fully fund the State Treasurer's office.

I believe the State Treasurer's Office should operate with funding that is not simply shifted from other state agencies, but generated from fees on services the Treasurer's Office delivers to the people of Kansas.

The veto of this legislation in no way jeopardizes the funding of the Treasurer's Office. Full funding of the State Treasurer's office is provided under the FY 2006 budget. This measure, however, does allow the State Treasurer's Office, the office of the Governor, and the legislature to further discuss how best to fund the Treasurer's Office.

Signed: Kathleen Sebelius, Governor

Dated: April 8, 2005