

Approved: 4-30-99
Date

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE.

The meeting was called to order by Chairperson Phill Kline at 10:00 a.m. on April 22, 1999 in Room 514-S of the Capitol.

All members were present except: Rep. Barbara Allen
Rep. John Feuerborn
Rep. Ed McKechnie

Committee staff present: Legislative Research - Conroy, Little, Waller, Davis, Sparks, Efird, Hollon,
Nogle, Rampey, Holwegner, Severn, West
Revisor of Statutes - Jim Wilson
Secretary - Ann McMorris

Conferees appearing before the committee: none

Others attending:

Legislative Research staffers reviewed budget information as follows:

Alan Conroy

1. Comparison of Appropriations Recommendations - FY 1999 & FY 2000 (Attachment 1)
2. State General Funds Profile FY 1998 - FY 2004 (Attachment 2)

Reed Holwegner

1. State Water Plan Fund Expenditures FY 1999 & FY 2000 (Attachment 3)

Kathie Sparks

1. Economic Development Initiatives Fund FY 1999 & FY 2000 (Attachment 4)

Alan Conroy

1. Items 1 thru 55, 63 thru 55 Governor's Budget Amendments (Attachment 5)
Item 41 - Children's Health Care Programs Funds (Attachment 6)

Kathie Sparks

1. Items 56 thru 62 Governor's Budget Amendments
Items 57, 58, 59, 64 & 65 - corrected version (Attachment 7)

Alan Conroy and staff

- Items for Omnibus Consideration (Attachment 8)

Julian Efird

- Kansas Department of Transportation April 19, 1999 (Attachment 9)

Chair adjourned the meeting at 4:00 o'clock. He announced that the budget committees would be meeting on Friday, April 23 starting at 9:00 a.m. to consider various facets of the budget and to bring reports to the Appropriations Committee when it reconvenes on Monday, April 26 at 9:00 a.m.

Adjournment.

Respectfully submitted

Ann McMorris, Secretary

Attachments - 9

COMPARISON OF APPROPRIATIONS RECOMMENDATIONS
Reflects Conference Committee Action on All Appropriations Bills
FY 1999

STATE GENERAL FUND

	Governor's Recommendation*	Conference Committee Recommendation	Change From Governor	Change From Original House Recommendation	Change From Original Senate Recommendation
Legislative & Elected Officials	\$123,444,536	\$123,592,536	\$148,000	(\$50,000)	\$0
Public Safety	101,788,564	101,040,251	(748,313)	(754,286)	(748,313)
Dept. of Administration/KPERS	47,032,392	47,032,392	0	0	0
KDHE/Aging	179,214,305	179,214,305	0	0	0
Regents	538,814,023	538,814,023	0	0	0
Revenue/Commerce	33,451,937	33,485,749	33,812	33,812	0
Judicial Agencies	87,891,091	87,841,091	(50,000)	0	0
Other Education Agencies	23,886,973	23,886,973	0	0	0
Department of Transportation	10,994,912	10,994,912	0	0	0
DOC & Correctional Institutions	187,410,444	187,373,760	(36,684)	0	0
Department of Education	2,191,809,875	2,191,809,875	0	(160)	0
Agriculture Agencies	32,755,069	32,755,069	0	0	0
SRS & State Hospitals	560,619,104	566,719,104	6,100,000	12,600,000	(300,000)
Fee Boards	0	0	0	0	0
Capital Improvements	104,196,893	104,816,743	619,850	894,910	0
Total SGF Expenditures	\$4,223,310,118	\$4,229,376,783	\$6,066,665	\$12,724,276	(\$1,048,313)

ALL FUNDS

	Governor's Recommendation*	Conference Committee Recommendation	Difference From Governor	Change From Original House Recommendation	Change From Original Senate Recommendation
Legislative & Elected Officials	\$216,517,643	\$216,715,643	\$198,000	\$0	\$0
Public Safety	173,488,526	172,740,213	(748,313)	(754,286)	(748,313)
Dept. of Administration/KPERS	335,499,895	335,424,895	(75,000)	0	(75,000)
KDHE/Aging	657,736,995	657,579,862	(157,133)	0	0
Regents	1,317,873,094	1,317,873,094	0	0	0
Revenue/Commerce	321,529,156	321,642,968	113,812	33,812	0
Judicial Agencies	94,224,958	94,224,958	0	0	0
Other Education Agencies	259,831,169	259,831,169	0	0	0
Department of Transportation	499,451,356	499,451,356	0	1,044,060	0
DOC & Correctional Institutions	201,489,040	201,452,356	(36,684)	0	0
Department of Education	2,462,670,527	2,462,670,527	0	(160)	0
Agriculture Agencies	144,916,646	144,916,646	0	0	0
SRS & State Hospitals	1,520,171,866	1,544,111,866	23,940,000	24,940,000	4,240,000
Fee Boards	13,368,242	13,526,242	158,000	0	0
Capital Improvements	602,576,263	602,503,787	(72,476)	(1,891,476)	50,000
Total Expenditures	\$8,821,345,376	\$8,844,665,582	\$23,320,206	\$23,371,950	\$3,466,687

FTE POSITIONS

	Governor's Recommendation*	Conference Committee Recommendation	Conference Change From Governor	Change From Original House Recommendation	Change From Original Senate Recommendation
Legislative & Elected Officials	535.8	535.8	0.0	0.0	0.0
Public Safety	1,874.8	1,870.8	(4.0)	(5.0)	(4.0)
Dept. of Administration/KPERS	1,199.4	1,199.4	0.0	0.0	0.0
KDHE/Aging	1,818.6	1,818.6	0.0	0.0	0.0
Regents	17,665.1	17,665.1	0.0	0.0	0.0
Revenue/Commerce	1,527.5	1,527.5	0.0	0.0	0.0
Judicial Agencies	1,956.0	1,956.0	0.0	0.0	0.0
Other Education Agencies	442.5	442.5	0.0	0.0	0.0
Department of Transportation	3,129.5	3,129.5	0.0	0.0	0.0
DOC & Correctional Institutions	3,030.5	3,028.5	(2.0)	0.0	0.0
Department of Education	208.5	208.5	0.0	0.0	0.0
Agriculture Agencies	1,191.5	1,191.5	0.0	0.0	0.0
SRS & State Hospitals	6,787.4	6,787.4	0.0	0.0	0.0
Fee Boards	217.1	217.1	0.0	0.0	0.0
Total FTE Positions	41,584.2	41,578.2	(6.0)	(5.0)	(4.0)

*Reflects Governor's Budget Amendments Submitted as of April 20, 1999

Attachment 1-1
House Appropriations Committee
April 22, 1999

COMPARISON OF APPROPRIATIONS RECOMMENDATIONS
Reflects Conference Committee Action on All Appropriations Bills
FY 2000

STATE GENERAL FUND

	Governor's Recommendation*	Conference Committee Recommendation	Change From Governor	Change From Original House Recommendation	Change From Original Senate Recommendation
Legislative & Elected Officials	\$125,668,045	\$126,201,847	\$533,802	\$145,767	\$94,981,753
Public Safety	102,024,886	45,118,342	(56,906,544)	(60,592,240)	(61,800,384)
Dept. of Administration/KPERS	24,907,527	24,976,802	69,275	115,005	3,533
KDHE/Aging	180,365,083	183,425,821	3,060,738	(3,312,360)	1,655,000
Regents	558,360,772	559,733,288	1,372,516	2,932,539	264,516
Revenue/Commerce	36,939,386	35,831,275	(1,108,111)	5,102,429	(1,208,111)
Judicial Agencies	90,711,740	91,689,115	977,375	(55,528)	900,000
Other Education Agencies	24,168,128	24,477,641	309,513	193,169	102,809
Department of Transportation	11,182,000	11,181,826	(174)	(174)	11,181,826
DOC & Correctional Institutions	195,280,097	195,130,132	(149,965)	628,412	250,000
Department of Education	2,320,860,647	2,330,231,647	9,371,000	8,594,195	25,832,000
Agriculture Agencies	33,776,047	32,844,855	(931,192)	(293,524)	6,028,036
SRS & State Hospitals	574,817,016	583,509,441	8,692,425	(7,825,576)	2,657,425
Fee Boards	0	0	0	0	0
Capital Improvements	140,270,510	100,764,077	(39,506,433)	7,101,150	89,518,567
Total SGF Expenditures	\$4,419,331,884	\$4,345,116,109	(\$74,215,775)	(\$47,266,736)	\$170,366,970

ALL FUNDS

	Governor's Recommendation*	Conference Committee Recommendation	Change From Governor	Change From Original House Recommendation	Change From Original Senate Recommendation
Legislative & Elected Officials	\$217,640,755	\$218,208,660	\$567,905	\$116,467	\$27,703
Public Safety	164,062,261	92,798,017	(71,264,244)	(76,022,524)	(75,460,538)
Dept. of Administration/KPERS	326,209,027	326,358,745	149,718	(34,995)	3,533
KDHE/Aging	677,202,794	675,911,733	(1,291,061)	(5,542,408)	2,050,768
Regents	1,295,833,124	1,296,950,099	1,116,975	2,932,539	264,516
Revenue/Commerce	320,926,180	324,905,110	3,978,930	10,209,470	(965,111)
Judicial Agencies	96,094,969	97,172,344	1,077,375	44,472	900,000
Other Education Agencies	275,519,835	275,829,348	309,513	193,169	102,809
Department of Transportation	514,212,172	511,219,441	(2,992,731)	(2,992,731)	0
DOC & Correctional Institutions	208,454,397	208,304,432	(149,965)	628,412	250,000
Department of Education	2,593,968,710	2,597,989,710	4,021,000	460,195	(1,100,000)
Agriculture Agencies	147,879,405	148,299,413	420,008	1,041,476	37,536
SRS & State Hospitals	1,558,428,769	1,587,110,333	28,681,564	(18,392,725)	18,399,397
Fee Boards	13,753,394	13,803,394	50,000	(60,178)	0
Capital Improvements	618,307,154	578,399,978	(39,907,176)	(41,978,529)	(2,925,743)
Total Expenditures	\$9,028,492,946	\$8,953,260,757	(\$75,232,189)	(\$129,397,890)	(\$58,415,130)

FTE POSITIONS

	Governor's Recommendation*	Conference Committee Recommendation	Change From Governor	Change From Original House Recommendation	Change From Original Senate Recommendation
Legislative & Elected Officials	533.8	536.8	3.0	1.0	0.0
Public Safety	1,889.8	1,297.8	(592.0)	(593.0)	(598.0)
Dept. of Administration/KPERS	1,217.4	1,220.4	3.0	(1.0)	1.5
KDHE/Aging	1,927.6	1,930.6	3.0	2.0	0.0
Regents	15,700.4	15,706.5	6.1	0.0	7.1
Revenue/Commerce	1,525.5	1,525.5	0.0	0.0	0.0
Judicial Agencies	1,965.0	1,965.0	0.0	(30.0)	0.0
Other Education Agencies	441.5	441.5	0.0	0.0	0.0
Department of Transportation	3,118.5	3,118.5	0.0	0.0	0.0
DOC & Correctional Institutions	3,052.5	3,037.5	(15.0)	0.0	0.0
Department of Education	208.5	208.5	0.0	0.0	0.0
Agriculture Agencies	1,203.0	1,200.5	(2.5)	0.0	0.0
SRS & State Hospitals	6,772.4	6,772.4	0.0	0.0	0.0
Fee Boards	220.8	219.8	(1.0)	(1.0)	0.0
Total FTE Positions	39,776.7	39,181.3	(595.4)	(622.0)	(589.4)

*Reflects Governor's Budget Amendments Submitted as of April 20, 1999

1-2

State General Fund Profile FY 1998 - FY 2004

Governor's Recommendation Except
State Highway Fund Demand Transfer Capped FY 00 and FY 01 Then 7 -----
Revised Consensus Revenue Estimates as of April 2, 1999
No Tax Reductions
Legislative Action on S.B. 325; Plus House Rec. on JJA
All Demand Transfers as Expenditures
Tobacco Settlement Starting in FY 2001 (Current Law 50%)

	Actual FY 1998	Increase	Revised FY 1999	Increase	Projected FY 2000	Increase	Projected FY 2001	Increase	Projected FY 2002	Increase	Projected FY 2003	Increase	Projected FY 2004	Increase
Beginning Balance(a)	\$528.6		\$756.7		\$581.6		\$387.2		\$336.8		\$346.7		\$361.7	
RECEIPTS:(b)	4,027.2	9.3%	4,055.5	0.7%	4,229.8	4.3%	4,398.1	4.0%	4,579.4	4.1%	4,776.3	4.3%	4,981.6	4.3%
Tobacco Settlement	0.0	0.0	0.0	0.0	0.0	0.0	36.5	36.5	28.5	(8.0)	34.5	6.0	35.0	0.5
Revenue Transfer for Children's Health Care Programs Fund	0.0	0.0	0.0	0.0	(9.5)	(9.5)	0.0	9.5	0.0	0.0	0.0	0.0	0.0	0.0
Other Revenue Adjustments	0.0	0.0	(1.2)	(1.2)	(8.3)	(7.1)	0.1	8.4	1.6	1.5	0.0	(1.6)	0.0	0.0
Adjusted Receipts	4,027.2	343.4	4,054.3	27.1	4,212.0	157.7	4,434.7	222.7	4,609.5	174.8	4,810.8	201.3	5,016.6	205.8
		9.3%		0.7%		3.9%		5.3%		3.9%		4.4%		4.3%
EXPENDITURES:														
Base General and Supplemental School Aid (c)	1,384.0	1.5%	1,419.1	2.5%	1,436.4	1.2%	1,419.9	-1.1%	1,400.6	-1.4%	1,380.0	-1.5%	1,358.7	-1.5%
Additional Base Aid (\$15.00 in FY 2000)	0.0	0.0	0.0	0.0	9.0	9.0	9.0	0.0	9.0	0.0	9.1	0.1	9.1	0.0
Approved Property Tax Relief:														
Approved Mill Levy Reduction (35/20 mills; \$20,000 homestead)	108.7	108.7	266.1	157.4	321.3	55.2	331.6	10.3	342.2	10.6	353.1	10.9	364.3	11.2
Approved Motor Vehicle Property Tax Relief	46.3	24.7	75.5	29.2	103.8	28.3	125.9	22.1	131.8	5.9	137.1	5.3	142.6	5.5
Subtotal - Approved Property Tax Relief	155.0	133.4	341.6	186.6	425.1	83.5	457.5	32.4	474.0	16.5	490.2	16.2	506.9	16.7
Subtotal - Approved General and Supplemental School Aid (c)	1,539.0	153.1	1,760.7	221.7	1,870.5	109.8	1,886.4	15.9	1,883.6	(2.8)	1,879.3	(4.3)	1,874.7	(4.6)
		11.2%		14.4%		6.2%		0.9%		-0.1%		-0.2%		-0.2%
Demand Transfers: (e)	205.1	5.4	219.6	14.5	229.0	9.4	234.8	5.8	267.1	32.3	277.6	10.5	288.4	10.8
All Other Expenditures(d)	2,055.0	103.6	2,249.1	194.1	2,306.9	57.8	2,306.9	0.0	2,363.9	57.0	2,448.9	85.0	2,638.9	190.0
		5.3%		9.4%		2.6%		0.0%		2.5%		3.6%		7.8%
Available for Other Purposes(g)	0.0	0.0	0.0	0.0	0.0	0.0	57.0	57.0	85.0	28.0	190.0	105.0	200.0	10.0
TOTAL Expenditures	3,799.1	263.3	4,229.4	430.3	4,406.4	177.0	4,485.1	78.7	4,599.6	114.5	4,795.8	196.2	5,002.0	206.2
Percent Increase		7.4%		11.3%		4.2%		1.8%		2.6%		4.3%		4.3%
Ending Balance(f)	756.7		581.6		387.2		336.8		346.7	60.3	361.7	5.1	376.3	(0.4)
Percent of Expenditures	19.9%		13.8%		8.8%		7.5%		7.5%		7.5%		7.5%	
Receipts in Excess of Expenditures	228.1		(175.1)		(194.4)		(50.4)		9.9		15.0		14.6	

FOOTNOTES:

a) Includes released encumbrances in FY 1998 and FY 1999.

b) Receipts are actual for FY 1998. Receipts for FY 1999 and FY 2000 reflect the April 2, 1999 consensus revenue estimates, as adjusted by the Governor. The adjustments include the tobacco settlement (starting in FY 2001) which reflects the full 50 percent transfer to the State General Fund (current law). The Governor also makes several other minor adjustments in receipts (Project 2000 in the Department of Revenue, Lottery, oil and gas well plugging transfer in the KCC, Winfield Veteran's Home, and a transfer to the State Emergency Fund). Senate adjustments include leaving the SGF transfer to the KCC in FY 99 and FY 00, plus \$0.7 from Lottery, \$14.1 million to the Higher Education Faculty Salary Parity Fund and \$1.2 million from the Kansas Highway Patrol. A revenue transfer of \$9.5 million to the Children's Health Care Programs Fund. The projections for FYs 2001 - 2004 are not consensus estimates of receipts but are based on a growth rate of 4.0 percent in FY 2001; 4.1 percent in FY 2002; 4.3 percent in FY 2003; and 4.3 percent in FY 2004.

c) Base estimate of general and supplemental school aid payments in FY 1998 (actual), estimates for FY 1999 (revised), and FY 2001 - FY 2002 were made by the Department of Education, Division of the Budget, and the Legislative Research Department. For FY 2000 the recommendation reflects an increase in the base per pupil amount of \$50 from \$3,720 to \$3,770, an additional correlation weighting adjustment from 1,750 FTE students to 1,725 FTE students, and the reduction in the uniform property tax rate from 27 to 20 mills and a homestead exemption of \$20,000. The FY 2000 - FY 2004 estimates assume a uniform school mill levy of 20 mills and a \$20,000 homestead and a base aid per pupil amount of \$3,770. FY 2003 and FY 2004 are estimated by the Legislative Research Department. An additional base increase in FY 2000 of \$15.00 in the base aid amount above the Governor, or a total of \$3,770.

d) FY 1998 actual all other expenditures. The FY 1999 and FY 2000 amounts are as approved by the Legislature in S.B. 325, plus the House recommendation for Juvenile Justice Authority and Institutions which is \$4.3 million above the Governor's recommendation. For FY 2001 - FY 2003 all other expenditures generally reflect the prior year's all other expenditures, plus the prior year's amount that is available for other purposes.

e) Demand transfers for the School District Capital Improvement Fund, Water Plan Fund, State Fair and the Local Ad Valorem Tax Reduction Fund (FY 1999 - FY 2004) all reflect current law. The County-City Revenue Sharing Fund and the City-County Highway Fund for FY 1999 reflect a cap of 2.4 percent; FY 2000 a cap of 1.75 percent; FY 2001 the amounts are frozen; FY 2002 a cap of 0.6 percent; and for FY 2003 and FY 2004 a cap of 2.6 percent. For the State Highway Fund the FY 2000 and FY 2001 the amounts reflect a capped increase of 1.7 percent; the rate increases to 7.628 percent (current law) for FY 2002 - FY 2004.

f) Current law minimum ending balance requirement is 7.5 percent of expenditures.

g) Available for other purposes such as additional expenditures or tax reductions.

Kansas Legislative Research Department
April 21, 1999

FOOTNOTES:

a) Includes released encumbrances in FY 1998 and FY 1999.

b) Receipts are actual for FY 1998. Receipts for FY 1999 and FY 2000 reflect the April 2, 1999 consensus revenue estimates, as adjusted by the Governor. The adjustments include the tobacco settlement (starting in FY 2001) which reflects the full 50 percent transfer to the State General Fund (current law). The Governor also makes several other minor adjustments in receipts (Project 2000 in the Department of Revenue, Lottery, oil and gas well plugging transfer in the KCC, Winfield Veteran's Home, and a transfer to the State Emergency Fund). Senate adjustments include leaving the SGF transfer to the KCC in FY 99 and FY 00, plus \$0.7 from Lottery, \$14.1 million to the Higher Education Faculty Salary Parity Fund and \$1.2 million from the Kansas Highway Patrol. A revenue transfer of \$9.5 million to the Children's Health Care Programs Fund. The projections for FYs 2001 - 2004 are not consensus estimates of receipts but are based on a growth rate of 4.0 percent in FY 2001; 4.1 percent in FY 2002; 4.3 percent in FY 2003; and 4.3 percent in FY 2004.

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f) Current law minimum ending balance requirement is 7.5 percent of expenditures.

g) Available for other purposes such as additional expenditures or tax reductions.

Kansas Legislative Research Department
April 21, 1999

STATE WATER PLAN FUND EXPENDITURES FY 1999

	GOV. REC. FY 1999	LEG. ADJ. FY 1999	LEG. APPR. FY 1999
Agency/Program			
State Conservation Commission			
Buffer Initiative	\$80,000	\$0	\$80,000
Conservation District Aid	1,023,250	0	1,023,250
Multipurpose Small Lakes	231,000	0	231,000
Nonpoint Source Pollution Asst.	3,001,461	0	3,001,461
Riparian and Wetland Program*	98,606	0	110,956
Water Resources Cost Share*	4,446,912	0	4,450,000
Water Rights Purchase	0	0	0
Watershed Dam Construction*	779,438	0	829,000
Total--State Conservation Commission	\$9,660,667	\$0	\$9,725,667
Kansas Water Office			
Basin Assessment	\$25,000	\$0	\$25,000
Cheney Agricultural Nonpoint Source	0	0	0
Feedlot Water Quality	70,000	0	70,000
GIS Data Access and Support Ctr.	139,000	0	139,000
GIS Manager, Data Base, and Support	316,026	0	316,026
Groundwater Condition Evaluation	25,000	0	25,000
Milford and Perry Storage Acquisition Costs	0	0	0
MOU Operation and Maintenance	446,091	0	446,091
Neosho Sub-basin Study	50,000	0	50,000
PMIB Loan	252,000	0	252,000
Public Information	40,000	0	40,000
Salt Water Intrusion Studies	25,000	0	25,000
State Water Plan Direction and Evaluation	0	0	0
Stream Gauging Program	364,000	0	364,000
Tech. Assist. to Water Users	440,000	0	440,000
Walnut Creek Study	40,000	0	40,000
Water Resource Education	70,000	0	70,000
Water Quality Initiative	0	0	0
Water Quality in Upper Arkansas River	75,000	0	75,000
Water Quality Planning Assist.	20,000	0	20,000
Weather Modification	390,000	0	390,000
Total--Kansas Water Office	\$2,787,117	\$0	\$2,787,117
Wildlife and Parks			
Stream Monitoring	\$50,000	\$0	\$50,000
River Recreation	0	0	0
Total--Wildlife and Parks	\$50,000	\$0	\$50,000
KSU--Western Kansas Irrigation Project	\$91,000	\$0	\$91,000
Department of Agriculture			
Floodplain Management	\$107,969	\$0	\$107,969
Interstate Water Issues	203,550	0	203,550
Subbasin Management Plan	660,899	0	660,899
Total--Department of Agriculture	\$972,418	\$0	\$972,418
Health and Environment			
Assessment of Sediment: Cheney and Perry	\$90,000	\$0	\$90,000
Contamination Remediation	1,420,128	0	1,420,128
Local Environmental Protection Program	1,900,000	0	1,900,000
Nonpoint Source Program	910,000	0	910,000
Total--Health and Environment	\$4,320,128	\$0	\$4,320,128
KCC--Well Plugging	\$400,000	\$0	\$400,000
Total Water Plan Expenditures	\$18,281,330	\$0	\$18,346,330
State Water Plan Resource Est.			
	GOV. REC. FY 99	LEG. ADJ. FY 99	LEG. APPR. FY 99
Beginning Balance	\$923,324	\$0	\$923,324
Revenues			
State General Fund Transfer	\$6,000,000	\$0	\$6,000,000
Economic Development Fund Transfer	2,000,000	0	2,000,000
Municipal Water Fees	3,375,000	0	3,375,000
Industrial Water Fees	1,110,000	0	1,110,000
Stock Water Fees	300,000	0	300,000
Pesticide Registration Fees	778,600	0	778,600
Fertilizer Registration Fees	2,901,728	0	2,901,728
Fines	20,000	0	20,000
Sand Royalty Receipts	322,226	0	322,226
Returned Funds/Transfers In	2,091,277	0	2,091,277
Total Receipts	\$18,898,831	\$0	\$18,898,831
Total Available	\$19,822,155	\$0	\$19,822,155
Less Expenditures	18,281,330	0	18,346,330
Ending Balance	\$1,540,825	\$0	\$1,475,825

*Items included in GBA No. 2, Item 51.

STATE WATER PLAN FUND EXPENDITURES FY 2000

	GOV. REC. FY 2000	LEG. ADJ. FY 2000	LEG. APPR. FY 2000
Agency/Program			
State Conservation Commission			
Buffer Initiative	\$80,000	\$0	\$80,000
Conservation District Aid	1,023,250	9,500	1,032,750
Multipurpose Small Lakes	231,000	0	231,000
Nonpoint Source Pollution Asst.	3,000,000	0	3,000,000
Riparian and Wetland Program	125,000	0	125,000
Water Resources Cost Share	4,450,000	0	4,450,000
Water Rights Purchase	0	0	0
Watershed Dam Construction	804,000	0	804,000
Total--State Conservation Commission	<u>\$9,713,250</u>	<u>\$9,500</u>	<u>\$9,722,750</u>
Kansas Water Office			
Basin Assessment	\$25,000	\$0	\$25,000
Cheney Agricultural Nonpoint Source	25,000	0	25,000
Feedlot Water Quality	0	0	0
GIS Data Access and Support Ctr.	145,000	0	145,000
GIS Manager, Data Base, and Support	267,800	0	267,800
Groundwater Condition Evaluation*	90,000	0	75,000
Milford and Perry Storage Acquisition Costs	0	0	0
MOU Operation and Maintenance	446,224	0	446,224
Neosho Sub-basin Study	0	0	0
PMIB Loan	267,394	0	267,394
Public Information*	40,000	0	30,000
Salt Water Intrusion Studies	0	0	0
State Water Plan Direction and Evaluation	0	0	0
Stream Gauging Program	400,000	0	400,000
Tech. Assist. to Water Users	440,000	0	440,000
Walnut Creek Study	0	0	0
Water Resource Education*	110,000	0	70,000
Water Quality Initiative	0	0	0
Water Quality in Upper Arkansas River	75,000	0	75,000
Water Quality Planning Assist.	0	0	0
Weather Modification	360,000	0	360,000
Total--Kansas Water Office	<u>\$2,691,418</u>	<u>\$0</u>	<u>\$2,626,418</u>
Wildlife and Parks			
Stream Monitoring	\$50,000	\$0	\$50,000
River Recreation	0	0	0
Total--Wildlife and Parks	<u>\$50,000</u>	<u>\$0</u>	<u>\$50,000</u>
KSU--Western Kansas Irrigation Project			
	\$0	\$0	\$0
Department of Agriculture			
Floodplain Management	\$110,619	\$0	\$110,619
Interstate Water Issues	193,157	0	193,157
Subbasin Management Plan	685,000	0	685,000
Total--Department of Agriculture	<u>\$988,776</u>	<u>\$0</u>	<u>\$988,776</u>
Health and Environment			
Assessment of Sediment: Cheney and Perry	\$125,000	\$0	\$125,000
Contamination Remediation	1,390,000	0	1,390,000
Local Environmental Protection Program	1,800,000	0	1,800,000
Nonpoint Source Program	925,000	0	925,000
Total--Health and Environment	<u>\$4,240,000</u>	<u>\$0</u>	<u>\$4,240,000</u>
KCC--Well Plugging			
	\$400,000	\$0	\$400,000
Total Water Plan Expenditures	<u>\$18,083,444</u>	<u>\$9,500</u>	<u>\$18,027,944</u>

State Water Plan Resource Est.	GOV. REC. FY 2000	CONF. ADJ. FY 2000	LEG. APPR. FY 2000
Beginning Balance	\$1,540,825	\$0	\$1,475,825
Revenues			
State General Fund Transfer	\$6,000,000	\$0	\$6,000,000
Economic Development Fund Transfer	2,000,000	0	2,000,000
Municipal Water Fees	3,390,000	0	3,390,000
Industrial Water Fees	1,115,000	0	1,115,000
Stock Water Fees	290,000	0	290,000
Pesticide Registration Fees	660,000	0	660,000
Fertilizer Registration Fees	2,750,000	0	2,750,000
Fines	20,000	0	20,000
Sand Royalty Receipts	320,726	0	320,726
Returned Funds/Transfers In	0	0	0
Total Receipts	<u>\$16,545,726</u>	<u>\$0</u>	<u>\$16,545,726</u>
Total Available	\$18,086,551	\$0	\$18,021,551
Less Expenditures	18,083,444	9,500	18,027,944
Ending Balance	<u>\$3,107</u>	<u>(\$9,500)</u>	<u>(\$6,393)</u>

*Items included in GBA No. 2, Item 51.

Economic Development Initiatives Fund

Agency/Program	GOV.REC. FY 2000	LEGISLATIVE ADJUSTMENTS FY 2000
Department of Commerce and Housing*		
Agency Operations	\$ 7,048,104	\$ (41,889)
Small Business Development Centers	485,000	
Certified Development Companies	475,000	
Kansas Industrial Training/Retraining	3,600,000	
Trade Show Promotion Grants	150,000	
Community Capacity Building Grants	197,000	
Economic Opportunity Initiative Fund	5,000,000	
Existing Industry Expansion	800,000	
Tourism Promotion Grants	952,100	
Mid-America World Trade Center	0	41,889
Mainstreet Grant and Development Prog.	216,800	
Agriculture Product Development	540,000	
Training Equipment Grants	300,000	
Travel Information Center Repairs	15,000	
Motion Picture and Television Rebate	75,000	
Kansas Sports Hall of Fame	0	
Eisenhower Museum Grant	300,000	
Subtotal - KDCH	\$ 20,154,004	\$ 0
Kansas Technology Enterprise Corporation *		
Agency Operations	\$ 1,338,486	
Centers of Excellence	3,552,640	
Research Matching Grants	1,260,000	
Business Innovative Research Grants	76,000	
State Small Business Innovation Research	440,000	
Special Projects	79,303	
Commercialization Grants	1,690,000	
Mid-America Manufact. Tech. Center	1,797,338	
EPSCoR	3,200,000	
Subtotal - KTEC	\$ 13,433,767	\$
Kansas, Inc. - Agency Operations	\$ 169,563	
NATO Conference		10,000
Analysis of Kansas Laws		10,000
Subtotal - Kansas, Inc.	\$ 169,563	\$ 20,000
Department of Education *		
At-Risk/Innovative Program Assist.	\$ 0	
Matching Grants - AVTS	200,000	
Postsecondary Aid - AVTS	6,707,144	
Capital Outlay Aid - AVTS	2,000,000	
Subtotal - Education	\$ 8,907,144	\$
Historical Society	\$ 0	
Department of Administration		
Public TV Microwave Connection	\$ 0	
State Water Plan Fund	\$ 2,000,000	
KSU -- Ag Extension		
Ogalala Aquifer Study	\$ 0	
Wildlife and Parks		
Local Government Outdoor Recreation	\$ 0	500,000
River Access		
State Fair		
Interstate Promotion	\$ 0	35,000
TOTAL TRANSFERS AND EXPENDITURES	\$ 44,664,478	555,000
EDIF Resource Estimate	GOV. REC. FY 2000	LEGISLATIVE ADJUSTMENTS FY 2000
Beginning Balance	\$ 1,708,965	\$ 1,328,335
Gaming Revenues	42,500,000	-
Other Income	500,000	-
Total Available	\$ 44,708,965	\$ 46,037,300
Less: Expenditures and Transfers	44,664,478	45,219,478
ENDING BALANCE	\$ 44,487	\$ 817,822

* - Does not include expenditures from prior year EDIF allocations.

Economic Development Initiatives Fund

<u>Agency/Program</u>	<u>GOV.REC. FY 1999</u>	<u>LEGISLATIVE ADJUSTMENTS FY 1999</u>
Department of Commerce and Housing*		
Agency Operations	\$ 7,989,452	\$
Small Business Development Centers	525,000	
Certified Development Companies	475,000	
Kansas Industrial Training/Retraining	3,850,000	
Trade Show Promotion Grants	170,000	
Community Capacity Building Grants	250,000	
Economic Opportunity Initiative Fund	4,000,000	
Existing Industry Expansion	800,000	
Tourism Promotion Grants	452,100	
Mid-America World Trade Center	50,000	
Mainstreet Grant and Development Prog.	216,800	
Agriculture Product Development	540,000	
Training Equipment Grants	300,000	
Travel Information Center Repairs	85,000	
Motion Picture and Television Rebate	100,000	
Kansas Sports Hall of Fame	150,000	
Eisenhower Museum Grant	0	
Subtotal - KDCH	\$ 19,953,352	
Kansas Technology Enterprise Corporation *		
Agency Operations	\$ 1,785,760	
Centers of Excellence	3,502,896	
Research Matching Grants	1,260,000	
Business Innovative Research Grants	76,000	
State Small Business Innovation Research	440,000	
Special Projects	79,303	
Commercialization Grants	1,540,000	
Mid-America Manufact. Tech. Center	1,997,104	
EPSCoR	3,200,000	
Subtotal - KTEC	\$ 13,881,063	
Kansas, Inc. - Agency Operations	\$ 234,597	
Department of Education *		
At-Risk/Innovative Program Assist.	\$ 0	
Matching Grants - AVTS	200,000	
Postsecondary Aid - AVTS	6,690,223	
Capital Outlay Aid - AVTS	3,000,000	
Subtotal - Education	\$ 9,890,223	
Historical Society	\$ 200,000	
Department of Administration		
Public TV Microwave Connection	\$ 116,800	
State Water Plan Fund	\$ 2,000,000	
KSU -- Ag Extension		
Ogalala Aquifer Study	\$ 90,000	
Wildlife and Parks		
Local Government Outdoor Recreation	\$ 500,000	
State Fair		
Interstate Promotion	\$ 0	
TOTAL TRANSFERS AND EXPENDITURES	\$ 46,866,035	\$ 0
EDIF Resource Estimate	GOV. REC. FY 1999	LEGISLATIVE ADJUSTMENTS FY 1999
Beginning Balance	\$ 5,575,000	\$ -
Released Encumbrances	0	918,020
Gaming Revenues	42,500,000	-
Other Income	500,000	410,315
Total Available	\$ 48,575,000	\$ 49,903,335
Less: Expenditures and Transfers	46,866,035	46,866,035
ENDING BALANCE	\$ 1,708,965	\$ 3,037,300

* - Does not include expenditures from prior year EDIF allocations.

STATE OF KANSAS

BILL GRAVES, *Governor*
State Capitol, 2nd Floor
Topeka, Kansas 66612-1590



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OFFICE OF THE GOVERNOR

April 21, 1999

The Honorable Phill Kline, Chairperson
House Committee on Appropriations
Room 514-S, Statehouse

and

The Honorable Dave Kerr, Chairperson
Senate Committee on Ways and Means
Room 120-S, Statehouse

Dear Representative Kline:

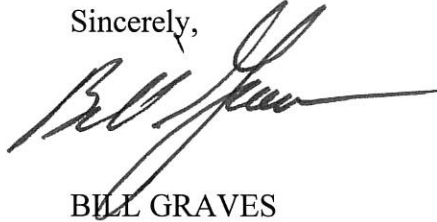
I amend my budget to decrease State General Fund expenditures by \$1,876,763 for FY 1999 and by \$29,582,304 for FY 2000. These adjustments will result in an increase of \$31,459,067 in the balance of the State General Fund by the end of FY 2000. My amended budget would also change the number of positions in state government. For FY 1999, there will be a net increase of 2.0, a reduction of 1.0 FTE position but an increase of 3.0 unclassified temporary positions. For FY 2000, 106.8 FTE positions will be added and unclassified temporaries will increase by 11.0, for a net increase of 117.8.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ (1,876,763)	\$ (29,582,304)
All Funds	\$ 17,863,123	\$ (166,914,156)
FTE Positions	(1.0)	106.8
Unclassified Temporary	3.0	11.0
Total Positions	2.0	117.8

Attachment 5-1
House Appropriations Committee
April 22, 1999

With this memorandum, I submit the attached amendments to my budget recommendations.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Graves", with a long horizontal flourish extending to the right.

BILL GRAVES
Governor

Board of Healing Arts

1. Outside Counsel Expenses and New Disciplinary Counsel Position

I amend my budget in FY 1999 by \$158,000 to pay higher than anticipated contract counsel costs for disciplinary proceedings of the Healing Arts Board. I amend my budget in FY 2000 to include \$99,878 to finance an additional Disciplinary Counsel position and additional contract counsel costs. A total of \$49,878 is needed to finance the cost of the additional position and associated equipment while \$50,000 is needed for contract counsel costs. This will allow disciplinary proceedings to be completed in a more timely manner. Finally, in FY 2001 I amend my budget to include \$44,428 to continue the financing of the new Disciplinary Counsel position.

	FY 1999	FY 2000
State General Fund	\$ --	\$ --
All Other Funds	158,000	99,878
All Funds	\$ 158,000	\$ 99,878

Board of Barbering

2. Operations

I amend my 1999 budget to finance \$4,940 in operating expenditures for the Board of Barbering from the Barber Fee Fund for FY 1999. This amount will compensate staff and board members for travel and subsistence expenses to attend two special meetings. One meeting was held to familiarize board and staff members with legislative and regulatory issues that affect the agency and the other was an official hearing to determine whether several individuals licensed as barbers in another country meet the requirements to be licensed in Kansas.

	FY 1999	FY 2000
State General Fund	\$ --	\$ --
All Other Funds	4,940	--
All Funds	\$ 4,940	\$ --

Board of Pharmacy

3. Executive Secretary Salary Increase

I amend my budget to include an 8.5 percent salary increase for the Executive Secretary of the Board of Pharmacy. After a reorganization of the Board's staff, the Executive Secretary has increased the scope of his responsibilities and taken on additional daily duties. In FY 2000, salary expenditures for the agency will increase by \$5,519 and in FY 2001 by \$3,363. All of the agency's expenditures are financed from the Board of Pharmacy Fee Fund.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	--	5,519
All Funds	<u>\$ --</u>	<u>\$ 5,519</u>

Consumer Credit Commissioner

4. Increase Grant to HCCI

I amend my budget to increase the grant to Household and Credit Counseling, Inc. by \$12,500, for a total of \$25,000. The grant increase is funded from the agency's fee fund. Currently, the grant provides HCCI with reimbursement for its service to low income individuals but HCCI experiences a loss from providing the service. Increasing the grant would reduce the loss.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	--	12,500
All Funds	<u>\$ --</u>	<u>\$ 12,500</u>

Securities Commissioner

5. Investor Education Program Expansion

I amend my budget to include 1.8 new FTE positions for the Securities Commissioner to expand the Investor Education Program. The Investor Education Program, which educates citizens on investment decision-making, will be expanded to include senior citizens. The positions include a Director of Investor Education and a part-time secretarial position. The Director will assume day-to-day control of investor education activities, which are currently divided among regular staff members. The cost of this proposal will be \$65,809 for FY 2000, all from the agency's fee fund.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	--	65,809
All Funds	<u>\$ --</u>	<u>\$ 65,809</u>

Department of Administration

6. Architectural Services Operating Expenditures

I amend my budget to add expenditure authority of \$24,260 for FY 1999 and \$242,248 for FY 2000 from the Architectural Services Recovery Fund for three items. The recommendation includes \$89,248 to fill 2.0 regular FTE positions, an Architectural Project Designer and an Engineering Project Designer, that have been held vacant for some time because of the level of approved shrinkage. The work that would be done by in-house staff is currently being accomplished through outside consultant contracts in agency budgets at a higher cost. In addition, \$84,825 is recommended for an upgrade of the Division's computer-aided design software. The industry standard is developing toward AutoCAD, whereas Architectural Services is using the older Cadvance. Finally, the recommendation includes \$24,260 in FY 1999 and \$68,175 in FY 2000 to finance the salary and other operating expenditures of a project coordinator for the renovation of the Governor's residence. All of the expenditures from the recovery fund are non-reportable.

7. Transfer to Construction Defects Recovery Fund

I amend my budget to grant the Department of Administration authority to transfer up to \$200,000 from the Architectural Services Recovery Fund to the Construction Defects Recovery Fund for FY 1999 and FY 2000. Expenditures from the Construction Defects Recovery Fund support litigation to recover costs that the state has incurred because of defects in construction caused by contractors. The balance in the defects fund is down to \$17,160 and cannot support the recovery effort much longer.

The authority granted the Secretary of Administration would allow transfers to be made up to \$200,000 in both fiscal years based on actual legal expenses incurred. When some of the lawsuits are settled and the defects fund becomes stabilized, the Department expects to request a transfer from the Construction Defects Recovery Fund to reimburse the Architectural Services Recovery Fund. Suggested proviso language is presented below:

() Upon certification by the secretary of administration to the director of accounts and reports that the unencumbered balance in the construction defects recovery fund is insufficient to pay an amount that is necessary to finance expenses related to efforts by the state of Kansas to recover damages incidental to construction defects on capital projects involving state facilities, the director of accounts and reports shall transfer an amount equal to the insufficient amount from the architectural services recovery fund to the construction defects recovery fund, except that the total of all amounts transferred pursuant to this subsection during any fiscal year shall not exceed \$200,000.

8. Public School District Health Care Benefits Program

I amend my budget to add \$633,865 and 6.0 FTE positions from a new no-limit Public School District Benefits Fund for FY 2000 as the first-year administrative cost of establishing the Public School District Health Care Benefits Program. Participation by public school districts in the Kansas Health Care Benefits Program for state employees is authorized by KSA 75-6506. The program would require the public school districts' governing body to elect to participate in

the state program with agreement to follow the program parameters established by the Health Care Commission. Employees of a school district would be allowed to elect participation in the program. The public school districts that choose to participate would finance the entire cost of the program and its administration through payments made to the Kansas State Health Care Commission. The composite rate for individual participation for the Public School District Benefits Fund will be established by the Health Care Commission as provided by KSA 75-6506 and will include program administrative costs, premiums, claims, and administrative service only fees.

The positions and related costs are necessary to manage the enrollment, premium collection, communication, and other administrative functions to integrate and manage the addition of the public school districts under the Kansas Health Care Benefits Program. The 6.0 positions include 1.0 Public Service Administrator, 3.0 Program Consultants, 1.0 Accountant, and 1.0 Office Specialist. The total includes funds for a recordkeeping and membership system; communication and travel expenses; professional consultant fees for actuarial studies, consultations, and bid reviews; and miscellaneous other operating costs.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	--	633,865
All Funds	<u>\$ --</u>	<u>\$ 633,865</u>

Kansas Corporation Commission

9. Development of a National Pipeline Mapping System

I amend my budget to allow the Kansas Corporation Commission to expend an additional \$22,787 in FY 1999 and \$39,006 in FY 2000 from federal sources. The agency has been approved to receive a federal grant to participate in the development of a national pipeline state repository system. The grant is funded through the federal Office of Pipeline Safety. The monies will be expended through a new no limit fund entitled "National Pipeline Mapping System—Federal Fund.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	22,787	39,006
All Funds	<u>\$ 22,787</u>	<u>\$ 39,006</u>

Department of Revenue

10. Legal Defense Costs

I amend my budget to include \$50,000 from the State General Fund in FY 2000 for costs associated with the defense of a lawsuit brought against the Secretary of Revenue and the Department of Revenue. The funding would provide outside legal services for this new lawsuit beyond the services already being provided by the Attorney General.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ 50,000
All Other Funds	--	--
All Funds	<u>\$ --</u>	<u>\$ 50,000</u>

State Treasurer

11. Local Ad Valorem Tax Reduction Fund

I amend my budget to decrease the State General Fund demand transfer to the Local Ad Valorem Tax Reduction Fund in FY 1999 by \$138,106 and to decrease the transfer in FY 2000 by \$127,000. The change for FY 1999 is the result of the difference between actual sales and use tax revenue for CY 1998 as compared to estimated revenue in *The FY 2000 Governor's Budget Report*. The change for FY 2000 reflects the reductions made in receipts for sales and use taxes by the Consensus Revenue Estimating Group at its meeting on April 2, 1999.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ (138,106)	\$ (127,000)
All Other Funds	--	--
All Funds	<u>\$ (138,106)</u>	<u>\$ (127,000)</u>

Judiciary

12. Magistrate Judge Positions

I amend my budget to delete \$208,228 and 4.0 FTE magistrate judge positions in FY 2000. The Judiciary has revised its original request for 9.0 FTE magistrate judges, which were included in my original recommendation, indicating that 4.0 of the recommended positions are no longer required. The other 5.0 positions remain a part of my recommendations.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ (208,228)
All Other Funds	--	--
All Funds	<u>\$ --</u>	<u>\$ (208,228)</u>

Department on Aging

13. Funding Error

Use of an incorrect State General Fund matching rate for the Targeted Case Management Program recommendation resulted in a funding error in the budget of the Department on Aging in both FY 1999 and FY 2000. The shortage in funding from the State General Fund was corrected in the Division of the Budget's Corrections Memo (February 3, 1999). However, Medicaid funding should have also been decreased. This correction to *The FY 2000 Governor's Budget Report* will restore the correct funding mix to the agency's budget.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	(198,912)	(202,788)
All Funds	<u>\$ (198,912)</u>	<u>\$ (202,788)</u>

14. KAMIS Funding

I amend my budget to increase expenditures for the Department on Aging's KAMIS Project from the State General Fund by \$392,000 and decrease expenditures from Medicaid Title XIX by the same amount in FY 2000. This switch in funding is necessary because the Health Care Financing Administration has tentatively rejected the agency's request for federal participation in the project. The Department on Aging is continuing its attempts to secure federal Medicaid participation. If it is successful, the following proviso is proposed so that any funds received would be used to reduce funding from the State General Fund.

() On or before July 15, 1999, and on the fifteenth day of each month thereafter during the fiscal year ending June 30, 2000, the secretary of aging shall certify to the director of the budget the total amount of moneys which was received by the above agency during the preceding month from the federal government and which was deposited in the state treasury to the credit of the medicaid fund—federal. During the fiscal year ending June 30, 2000, after receiving one or more certifications from the secretary of aging under this subsection, the director of the budget may certify an amount or amounts to the director of accounts and reports to be transferred from the medicaid fund—federal to the state general fund for the purpose of reimbursing the state general fund for the amount appropriated from the state general fund in the administration account. Upon receiving each such certification from the director of the budget, the director of accounts and reports shall transfer the amount or amounts certified from the medicaid fund—federal of the department on aging to the state general fund on the dates specified by the director of the budget.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ 392,000
All Other Funds	--	(392,000)
All Funds	<u>\$ --</u>	<u>\$ --</u>

15. Nursing Homes

I amend my budget to reflect changes in caseload and the cost of aid and assistance in the Nursing Facilities Program administered by the Department on Aging. These caseload adjustments are the result of a consensus caseload estimating meeting that included the staff of the Department on Aging, Legislative Research, and the Division of the Budget. This amendment includes an increase of \$500,000 in FY 1999, of which \$200,000 is from the State General Fund. For FY 2000, I amend my budget to reflect an increase of \$2.1 million in expenditures from all funding sources. Of that amount, \$840,000 is from the State General Fund. These changes reflect a constant caseload, but increasing costs, in the Nursing Facilities Program.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ 200,000	\$ 840,000
All Other Funds	300,000	1,260,000
All Funds	<u>\$ 500,000</u>	<u>\$ 2,100,000</u>

Department of Health and Environment

16. Oz Entertainment Company Theme Park

I amend my budget to include \$250,000 from fee funds and 5.0 unclassified temporary positions for FY 2000 to clean up the site of the Sunflower Army Ammunition plant. The plant, which operated from 1942 until 1992 on 9,000 acres in Johnson County, is being transferred to the state and then leased or transferred to the Oz Entertainment Company for development as a theme park. The Department of Health and Environment indicates that the land requires significant environmental remediation. A total of 32 locations on the site has been identified that will require environmental clean-up. In addition, four of those locations as well as three creeks will require long-term monitoring to determine their levels of contamination. Therefore, I amend my budget to include 5.0 Environmental Geologists at a cost \$226,146 together with associated operating costs of \$23,854 to coordinate the site clean-up and the long-term monitoring. The recommendation would accelerate clean up of this site. The funding for this initiative will come from fees deposited in a special fund by the Oz Entertainment Company.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>250,000</u>
All Funds	\$ --	\$ 250,000

17. Increase Expenditure Limitation on Health Care Database Fee Fund

I amend my budget to increase the expenditure limitation established for the Health Care Database Fee Fund from \$3,000 to \$35,000 for FY 1999. This fee fund finances the operation of the Health Care Database Program under the jurisdiction of the Secretary of Health and Environment and the policy guidance of the Health Care Data Governing Board. The program collects data on the utilization and cost of health services. One of the tasks assigned the program is to collect the data and evaluate the effect of managed care on the health delivery system of Kansas. I amend my budget so that the agency can receive and expend additional private contributions in FY 1999.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>32,000</u>	<u>--</u>
All Funds	\$ 32,000	\$ --

18. Rural and Local Health

I amend my budget to increase the expenditure limitation established on the Office of Rural Health—Federal Fund by \$100,000 for FY 1999. This amount reflects the receipt of a federal Medicare Rural Hospital Flexibility Grant. The Office of Rural and Local Health operates a program that assists Kansas communities in the provision of public health, primary care, and preventive services. It also promotes the development of health care networks among communities, agencies, and health care providers. The grant will provide operating support for the Office and for the Kansas Hospital Association as they develop critical access hospitals and networks throughout the state.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>100,000</u>	<u>--</u>
All Funds	\$ 100,000	\$ --

19. Federal Cancer Registry

I amend my budget to increase the expenditure limitation on the federal fund that finances the Federal Cancer Registry by \$50,000 for FY 1999. This program is undertaken through a contract with the University of Kansas Medical Center. The Medical Center maintains a list on all cancer victims in the state and carries out research using the data gathered. Federal

funds that were not obligated in past fiscal years have become available for use in the current year. The monies will be used to finance operations of the Kansas Cancer Registry Program.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>50,000</u>	<u>--</u>
All Funds	\$ 50,000	\$ --

Commission on Veterans' Affairs

20. Water System Upgrades

I amend my budget to lapse the funding for the water system upgrades at the Kansas Soldiers' Home. In my original budget, I recommended funding of \$200,000 in FY 2000 from the State Institutions Building Fund for upgrade of the current water system at the facility. The system was not meeting the Kansas Department of Health and Environment's standards for nitrate contaminants. However, since my budget was issued, the Department of Health and Environment has indicated that the agency can meet current standards with its available water system resources.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>(200,000)</u>
All Funds	\$ --	\$ (200,000)

21. Replace Treatment Building Roof at the Kansas Veterans' Home

I amend my budget to include funding in FY 1999 for replacement of the roof on the Treatment Building at the Kansas Veterans' Home near Winfield. The project requires \$52,000 from the State Institutions Building Fund to replace the roof that received damage from the heavy rains during the past few months.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>52,000</u>	<u>--</u>
All Funds	\$ 52,000	\$ --

22. Energy Conservation Improvements Program at the Kansas Soldiers' Home

I amend my budget in FY 1999 to include \$915,250 from the State Institutions Building Fund to allow for air conditioning, heating, window lighting, and roof upgrades and repairs on five of the major buildings on the Kansas Soldiers' Home campus. In addition to the funding from the State Institutions Building Fund, the facility would participate in the Energy

Conservation Improvements Program (FCIP) to access \$286,098 available funding for the projects. The FCIP funding would be repaid, plus 4.52 percent interest, over an eight-year period starting in FY 2001 through operating savings generated on the campus over that same period.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>915,250</u>	<u>--</u>
All Funds	\$ 915,250	\$ --

Department of Education

23. Enrollment Savings

I amend my budget to decrease funding for school finance by \$8,220,000 in FY 1999 and \$9,258,000 in FY 2000, all from the State General Fund. Current estimates for the amount of supplemental and general state aid to school districts in both FY 1999 and FY 2000 are based on the recently released final assessed valuation data and enrollment growth. My recommendation funds base budgets of \$3,720 in FY 1999 and \$3,755 in FY 2000. The savings in FY 1999 are carried forward to fund the FY 2000 budget.

	<u>FY 1999</u>	<u>FY 2000</u>
General State Aid	\$ (8,045,000)	\$ (8,997,000)
Supplemental State Aid	(175,000)	(260,000)
Capital Improvement State Aid	<u>--</u>	<u>--</u>
Total	\$ (8,220,000)	\$ (9,258,000)

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ (8,220,000)	\$ (9,258,000)
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ (8,220,000)	\$ (9,258,000)

Regents System

24. Traditional General Fees Fund Adjustments

I amend my budget to adjust the recommended level of expenditures from General Fees Funds for FY 1999 and FY 2000 at those Regents institutions which are budgeted through the traditional method. My original recommendations have been revised on the basis of the spring semester data on student credit hours and tuition receipts. The adjustments are detailed by year and by institution in the table below. Where there is a positive number, I amend my budget to replace the State General Fund appropriation with additional tuition dollars now estimated to be

available. A negative number indicates a reduction in tuition dollars requiring an additional State General Fund appropriation. The revisions reflect a total increase from the General Fees Funds of \$21,959 in FY 1999 and \$39,165 in FY 2000.

	Available Tuition FY 1999	Available Tuition FY 2000
Univ. of Kansas Medical Center	\$ --	\$ 37,650
KSU—Veterinary Medical Center	34,394	14,637
Emporia State University	(80,726)	(85,301)
Pittsburg State University	--	3,407
Fort Hays State University	68,291	68,772
	\$ 21,959	\$ 39,165
State General Fund	\$ (\$21,959)	\$ (\$39,165)
All Other Funds	21,959	39,165
All Funds	\$ --	\$ --

Kansas State University

25. Authority to Issue Revenue Bonds for Ackert Hall Addition

Kansas State plans to add 62,000 gross square feet to Ackert Hall for additional space for the Biology and Biochemistry Departments and the Center for Basic Cancer Research. Funding for the project was intended to come from Crumbling Classroom bonds (\$7.58 million), private gifts (\$2.3 million) and a federal grant (\$1.52 million). Kansas State has not yet been successful in obtaining the federal monies for the project, but efforts are continuing. In December, the Board of Regents authorized the institution to seek authorization to issue up to \$2.0 million in revenue bonds should the federal funds not be available at the time the construction contracts are signed next fall. The bonds would be repaid with restricted fees. Should federal funds become available prior to signing the construction contract next fall, the University will adjust the bond sale accordingly. In order to make debt service payments on the \$2.0 million, I amend my budget to include \$232,019 from restricted fees for FY 2000.

	FY 1999	FY 2000
State General Fund	\$ --	\$ --
All Other Funds	--	232,019
All Funds	\$ --	\$ 232,019

Kansas State University—ESARP

26. Federal Land Grant Funds

Kansas State University has received additional federal funds totaling \$23,207 for the current fiscal year. Agricultural Experiment Station funds are up by \$3,092 and Cooperative Extension System funds are up by \$20,115. I therefore amend my budget to reflect the latest amount of available federal funding for programs in this agency. These additional federal funds will offset State General Fund monies for no net change to the agency's budget.

	FY 1999	FY 2000
State General Fund	\$ (23,207)	\$ --
All Other Funds	23,207	--
All Funds	\$ --	\$ --

Emporia State University

27. Student Recreation Center

I amend my budget to allow the University to expend restricted use monies for architectural services for preliminary and final planning of a student recreation center. In March, Emporia State University students approved a referendum authorizing a student fee to construct a recreation center. Allowing the University to plan the facility in FY 2000 would schedule the facility for completion by October 2001. Suggested proviso language is included below.

() In addition to the other purposes for which expenditures may be made by the above agency from the restricted fees fund for the fiscal year ending June 30, 2000, as authorized by section 67(b) of 1999 senate bill 325, expenditures may be made by the above agency for fiscal year 2000 from the restricted fees fund for preliminary and final planning of a student recreation center: *Provided*, That expenditures for the restricted fees fund for fiscal year 2000 for preliminary and final planning of a student recreation center shall not exceed \$135,000.

Wichita State University

28. Transfer Authority

I recommend that the following authorization be provided to Wichita State University for both FY 1999 and FY 2000 in order to allow the institution to repay a portion of its debt service on energy conservation bonds on behalf of the student union.

() On the effective day of this act, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$99,962 from the restricted fees fund to the state general fund.

() On July 1, 1999, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$96,928 from the restricted fees fund to the state general fund.

Historical Society

29. Security and Fire Alarm System for the Center for Historical Research

I amend my budget to finance costs in FY 2000 to replace the fire alarm and security system at the Center for Historical Research. An analysis of this system performed in the fall of 1998 showed system deficiencies, including non-compliance with Y2K readiness. The State Fire Marshal has informed the Historical Society that it must have a working fire alarm system, or the Center for Historical Research could not remain open to the public. Replacement of this system went out for competitive bid. The Historical Society indicates that the bid submitted in the amount of \$148,006 would be accepted and the new system would be operational within 120 days.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ 148,006
All Other Funds	--	--
All Funds	<u>\$ --</u>	<u>\$ 148,006</u>

Department of Corrections

30. Federal Grant Awards

In December 1998, the Department of Corrections and the Hutchinson Correctional Facility were awarded federal grants in the amounts of \$6,000 and \$500,000, respectively. The funds will be spent over a four-year period. The awards will be used to purchase supplies and equipment for use by special enforcement officers assigned to the Department's Parole Services Program and to implement a drug interdiction program at the correctional facility. I issued an executive directive (No. 99-278) on January 7, 1999, authorizing expenditure of the grant funds and creating new funds titled the "Asset Forfeiture—Federal Fund" for the Department of Corrections and the "Drug Free Demonstration Project—Federal Fund" for the Hutchinson Correctional Facility. The portion of the grants anticipated to be spent in FY 1999 and FY 2000 were not included in *The FY 2000 Governor's Budget Report* because of printing deadlines.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
Asset Forfeiture Fund	6,000	--
Drug Free Demo Fund	285,400	87,220
All Funds	<u>\$ 291,400</u>	<u>\$ 87,220</u>

31. Off-Budget Positions Omitted

I amend my budget to include three off-budget positions, which were mistakenly not added to the Department of Corrections' total reported positions in FY 1999. My budget should be increased by 1.0 FTE position and 2.0 unclassified temporary positions.

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32. Shrinkage Rate

In FY 2000, I amend my budget to include federal funds that the Department of Corrections has been awarded under the State Criminal Alien Assistance Program (SCAAP) in the amount of \$1,033,454. The purpose of SCAAP is to reimburse states and local governments for costs incurred as a result of the incarceration of undocumented aliens. I propose that half of the funds, \$516,727, be used to lower shrinkage rates systemwide and the other \$516,727 be used for salaries and wages to decrease State General Fund expenditures by the same amount.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ (516,727)
All Other Funds	--	<u>1,033,454</u>
All Funds	<u>\$ --</u>	<u>\$ 516,727</u>

33. Drug Testing Guidelines

I amend my FY 1999 budget recommendations to include federal funds totaling \$135,000 from the Violent Offender Incarceration and Truth-in-Sentencing Grant Program (VOI/TIS). The funds will be expended for contractual services to automate the Department's drug testing result data. The central automation of the database will improve the Department's efficiency in generating and distributing random test lists and reporting forms and in collecting and reporting the test result data. The state match requirement will be financed within existing appropriations. This is a one-time expenditure.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>135,000</u>	--
All Funds	<u>\$ 135,000</u>	<u>\$ --</u>

34. Razing of Building

I amend my budget to provide the authority for the Department of Corrections to raze the old barber shop building at the Lansing Correctional Facility. The building, which is no longer used by the facility, is in poor condition and is not appropriate for any other use.

35. Legal Assistant

I amend my FY 2000 budget to include \$31,500 for an additional FTE position. Effective January 19, 1999, the Legal Assistant responsible for processing extradition requisitions for Governor's warrants and requests for detainees from other states was transferred from the Governor's Office to the Department of Corrections, with the understanding that additional resources to finance the cost of the position would be provided for FY 2000.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ 31,500
All Other Funds	--	--
All Funds	<u>\$ --</u>	<u>\$ 31,500</u>

36. Capacity Expansion Project

I amend my budget to include \$498,000 for a 100-bed expansion project at Lansing Correctional Facility in FY 2000. The Department of Corrections is currently experiencing an overall increase in the inmate population, as well as an increase in the numbers of medium and maximum custody. Some \$86,606 will come from already budgeted rehabilitation and repair funds (Correctional Institutions Building Fund), while \$17,000 will be financed from LCF's operating budget and Inmate Benefit Fund. The balance, \$394,394, represents federal funds from the Violent Offender Incarceration and Truth-in-Sentencing Grant Program. The anticipated occupancy date is September 1, 1999. My amended budget would also increase State General Fund expenditures to include 6.0 new positions to staff the new housing unit at a cost of \$154,600 and \$143,300 for additional operating expenditures.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ 297,900
All Other Funds	--	394,394
All Funds	<u>\$ --</u>	<u>\$ 692,294</u>

37. Consolidated Debt Service Reduction

I amend my budget to reduce \$41,147 from the FY 2000 Department of Corrections budget for State General Fund savings related to the refunding of revenue bonds that were issued to finance costs associated with construction of Ellsworth, El Dorado and Larned Correctional Facilities and the Labette Correctional Conservation Camp (LCCC). As a result, the recommended FY 2000 expenditures for debt service associated with the El Dorado and Larned facilities can be reduced by \$48,747, while the recommended expenditures for debt service associated with the LCCC have to be increased by \$7,600.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ (41,147)
All Other Funds	--	--
All Funds	<u>\$ --</u>	<u>\$ (41,147)</u>

Topeka Correctional Facility

38. Transition Center

I amend my budget to reduce \$36,684 and 2.0 positions from the FY 1999 Topeka Correctional Facility (TCF) budget as well as \$399,965 and 15.0 positions from the FY 2000 budget for savings related to the conversion of TCF's West Unit to a transition center. The agency is withdrawing its request for the conversion. Opposition to the conversion has come from the 1999 Legislature and local Topeka and Shawnee County officials.

	FY 1999	FY 2000
State General Fund	\$ (36,684)	\$ (399,965)
All Other Funds	--	--
All Funds	\$ (36,684)	\$ (399,965)

39. Additional Housing for Female Inmates

I amend my budget to include \$131,000 from the State General Fund and 4.0 FTE positions for TCF for FY 2000. The female inmate population has increased over the past several years and is now at capacity. Additional housing will be provided for female inmates by transferring them to the west unit of TCF on the grounds of the former Topeka State Hospital. The male inmates will be transferred to other facilities throughout the state.

With the relocation of male inmates, it will be necessary to utilize female inmates on all work details. This will likely mean that inmates with certain job skills are not available. Without skilled male inmates available, the facility will need 4.0 Facility Maintenance Supervisor positions. The positions will supervise and train inmates during the process of completing projects.

	FY 1999	FY 2000
State General Fund	\$ --	\$ 131,000
All Other Funds	--	--
All Funds	\$ --	\$ 131,000

Juvenile Justice Authority

40. Implementation of Community Plans

I amend my budget to provide \$5,310,143 for the implementation of community plans, which will address problems of juveniles in the community setting. The funding would include \$2.0 million for caseload increases, \$1,310,143 for rate increases for out-of-home placements for current and projected needs of juveniles in the agency's custody, and \$2.0 million for new community programs. Funding would come from the State General Fund, with the exception of \$2.0 million for new programs, which comes from the Children's Health Care Program Fund.

New programs will reflect the needs of each community and may range from prevention and support programs to rehabilitation. The \$5,310,143 will be full-year funding and is in addition to the \$7.0 million in new funding that I have already included in the agency's budget for the implementation of community plans in FY 2000.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ 3,310,143
All Other Funds	<u>--</u>	<u>2,000,000</u>
All Funds	\$ --	\$ 5,310,143

41. Funding for Purchase-of-Services

I amend my budget to provide supplemental financing of \$800,000 from the Juvenile Detention Facilities Fund for purchase-of-services in the community for juvenile offenders. Included are out-of-home placements and services received by juveniles under supervision at home, such as counseling, day reporting, substance abuse treatment, and GED preparation. This will allow the agency to maintain services through the remainder of the current fiscal year.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>800,000</u>	<u>--</u>
All Funds	\$ 800,000	\$ --

Beloit Juvenile Correctional Facility

42. Reopen Grandview Cottage

I amend my budget to finance the reopening and operation of Grandview Cottage at Beloit Juvenile Correctional Facility for girls. Funding of \$459,090 from the State General Fund will provide \$22,635 for one-time expenditures, \$287,340 for 12.0 FTE staff positions, and \$149,115 for ongoing expenditures, such as utilities, food, textbooks, and medication.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ 459,090
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 459,090

Adjutant General

43. Emergency Funding

I amend my budget to remove \$7,635,497 from the Adjutant General's FY 1999 budget, including \$5,941,309 from federal funds and \$1,694,188 from the State General Fund. This decrease represents the amount by which total expenses were overestimated in connection with floods occurring in 1998. Based on information available in December 1998, I included a supplemental appropriation of \$2,313,326 from the State General Fund, which would have matched \$11,098,945 in federal funds. The reductions recommended in this budget amendment reflect the agency's most recent cost estimates to fulfill the emergency needs of Kansas citizens and local governments related to flood damage.

	FY 1999	FY 2000
State General Fund	\$ (1,694,188)	\$ --
All Other Funds	<u>(5,941,309)</u>	<u>--</u>
All Funds	\$ <u>(7,635,497)</u>	\$ --

44. Active Duty Reimbursement

I amend my budget to add \$280,066 to the Adjutant General's budget in FY 1999 to reimburse National Guard members for active duty performed during disasters that took place in Kansas in 1998. Members of the National Guard performed a variety of tasks during these disasters, including rescue, cleanup, and the provision of shelter for citizens. Of this amount, \$70,017 is from the State General Fund and \$210,049 is from federal sources.

	FY 1999	FY 2000
State General Fund	\$ 70,017	\$ --
All Other Funds	<u>210,049</u>	<u>--</u>
All Funds	\$ <u>280,066</u>	\$ --

Highway Patrol

45. Transfer Excess Funds to State General Fund

I amend my budget to authorize a revenue transfer of \$1.2 million from the Kansas Highway Patrol Motor Vehicle Fund to the State General Fund. This one-time transfer is the result of an accumulation of surplus funds in the KHP Motor Vehicle Fund because of a reduction in the backlog of selling retired patrol vehicles.

Kansas Bureau of Investigation

46. Private Detective Fee Fund

I amend my budget to allow the KBI to expend monies from the Private Detective Fee Fund for the purpose of regulating and licensing private detectives. Monies deposited in this fund are generated from fees charged for licensing private detectives. In addition, 1.0 unclassified temporary position is added to process licenses and renewals. The agency is authorized to expend \$29,839 in FY 1999 and \$42,912 in FY 2000 from the Private Detective Fee Fund to pay the salary of the unclassified temporary position and for other operating expenditures necessary to process the licensing and renewals for private investigators.

	FY 1999	FY 2000
State General Fund	\$ --	\$ --
All Other Funds	29,839	42,912
All Funds	\$ 29,839	\$ 42,912

47. Automated Fingerprint Identification System

I amend my budget to allow the Kansas Bureau of Investigation to move the final payment to Printrak for its automated fingerprint identification system from FY 2000 to FY 1999. Moving this payment will save \$19,632, which would have been paid under the Master Lease Program for interest. The agency budgeted \$455,902 for the payment in FY 2000, but the payment would be \$436,270 if made in FY 1999.

	FY 1999	FY 2000
State General Fund	\$ 436,270	\$ (455,902)
All Other Funds	--	--
All Funds	\$ 436,270	\$ (455,902)

Kansas Sentencing Commission

48. Criminal Justice Information System

I amend my budget to provide state matching funds in the amount of \$160,505 from the State General Fund to leverage \$481,515 in federal funds to continue the implementation of the Criminal Justice Information System (CJIS). The combined state and federal funds will finance the remaining expenses associated with the CJIS core infrastructure. The remaining expenses deal primarily with security firewalls, the backup site for the Automated Statewide Telecommunications and Records Assessment Network (ASTRA), and development of local software applications to accommodate photo-imaging capabilities. The source of the federal financing will be Edward G. Byrne Memorial Grants for criminal justice improvement.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ 160,505
All Other Funds	--	481,515
All Funds	<u>\$ --</u>	<u>\$ 642,020</u>

Board of Emergency Medical Services

49. Emergency Medical Services for Children

I amend my FY 2000 budget to include additional expenditure authority of \$249,998 for the Emergency Medical Services for Children Program. The Board received these funds through a federal grant from the Bureau of Maternal and Child Health in the Department of Health and Human Services. They will be used to finance operations of the Emergency Medical Services for Children Program, which began in FY 1997. The purpose of the program is to assess and meet the specific needs of children during emergency medical care before they reach the hospital.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	--	249,998
All Funds	<u>\$ --</u>	<u>\$ 249,998</u>

Department of Agriculture

50. Pesticide Use Survey

I amend my budget to finance a pesticide use survey in the amount of \$100,000 from the Fertilizer Fee Fund in the Department of Agriculture in FY 2000. This survey will collect information on agricultural urban and suburban pesticide use in Kansas to improve water quality. A need has developed for determining the types and amounts of pesticides used in Kansas, which is driven by the federal Food Quality and Protection Act.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	--	100,000
All Funds	<u>\$ --</u>	<u>\$ 100,000</u>

Water Office

51. Increase Water Plan Funding for Three Programs

I amend my budget to include \$65,000 from the Water Plan Fund. These monies would provide \$40,000 for a coordinator for the water resource education programs administered at the local level and coordinated by the Water Office. They would also provide \$10,000 to operate a booth at the Kansas State Fair and \$15,000 to provide additional resources to evaluate the effect of water conservation, wellhead protection and non-point source pollution prevention on the quality and quantity of water in the High Plains aquifer. The Water Plan Fund monies to finance these requests became available because of unused funds in existing accounts of the Conservation Commission.

	FY 1999	FY 2000
State General Fund	\$ --	\$ --
All Other Funds	--	65,000
All Funds	\$ --	\$ 65,000

Department of Wildlife and Parks

52. Partnership with Natural Resource Conservation Service

I amend my FY 2000 budget to include additional expenditure authority from the Wildlife Fee Fund of \$65,000 to continue the partnership between the Department of Wildlife and Parks and the Natural Resource Conservation Service (NRCS). This additional expenditure authority will be used to finance one-half of the salaries for 6.0 biotechnician positions. The other half is financed by NRCS. These positions, contracted through a private third party, provide technical assistance in field projects, including assessment of Walk-In Hunting Areas.

	FY 1999	FY 2000
State General Fund	\$ --	\$ --
All Other Funds	--	65,000
All Funds	\$ --	\$ 65,000

53. Lesser Prairie Chicken Habitat Study

I amend my FY 2000 budget to include additional expenditure authority from the Wildlife Fee Fund of \$150,000 to begin a partnership between the Department of Wildlife and Parks and Kansas State University, Department of Biology. This additional expenditure authority will be used to finance part of a study to determine land management strategies that address optimal solutions for improving the habitat of the lesser prairie chicken while maintaining agricultural production standards. In addition to the benefits to Kansas' agricultural producers, this study will assist the Department of Wildlife and Parks in substantiating its opposition to a federal petition to list the lesser prairie chicken as a threatened or endangered

species. Of the total amount, \$20,000 will be used to finance part of an unclassified temporary position. The remaining \$130,000 will finance land management demonstrations and specialized research.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	--	150,000
All Funds	<u>\$ --</u>	<u>\$ 150,000</u>

54. Grants-in-Aid for Recreational Trails

I amend my FY 2000 budget to include an additional \$800,000 in federal funds for use as grants for developing and maintaining recreational trails. This program will become a component of the Department of Wildlife and Parks' Grants-in-Aid. The recreational trails grant program will provide at least \$760,000 in grants to local governments to develop and maintain recreational trails. The grants will consist of 80.0 percent from the Department, while 20.0 percent in matching funds will be provided by the grant recipients. As specified by federal compliance guidelines, the remaining \$40,000 will finance overhead costs associated with administering the program. It is anticipated that federal funding for this program will continue through federal fiscal year 2003, and all federal funds will be deposited in a sub-account of the Department's existing Federal Grants Fund.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	--	800,000
All Funds	<u>\$ --</u>	<u>\$ 800,000</u>

Department of Transportation

55. Comprehensive Transportation Plan

I amend my budget to finance additional expenditures in FY 2000 that will be necessary to implement a Comprehensive Transportation Program of the same scope that I initially recommended and which is currently being discussed by the Kansas Legislature. Under current scenarios, additional expenditures necessary to implement the program in FY 2000 would total \$191,303,686, all from highway funds. The recommended expenditures include \$119,598,000 for state highway construction projects, \$16,250,000 for design and construction inspection contracts, \$21,275,161 for local aid payments, \$25,087,000 for new debt service payments, and \$9,093,525 for increases in agency operations. My recommendation also includes 136.0 FTE positions and 1.0 unclassified temporary position.

This recommended increase will offset by \$408.0 million expected expenditures from bond revenues in FY 2000. As I stated in my original recommendations, I endorse the use of bond revenues to finance any proposed Transportation Plan and anticipate that any plan that is

passed by the Kansas Legislature will include some bonding component. The recommended \$408.0 million in bond proceeds will fund a portion of the increased expenditures associated with a Transportation Plan and substantial maintenance and construction expenditures that I have already recommended. Because expenditures from bond proceeds are non-reportable, the adoption of the funding for my recommended Comprehensive Transportation Plan will reduce reportable expenditures from the State Highway Fund by \$216,696,314 in FY 2000. Reflected in the amount for agency operations is \$50,738 to fund my recommended 1.0 percent increase in classified salaries for the new FTE positions.

I further amend my budget to reduce the recommended State General Fund demand transfer by \$39,531,433. This reduction reflects growth of 1.7 percent over the FY 1999 demand transfer amount. This reduction in the demand transfer amount is offset by a corresponding increase in State Highway Fund expenditures to reflect only a change in the funding source and not total expenditures. This change is indicative of current legislative discussions of alternative transportation plans that rely less heavily on the State General Fund in the first two years.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ (39,531,433)
All Other Funds	--	(177,164,881)
All Funds	<u>\$ --</u>	<u>\$(216,696,314)</u>

56. Local Aid

In addition, I amend my budget to include two expenditure increases from the Special City and County Highway Fund. These increases of \$3,621,732 in FY 1999 and \$8,088,323 in FY 2000 reflect disbursements from the fund attributable to increases in the estimates for motor fuels taxes. The original consensus motor fuels estimates were not finalized in time to be included in my budget recommendations.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	3,621,732	8,088,323
All Funds	<u>\$ 3,621,732</u>	<u>\$ 8,088,323</u>

Department of Social and Rehabilitation Services

57. Foster Care

There is a shortfall of \$33.4 million in foster care and adoption services that spans a two-year period. Several factors have contributed to rising contract costs, including higher than estimated case rates, a significant increase in the number of children in foster care in the system, and accumulated debts incurred by the contractors. To fund this shortfall over two years, I amend my budget to shift \$10,000,000 from savings in other SRS programs to this program and

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recommend an additional \$8,120,000 from the State General Fund, \$5,280,000 from other federal funds, and an additional \$10,000,000 in TANF dollars.

After internally shifting program savings to finance my amendment, the net amount of monies added to the foster care and adoption services budget would total \$16.9 million in FY 1999 and \$6.5 million in FY 2000. The agency will realize \$2.5 million in savings in the current year and \$1.3 million in FY 2000 from turnover in the Field Operations Program. In addition, the agency will find savings in its family preservation contracts totaling \$6,200,000 in the current year. The combined agency reductions include savings from the State General Fund of \$5.25 million in the current year and \$650,000 in FY 2000.

I also propose the use of an additional \$10,000,000 in TANF funds in FY 1999. In my original recommendation, I provided \$84.5 million in TANF funding over two years for foster care contracts. Unfortunately, the amount of TANF dollars cannot be increased anymore because of the income eligibility requirements. To maximize the use of TANF funding, I recommend that \$10,000,000 be shifted to other eligible programs and services within the Department, freeing up State General Fund dollars to finance costs in the foster care and adoption contracts.

	<u>FY 1999</u>	<u>FY 2000</u>
Field Operations Shrinkage	\$ (2,500,000)	\$ (1,300,000)
Family Services Savings	(6,200,000)	--
Shift SGF Savings to Foster Care	(10,000,000)	--
Shift TANF into Other Programs	10,000,000	--
Foster Care Contracts	15,600,000	5,200,000
Adoption Contracts	10,000,000	2,600,000
	<u>\$ 16,900,000</u>	<u>\$ 6,500,000</u>

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ 3,450,000	\$ 4,670,000
All Other Funds	13,450,000	1,830,000
All Funds	<u>\$ 16,900,000</u>	<u>\$ 6,500,000</u>

58. HCBS/DD Waiver Shortfall

I amend my budget to fund a \$2.4 million shortfall in the HCBS/DD waiver for FY 1999 by increasing expenditures from various fee funds in the state hospitals, which will free up State General Fund dollars for the waiver program. I recommend increasing the expenditure limitation of the Larned State Hospital Fee Fund by \$850,000, the Osawatomie State Hospital Fee Fund by \$1,100,000, and the Rainbow Mental Health Facility Fee Fund by \$200,000. I also increase the federal Title XIX expenditure limitation \$250,000. For each increase in expenditure limitation, a corresponding decrease in State General Fund expenditures will occur. The following tables illustrate these adjustments in funding source.

Larned State Hospital:

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ (850,000)	\$ --
All Other Funds	<u>850,000</u>	<u>--</u>
All Funds	\$ --	\$ --

Osawatomie State Hospital:

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ (1,100,000)	\$ --
All Other Funds	<u>1,100,000</u>	<u>--</u>
All Funds	\$ --	\$ --

Rainbow Mental Health Facility:

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ (200,000)	\$ --
All Other Funds	<u>200,000</u>	<u>--</u>
All Funds	\$ --	\$ --

SRS Mental Health and Developmental Disabilities Commission:

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ 2,150,000	\$ --
All Other Funds	<u>250,000</u>	<u>--</u>
All Funds	\$ 2,400,000	\$ --

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>2,400,000</u>	<u>--</u>
All Funds	\$ 2,400,000	\$ --

59. Kansas Covering Kids Project

I amend my budget to provide expenditures of \$700,142 for the receipt of a grant from the Robert Wood Johnson Foundation. The \$350,071 grant will be matched with federal monies to provide outreach strategies to identify children eligible for the Children's Health Insurance program. The Kansas Covering Kids Project will feature face-to-face outreach in nontraditional settings conducted in by trained volunteers. In addition to the statewide initiative, three pilot community efforts will reach out to diverse populations. The Department will contract with the

Kansas Children's Service League for the operation of the Kansas Covering Kids Project. The Department of Social and Rehabilitation Services will monitor the grant and will hire an unclassified temporary Grants Fiscal Officer at \$35,875 to be paid from grant funds.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	--	700,142
All Funds	<u>\$ --</u>	<u>\$ 700,142</u>

60. HCBS/DD Waiver Waiting List

I amend my budget to add \$2.0 million in tobacco money to the HCBS/DD waiver for FY 2000. Using a 40.0 percent state match rate, the \$2.0 million in state funds will leverage \$3.0 million in federal Medicaid funding. This funding is recommended to provide services to more people through the HCBS/DD waiver.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	--	5,000,000
All Funds	<u>\$ --</u>	<u>\$ 5,000,000</u>

61. Caseload Adjustments

I amend my budget to reflect changes in caseloads and the cost of aid and assistance programs. These caseload adjustments are the result of consensus caseload estimates that included the staff of the Department of Social and Rehabilitation Services, Legislative Research, and the Division of the Budget. The consensus estimates were limited to Medical Assistance, Temporary Assistance for Families, General Assistance, and Nursing Facilities for Mental Health. This amendment includes a net increase of \$8.0 million in FY 1999, of which \$4.4 million is from the State General Fund. These changes reflect a slight decrease in General Assistance and modest increases in Temporary Assistance for Families and Nursing Facilities for Mental Health. The largest portion of the increased cost is for Medical Assistance, which is estimated to be \$6.9 million higher than previous estimates.

For FY 2000, I amend my budget to reflect a net increase of \$26.3 million in expenditures from all funding sources. Of that amount, \$10.9 million is from the State General Fund. There are again modest increases for Temporary Assistance for Families and Nursing Facilities for Mental Health, a small decrease for General Assistance, and an increase of \$26.5 million for Medical Assistance. In my original budget recommendations, I had included the implementation of a two-tiered pharmacy program in an effort to control costs. This policy change will begin in FY 2000 and reduces the medical estimate by \$3.4 million, of which \$1.4 million is from the State General Fund. As a result, the net increase for Medical Assistance will total \$23.1 million in FY 2000. Contributing factors leading to increases in Medical Assistance are pharmaceutical costs and an increase in the medically needy and disabled populations, which are the most expensive to serve. Additional population growth is anticipated with poverty level

infants and children who were found to be qualified for medical cards after applying for benefits under the Children's Health Insurance Program.

	<u>FY 1999</u>	<u>FY 2000</u>
Temporary Assistance to Families	\$ 900,000	\$ 3,000,000
General Assistance	(190,000)	(190,000)
Medical Assistance	6,940,600	26,467,800
Two-Tiered Pharmacy Plan	--	(3,407,158)
Nursing Facilities for Mental Health	<u>300,000</u>	<u>400,000</u>
Total	\$ 7,950,600	\$ 26,270,642

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ 4,412,100	\$ 10,905,200
All Other Funds	<u>3,538,500</u>	<u>15,365,442</u>
All Funds	\$ 7,950,600	\$ 26,270,642

62. Physically Disabled Waiver

I amend my FY 2000 budget to include an additional \$2.5 million for the expansion of home and community based services in the physically disabled waiver program. My recommendation includes \$1.0 million in tobacco monies, which would be matched with \$1.5 million in Medicaid funds. The program provides community alternatives to nursing homes for individuals between the ages of 16 and 64.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>2,500,000</u>
All Funds	\$ --	\$ 2,500,000

University of Kansas Medical Center

63. Tele-Kidcare

In my original budget recommendations, I included \$255,541 from tobacco settlement monies for the University of Kansas Medical Center's new Tele-Kidcare Program. The Legislature removed funding for the program. Because of the positive consequence this initiative will have on children's health across the state, I now amend my budget to fund this program from the State General Fund, rather than from the Children's Health Care Programs Fund.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ 255,541
All Other Funds	--	<u>(255,541)</u>
All Funds	\$ --	\$ --

Selected Agencies

64. Tobacco Settlement Funds

The most current information is that the tobacco settlement proceeds will not be available to the state at the time originally anticipated. The budget recommendations I presented at the beginning of this legislative session, after adjusting for what the federal government was expected to claim to recoup tobacco-related Medicaid costs, assumed that \$8.0 million would be received in FY 1999 and \$21.2 million in FY 2000. In accordance with 1998 SB 424, I recommended \$14.6 million from the Children's Health Care Program Fund, or half of the amount available, for initiatives in FY 2000 that I believe are vital to the health and education of our children.

In order to keep my commitment to these programs, I amend my FY 2000 budget to transfer \$14.6 million from the State General Fund to the Children's Health Care Program Fund until the tobacco settlement funds are forthcoming in FY 2001. When the tobacco funds are received, a reverse transfer will restore the "borrowed" funds to the State General Fund. In this way expenditures for the children's initiatives can move forward in the same manner as I originally proposed.

At the same time, State General Fund receipts need to be reduced to reflect the fact that the \$14.6 million, representing the other half of the tobacco funds for government operations, will not be received in FY 2000. The following proviso language is suggested to implement this amendment.

() On July 1, 1999, or as soon thereafter as monies are available, the director of accounts and reports shall transfer \$14,600,000 from the state general fund to the children's health care program fund.

() On July 1, 2000, or as soon thereafter as monies are available, the director of accounts and reports shall transfer \$14,600,000 from the children's health care program fund to the state general fund.

65. Retirement Reductions

I amend my budget to reduce expenditures in various agencies in FY 1999 and FY 2000 to reflect savings resulting from retirement reductions. In FY 1999, savings from retirements in addition to the amounts included in my original budget recommendations total \$587,562, of which \$311,006 is from the State General Fund. Full-year salary savings in FY 2000 for positions that were eliminated through the retirement reduction process total \$1,363,425, including \$655,622 from the State General Fund. A total of 42.0 FTE positions will be reduced

for FY 2000 that have occurred to date in FY 1999. The amounts by agency are contained in the attachment following this memorandum.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ (311,006)	\$ (655,622)
All Other Funds	<u>(276,556)</u>	<u>(707,803)</u>
All Funds	\$ (587,562)	\$ (1,363,425)

Attachment for
Retirement Reductions

Agency	FY 1999		FY 2000		
	SGF	All Funds	SGF	All Funds	FTE
Department of Administration	\$--	\$--	\$--	\$--	(2.0)
Kansas Corporation Commission	--	(12,020)	--	(30,148)	(1.0)
Kansas Human Rights Commission	(6,618)	(10,139)	(29,537)	(44,066)	(1.0)
Dept. of Revenue	(32,142)	(36,279)	(66,855)	(101,492)	(3.0)
Social and Rehabilitation Services	(21,374)	(65,841)	(72,832)	(180,031)	(5.5)
Kansas Neurological Institute	(13,266)	(13,266)			
Larned State Hospital	(30,572)	(30,572)	(21,743)	(21,743)	(1.0)
Osawatomie State Hospital	(13,333)	(26,665)	(16,546)	(33,092)	(1.0)
Parsons State Hospital & T.C.	(2,990)	(8,544)	(7,707)	(22,019)	(1.0)
Rainbow Mental Health Facility	(13,558)	(26,735)	(13,601)	(27,201)	(1.0)
Dept. of Human Resources	--	(27,792)	--	(58,484)	(1.0)
Kansas State University	(20,596)	(25,198)	(53,193)	(71,164)	(3.0)
KSU--Vet Med	(6,879)	(6,879)	(27,618)	(27,618)	(1.0)
Pittsburg State University	(3,004)	(3,004)	(13,378)	(13,378)	(0.5)
KU Med Center--Education	(13,416)	(13,416)	(66,994)	(66,994)	(2.0)
Wichita State University	(13,753)	(13,753)	(71,802)	(71,802)	(2.0)
Dept. of Education	(13,000)	(23,402)	--	(51,135)	(1.0)
School for the Blind	(17,828)	(17,828)	(20,476)	(20,476)	(1.0)
Lansing Correctional Facility	(1,063)	(1,063)	(37,638)	(37,638)	(1.0)
Larned MH Correctional Facility	(5,058)	(5,058)	(28,780)	(28,780)	(1.0)
Winfield Correctional Facility	(25,002)	(25,002)	(33,502)	(33,502)	(1.0)
Adjutant General	(4,093)	(37,607)	(5,613)	(57,638)	(2.0)
Highway Patrol	(39,993)	(56,727)	(40,597)	(40,597)	(1.0)
Dept. of Agriculture	(13,468)	(14,282)	(27,210)	(28,612)	(1.0)
Department of Transportation	--	(86,490)	--	(295,815)	(7.0)
Statewide Total	(\$311,006)	(\$587,562)	(\$655,622)	(\$1,363,425)	(42.0)

**CHILDREN'S HEALTH CARE PROGRAMS FUND
FY 2000 EXPENDITURES**

<u>Program or Project</u>	<u>Governor's Recommendation</u>	<u>Senate Recommendation⁽¹⁾</u>	<u>House Recommendation⁽²⁾</u>	<u>Conference Recommendation⁽³⁾</u>
TeleKid Care	\$ 255,541	\$ 0	\$ 0	0
Healthy Start/Home Visitor	1,000,000	0	1,000,000	250,000
Infants and Toddlers Program	250,000	250,000	279,583	500,000
Immunizations	250,000	250,000	250,000	250,000
Newborn Screening	260,000	260,000	260,000	260,000
Innovative Child Health Programs	456,626	0	0	0
Smoking Prevention Grants	1,000,000	1,000,000	0	500,000 ⁽⁴⁾
Juvenile Justice Authority	4,000,000	3,000,000	5,072,584	0
Children's Mental Health Initiative	1,000,000	1,000,000	1,000,000	1,000,000
At-Risk Students Weighting	4,100,000	0	4,100,000	0
Four Year Old At-Risk Programs	1,000,000	0	0	0
Parent Education	777,833	777,833	777,833	777,833
Discretionary Grants (Dept. of Education)	250,000	0	0	0
Family Centered System of Care	0	962,167	3,000,000	5,000,000
Children's Mental Health Certification Match	0	0	5,000,000	0
Increases in CDDO rate reimbursement	0	0	0	1,000,000
Total	\$ 14,600,000	\$ 7,500,000	\$ 20,740,000	\$ 9,537,833

Conference Adjustments to Original Position	
Senate	\$ 2,037,833
House	\$ (11,202,167)

1) Based on a Senate floor amendment, recommended funding of the Children's Health Care Programs Fund is from a revenue transfer from the State General Fund in FY 2000.

2) The House recommends funding the Children's Health Care Programs Fund in FY 2000 with a revenue transfer from the State General Fund, to be repaid in FY 2001 from tobacco settlement funds.

3) The Conference Committee recommends funding the Children's Health Care Programs Fund in FY 2000 with a revenue transfer from the State General Fund, to be repaid in FY 2001 from tobacco settlement funds.

4) This amount is to be transferred from the Children's Health care Programs Fund to the Department of Health and Environment which will not be able to expend the money in FY 2000.

Attachment 6-1
House Appropriations Committee
April 22, 1999

STATE OF KANSAS

BILL GRAVES, Governor
State Capitol, 2nd Floor
Topeka, Kansas 66612-1590

(785) 296-3232
1-800-748-4408
FAX: (785) 296-7973



OFFICE OF THE GOVERNOR

April 21, 1999

Corrected

The Honorable Dave Kerr, Chairperson
Senate Committee on Ways and Means
Room 120-S, Statehouse

and

The Honorable Phill Kline, Chairperson
House Committee on Appropriations
Room 514-S, Statehouse

Dear Senator Kerr:

I amend my budget to decrease State General Fund expenditures by \$1,876,763 for FY 1999 and by \$29,582,304 for FY 2000. These adjustments will result in an increase of \$31,459,067 in the balance of the State General Fund by the end of FY 2000. My amended budget would also change the number of positions in state government. For FY 1999, there will be a net increase of 2.0, a reduction of 1.0 FTE position but an increase of 3.0 unclassified temporary positions. For FY 2000, 106.8 FTE positions will be added and unclassified temporaries will increase by 11.0, for a net increase of 117.8.

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ (1,876,763)	\$ (29,582,304)
All Funds	\$ 21,463,123	\$ (166,914,156)
FTE Positions	(1.0)	106.8
Unclassified Temporary	3.0	11.0
Total Positions	2.0	117.8

Attachment 7-1
House Appropriations Committee
April 22, 1999

recommend an additional \$8,120,000 from the State General Fund, \$5,280,000 from other federal funds, and an additional \$10,000,000 in TANF dollars.

After internally shifting program savings to finance my amendment, the net amount of monies added to the foster care and adoption services budget would total \$16.9 million in FY 1999 and \$6.5 million in FY 2000. The agency will realize \$2.5 million in savings in the current year and \$1.3 million in FY 2000 from turnover in the Field Operations Program. In addition, the agency will find savings in its family preservation contracts totaling \$6,200,000 in the current year. The combined agency reductions include savings from the State General Fund of \$5.25 million in the current year and \$650,000 in FY 2000.

I also propose the use of an additional \$10,000,000 in TANF funds in FY 1999. In my original recommendation, I provided \$84.5 million in TANF funding over two years for foster care contracts. Unfortunately, the amount of TANF dollars cannot be increased anymore because of the income eligibility requirements. To maximize the use of TANF funding, I recommend that \$10,000,000 be shifted to other eligible programs and services within the Department, freeing up State General Fund dollars to finance costs in the foster care and adoption contracts.

	<u>FY 1999</u>	<u>FY 2000</u>
Field Operations Shrinkage	\$ (2,500,000)	\$ (1,300,000)
Family Services Savings	(6,200,000)	--
Shift SGF Savings to Foster Care	(10,000,000)	--
Shift TANF into Other Programs	10,000,000	--
Foster Care Contracts	15,600,000	5,200,000
Adoption Contracts	10,000,000	2,600,000
	<u>\$ 16,900,000</u>	<u>\$ 6,500,000</u>

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ 3,450,000	\$ 4,670,000
All Other Funds	13,450,000	1,830,000
All Funds	<u>\$ 16,900,000</u>	<u>\$ 6,500,000</u>

58. HCBS/DD Waiver Shortfall

I amend my budget to fund a \$6.0 million shortfall in the HCBS/DD waiver for FY 1999 by increasing expenditures from various fee funds in the state hospitals, which will free up State General Fund dollars for the waiver program. I recommend increasing the expenditure limitation of the Larned State Hospital Fee Fund by \$850,000, the Osawatomie State Hospital Fee Fund by \$1,100,000, and the Rainbow Mental Health Facility Fee Fund by \$200,000. I also increase the federal Title XIX expenditure limitation \$250,000. For each increase in expenditure limitation, a corresponding decrease in State General Fund expenditures will occur. The following tables illustrate these adjustments in funding source.

Larned State Hospital:

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ (850,000)	\$ --
All Other Funds	850,000	--
All Funds	<u>\$ --</u>	<u>\$ --</u>

Osawatomie State Hospital:

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ (1,100,000)	\$ --
All Other Funds	1,100,000	--
All Funds	<u>\$ ---</u>	<u>\$ ---</u>

Rainbow Mental Health Facility:

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ (200,000)	\$ --
All Other Funds	200,000	--
All Funds	<u>\$ --</u>	<u>\$ --</u>

SRS Mental Health and Developmental Disabilities Commission:

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ 2,150,000	\$ --
All Other Funds	3,850,000	--
All Funds	<u>\$ 6,000,000</u>	<u>\$ --</u>

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ --
All Other Funds	6,000,000	--
All Funds	<u>\$ 6,000,000</u>	<u>\$ --</u>

59. Kansas Covering Kids Project

I amend my budget to provide expenditures of \$700,142 for the receipt of a grant from the Robert Wood Johnson Foundation. The \$350,071 grant will be matched with federal monies to provide outreach strategies to identify children eligible for the Children's Health Insurance program. The Kansas Covering Kids Project will feature face-to-face outreach in nontraditional settings conducted in by trained volunteers. In addition to the statewide initiative, three pilot community efforts will reach out to diverse populations. The Department will contract with the

	<u>FY 1999</u>	<u>FY 2000</u>
State General Fund	\$ --	\$ 255,541
All Other Funds	--	(255,541)
All Funds	<u>\$ --</u>	<u>\$ --</u>

Selected Agencies

64. Tobacco Settlement Funds

The most current information is that the tobacco settlement proceeds will not be available to the state at the time originally anticipated. The budget recommendations I presented at the beginning of this legislative session, after adjusting for what the federal government was expected to claim to recoup tobacco-related Medicaid costs, assumed that \$8.0 million would be received in FY 1999 and \$21.2 million in FY 2000. In accordance with 1998 SB 424, I recommended \$14.6 million from the Children's Health Care Program Fund, or half of the amount available, for initiatives in FY 2000 that I believe are vital to the health and education of our children. In addition, I recommend \$2.0 million for the HCBS waiver, \$1.0 million for the HCBS/DD waiver, and \$2.0 million for new community programs in JJA. I recommend subtracting \$255,541 for Tele-Kidcare and funding that program out of the State General Fund.

In order to keep my commitment to these programs, I amend my FY 2000 budget to transfer \$19,344,459 from the State General Fund to the Children's Health Care Program Fund until the tobacco settlement funds are forthcoming in FY 2001. When the tobacco funds are received, a reverse transfer will restore the "borrowed" funds to the State General Fund. In this way expenditures for the children's initiatives can move forward in the same manner as I originally proposed. At the same time, State General Fund receipts need to be reduced to reflect the fact that the \$19,344,459, representing the other half of the tobacco funds for government operations, will not be received in FY 2000. The following proviso language is suggested to implement this amendment.

() On July 1, 1999, or as soon thereafter as monies are available, the director of accounts and reports shall transfer \$19,344,459 from the state general fund to the children's health care program fund.

() On July 1, 2000, or as soon thereafter as monies are available, the director of accounts and reports shall transfer \$19,344,459 from the children's health care program fund to the state general fund.

65. Retirement Reductions

I amend my budget to reduce expenditures in various agencies in FY 1999 and FY 2000 to reflect savings resulting from retirement reductions. In FY 1999, savings from retirements in addition to the amounts included in my original budget recommendations total \$587,562, of which \$311,006 is from the State General Fund. Full-year salary savings in FY 2000 for positions that were eliminated through the retirement reduction process total \$1,363,425, including \$655,622 from the State General Fund. A total of 42.0 FTE positions will be reduced

April 21, 1999

ITEMS FOR OMNIBUS CONSIDERATION

Department of Social and Rehabilitation Services

A. Caseload Estimates. Staff of the Kansas Legislative Research Department, the Division of the Budget, the Kansas Department on Aging (KDOA) and the Department of Social and Rehabilitation Services (SRS) met on April 15 to develop consensus caseload estimates on agency programs for FY 1999 and FY 2000. Consensus was reached on expenditure estimates for Temporary Assistance for Families, General Assistance, regular medical assistance, and adult care facilities (including nursing facilities, nursing facilities for mental health). At the request of the Division of the Budget, the Home and Community Based Services (HCBS) programs, and intermediate care facilities for the mentally retarded, and child welfare services (including foster care contracts, adoption contracts, and adoption support) were removed from the caseload estimating process. In total, estimated State General Fund expenditures are increased by \$4.6 million in FY 1999 and \$12.1 million in FY 2000. State General Fund expenditures for programs operated by SRS were increased by \$4.2 million in FY 1999 and \$11.3 million in FY 2000. The following tables summarize the November 1998 and April 1999 caseload estimates and the resulting differences:

			November	April	
			Estimate	Estimate	Difference
			<u>FY 1999</u>		
Cash Assistance					
Temporary Assistance for Families	All Funds		\$ 45,000,000	\$ 45,900,000	\$ 900,000
	SGF		35,336,000	35,336,000	0
General Assistance	All Funds		\$ 4,455,000	\$ 4,265,000	\$ (190,000)
	SGF		4,455,000	4,265,000	(190,000)
Medical Assistance					
	All Funds		\$ 535,759,000	\$ 542,700,000	\$ 6,941,000
	SGF		204,513,900	208,900,000	4,386,100
Adult Care Homes					
Nursing Facilities (KDOA)	All Funds		\$ 250,000,000	\$ 250,500,000	\$ 500,000
	SGF		100,000,000	100,200,000	200,000
Nursing Facilities - Mental Health	All Funds		\$ 12,000,000	\$ 12,300,000	\$ 300,000
	SGF		8,637,000	8,853,000	216,000
Subtotal - Adult Care Facilities					
	All Funds		\$ 262,000,000	\$ 262,800,000	\$ 800,000
	SGF		\$ 108,637,000	\$ 109,053,000	\$ 416,000
			<u>FY 2000</u>		
Cash Assistance					
Temporary Assistance for Families	All Funds		\$ 41,000,000	\$ 44,000,000	\$ 3,000,000
	SGF		35,336,000	35,336,000	0
General Assistance	All Funds		\$ 4,455,000	\$ 4,265,000	\$ (190,000)
	SGF		4,455,000	4,265,000	(190,000)
Medical Assistance					
	All Funds		\$ 543,639,358	\$ 566,700,000	\$ 23,060,642
	SGF		211,292,800	222,500,000	11,207,200
Adult Care Homes					
Nursing Facilities (KDOA)	All Funds		\$ 262,500,000	\$ 264,600,000	\$ 2,100,000
	SGF		105,000,000	105,840,000	840,000
Nursing Facilities - Mental Health	All Funds		\$ 12,600,000	\$ 13,000,000	\$ 400,000
	SGF		9,068,900	9,356,000	287,100
Subtotal - Adult Care Facilities					
	All Funds		\$ 275,100,000	\$ 277,600,000	\$ 2,500,000
	SGF		\$ 114,068,900	\$ 115,196,000	\$ 1,127,100

B. Omnibus Review Items.

1. Child Support Enforcement—Kansas Enhanced Statewide Support Enforcement Project (KESSEP) and the Centralized Payment Center Project (House Budget Committee and Senate Subcommittee). The House Budget Committee on Social Services and the Senate Subcommittee reviewing the SRS budget requested an update on the status of the KESSEP and centralized payment center mandated by the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The KESSEP system is now scheduled to cost a total of \$45.9 million all funds including \$13.3 million from state funds and was scheduled to be completed in September 1999. The centralized payment center is a joint effort with Office of Judicial Administration (OJA) and is scheduled for completion by October 1999. The Committees wished to know if these estimates of completion and costs are accurate. The agency indicates the above information is still accurate.

2. Home and Community Based Services for the Physically Disabled (House Budget Committee). The House Budget Committee on Social Services reviewing the Adult and Medical Services Commission budget for FY 2000 recommended that the agency prepare a plan to address how services will be provided, without a waiting list, within the Governor's Budget Recommendation for the program. If the funding is insufficient, the agency is to inform the Governor and the Committee. The Committee is to review at Omnibus the new information. The agency's current estimate of the FY 2000 shortfall is \$6,849,948 all funds including \$2,739,979 from the State General Fund.

3. Follow Up Study of Individuals Who Have Left the Welfare Roles (Senate Subcommittee). The Senate Subcommittee reviewing the Income Maintenance and Employment Preparation Services budget for FY 2000 appointed two members to draft a scope statement for a proposed study to determine why individuals who have left the welfare roles are no longer using Food Stamps. The Committee is to consider funding the study and determining the expectations of the study during review at Omnibus.

4. Foster Care Contracts, Adoption Contract, and Adoption Support (Conference Committee). The Conference Committee in reviewing the SRS budget deferred the additional funding requested by the agency for foster care contracts (\$5.2 million), adoption contract (\$2.6 million), and adoption support (\$2.3 million) to totally fund the above services for FY 2000. The current approved amount in FY 2000 is \$140.0 million all funds (\$44.0 million SGF). The current approved amount in FY 1999 is \$110.4 million all funds (\$28.0 million SGF).

Funding Approved by the Legislature

	FY 1999		FY 2000	
	State		State	
	General Fund	All Funds	General Fund	All Funds
Foster Care Contracts	\$ 23,474,408	\$ 100,503,946	\$ 8,246,786	\$ 81,603,946
Adoption Contract	12,454,411	26,394,141	10,731,723	14,769,807
Adoption Support	8,024,136	13,057,080	8,993,162	14,026,106
	<u>\$ 43,952,955</u>	<u>\$ 139,955,167</u>	<u>\$ 27,971,671</u>	<u>\$ 110,399,859</u>

5. **Mental Health Programs—Family Centered System of Care for Severely Emotional Distributed Children (House Budget Committee and Senate Subcommittee).** The House Budget Committee on Social Services and the Senate Subcommittee reviewing the mental health services budget for FY 2000 received a request from the Association of Community Mental Health Centers of Kansas for funding of \$5,000,000 State General Fund to provide a statewide program of early intervention and prevention services for children who are at risk of developing severe emotional disturbances (SED) and their families. The program would be based on a federal pilot project located in Sedgwick County and 13 counties in southeast Kansas. The Legislature has funded the request with \$5,000,000 of tobacco funds in S.B. 325.

6. **Mental Health Programs—Case Management Services to Homeless persons with a Mental Ill (House Budget Committee).** The House Budget Committee on Social Services reviewing the mental health services budget for FY 2000 received a request for \$1,440,000 from all funding sources including \$1,000,000 from the State General Fund to provide a statewide program of case management services to homeless persons with a mental illness. Currently a pilot project in Sedgwick and Shawnee Counties provides assertive outreach, where case managers search the streets and locations where homeless individuals stay. The Legislature in S.B. 325 has funded the request with \$750,000 State General Fund and a local match requirement of \$250,000 which will provide federal funds of \$440,000 according to SRS.

7. **Developmental Disabilities—Home and Community Based Services for Mental Retardation (HCBS/MR) FY 1999 and FY 2000 (House Budget Committee and Senate Subcommittee).** The House Budget Committee on Social Services and the Senate Subcommittee reviewing the developmental disabilities budget requested that the HCBS/MR waiver program be reviewed again during the Omnibus Session. The Conference Committee added \$650,000 State General Fund and recommended the agency reallocate \$1,750,000 of state funds from within the existing agency budget to the waiver program. The above action would fund the FY 1999 shortfall of \$2,400,000 from state funds and \$5,990,000 all funds. The waiting list was not addressed.

The committees reviewing the HCBS/MR budget for FY 2000 were informed that a shortfall of \$10,371,564 from all funding sources, including \$4,097,425 from the State General Fund existed for the waiver program. In addition, an estimated 392 individuals are or would be placed on a waiting list during the year. The waiting list would require an additional \$6,294,724 from all funding sources, including \$2,871,350 from the State General Fund. The Conference

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Committee funded the shortfall of \$10.4 million (\$4.1 million State General Fund). The waiting list was not addressed by the Conference Committee recommendations.

8. Mental Health and Developmental Disabilities—Inflationary Increases for Workers (House Budget Committee). The House Budget Committee on Social Services reviewing the mental health and developmental disabilities budgets requested that inflationary increases for community based services be reviewed during the Omnibus Session. The Committee heard testimony that the community based services had not received inflationary increases at the same pace as the salary base increases received by state employees. The Conference Committee in S.B. 325 reviewed both the mental health and developmental disabilities budgets with regard to inflationary increases and added \$5,000,000 from all funding sources, including \$1,000,000 from the State General Fund and \$1,000,000 from tobacco funds for rate reimbursement increases for the developmental disabilities providers in FY 2000.

C. S.B. 126 (Law) creates a Quality Enhancement Wage Pass-Through Program for nursing facilities that receive reimbursement through the Medicaid Program for treatment of the elderly, developmentally disabled, and mentally ill. The bill would allow facilities that choose to participate in the program to receive a payment option that would provide reimbursement to the facilities up to \$4 per resident day. The reimbursement would be designed to increase either salaries or benefits for the employees of the facilities who provide direct care or support services to the residents of the facilities. In addition, the bill would provide that the pass-through funds be used for the payment of salaries and benefits for nurse aides, medication aides, restorative-rehabilitation aides, licensed mental health technicians, hydration and nutrition aides, plant operating and maintenance personnel and non supervisory activity staff. The monies could be used to hire additional direct care or support staff or to increase salaries and benefits for existing staff. The bill would not allow pass-through monies to be used to increase management compensation or facility profits. The Department on Aging and SRS will administer the new law. SRS estimates the maximum additional cost would be \$1.7 million (\$1.0 million State General Fund) for the nursing facilities for developmentally disabled and mentally ill, and \$41,122 (\$34,131 State General Fund) for administration. The law specifies that the program is subject to line item appropriation prior to enactment.

D. Technical Adjustment. A posting error in S.B. 325 resulted in the Youth Aid and Assistance Account being underfunded by \$8,178,207. The technical adjustment is needed to properly reflect the Governor's and the Legislature's intent.

E. GBA No. 2, Item 57, pg. 25—Foster Care.

F. GBA No. 2, Item 58, pg. 26—HCBS/DD Waiver Shortfall FY 1999.

G. GBA No. 2, Item 59, pg. 27—Kansas Covering Kids Project.

H. GBA No. 2, Item 60, pg. 28—HCBS/DD Waiver Waiting List FY 2000.

I. GBA No. 2, Item 61, pg. 28—Caseload Adjustments.

J. GBA No. 2, Item 62, pg. 29—Physically Disabled Waiver.

Department on Aging

A. Caseload Estimates. See Caseload Estimates under Department of Social and Rehabilitation Services.

B. Omnibus Review Items

1. Home and Community Based Services for the Frail Elderly Waiver Program (HCBS/FE) (House Budget Committee). The House Budget Committee on Social Services reviewing the Aging budget for FY 1999 and FY 2000 requested the agency to prepare a plan for the HCBS/FE waiver that will address how services will be provided, without a waiting list, within the Governor's budget recommendation for the program. The agency had requested \$38,940,000 all funds, including \$15,692,820 from the State General Fund for the program in FY 2000. The Governor recommended \$35.0 million including \$14,060,900 from the State General Fund. If the funding is insufficient, the agency is requested to inform the Governor and the Committee. In addition, during the Omnibus Session, after resolution of the HCBS waiver issues, the Committee also wished to review the funding for the Income Eligible and Senior Care Act programs. The Senate Subcommittee also wished to review the Income Eligible Program during the Omnibus Session. The Conference Committee added \$2,250,000 all funds, including \$900,000 from the State General Fund for the HCBS/FE waiver program in FY 2000. A proviso was also added to the FY 1999 and FY 2000 appropriation for Long Term Care directing the agency to apply immediately for authorization of a waiting list for the program from the federal government. Also, the Conference Committee added \$500,000 from the State General Fund for the Income Eligible and Senior Care Act programs with the understanding that the Area Agencies on Aging may determine how to spend the additional funding, either on the Senior Care Act or Income Eligible programs.

2. Senior Companion Program (Senate Committee). The Senate Committee recommends that the Committee revisit the issue of the Senior Companion Program during the Omnibus Session to locate within the agency funding of approximately \$160,000 from the State General Fund to provide the match for the programs in Hays and Wichita. The agency maintains the funding issues have been resolved.

C. S.B. 126 (Law) creates a Quality Enhancement Wage Pass-Through Program for nursing facilities that receive reimbursement through the Medicaid Program for treatment of the elderly, developmentally disabled, and mentally ill. The bill would allow facilities that choose to participate in the program to receive a payment option that would provide reimbursement to the facilities up to \$4 per resident day. The reimbursement would be designed to increase either salaries or benefits for the employees of the facilities who provide direct care or support services to the residents of the facilities. In addition, the bill would provide that the pass-through funds be used for the payment of salaries and benefits for nurse aides, medication aides, restorative-rehabilitation aides, licensed mental health technicians, hydration and nutrition aides, plant operating and maintenance personnel and nonsupervisory activity staff. The moneys could be used to hire additional direct care or support staff or to increase salaries and benefits for existing staff. The bill would not allow pass-through monies to be used to increase management compensation or facility profits. The Department on Aging and the Department of Social and Rehabilitation Services will administer the new law. The Department on Aging estimates the additional nursing home reimbursements for elderly residents could be \$17.2 million (\$6.9 million State General Fund) and \$250,000 (\$125,000 SGF) for administration in

FY 2000. The law specifies that the program is subject to line item appropriation prior to enactment.

D. GBA No. 2, Item 13, pg. 8—Funding Error.

E. GBA No. 2, Item 14, pg. 8—KAMIS Funding.

F. GBA No. 2, Item 15, pg. 9—Nursing Homes.

Kansas Department of Transportation

A. **New Transportation Plan (H.B. 2071—Conference Committee)**. This bill would enact a comprehensive transportation program beginning in FY 2000. Both the House and Senate passed different versions of the bill. Two conference committee reports have been prepared with alternative House and Senate recommendations. The overall size of the four alternative programs differs as a result of different revenue streams and financing methods.

Each version of the bills and the conference committee recommendations would have a fiscal impact that is in addition to the Governor's recommendations in the FY 2000 Budget Report. The proposed legislation would have both programmatic and administrative impacts, including requested increases in both the approved limitation on agency operations expenditures and FTE limitation on staff positions as authorized in 1999 S.B. 325. The fiscal impact for agency operations would be an estimated increase of \$9,093,525 in the FY 2000 expenditure limitation. An increase of 136.0 FTE positions also is indicated. (Details are described in the section on budget impact.) Total FY 2000 KDOT expenditures would increase an estimated \$171 million to \$190 million, depending upon whether the House or Senate versions of H.B. 2071 were adopted.

Budget Impact

The KDOT FY 2000 approved budget in S.B. 325 would need modifications if a version of H.B. 2071 passes this session. Several new funds should be appropriated and one old fund deleted since its use would be discontinued. If any adjustments are adopted by the Legislature in regards to agency spending and staffing requested by KDOT, then approved limitations for agency operations and FTE positions would need to be modified accordingly. The budget summary is presented below as requested by KDOT for the House and Senate versions of the bill that passed each chamber. Most of KDOT expenditures are facilitated by no limit accounts and funds which would not require modification if S.B. 325 should pass. The revised expenditure estimates are present in the following table for FY 2000.

	House Passed	Senate Passed
Agency Operations:		
Salaries and Wages	\$ 5,151,465	\$ 5,151,465
Contractual Services	1,086,545	1,086,545
Commodities	322,833	322,833
Capital Outlay	2,532,682	2,532,682
Subtotal—Agency Operations (Limited Account)	\$ 9,093,525	\$ 9,093,525
Construction Contracts:		
Design Contracts	\$ 15,250,000	\$ 15,250,000
Construction Inspection Contracts	1,000,000	1,000,000
Subtotal—Contracts	\$ 16,250,000	\$ 16,250,000
Local State Aid:		
Public Transit	\$ 9,000,000	\$ 4,000,000
Aviation Grants	3,000,000	3,000,000
KLINK Payments	1,120,000	1,120,000
Special City/County Highway Fund Payments	10,155,161	10,155,161
Rail Service Loans	3,000,000	3,000,000
Subtotal—State Aid	\$ 26,275,161	21,275,161
Construction:		
State Projects	\$ 119,598,000	\$ 119,598,000
Debt Service:		
Principal and Interest	\$ 0	\$ 23,750,000
Total Expenditures	\$ 171,216,686	\$ 189,966,686
Positions:		
FTE Positions (Position Limitation)	136.0	136.0
Unclassified Temporary	1.0	1.0
Total Positions	137.0	137.0

According to this information, S.B. 325 would need to be modified by increasing the limited agency operations account by \$9,093,525, increasing the FTE limitation by 136.0, and increasing the limited KLINK account by \$1,120,000. The Secretary of Transportation points out that the payment for city connecting links (KLINK) could be made "no limit" instead of adjusting the expenditure limitation. In addition, the Secretary requests a "no limit" appropriation for the **Kansas Transportation Revolving Fund** (new) and for the **Coordinated Public Transportation Assistance Fund** (new).

The annualized cost in FY 2001 for the new staff positions is calculated at \$7,783,025, almost \$2.7 million more than the first year cost that reflects staggered hirings. The one-time capital outlay expenditures decrease from over \$2.5 million in FY 2000 to \$1,000 in FY 2001 after equipping the new employees is completed. Other categories of agency operations expenditures increase slightly in FY 2001 for contractual services and commodities. Staff has additional details in supplements, along with program level information about expenditures and staff levels requested by KDOT.

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Programmatic Elements and Fiscal Impact

Additional background information about the different versions of the bill and conference committee reports is presented below. Certain elements are found in all versions and the changes in versions are noted where appropriate. Provisions are noted that authorize levels of spending or transferring funds. New fund names are identified.

A. The bill would authorize state highway system program components:

1. Substantial maintenance (no spending level in bills);
2. Major modifications and priority bridges (no spending level in bills);
3. System enhancements projects (\$1.1 billion spending in the Senate bill); and
4. A highway demonstration project to evaluate pavement guarantees by the contractor (no spending level in bills).

B. The bill would provide enhanced assistance to local units of government through:

1. A formula adjustment in the Special City and County Highway Fund to provide an average increase of \$14.0 million annually in state aid;
2. An increase in city connecting links (KLINK) maintenance state aid from \$2,000 to \$3,000 per lane mile;
3. Assistance for railroad crossings not on the state highway system (no spending level in bill); and
4. A program of credit enhancements for local units through the new **Kansas Transportation Revolving Fund** (no spending level in bills, but authority is included to capitalize initially with transfers from the State Highway Fund, proceeds of bonds sales, or other amounts appropriated).

C. The bill would authorize new modal elements in the plan:

1. A new loan program for railroads is established. The bill provides for transfer of \$3.0 million from the State Highway Fund to the Rail Service Improvement Fund on July 1, 1999, and on each July 1 thereafter through 2006. Currently, the only money available to this fund is federal financing from grants.
2. Funding for general aviation airports is authorized. On July 1, 1999, and on each July 1 thereafter, the bill authorizes transfers of \$3.0 million each year from the State Highway Fund to the Public Use General Aviation Airport Development Fund. Currently, there is no money in this fund. A program already is established by statute.

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3. An enhanced public transit program is established and financed. The current transportation program for the elderly and disabled is expanded to include the general public. Funding is increased from \$1.0 million of state assistance to \$5.0 million (Senate) or \$10.0 million (House). Another average of \$5.0 million is available from the federal government on an annual basis. On July 1, 1999, and on each July 1 thereafter, the bill authorizes transfers) each year either of \$5.0 million (Senate) or \$10.0 million (House) from the State Highway Fund to the new **Coordinated Public Transportation Assistance Fund**. The old fund (the Elderly and Disable Coordinated Public Transportation Assistance Fund) appropriated in 1999 S.B. 325 as approved by the Legislature is abolished by H.B. 2071 and would need to be deleted if a transportation plan is enacted.

D. Other parts of the bill that have fiscal impact:

1. During the program period from July 1, 1999, to either June 30, 2007 (House) or June 30, 2009 (Senate), the Secretary of Transportation is directed to spend a total of at least \$3.0 million in each county for highway, bridge, and substantial maintenance projects. The 1989-97 Comprehensive Highway Program guaranteed spending at least \$2.5 million per county.
2. The Secretary of Transportation would be authorized under several of the plans proposed by the Senate and one by the House to issue new bonds backed by the State Highway Fund's revenues. The bonds would be required to mature in not more than 20 years (Senate) or 15 years (House). Bond money spending has a fiscal impact on the budget by reducing reportable expenditures proportionate to the amount of bond money spent each year.

For example, the first year of the Governor's proposal introduced in January of 1999 would have reduced FY 2000 KDOT reportable expenditures in the *Governor's Budget Report* by \$216,696,314. The Governor's first proposal would have spent \$191,303,686 in FY 2000 in addition to the total included in the *Governor's Budget Report*. However, under the Governor's plan, \$408,000,000 of bond money would have been spent in FY 2000. The difference between the bond money to be spent and the total new expenditures is \$216,696,314, or the amount of reduction in the reportable expenditures for FY 2000 under the Governor's plan.

3. The demand transfers from the SGF to the SHF would be changed by several versions of the bills. Under one of the Senate plans, SGF transfers would be allowed to increase by 1.7 percent in FY 2000 and FY 2001. Beginning in FY 2002, the current statutory sales tax transfer rate of 7.628 percent would be increased to 9.51 percent. That percentage would then be increased to 11 percent in FY 2003; increased to 11.25 percent in FY 2004; increased to 12.25 percent in FY 2005; increased to 13.25 percent in FY 2006; and increased to 13.75 percent in FY 2007 and thereafter. The Senate position of capping demand transfers (both the sales tax and motor carrier property tax) at 1.7 percent in FY 2000 and FY 2001 was included in 1999 S.B. 325 as approved by the Legislature.

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B. Revenue and State Aid Adjustments. Both House and Senate committees asked for review during omnibus of the motor fuels tax collections and revenue estimate adjustments in FY 1999 and FY 2000. Both committees suggested a Governor's Budget Amendment would be reviewed if submitted. Approved KDOT expenditures in FY 1999 and FY 2000 include estimates for state aid to cities and counties based on motor fuels tax receipts. The money is distributed through the Special City and County Highway Fund. Both House and Senate committees suggested consideration during the Omnibus period of revised estimates for receipts and any adjustments resulting from revisions to the approved state aid estimates in FY 1999 and FY 2000. The current FY 1999 estimated aid is \$138,139,268, and the estimated aid in FY 2000 is \$137,769,516.

C. GBA No. 2, Item 55, pg. 24—Comprehensive Transportation Plan.

D. GBA No. 2, Item 56, pg. 25—Local Aid.

Kansas Lottery

A. Reduction in Reportable Expenditures. Neither House nor Senate committees considered this item contained in Governor's Budget Amendment (GBA) No. 1-2. Earlier in the 1999 session, GBA 1-2 proposed a correction in FY 1999 and FY 2000 that reduces the Lottery Operating Fund expenditures both fiscal years by \$80,000. GBA 1-2 suggests that the expenditures are non-expense items, and therefore should not be counted as regular expenditures. These two non-expense items were included as reportable expenditures in the *Governor's Budget Report* and the correction would decrease total expenditures of the Lottery in FY 1999 and FY 2000 by \$80,000 each fiscal year. **(Staff Note:** The Budget Division analyst indicates that the agency operations expenditure limitation in FY 2000 reflects this correction and that the \$80,000 amount in FY 1999 and FY 2000 only need to be reconciled in the fiscal tracking of approved expenditures. No adjustments are needed in approved expenditure limitations.)

B. Technical Correction. In S.B. 325, an incorrect reference involving lottery transfers was attributed to June 15, 1999 instead of June 15, 2000. The context of the reference is correct since fiscal year 2000 is cited repeatedly and the correct date could be construed since June 15, 2000 is used correctly in the proviso several other times. However, a correction should be added in the Omnibus bill to fix the problem in section 45(e).

Kansas Public Employees Retirement System (KPERs)

A. Manager Fees Adjustment. The House and Senate Committees asked that KPERs manager fees be reviewed during Omnibus. Based on investment earnings to date, the estimated investment related expenses will total \$22,968,648 in FY 1999. The current approved expenditure limitation is \$24,084,723. An adjustment in the estimate represents a reduction of \$1,116,075 in FY 1999. **(Staff Note:** The Legislature may wish to make this adjustment in its tracking of approved expenditures, but do not adjust the actual expenditure limitation in order to leave the agency with flexibility if costs increase. Should the limitation be lowered, and if additional expenses above the new limit were to occur, KPERs would have to seek State Finance Council action if the Legislature were not in session.)

The revised estimate for investment related expenditures in FY 2000 is \$24,455,059, or a decrease in the amount approved in S.B. 325. The FY 2000 approved expenditure limitation is \$24,803,544 and a reduction of \$348,485 is suggested by the revised estimate.

B. Reappropriation for Technology Project. The Chairperson of the Joint Committee on Information Technology recommends omnibus review of the KPERS \$3.0 million Technology Project. The Joint Committee has scheduled a meeting on Monday, April 26, 1999, in order to receive the quarterly report from KPERS. In that quarterly report, and in correspondence to both the Chairperson of the Appropriations Committee and of the Ways and Means Committee, the KPERS Executive Secretary indicates that of \$2.4 million appropriated in FY 1999 (less \$150,000 lapsed by the Legislature), \$298,255 has been spent and another \$100,000 is estimated to be spent this fiscal year. The lapse of \$150,000 in FY 1999 was approved in S.B. 325 earlier this session. It is estimated that \$1,851,745 will be carried over to FY 2000 due to delays in the project schedule. The KPERS Executive Director indicates that purchases for certain equipment and services previously planned for FY 1999 will be ordered in the first quarter of FY 2000. The current approved expenditure limitation in FY 2000 is \$600,000 for the second year of the Technology Project. The agency requests a revised expenditure limitation of \$2,451,745 in FY 2000.

State Department of Education

A. Revisions to School Finance and KPERS-School (Deferred to Omnibus). Staff from the Legislative Research Department, the State Department of Education, and the Division of the Budget met April 15 to review school finance estimates for FY 1999 and FY 2000. Staff from the Legislative Research Department, the State Department of Education, and KPERS also met on April 15 to review the KPERS-School estimate. Revisions were made to the following aid programs:

General and Supplemental General State Aid. An increase of approximately \$4.0 million in local resources and lower enrollments than originally estimated result in additional savings in FY 1999 of \$8,045,000 in general state aid and \$175,000 in supplemental general state, for total savings of \$8,220,000. The revised estimates for FY 2000 result in savings of \$888,000 in general state aid and \$146,000 in supplemental general state, for total FY 2000 savings of \$1,034,000. Savings for the two years combined are \$9,254,000. **The savings are based on appropriations contained in S.B. 325, which fund a Base State Aid Per Pupil (BSAPP) increase of \$50 and take into account changes to the school finance law in S.B. 171, as passed by the Senate. The House-passed version of S.B. 171 would require an additional \$10,132,000 over the Senate version for general and supplemental general state aid to fund a \$67 increase in BSAPP. The House version of S.B. 171 also contains appropriations for general state aid of \$1.839 billion in FY 2001 and \$1.857 billion in FY 2002. These amounts would fund BSAPP increases of \$50 each year.**

The table below shows revised school finance estimates. (Number are in thousands.)

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	Previous Est. FY 1999	Revised Est. FY 1999	Savings FY 1999	Approp. For FY 2000 in S.B. 325	Revised Est. FY 2000 (Senate Version S.B. 171)	Savings FY 2000	Two-Year Savings
General State Aid	\$ 1,695,451	\$ 1,687,406	\$ 8,045	\$ 1,793,589	\$ 1,792,701	\$ 888	\$ 8,933
Supp. Gen. State Aid	65,275	65,100	175	76,890	76,744	146	321
TOTAL	\$ 1,760,726	\$ 1,752,506	\$ 8,220	\$ 1,870,479	\$ 1,869,445	\$ 1,034	\$ 9,254*

* The savings shown for FY 1999 are in addition to savings previously identified that total \$23,776,288 (net) for general and supplemental general state aid combined.

KPERS-School. For FY 1999, the appropriation for KPERS-School of \$84,561,389 is believed to be about \$500,000 too high. For FY 2000, the revised estimate, based on an increase of \$50 in BSAPP, is \$92,690,290, or \$259,565 less than the amount currently appropriated. The net savings over the two-year period are \$240,435. (Any further adjustment the Legislature were to make to BSAPP would have an effect on KPERS-School.)

B. Special Education (Deferred to Omnibus). The Conference Committee on S.B. 325 concurred with the position of the Governor and the Senate on special education, but agreed to revisit the issue in the Omnibus Bill. The current amount of money appropriated for FY 2000 is \$231,069,438, an increase of \$12.2 million over FY 1999. The appropriation would fund an estimated 85 percent of special education excess costs, compared to 86.4 percent in the current year. The House position prior to the Conference Committee agreement was to add \$3,835,746 (for a total of \$234,905,184), which would have kept the percentage at 86.4 in FY 2000. (Each percentage increase is about \$2.7 million.) Between FY 1995 and FY 1998, the percentage of excess cost funded was in the range of 84 percent to 80 percent. In the mid-1980s and in the late-1980s, the percentage was 90 percent or greater.

C. Kansas Historical Society's Kansas History Proposal (Consider in Omnibus Bill). Both subcommittees that considered the State Department's budget flagged for Omnibus consideration a proposal by the Kansas Historical Society to develop teaching materials specifically targeted toward teaching Kansas history. The proposal is prompted by the fact that social studies will be included in the statewide student assessments beginning in school year 2000-01 and questions about Kansas history most likely will be included. (State law since 1988 requires that a course in Kansas history and government be required for high school graduation.) According to the Historical Society, a survey of teachers indicates that teachers have difficulty finding materials to use to teach Kansas history.

The Society proposes a three-year project that would cost a total of \$1,435,000. Materials that would be prepared include thematic teacher packets for grades 7 through 12 (\$300,000); student workbooks and teachers' guides (\$75,000); resource guides for teachers in grades 7 through 12 (\$100,000); access to digitized society collections on the Internet (\$95,000); a Kansas history textbook (\$150,000); twenty traveling resource trunks (\$80,000); an encyclopedia of Kansas history aimed at grades 7 through 12 on CD-ROM (\$250,000); three elementary school-level videos on Kansas history (\$250,000); and teacher instruction for teaching Kansas history (\$135,000). First-year cost for the proposal would be \$185,000 in FY 2000. The three-year cost breakdown is shown below:

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Expenditure	FY 2000	FY 2001	FY 2002
Thematic Teacher Packets	\$ 75,000	\$ 75,000	\$ 150,000
Student Workbooks	0	37,500	37,500
Resource Guides	50,000	50,000	0
Internet Access to Society Collections	30,000	25,000	40,000
Kansas History Textbook	0	75,000	75,000
Traveling Resource Trunks	20,000	20,000	40,000
Encyclopedia CD-ROM	0	0	250,000
Elementary School Videos	0	125,000	125,000
Teacher Training	10,000	25,000	100,000
TOTAL	\$ 185,000	\$ 432,500	\$ 817,500

D. State Technology Infrastructure (Consider in Omnibus Bill). The Senate Subcommittee that considered the State Department's budget invited the State Board to submit a specific proposal concerning the development of a state technology infrastructure for consideration in the Omnibus Bill. The Subcommittee was informed that the State Department has appointed an advisory committee comprised of representatives of the State Department, the Division of Information Services and Communications (DISC), and school districts to develop a framework or backbone that could be used to connect all school districts within the next 18 months and begin the research and development of a more advanced system to be recommended by the year 2002.

The plan developed by the School Information Technology Infrastructure Task Force would provide Internet and data services to 332 schools districts and interlocals and video services to 110 school districts and interlocals at a cost of \$10.1 million the first year and \$8.1 million annually thereafter. For an additional first-year cost of \$1.7 million and an annual cost of \$0.8 million thereafter, a research and development component could be added that would result in recommendations by the 2001-02 school year to provide a full range of services to all districts. That research would be conducted by 25 schools, agencies, and higher education institutions that would be responsible for developing ways to deliver a variety of instructional services at the school and classroom level.

E. H.C.R. 5010 (Adopted by Both Houses). H.C.R. 5010 concerns blind pupils and requests that the State Board of Education conduct a statewide study to assess the literacy skills and reading speed levels of blind pupils on a grade level basis. The purpose of the study is to document deficits or declining literacy trends of blind students so that corrective action can be taken. The resolution urges the State Board to evaluate the data from the study and issue a plan with specific dated milestones to correct any deficits in literacy or reading speed levels identified among blind students compared to their grade level sighted peers. The report from the State Board is due by January 31, 2000. According to the State Department, to do the study would cost \$41,000 in FY 2000. The State Department also believes the study could be funded from federal funds allocated for administration under the Individuals with Disabilities Education Act (IDEA).

F. S.B. 171 (Conference). S.B. 171 would amend the school finance act, add two new facilities that would qualify for funding for services provided by school districts to pupils in

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juvenile detention facilities or the Flint Hills Job Corps Center, and require the State Board of Education to conduct a study of school district organization. The impact of S.B. 171 on school finance in general has been discussed in item A. above. Other fiscal consequences of the bill are described below:

1. Juvenile Detention Facilities Grants (House and Senate Version). School districts are reimbursed for the actual cost of services provided persons who are confined in juvenile detention facilities or who reside at the Flint Hills Job Corps Center or at two times the base state aid per pupil amount, whichever is the lesser. They may use the highest pupil count taken on the 20th day of September, November, or April. Under current law, the estimated number of students who would be served is 485 students in FY 1999 and 505 students in FY 2000. The appropriation for juvenile detention facilities grants is \$3,071,667 in both FY 1999 and FY 2000. S.B. 171 would add two new facilities to the grant program at a total cost of \$263,000 in FY 1999 and \$708,458 in FY 2000. (The new facilities are the Sappa Valley Youth Ranch of Oberlin and Parkview Passages Residential Treatment Center of Topeka.) The total number of students who would be added is estimated to be 84 in FY 1999 and 108 in FY 2000. **These estimates are based on a \$50 increase in BSAPP. To fund existing services in FY 2000 if BSAPP were increased by \$50 would require an additional \$241,032, even if the new facilities were not added.**

2. School District Organization Study (House Version). S.B. 171 would direct the State Board of Education to make a comprehensive study of how school districts are organized in order to determine if they could be better operated under a different configuration. In the study, the State Board is directed to take into account current and projected school district enrollments, traveling distance to schools, the condition of school facilities, and other matters relevant to the study. The State Board would be required to make a report to the House and Senate Committees on Education by January 15, 2001, containing the study's findings and recommendations for implementing a comprehensive plan for optimal school configuration. According to the State Department, undertaking the study would require the services of a consultant. The State Department has contacted the firm of Augenblick and Myers and been told that the firm could do the study for between \$250,000 and \$275,000. Dr. Augenblick and Mr. Myers propose that the study include:

- a. An examination of current and historical revenue and expenditure patterns;
- b. an examination of the school finance formula and any weights that provide more support to districts based on their size, location, or geographic characteristics;
- c. a review of previous studies of school district size and organization;
- d. discussions at periodic intervals with statewide leaders;
- e. visits to selected school districts;

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- f. several meetings with whatever advisory committee would be overseeing the project;
- g. a review of data about pupils being transported and the cost of transportation;
- h. a review of information about school facilities, including the number, location, and condition of buildings;
- i. the development of options to reconfigure school districts, if reconfiguration appears to be appropriate; and
- j. the preparation of a report summarizing findings and recommendations.

Dr. Augenblick and Mr. Myers envision a team of several people would be involved in the study, including both staff of their firm and outsiders with particular expertise in needed areas. They estimate that 10 or 11 trips would have to be made to Kansas in connection with the study.

G. S.B. 345 (Conference). S.B. 345 concerns postsecondary education structure and funding and would affect the State Board of Education and the State Board of Regents. The effects of the bill on the Board of Regents are discussed elsewhere in this memorandum. With regard to the State Board of Education, the bill would transfer the supervision of community colleges, area vocational schools, and technical colleges from the State Board of Education to the State Board of Regents on July 1, 1999. Also transferred on that date would be the State Board of Education's duties to administer adult basic education and adult supplementary education programs and to regulate proprietary schools.

State aid programs that would be transferred from the State Board of Education to the State Board of Regents total \$92,915,380 from the State General Fund and the Economic Development Initiatives Fund. Also transferred would be the various federal funds associated with the transferred institutions and functions. In addition, 8.0 FTE employees and a total of \$526,730 in operating expenditures in the FY 2000 budget that are associated with community colleges, area vocational schools, technical colleges, adult basic and supplementary education, and proprietary schools would be transferred. The money consists of \$214,363 from the State General Fund, \$220,061 in federal funds, and \$92,306 in fee funds. All of these funds already are contained in the State Department's FY 2000 appropriation. Therefore, they do not represent an additional fiscal impact but instead are funds that would be deleted from the State Department's budget and added to the budget of the State Board of Regents if S.B. 345 passes. The funding changes proposed for community colleges—the elimination of credit hour, out-district, and general state aid; the phase-out of county out-district tuition; and the implementation of performance funding—would not begin until FY 2001 or later.

H. Parent Education Proviso (Technical). The current local match for state aid for the parent education program is 75 percent, but the Governor recommended that it be lowered to 50 percent. The Conference Committee on S.B. 325 agreed to raise the match back to 75 percent, but the staff failed to make the change. To accurately reflect the Legislature's intent, the proviso should be fixed in the Omnibus Bill. The proviso also should be added to the \$777,833 for the parent education program that is funded from the Children's Health Care Programs Fund (tobacco money).

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I. GBA No. 2, Item 23, pg. 12—Enrollment Savings.

State Board of Indigents' Defense Services

A. Death Penalty Defense Unit Caseload (Review During Omnibus Session). The Senate Subcommittee that reviewed the budget of the State Board of Indigents' Defense Services called attention to the fact that the Board's death penalty defense unit had 16 active capital cases, with the possibility of two more being added. The Subcommittee was informed that the Board did not have enough money left to handle any additional cases and agreed to review the status of the death penalty defense unit at the end of the Session. According to the Executive Director of the Board, no additional cases have been received and the Board is requesting no additional funding for FY 1999.

B. In Indigents' Defense Services Fund (Technical). The Conference Committee on S.B. 325 agreed to add \$150,000 for parity salary increases for the Board's unclassified attorneys and to pay \$100,000 of the increase from the Indigents' Defense Services Fund. That fund has a proviso allowing the Board to make expenditures from the Fund for assigned counsel and other professional services related to contract cases. Although the proviso does not expressly prohibit expenditures from the Fund for other purposes, it probably would be a good idea to make it clear that the Legislature intends for money from the Fund to be used for salaries and wages of attorneys who are officers or employees of the Board.

C. H.B. 2440 (Conference). H.B. 2440 would expand the definition of "aggravating circumstances" to be considered in determining whether to impose a Hard 40 sentence. It also contains provisions of S.B. 131, which would make revisions in the Kansas sentencing guidelines law that include increasing the length of sentences for certain crimes and for severity level III crimes on the nondrug sentencing grid. The Board of Indigents' Defense Services pays assigned counsel a rate that takes into account the severity of the offense and the difficulty of the case. According to the Board, the higher severity level of crimes that would be imposed by H.B. 2440 would increase the net cost of assigned counsel by an estimated \$118,800.

D. Sub. for H.B. 2469 (Conference). H.B. 2469 concerns drugs and would enact the Kansas Chemical Control Act. The impact of the bill on the Board primarily would be due to the creation of new crimes and the enhancement of penalties for certain convictions. The Department of Corrections estimates that the creation of several new offenses and increased penalties for existing offenses would result in between 111 and 426 new offenders. Using these figures, the Board estimates that its additional cost to defend these offenders in FY 2000 would be between \$88,356 and \$339,096. This estimate is based on an average cost of \$796 per case to defend Drug Level I felonies and makes the assumption that all of the offenders would be indigents, an assumption that the Board of Indigents' Defense Services says is not unreasonable.

E. Increase in the Per-Page Cost of Transcripts. Court Reporters recently requested, and the Kansas Supreme Court approved, an increase in the cost-per-page of transcripts from \$1.00 to \$1.75. Kansas statutes require that an indigent defendant be supplied with a transcript of the trial record in the event that the case is appealed, which means that the Board pays for the transcript. Based on the number of pages transcribed in FY 1998 (188,143), the Board estimates it will need an additional \$141,107 in FY 2000 to pay the higher charge.

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State Board of Tax Appeals

A. Impact of the Small Claims Division (Review During Omnibus Session). Both subcommittees that reviewed the budget of the State Board of Tax Appeals noted that operations of the Small Claims Division, which became operational in January, 1999, should be reviewed in the Omnibus Bill in the event that more funding is needed for FY 1999. According to the Chairman of the Board, the number of appeals to the Division has lagged behind earlier estimates. The main reason is that some appeals to the Small Claims Division go to local hearing officer panels first, resulting in a longer time for these appeals to reach the Division.

According to the Chairman of the Board, the lag in receiving appeals means that the Board most likely will have enough funding to operate in FY 1999. However, the number of appeals that could be received in FY 2000 and the difficulty in estimating workload and expenditures for a new program could mean that the Board will ask the 2000 Legislature for a supplemental appropriation.

Attorney General

A. S.B. 161 (Law). S.B. 161 requires the Attorney General to appoint a Statewide Drug Abuse Resistance Education (DARE) coordinator. The bill also authorizes the Attorney General to provide support staff to the coordinator. The primary duty of the DARE coordinator is to train police officers and parents around the state to work with youth to make them aware of the consequences of using drugs or engaging in acts of violence. The DARE coordinator also coordinates the DARE program in Kansas and coordinates with the national DARE organization.

Currently, there is a statewide coordinator and one secretarial position housed at the Topeka Police Department. The positions are paid for in part by a federal Byrne grant that will expire at the end of the current fiscal year. Additional costs for salaries and other operating expenditures have been absorbed by the Topeka Police Department. The Attorney General estimates that for FY 2000 it would cost \$165,351 to support the DARE coordinator's activities. The amount consists of \$83,101 for the salaries and fringe benefits of 2.0 FTE positions (the coordinator and a secretary); \$62,300 for contractual services such as the unit's share of postage, office rent, travel, and officer training contractual costs (such as rent of facilities and equipment to conduct the training sessions); \$7,200 for training supplies and materials; and \$12,750 for one-time costs for office furniture, computers, and other office equipment for the new positions. The officer's department and parents being trained pay their own expenses.

Judicial Branch

A. H.B. 2222 (Law). H.B. 2222 allows a landlord to file an action for possession of premises (eviction) and then, in a separate action, pursue a claim for rent. Under prior law, any rent which was due at the time of filing had to be included in the action for possession or the claim for rent had to be waived.

Judicial Branch statistics on "Limited Actions-Real Property" filings (the category that includes the type of action that would be affected by H.B. 2222) indicate that in FY 1998 there were 11,739 such filings in the district courts. Of these, 11,233 (96 percent) were in the four

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urban counties of Johnson (2,121 filings), Sedgwick (3,715 filings), Shawnee (1,040 filings), and Wyandotte (4,357 filings). According to the Judicial Branch, the consequence of H.B. 2222 is that the number of filings could double. Assuming that it takes a trial court clerk one hour to process a filing, it would take an additional 5.5 FTE trial court clerks to handle the increased workload in the four urban counties, at a total cost of \$122,936 from the State General Fund in FY 2000 for salaries and fringe benefits (or \$22,352 per 1.0 FTE position). There also would be a benefit to the State General Fund as the result of increased filing fees, which are estimated to be \$136,843 in FY 2000.

B. GBA No. 2, Item 12, pg. 7—Magistrate Judge Positions.

Department of Revenue

FISCAL IMPACT OF BILLS WHICH HAVE BECOME LAW OR ARE PENDING BEFORE THE GOVERNOR

Bill No.	FY 1999	FY 1999	FY 2000	FY 2000	FTE
	SGF	All Funds	SGF	All Funds	
S.B. 47	\$ 0	\$ 0	\$ 7,650	\$ 7,650	0.0
S.B. 51	0	64,771	0	0	0.0
H.B. 2001	2,960	2,960	0	0	0.0
H.B. 2035	0	0	0	55,428	0.0
H.B. 2142	0	0	0	136,314	2.0
H.B. 2565	0	0	8,320	8,320	0.0
TOTAL	\$ 2,960	\$ 67,731	\$ 15,970	\$ 207,712	2.0

A. S.B. 47 (Law) S.B. 47 increases the Department of Revenue's flexibility in taxpayer account administration and expands the Secretary of Revenue's authority to abate tax liability. The agency reports that \$7,650 from the State General Fund is required in FY 2000 for the computer programming required to implement the change.

B. H.B. 2001 (Law) H.B. 2001 expands the local sales tax authority for several cities and counties. The agency reports that \$2,960 from the State General Fund in FY 1999 for computer programming costs to implement the changes and mailing notices to retailers.

C. H.B. 2035 (Law) H.B. 2035 amends numerous statutes related to persons with disabilities and accessible parking. The bill expands the eligibility for handicapped parking placards or plate holders, changes the types of information required to be submitted for an application for a handicapped parking permit, imposes limits on the length of time a person can use an individual handicapped parking zone, limits the length of time the state will honor another state's handicapped placard and changes the standard for handicapped parking signs. The agency reports that \$55,428 from the Division of Vehicles Operating Fund will be required in FY 2000 for the necessary changes to the Vehicle Information Processing System (VIPS).

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D. H.B. 2565 (Law) H.B. 2565 authorizes the Board of Regents of Washburn University to impose a countywide sales tax of up to 0.65 percent in Shawnee County. The Department of Revenue estimates that \$8,320 from the State General Fund in FY 2000 will be required to modify the sales tax computer system and to mail notices to retailers.

E. S.B. 51 (Governor) S.B. 51 amends numerous motor vehicle statutes relating to distinctive license plates and restrictions on drivers licenses. New distinctive plates are authorized for the Children's Trust Fund and eligibility for distinctive plates is expanded to vehicles under 20,000 pounds and persons who lease instead of owning vehicles. New restrictions are imposed on persons who wish to obtain a drivers license. The agency reports that the bill requires \$64,771 from the Division of Vehicles Operating Fund in FY 1999 to implement, including \$8,896 for computer programing changes, \$5,875 for license plate production costs and \$50,000 to revise and ship drivers license related forms to state law enforcement officials.

F. H.B. 2142 (Governor) H.B. 2142 increases the service fee collected by county treasurers on registration related transactions, continues the allocation of \$1.00 of the \$7.00 dollar title fee to the VIPS/CAMA Technology Hardware Fund, continues the allocation of \$2.50 of the \$7.00 dollar title fee to the Kansas Highway Patrol Motor Vehicle Fund, extends the time allowed for filing notices of a security interest by lien holders on motor vehicles, and authorizes filing an affidavit with the agency when a certificate of title has been assigned by the owner to another person. The agency reports that \$136,314 from the Division of Vehicles Operating Fund and 2.0 FTE positions will be required in FY 2000 to implement the provisions of the bill. This amount includes \$74,880 for computer program modifications to the Vehicle Information Processing System (VIPS) and other agency computer systems, \$51,782 for 2.0 FTE Office Assistant III positions to process title transfer affidavits, \$9,100 for one time operating expenses for the new positions and \$552 for annual operations costs for the new positions.

G. Bills In Conference. Several bills impacting the operations of the Department of Revenue are currently pending in conference committee. These include S.B. 4 (DUI penalties and restrictions), S.B. 45 (income tax credit for adoption expenses), S.B. 59 (sales tax exemption for church contractors), S.B. 124 (adult care home property tax exemption), S.B. 226 (increased revenue from property taxes) and H.B. 2166 (projects of statewide as well as local importance). The fiscal notes associated with the various provisions currently included these bills range from no impact to in excess of \$1.0 million for implementation. Other Department of Revenue issues which may be considered by conference committees could significantly increase these fiscal notes, the largest of which is the food sales tax phased exemption which is estimated by the agency to cost \$8.2 million to implement. The final administrative impact of the bills will be dependent on what provisions are adopted by the conference committee and enacted into law.

H. Technical Adjustment. S.B. 325 does not reflect the approved expenditure limitation on the Salaries and Wages Account of the Division of Vehicles Operating Fund. The correct amount should be \$17,144,750 instead of the \$18,955,496 included in the bill.

I. GBA No. 2, Item 10, pg. 7—Legal Defense Costs.

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Department of Administration

A. S.B. 3 (conference). The House version of S.B. 3 includes a section originally in H.B. 2005 which requires that all new mandates for health insurance coverage for specific health services, for specific diseases, or for providers of specific health services applicable only to the State Health Care Benefits Program for state employees for a period of at least one year before they would be required to be implemented by other insurers. The bill also requires the agency to collect and report data on the fiscal impact and utilization costs of the mandates and to recommend if the mandated coverage should continue and be extended to all other insurance carriers in the state.

The agency reports that this provision would cost an additional \$80,184 from the Cafeteria Benefits Fund and 1.0 FTE to implement in FY 2000. The estimate includes \$50,184 for salaries and operating costs of Benefits Analyst position and \$30,000 for actuarial studies. Expenditures from the Cafeteria Benefits Fund are a portion of the agency's nonreportable budget.

B. Technical adjustment. The amount of State General Fund financing included in S.B. 325 for the agency in FY 2000 is overstated by \$690.

C. GBA No. 2, Item 6, pg. 5—Architectural Services Operating Expenditures.

D. GBA No. 2, Item 7, pg. 5—Transfer to Construction Defects Recovery Fund.

E. GBA No. 2, Item 8, pg. 5—Public School District Health Care Benefits Program.

State Treasurer

A. Local Ad Valorem Tax Reduction Fund Revision (also GBA No. 2, Item 11, pg. 7). Based on the April Consensus Revenue Estimates and January, 1999, expenditures, the demand transfers for the Ad Valorem Tax Reduction Fund are reduced from the approved budget by \$138,106 to \$55,121,894 in FY 1999 and by \$127,000 to \$57,879,000 in FY 2000.

Regents Systemwide

A. General Fees Fund (Tuition) Revised Estimates—Non-Tuition Accountability Institutions (also GBA No. 2, Item 24, pg. 12). Based on Spring 1999 enrollments, the institutions not participating in tuition accountability have submitted revised estimates of tuition revenues for both FY 1999 and FY 2000. The Consensus Tuition Estimating Committee (comprised of staff of the Board of Regents Office, Division of the Budget, and the Legislative Research Department) has concurred with the institutions' revised estimates.

For FY 1999, based on Spring enrollments, a net increase in available tuition revenue totaling \$21,959 is projected. Based on these revisions, under traditional budgeting methods, State General Fund dollars of \$21,959 would be lapsed to maintain institutional operating budgets at the approved levels. The table below shows the net increase or decrease in available tuition revenue at each institution based on the revised estimates.

For FY 2000, based on Spring enrollments, a net increase in available tuition revenue totaling \$39,165 is projected. Based on these revisions, under traditional budgeting methods, State General Fund dollars of \$39,165 would be lapsed to maintain institutional operating budgets at the approved levels. The table below shows the net increase or decrease in available tuition revenue at each institution based on the revised estimates.

FY 1999 Revised Tuition Estimates

	<u>Amount Approved</u>	<u>Revised Estimate</u>	<u>Difference</u>
KU Medical Center	\$ 9,870,320	\$ 9,870,320	\$ 0
KSU Veterinary Medical Center	5,280,738	5,315,132	34,394
Emporia State University	8,089,533	8,008,807	(80,726)
Fort Hays State University	7,895,347	7,963,638	68,291
Pittsburg State University	10,494,316	10,494,316	0
TOTAL	<u>\$ 41,630,254</u>	<u>\$ 41,652,213</u>	<u>\$ 21,959</u>

FY 2000 Revised Tuition Estimates

	<u>Amount Approved</u>	<u>Revised Estimate</u>	<u>Difference</u>
KU Medical Center	\$ 10,057,878	\$ 10,095,528	\$ 37,650
KSU Veterinary Medical Center	5,017,298	5,031,935	14,637
Emporia State University	8,274,558	8,189,257	(85,301)
Fort Hays State University	7,823,325	7,892,097	68,772
Pittsburg State University	10,481,538	10,484,945	3,407
TOTAL	<u>\$ 41,569,296</u>	<u>\$ 41,779,063</u>	<u>\$ 39,165</u>

Board of Regents

A. S.B. 345 (Conference). S.B. 345 concerns postsecondary education structure and funding and would affect the State Board of Education and the State Board of Regents. The effects of the bill on the State Board of Education are discussed elsewhere in this memorandum. With regard to the Board of Regents, the bill would transfer the supervision of community colleges, area vocational schools, and technical colleges from the State Board of Education to the State Board of Regents on July 1, 1999. Also transferred on that date would be the State Board of Education's duties to administer adult basic education and adult supplementary education programs and to regulate proprietary schools.

State aid programs that would be transferred from the State Board of Education to the State Board of Regents total \$92,915,380 from the State General Fund and the Economic Development Initiatives Fund. Also transferred would be the various federal funds associated with the transferred institutions and functions. In addition, 8.0 FTE employees and a total of

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\$526,730 in operating expenditures in the FY 2000 budget that are associated with community colleges, area vocational schools, technical colleges, adult basic and supplementary education, and proprietary schools would be transferred. The money consists of \$214,363 from the State General Fund, \$220,061 in federal funds, and \$92,306 in fee funds. All of these funds already are contained in the State Department's FY 2000 appropriation. Therefore, they do not represent an additional fiscal impact but instead are funds that would be deleted from the State Department's budget and added to the budget of the State Board of Regents if S.B. 345 passes. The funding changes proposed for community colleges—the elimination of credit hour, out-district, and general state aid; the phase-out of county out-district tuition; and the implementation of performance funding—would not begin until FY 2001 or later.

The Board of Regents report that a transition team has been appointed which will determine the additional staffing and funding necessary to implement the provisions of S.B. 345 which are new duties beyond those currently performed by the State Board of Education.

Emporia State University

- A. GBA No. 2, Item 27, pg. 14—Student Recreation Center.**

University of Kansas Medical Center

- A. GBA No. 2, Item 63, pg. 29—Tele-Kidcare.**

University of Kansas

- A. Technical Adjustment.** Proviso language included on a special revenue fund in the capital improvements section of S.B. 325 contains an incorrect fund name. A technical adjustment is necessary to accurately reflect the name of the fund.

Kansas State University

- A. GBA No. 2, Item 25, pg. 13—Authority to Issue Revenue Bonds for Ackert Hall Addition.**

Kansas State University Extension Systems and Agriculture Research Programs

- A. GBA No. 2, Item 26, pg. 14—Federal Land Grant Funds.**

Wichita State University

- A. GBA No. 2, Item 28, pg. 14—Transfer Authority.**

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Department of Agriculture

A. S.B. 65 (Governor and GBA No. 2, Item 50, pg. 22). S.B. 65 lowers the maximum fertilizer inspection fee from \$1.70 per ton to \$1.67. This would decrease fertilizer fee revenue by \$56,000. The bill also authorizes the expenditure of \$100,000 from the Fertilizer Fee Fund for the purpose of conducting a pesticide use survey. The survey would determine the types and amounts of pesticides used in the state for agricultural and non-agricultural purposes. For FY 2000, the Legislature approved an additional \$100,000 from the Fertilizer Fee Fund for the survey in S.B. 325. S.B. 65 was also amended by the House to allow the State of Kansas to enter into an interstate dairy compact with other states for the purpose of marketing milk. Prior to entering into a compact, an economic impact study is to be conducted. The study is to determine the impact on producers, processors, and consumers. According to the agency, the study would have no fiscal impact in FY 2000.

State Fair Board

A. Renovation of the Domestic Arts Building (Senate Subcommittee). The Senate Subcommittee requested to review the revised costs of renovating the Domestic Arts Building. For FY 2000 the State Fair Board had originally requested \$846,400 from the State General Fund for both interior and exterior renovation. This request was based upon a 1982 construction estimate adjusted for seventeen years of inflation. This request was not recommended by the Governor. During the 1998 legislative interim, the Joint Committee on Building Construction reviewed the Fair Board's five year capital improvement plan. The Joint Committee requested the agency to provide a new estimate. In early March the State Fair presented its new estimate to the Joint Building Committee. The agency requests \$1,199,436 from the State General Fund. This is an increase of \$353,036 (41.7 percent) from the original request. The primary reasons for the increased cost is because of code compliance items.

Water Office

A. GBA No. 2, Item 51, pg. 23—Increase Water Plan Funding for three programs.

Wheat Commission

A. Increase the authorized amount that can be spent by the Commission without approval of the State Finance Council (Technical Correction). For FY 2000 the Legislature approved (in S.B. 325) operating expenditures of \$3,894,731 for the agency. This includes an additional \$700,000 from the Wheat Fee Fund that the Governor did not recommend. This additional amount of money is to be used to develop a new market plan that is to increase the market share of Kansas wheat. In order for the Wheat Commission to be able to spend the additional \$700,000, it must first present a new market plan to the State Finance Council. Section 85 of S.B. 325, as currently written, allows the agency to spend \$13,268 less than what the Legislature intended the agency to spend (\$3,194,731) before being required to seek approval of the State Finance Council.

B. Authorize \$0 limitation for the Wheat Research Reserve Fund (Technical Correction). This fund was created during the 1998 Legislative Session (see *1998 Session Laws*, Chapter

123 Sec. 9) to be used solely to replace funding shortfalls in the Kansas Wheat Commission Fee Fund for wheat research and market development. Such expenditures are to be made in accordance with appropriations acts and as approved by the Kansas Wheat Commission. It was discovered after S.B. 325 passed that it did not set any limitation on the fund for FY 2000. The Governor has not recommended any expenditure from this fund, and the Legislature has not approved any expenditures from it.

Developmental Disabilities Institutions—Systemwide

A. Mental Retardation Trainee Pay Range Upgrade (Senate Subcommittee). The Senate Subcommittee recommended the addition of \$29,766 (\$13,395 SGF) to upgrade the salaries of Mental Retardation Trainees from salary grade 10 to salary grade 13. The Subcommittee recognized the recruitment and retention difficulties experienced by KNI. The agency believes that one causal factor in this situation is the starting salary range for direct care staff. A Mental Retardation Trainee position is currently at salary grade 10 with a starting salary of \$6.90 per hour.

A question was raised during the Committee hearing on this budget concerning the Department of Social and Rehabilitation Services' authority to increase pay grades without the approval of the Department of Administration. Kansas Administrative Regulations 1-5-4 and 1-5-7 state that any assignment of pay grade and changes of pay grade must be approved by the Director of Personnel Services.

The full Senate Committee recommended deferring this item for further consideration during Omnibus.

B. Teacher Salary Increase. The Governor's recommendation and Legislative approved budget for FY 2000 for the school contract at Parsons State Hospital and Training Center did not include funding for teacher salary increases. The approved budget for Kansas Neurological Institute included funding for a 7.0 percent salary increase. The following table illustrates the amounts from the State General Fund that would be needed to fund salary increases of various percentages.

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Percentage Increase	Parsons State Hospital and Training Center
0.5	\$ 2,408
1.0	4,816
1.5	7,224
2.0	9,632
2.5	12,039
3.0	14,447
3.5	16,855
4.0	19,263
4.5	21,671
5.0	24,079
5.5	26,486
6.0	28,894
6.5	31,302
7.0	33,710

C. Categorical Aid. In FY 1999, the budgeted school contract for each of the institutions include categorical aid based on a rate of \$19,554 for Kansas Neurological Institute and \$20,300 for Parsons State Hospital and Training Center. The current FY 1999 categorical aid rate per eligible teaching unit is estimated to be \$20,000. If this rate is maintained, the school contracts at the institutions would need adjustments. The table below identifies the State General Fund adjustments required.

Hospital	SGF Amount
Kansas Neurological Institute	\$ (6,105)
Parsons State Hospital and Training Center	2,512

In FY 2000, the categorical aid rate was budgeted at \$19,750 for both KNI and Parsons. The current FY 2000 categorical aid rate is estimated to be \$20,480. The reductions in State General Fund required to adjust for the rate difference are outlined in the table below.

Hospital	SGF Amount
Kansas Neurological Institute	\$ (8,030)
Parsons State Hospital and Training Center	(6,112)

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Mental Health Hospitals—Systemwide

A. Mental Health Aide Pay Range Upgrade (Senate Subcommittee). The Senate Subcommittee recommended the addition of \$236,650 (\$106,452 SGF) in FY 2000 to upgrade the salaries of Mental Health Aides from salary grade 12 to salary grade 16. The Subcommittee recognized the continued problem experienced by the institutions in the area of recruitment and retention of mental health aides. Facilities in urban areas have difficulties attracting individuals in entry-level positions while facilities in rural areas have similar problems with professional positions. Facilities have also been losing staff to other state agencies with higher starting wages. For instance, approximately 40 employees of Larned State Hospital have left for employment with the Department of Corrections or the Juvenile Justice Authority. The Subcommittee noted the relatively high estimated shrinkage rates at the three institutions for FY 1999: 9.2 percent at Larned State Hospital, 7.1 percent at Osawatometie State Hospital, and 6.3 percent at Rainbow Mental Health Facility. The Subcommittee believed that a pay grade increase would help attract quality employees, stabilize the workforce, and provide greater continuity in patient care.

A question was raised during the Committee hearing on this budget concerning the Department of Social and Rehabilitation Services' authority to increase pay grades without the approval of the Department of Administration. Kansas Administrative Regulations 1-5-4 and 1-5-7 state that any assignment of pay grade and changes of pay grade must be approved by the Director of Personnel Services.

The full Senate Committee recommended deferring this item for further consideration during Omnibus.

B. Teacher Salary Increase. The Governor's recommendation and the Legislative approved budget for FY 2000 for school contracts did not include funding for teacher salary increases. The following table illustrates the amounts from the State General Fund that would be needed to fund salary increases of various percentages.

Percentage Increase	Larned State Hospital	Rainbow Mental Health Facility	Total
0.5	\$ 8,060	\$ 4,271	\$ 12,331
1.0	16,120	8,542	24,662
1.5	24,180	12,813	36,993
2.0	32,240	17,083	49,323
2.5	40,300	21,354	61,654
3.0	48,359	25,625	73,984
3.5	56,419	29,896	86,315
4.0	64,479	34,167	98,646
4.5	72,539	38,438	110,977
5.0	80,599	42,708	123,307
5.5	88,659	46,979	135,638
6.0	96,719	51,250	147,969
6.5	104,779	55,521	160,300
7.0	112,839	59,792	172,631

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C. Categorical Aid. In FY 1999, the budgeted school contract for each of the institutions include categorical aid based on a rate of \$19,750 for Larned State Hospital and \$19,360 for Rainbow Mental Health Facility. The current FY 1999 categorical aid rate per eligible teaching unit is estimated to be \$20,000. If this rate is maintained, the school contracts at the institutions would be over funded. The table below identifies the State General Fund reductions required to adjust for the rate difference.

Hospital	SGF Amount
Larned State Hospital	\$ (3,585)
Rainbow Mental Health Facility	(13,760)

In FY 2000, the categorical aid rate was budgeted at \$19,750 for Larned State Hospital and \$19,360 for Rainbow Mental Health Facility. The current FY 2000 categorical aid rate is estimated to be \$20,480. The reductions in State General Fund required to adjust for the rate difference are outlined in the table below.

Hospital	SGF Amount
Larned State Hospital	\$ (10,468)
Rainbow Mental Health Facility	(24,080)

D. GBA No. 2, Item 58, pg. 26—HCBS/DD Waiver Shortfall.

Board of Hearing Aid Examiners

A. Enhancement Funding (Senate Subcommittee). The Senate Subcommittee recommended review of the Board's requested enhancement package upon passage of H.B. 2214 (law). The bill increases the statutory fee maximums charged by the Board. The table below illustrates the change in each fee.

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Board of Hearing Aid Examiners Fee Structure

Fee	Previous	Adopted Maximum	Proposed Fees
License Application	\$ 50	\$ 150	\$ 75
Temporary License	25	150	75
Temporary License - Renewal	100	150	135
Certificate of Registration or Endorsement	50	150	75
Certificate of Registration or Endorsement - Renewal	50	150	75
Certificate of Registration or Endorsement - Late Renewal	100	200	150
Certificate of Registration or Endorsement - Extended Late Renewal	200	300	250
Examination—Written	-	50	25
Examination—Practicals	-	35	15
State License Verification	-	25	10
Replacement License	-	25	10
Change of Sponsor	-	25	25
Check Returned for Insufficient Funds	-	35	15

The fiscal note from the Division of the Budget estimates an increase in revenues in FY 2000 of approximately \$10,865 (based upon the statutory maximums). This increase would be distributed among the State General Fund (approximately \$2,173) and the Board of Hearing Aid Examiners Fee Fund (approximately \$8,692).

License renewals occur June 30 of each year. The agency would not be able to enact regulations regarding the new fees for the upcoming renewal cycle. As a result, the increased revenue would not be realized until the end of FY 2000. The agency estimates receipts available for FY 2001 to total \$8,700 of which \$1,740 would be transferred to the State General Fund.

The Board's requested enhancement package of \$2,525 for FY 2000 includes \$2,113 to fund five additional hours per week for the part-time secretary and \$412 to fund Board member per diem and travel expenses for one additional Board meeting during the year.

The enhancement request of \$4,957 for FY 2001 includes \$2,113 to continue the five additional hours per week for the part-time secretary, \$400 to fund Board member per diem and travel expenses for one additional Board meeting, and \$2,184 for office rental and equipment usage fees.

Secretary of State

A. S.B. 130 (Law). The bill enacts the Revised Kansas Trademark Act and repeals the previous Kansas Trademark Act. The bill adds definitions and requirements for registration, halves the duration of regular registrations, and permits the Secretary of State to adopt a classification system for trademarks. The bill also sets forth remedies to prevent the dilution or weakening of famous trademarks as well as remedies for cases involving infringement.

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The fiscal impact of this bill centers around the costs incurred by the Secretary of State in computer programming. The agency estimates costs ranging from \$4,000 if the programming is done in-house to a maximum of \$15,000 if the programming is contracted out. The agency is unsure whether funding for these expenditures would come from the State General Fund or the agency's fee funds.

Board of Barbering

A. GBA No. 2, Item 2, pg. 3—Operations.

Legislature

A. S.B. 135 (Law). Health Care Reform Legislative Oversight Committee. S.B. 135 creates the Health Care Reform Joint Legislative Oversight Committee. The Committee is charged with the oversight of changes in state laws and regulations that might be necessary due to federal legislation and to the fullest extent possible, implementation of health care reform that is specific to Kansas needs. The Committee will be composed of 12 members, six members from the House of Representatives and six from the Senate. Meetings of the Committee will be held on call of the chairperson, as authorized by the Legislative Coordinating Council. Authorization for the Committee would expire or sunset on June 30, 2001. S.B. 135 replaces similar legislation which expired on December 31, 1998. The exact fiscal note would depend on who was appointed to the Committee and the number of meetings held during FY 2000. However, based on actual expenditures for the Committee in 1998 the estimated fiscal note for legislator compensation, subsistence, mileage and clerical assistance would be \$27,643 (State General Fund) in FY 2000.

B. H.B. 2227 (Law). SRS Transition Oversight Committee. H.B. 2227 relates to certain local boards and the Social and Rehabilitation Services (SRS) Transition Oversight Committee. The authorizing language in H.B. 2227 continues the 12-member committee for two additional years or until July 1, 2001. The duties and responsibilities of the Oversight Committee are expanded to include monitoring and reviewing federal social welfare reform laws and the operation of the home and community based services programs. Expenditures, including legislator compensation, subsistence, mileage and clerical assistance for FY 2000 are estimated to total \$37,582 (State General Fund). However, the exact fiscal note would depend on who was appointed to the Committee and the number of meetings held during FY 2000.

C. H.B. 2092 (Conference Committee). Concerning Crimes and Punishments, and Juvenile Offenders. H.B. 2092 allows the Secretary of Corrections to make direct placements of certain inmates to a correctional conservation camp. The bill also amends the juvenile justice code to address dual adjudication of juvenile offenders and Child in Need of Care Code status. Finally, the bill also extends the existence of the Joint Committee on Corrections and Juvenile Justice by four years. The current Committee would sunset in December, 1999 but H.B. 2092 would extend the Committee until December, 2003. The duties and responsibilities of the 14 member committee (seven from the Senate and seven from the House of Representatives) remain unchanged. Expenditures, including legislator compensation, subsistence, mileage and clerical assistance for FY 2000 are estimated to total \$33,603 (State General Fund). However, the exact fiscal note would depend on who was appointed to the Committee and the number of meetings held during FY 2000.

D. H.B. 2065 (Conference Committee). Membership of the Joint Committee on State Building Construction; Joint Committee on Information Technology; and Joint Committee on State-Tribal Relations. H.B. 2065, as amended, would expand the membership of the Joint Committee on State Building Construction and the Joint Committee on Information Technology from six members to ten members. Each Joint Committee would consist of five members from the Senate and five members from the House of Representatives. The bill also would reconstitute the Joint Committee on Gaming Compacts as the Joint Committee on State-Tribal Relations. The Committee would be composed of 12 members, five from each house of the Legislature and the Governor and Attorney General, or their designees, who would serve as nonvoting members. The current Joint Committee on Gaming Compacts consists of six legislators. In addition to the responsibilities of the Joint Committee on Gaming Compacts, the new Committee would be authorized to meet, discuss, and hold hearings on issues concerning state-tribal relations. The Joint Committee on State-Tribal Relations may meet at any time and any place within the state on the call of the Chairperson of the Joint Committee. Expenditures, including legislator compensation, subsistence, mileage and clerical assistance for FY 2000 are estimated to total \$64,181 (State General Fund). However, the exact fiscal note would depend on who was appointed to the joint committees and the number of meetings held during FY 2000.

E. S.B. 352 (House General Orders). FY 2000 State Employee Pay Plan Language. S.B. 352 would amend current law to specify the biweekly pay rate for legislators, legislative leadership, and statewide elected officials effective June 13, 1999 (the first day of the first payroll period chargeable to FY 2000), be increased in effect 3.5 percent. The statewide elected officials include the Governor, Lieutenant Governor, Attorney General, Secretary of State, State Treasurer, and the Commissioner of Insurance.

The Governor for FY 2000 recommended and the Legislature approved financing in S.B. 325 for a 3.5 percent salary increase. If S.B. 352 does not become law, the Legislature could add one-year authorizing language for the pay increases in the 1999 Omnibus bill. However, if the Legislature would not add the one-year authorizing language for FY 2000 the budget of the Legislature could be reduced by \$56,887 (State General Fund).

Again assuming that S.B. 352 is not enacted, and if the Legislature still intends to implement the Governor's pay plan proposal of a 3.5 percent merit pool for state unclassified employees and the 1.0 percent base salary adjustment for classified employees, additional authorizing language would need to be added to the Omnibus bill. The entire funding (\$32.4 million from the State General Fund and \$60.0 million from all funds) for the FY 2000 state employee pay adjustments, including longevity bonus payments and classified step movement was contained in S.B. 325.

Revisor of Statutes

A. Staff Turnover, Salaries and Workloads and Retirement Benefits (House Appropriations). The House Appropriations Committee requested a review by the House Education and Legislative Budget Committee regarding the competitiveness of professional staff salaries, the amount of professional staff turnover, and staff workloads within the Office of Revisor of Statutes. The Appropriations Committee also requested that the Budget Committee review the possibility of shifting the Revisor of Statutes staff from membership in the regular Kansas Public Employees Retirement System (KPERs) to the 8.0 percent deferred compensation plan that

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currently exists for legislative leadership staff and certain executive branch unclassified executives and staff. The Appropriations Committee requested that the Budget Committee report back their findings to the Appropriations Committee during Omnibus review.

Legislative Division of Post Audit

A. Staff Turnover, Salaries and Workloads and Retirement Benefits (House Appropriations). The House Appropriations Committee requested a review by the House Education and Legislative Budget Committee regarding the competitiveness of professional staff salaries, the amount of professional staff turnover, and staff workloads within the Legislative Division of Post Audit. The Appropriations Committee also requested that the Budget Committee review the possibility of shifting the staff of the Legislative Division of Post Audit from membership in the regular Kansas Public Employees Retirement System (KPERs) to the 8.0 percent deferred compensation plan that currently exists for legislative leadership staff and certain executive branch unclassified executives and staff. The Appropriations Committee requested that the Budget Committee report back their findings to the Appropriations Committee during Omnibus review.

Legislative Research Department

A. Staff Turnover, Salaries and Workloads and Retirement Benefits (House Appropriations). The House Appropriations Committee requested a review by the House Education and Legislative Budget Committee regarding the competitiveness of professional staff salaries, the amount of professional staff turnover, and staff workloads within the Legislative Research Department. The Appropriations Committee also requested that the Budget Committee review the possibility of shifting the staff of the Legislative Research Department from membership in the regular Kansas Public Employees Retirement System (KPERs) to the 8.0 percent deferred compensation plan that currently exists for legislative leadership staff and certain executive branch unclassified executives and staff. The Appropriations Committee requested that the Budget Committee report back their findings to the Appropriations Committee during Omnibus review.

Selected Agencies

A. GBA No. 2, Item 64, pg. 30—Tobacco Settlement Funds.

B. GBA No. 2, Item 65, pg. 30—Retirement Reductions.

Kansas Commission on Veterans Affairs

A. Water Treatment Facility at the Kansas Soldiers' Home (House Budget Committee and GBA No. 2, Item 20, pg. 11—Water System Upgrades). The House Budget Committee recommended review of the funding for a water treatment facility at the Kansas Soldiers' Home at Fort Dodge. The Governor included \$200,000 for a water system upgrade. The Commission requested a total of \$270,000 to construct a water treatment facility. S.B. 325 includes \$10,000 from the State Institutions Building Fund for a water system upgrade study.

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B. Wichita Annex to the Kansas Veterans Home (House Committee). The House Committee recommended review of funding for the Wichita Annex to the Kansas Veterans Home (KVH) at Winfield. The Commission requested \$202,234 from the State Institutions Building Fund in FY 1999 for capital improvements for the proposed 60-bed nursing facility annex at the Wichita Veterans Administration Hospital. In FY 2000, the Commission requested:

- \$2,182,278 (of which \$928,934 or 42.6 percent is from the State General Fund)
- 41.0 FTE positions (\$1.2 million for salaries and wages)
- Includes \$153,000 (KVH Fee Fund) to lease the facility from the VA and \$88,950 (SGF) for a nonrecurring maintenance fund; these two payments (totaling \$241,950) will be placed into trust funds to be expended by the VA in Kansas in support of Kansas veterans programs
- This level of funding will allow the facility to operate at 80 percent capacity in FY 2000

The Governor did not recommend funding for the Wichita annex and no funding was included in S.B. 325.

C. S.B. 19 (Law). S.B. 19 authorizes the Kansas Commission on Veterans Affairs to establish and maintain a state system of veterans cemeteries. The Veterans Administration (VA) provides grants to cover 100 percent of construction costs for the state veterans cemeteries. The state is responsible for all operating expenditures. S.B. 19 limits the Commission to no more than three additional grant applications, for a total of four state veterans cemeteries statewide. The Kansas Soldiers' Home at Fort Dodge has been approved for a cemetery construction grant. The Commission intends to develop state veterans cemeteries at sites on Fort Riley, at the Kansas Veterans Home in Winfield and in the northwest quadrant of the state. The Commission's current estimates are for planning costs of \$25,000 from the State General Fund in FY 1999 which will be reimbursed by the VA after construction has begun. For FY 2000, the Commission estimates total expenditures of \$140,057 as follows:

	SGF	Fee Fund	Total
Reimbursable Planning Costs	\$ 75,000	\$ 0	\$ 75,000
Salaries and Wages	45,599	16,458	62,057
Other Operating Expenditures	3,000	0	3,000
TOTAL	\$ 123,599	\$ 16,458	\$ 140,057

The Commission estimates 2.0 FTE will be needed in FY 2000. This includes one program manager located in the central office in Topeka and one office assistant located in Fort Dodge.

D. GBA No. 2, Item 21, pg. 11—Replace Treatment Building Roof at the Kansas Veterans' Home.

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E. GBA No. 2, Item 22, pg. 11—Energy Conservation Improvements Program at the Kansas Soldiers' Home.

Department of Commerce and Housing

A. Kansas Economic Opportunity Initiatives Fund (House Budget Committee). The House Budget Committee recommended a reduction of \$750,000 from the Kansas Economic Opportunity Initiative Fund (KEOIF) and recommended further review of that reduction during Omnibus. In S.B. 325, FY 2000 funding for KEOIF was ultimately restored to the \$5.0 million recommended by the Governor.

B. Tourism Promotion Grants and H.B. 2016 (House Budget Committee). The House Budget Committee noted that the Governor recommended FY 2000 funding of \$952,100 for tourism promotion grants, an increase of \$500,000 over FY 1999. H.B. 2016 would provide up to \$2.0 million for tourism grants if passed. The Budget Committee recommended reviewing this issue for possible redirection of the increased funding for tourism promotion grants in FY 2000 if H.B. 2016 passed. Currently, H.B. 2016 has passed the House and is assigned to the Senate Committee on Ways and Means.

Kansas Department of Health and Environment

A. AIDS Medication Shortfall (Senate Subcommittee and House Budget Committee). Both the Senate Subcommittee and the House Budget Committee recommended reviewing the supplemental appropriation of \$250,000 (SGF) for a possible AIDS medication shortfall in the AIDS Drug Assistance Program (ADAP) in FY 1999. The Department informed the Committees that it might not need the supplemental appropriation included in the Governor's recommendation. Because state funding for the program in any two years can establish a mandatory maintenance of effort in subsequent years, efforts would be made to avoid using the state funds. The 1998 Legislature approved \$235,000 (SGF) for a shortfall in 1998.

At this point, the new federal fiscal year for the ADAP funds has begun and the Department reports that it was able to stay within the federal money for the program and the \$250,000 (SGF) included in S.B. 325 is not needed.

B. Local Environmental Protection Program (Senate Subcommittee). The Senate Subcommittee recommended reviewing FY 2000 funding for the Local Environmental Protection Program (LEPP) from the State Water Plan Fund. The program is currently funded at \$1.8 million, the Governor's recommendation. This is a decrease of \$200,000 from prior fiscal years. The recommendation of the Water Authority was to fund the program at \$1.9 million in FY 2000. The Governor's recommendations for expenditures from the State Water Plan Fund in FY 2000 did not leave sufficient balances to fund the program at previous levels. The Subcommittee recommended this be reviewed to determine if the program should receive a higher priority in expenditures from the State Water Plan Fund. The LEPP provides grants to local health departments or other local entities across the state for the purpose of developing and implementing environmental protection plans and programs.

C. Infant Toddler Program (House Budget Committee). The House Budget Committee recommended that funding for the Infant Toddler program be reviewed to determine if additional

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funding from sources such as Temporary Assistance for Needy Families would be available in FY 2000. Subsequently, the House recommended adding \$1.25 million (including \$1,220,417 SGF and \$29,583 from the Children's Health Care Programs Fund—tobacco settlement proceeds) to the program. S.B. 325 funds the Infant Toddler program at \$5,217,000, an increase of \$750,000 (including \$500,000 SGF and \$250,000 from the Children's Health Care Programs Fund) over the Governor's recommendation in FY 2000.

D. Gifts, Grants and Donations Fund (House Budget Committee). The House Budget Committee recommended review of the receipts and expenditures of the Gifts, Grants and Donations Fund to determine if the expenditure limitation on the fund should be removed for FY 2000. In FY 1999, the fund had a carryforward balance of \$1,901,245. According to the state accounting system, the fund has had receipts of \$329,126 and expenditures of \$709,514 to date in FY 1999. S.B. 325 increases the FY 1999 expenditure limitation from \$1,248,055 to \$1,532,168 and limits FY 2000 expenditures to \$606,643. At the time this memorandum was prepared the Department was unable to provide further information on expenditures from the fund.

E. Criminal Background Checks System (House Budget Committee). The House Budget Committee requested additional information regarding the system used by the Department to provide criminal background checks for health care providers. The Budget Committee specifically requested information regarding the Department's interaction with the Kansas Bureau of Investigation and the delay in notifying employers of prohibited employees. At the time this memorandum was prepared, the Department was unable to provide further information on criminal background checks.

F. H.B. 2362 (Law). H.B. 2362 enacts the Newborn Infant Hearing Screening Act. The Act requires that every child born in the state of Kansas be given a hearing screening within five to eight days. The screening is to detect significant hearing loss. The tests are to be conducted in a manner prescribed by the Secretary of Health and Environment, who is required to adopt rules and regulations as necessary to carry out the provisions of the Act. The screening would only take place with parental consent and all information acquired under this Act is confidential. H.B. 2362 also repeals the current Newborn Hearing Risk Screening Program. The fiscal note for H.B. 2362 indicates the Newborn Infant Hearing Screening Act would cost an additional \$150,000 from the State General Fund in FY 2000 over the amounts currently spent for the Newborn Hearing Risk Screening Program. The funds would be needed for a full-time audiologist, contractual services for quality control of the screenings at the local level, and automation costs for the Department.

G. H.B. 2074 (Law). H.B. 2074 requires that individuals who test positive for HIV be reported by name to the Secretary of Health and Environment. Previous state policy had been that only documented cases of AIDS be reported in such a fashion. Further, H.B. 2074 requires the Secretary to monitor cases of persons who have HIV infection and maintain all records as confidential. H.B. 2074 also requires the Secretary to establish confidential testing sites for HIV infection so that an anonymous test site is available within 100 miles of any resident of the state. The fiscal note for H.B. 2074 indicates a cost of \$42,900 from the State General Fund and 1.0 FTE in FY 2000 to conduct the HIV monitoring required by the bill. This is to fund one medical investigator position at \$34,000 (salaries and wages) and other operating expenditures of \$8,900.

H. S.B. 296 (Law). S.B. 296 creates the Hazardous Waste Management Fund, where moneys collected for the purpose of regulating hazardous waste will be credited. Money in the Fund will be expended for the following purposes:

- technical review of applications for permits issued under the hazardous waste statutes, including permit modification and permit renewals for hazardous waste facilities;
- evaluation of options available for minimizing the generation of hazardous wastes;
- completion of background investigations of applicants for hazardous waste facilities;
- assurance that a permittee under the hazardous waste statutes fulfills all permit conditions during the effective period of the permit; and
- payment of the administrative, technical, and legal costs incurred by the Secretary of the Kansas Department of Health and Environment (KDHE) in administering the hazardous waste laws, including the cost of any additional employees or increased operating cost of KDHE.

The Department of Health and Environment indicates that S.B. 296 would shift \$418,000 in receipts from the State General Fund to the new Hazardous Waste Management Fund in FY 2000. The transfer of moneys from the Perpetual Care Trust Fund would result in a one-time receipt of \$300,000 to the Hazardous Waste Management Fund in FY 2000. The Department proposes to use these moneys to reduce State General Fund expenditures by \$300,000 in FY 2000.

I. S.B. 107 (Law). S.B. 107 deletes the sunset provision in an existing law that mandates a child health assessment prior to first entrance to a Kansas school and creates the Residential Childhood Lead Poisoning Prevention Act. Provisions of the Residential Childhood Lead Poisoning Prevention Act which allow the Secretary of Health and Environment to establish licensing and certification fees will result in additional state revenues to be deposited, along with federal grants, in the newly created Lead Based Paint Hazard Fee Fund. Activities associated with establishing educational programs, inspections of sites, laboratory testing, and remediation programs would require state expenditures. The Department of Health and Environment estimates total expenditures of \$108,000 in FY 2000. The moneys would finance a 0.5 FTE office specialist position (\$12,750), contractual services (\$87,200) and capital outlay (\$8,050). The contractual services costs would include \$60,000 for the services of 1.5 FTE environmental scientists. The Department estimates that fees collected would be sufficient to finance the total cost of the program.

J. Sub. for S.B. 106 (Governor). Sub. for S.B. 106 establishes the Advisory Committee on Trauma within the Department of Health and Environment and directs the Secretary of Health and Environment to develop a statewide trauma system plan and a statewide trauma registry. Sub. for S.B. 106 would create a Trauma Fund within the Department of Health and Environment. Sub. for S.B. 106 also increases the amount assessed for docket fees for moving violations by district and municipal courts by \$1. The Trauma Fund is to be credited with the increased amount in the case of municipal courts and with 2.34 percent of the total docket fees

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collected by district courts. The Judicial Branch estimates receipts to the fund of approximately \$402,691 in FY 2000. The Department of Health and Environment estimates that the administration of the statewide trauma system plan and the statewide trauma registry will require 2.0 additional FTE, one administrator and one clerical staff. Total expenditures are estimated at \$320,000, \$84,000 for salaries and wages and \$236,000 for other operating expenditures to develop the trauma registry. The estimated revenue to the Trauma Fund is sufficient to cover all estimated expenditures in FY 2000.

K. Substitute for H.B. 2469 (Conference). H.B. 2469 establishes the Kansas Chemical Control Act, the purpose of which is to prevent illegal diversion of precursor chemicals for methamphetamine production. The bill would also authorize the Secretary of Health and Environment to contract for investigation and clean up of chemicals at illegal drug manufacturing sites and to issue and collect fines for violations of the Act. The Department estimates the bill would require 3.0 additional FTE, 1.0 Environmental Scientist II, 1.0 Environmental Geologist II and 1.0 Attorney II. Funding for the FTE and other operating expenditures are estimated at \$187,583. Estimated costs for site cleanup are \$1,086,000. The total FY 2000 fiscal impact on the Department of Health and Environment should the bill become law would be \$1,273,583. While the bill provides for joint and several liability for the clean up costs, the fiscal note from the Division of the Budget assumes that no such recovery would be made and all funding would come from the State General Fund. The bill also creates new sentences for crimes related to methamphetamine production which impact the Department of Corrections between \$7.9 million to \$21.7 million in increased operating and capacity expansion costs during the coming fiscal years.

L. H.B. 2166 (Conference and GBA No. 2, Item 16, pg. 9—Oz Entertainment Company Theme Park). H.B. 2166 would allow for the development of the proposed Oz Theme Park and Resort on the Sunflower Ammunition Site in Johnson County. If H.B. 2166 is passed, a fiscal impact would be realized to the Department of Health and Environment as the agency responsible for monitoring the environmental remediation which would have to be undertaken by the developers. The Department estimates that 5.0 unclassified temporary Environmental Geologist positions will be needed for the monitoring. The developers of the Oz Theme Park and Resort will reimburse the Department for the costs of at least two of the positions and the costs of the other three positions will be reimbursed by either the developers or the United States Army. A new fund would need to be created to receive the reimbursements. The Department estimates expenditures \$261,410 for the 5.0 unclassified temporary positions to be located at the site. Passage of H.B. 2166 would also impact the Department of Revenue.

M. GBA No. 2, Item 17, pg. 10—Increase Expenditure Limitation on Health Care Database Fee Fund.

N. GBA No. 2, Item 18, pg. 10—Rural and Local Health.

O. GBA No. 2, Item 19, pg. 10—Federal Cancer Registry.

Office of the State Bank Commissioner

A. Status Report on Substitute for S.B. 271—Abolishment of the Office of Consumer Credit Commissioner (House Budget Committee and Senate Subcommittee). Both the House Budget Committee and the Senate Subcommittee expressed a desire to review the status of

S.B. 271, which, as introduced, would have abolished the Office of the Consumer Credit Commissioner and created within the Office of the State Bank Commissioner a new position of Deputy Commissioner of Consumer and Mortgage Lending. Substitute for S.B. 271 passed the Senate, but in the House the bill's provisions were deleted and replaced with the provisions of H.B. 2022, relating to campaign finance.

Consumer Credit Commissioner

A. Status Report on S.B. 271—Abolishment of the Office of Consumer Credit Commissioner (House Budget Committee and Senate Subcommittee). Both the House Budget Committee and the Senate Subcommittee expressed a desire to review the status of S.B. 271, which, as introduced, would have abolished the Office of the Consumer Credit Commissioner and created within the Office of the State Bank Commissioner a new position of Deputy Commissioner of Consumer and Mortgage Lending. Substitute for S.B. 271 passed the Senate, but in the House the bill's provisions were deleted and replaced with the provisions of H.B. 2022, relating to campaign finance.

B. GBA No. 2, Item 4, pg. 4—Increase Grant to HCCI.

Real Estate Commission

A. Status Report on S.B. 115—Real Estate Commission Fees (Senate Subcommittee). The Senate Subcommittee recommended that the status of S.B. 115, which would permit the Commission to increase its fees, be reviewed at Omnibus. A fee increase would be one option to address a potential cash flow shortage in FY 2001. S.B. 115 has passed the Senate but remains in the House Committee on Federal and State Affairs. According to the agency, the cash position has eased somewhat and there should be no cash flow problem through the end of FY 2000.

Insurance Department

A. H.B. 2517—Selected Employees Salary Caps (Senate Subcommittee). The Senate Subcommittee noted that legislation had been introduced in the House to remove or modify the salary cap contained in K.S.A. 40-110 which limits the salary of any employee within the Insurance Department to the Commissioner's salary (currently, \$68,860), with the exception of two actuaries. The Subcommittee requested that the agency report back to the full committee at Omnibus. The House Budget Committee recommended a proviso to lift the salary cap, but the Appropriations Committee did not recommend that proviso. The bill, H.B. 2517, remains in the House Committee on Insurance.

Securities Commissioner

A. GBA No. 2, Item 5, pg. 4—Investor Education Program Expansion.

Kansas Corporation Commission

A. GBA No. 2, Item 9, pg. 6—Development of a National Pipeline Mapping System.

Department of Human Resources

A. Worker's Compensation Fee Fund Balance (Senate Subcommittee). The Senate Subcommittee requested updated information on the status of the Worker's Compensation Fee Fund during Omnibus. The Worker's Compensation Fee Fund currently has an unappropriated balance of \$2.4 million. The agency has indicated that 10 percent of expenditures from that fund are the necessary balance. To date, that amount would be approximately \$700,000. The Senate Subcommittee proposed no reduction to the balance at the time of the report in recognition of the fiscal impact responding to the Post Audit recommendations will have on the agency. Post Audit has recommended that the agency proceed with its database migration project, make electronic transmission of workers' compensation data a priority by allocating appropriate staff time and resources and replacing outdated computers, improve data collection and database development on claims, and make policy changes to the fraud unit. The actual cost of implementing those recommendations is as follows: \$513,000 for the computer upgrade portion of the changes; and approximately \$465,680 for 10.0 new FTE positions (1 Assistant Attorney General, 2 Safety and Health Inspector IIs, 1 Industrial Hygienist, 4 Office Assistant IIIs, 1 Program Consultant I, 1 Research Analyst III) to create the database and analyze the data. The computer upgrade will be paid for out of KSIP moneys. The agency currently has approximately \$500,000 in the KSIP account. The agency has stated it will make up the difference for the computer upgrade from program funds. The new FTE positions will be paid for out of the Worker's Compensation Fee fund monies. This would leave a balance of approximately \$1.2 million in excess of the amount the agency has indicated as the necessary ending balance.

Kansas Commission on Human Rights

S.B. 22 (Law). S.B. 22 will add an additional provision to the Kansas Act Against Discrimination (KAAD) (K.S.A. 44-1002 and 44-1009). The bill will add genetic screening or testing to the list of unlawful employment practices. Genetic screening and testing is defined as a laboratory test of a person's genes or chromosomes for abnormalities, defects, or deficiencies, including carrier status, that are linked to physical or mental disorders or impairments, or that indicate a susceptibility to illness, disease, or other disorders, whether physical or mental.

According to the Kansas Human Rights Commission, S.B. 22 will result in expenditures of \$750 from the State General Fund to update printed documents on discriminatory practices which are distributed to the public and to provide training in the area of genetic testing for staff. The Commission indicates that this will be a one-time cost and will be absorbed by the agency.

Behavioral Sciences Regulatory Board

A. Review budget pending fee board consolidation legislation. (House Budget Committee). The House Budget Committee suggested review of the Behavioral Sciences

Regulatory Board (BSRB) budget if legislation consolidating the health care regulatory boards, S.B. 109 and H.B. 2389, passed. Both bills are still in first committee.

B. Proviso omitted from the Conference Committee list. The House Budget Committee added a proviso in FY 2000 and 2001 restricting the BSRB from expending funds for disciplinary action against a former or current SRS "state supervisor." The proviso would read as follows:

"Notwithstanding the provisions of any other statute, subsections (a)(2)(C) and (a)(8) of K.A.R. 102-2-7 or any other rules and regulations to the contrary, on and after the effective date of this act, no expenditures shall be made from the behavioral sciences regulatory board fee fund for fiscal year ending June 30, 2000 and 2001, for any operating expenditures or other expenses for any disciplinary action or other disciplinary activity by the behavioral sciences regulatory board or by an officer or employee of the behavioral sciences regulatory board against any person, who is hereinafter referred to in this subsection as a state supervisor, who is licensed by the behavioral sciences regulatory board as a licensed social worker and who is or was employed by the department of social and rehabilitation services in a position with supervisory responsibility over another person who is licensed by the behavioral sciences regulatory board as a licensed social worker, for any failure by such state supervisor to make any report to the behavioral sciences regulatory board regarding the impaired condition of such licensed social worker, who is or was employed by the department of social and rehabilitation services in a position requiring the employee to be a licensed social worker and who was dismissed, demoted or suspended as a direct result of the impaired condition of such licensed social worker in accordance with K.S.A. 75-2949 through 75-2949f, and amendments thereto, under the Kansas civil service act while under the supervisory responsibility of such state supervisor."

The proviso was not recommended by the Senate. The item should have been included on the list of items for the Conference Committee to resolve in S.B. 325 but was inadvertently omitted.

H.B. 2033 (Law). H.B. 2033 standardizes the terminology used in the statutes that govern the licensing and practice of professional counselors, marriage and family therapists, and masters level psychologists to describe the type of license that may be issued to an applicant who has fulfilled all the requirements for licensure except passage of the required examination or the completion of required post-graduate training as a temporary license. Currently, the statutes governing persons licensed by the Behavioral Sciences Regulatory Board refer to both temporary licenses and temporary permits.

The fiscal note on H.B. 2033 indicates an expenditure of between \$2,800 to \$3,300 in FY 2000 to amend the rules and regulations affected by the bill. Expenditures will be from the Behavioral Sciences Regulatory Board Fee Fund.

H.B. 2213 (Law). H.B. 2213 amends a number of statutes that concern professional counselors, social workers, marriage and family therapists, licensed psychologists, and licensed masters level psychologists, all of who are licensed and regulated by the Behavioral Sciences Regulatory Board.

The fiscal note on H.B. 2213 reports H.B. 2213 will generate more revenue and require more expenditures from the Behavioral Sciences Regulatory Board fee fund. It is estimated \$126,180 will be generated in additional revenue from the new clinical level licenses for the fee

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fund and \$31,545 for the State General Fund. The Behavioral Sciences Regulatory Board estimates expenditures of \$27,808 from the fee fund.

Kansas State Historical Society

A. Security/Fire System Replacement (Senate Subcommittee and House Budget Committee, also GBA No. 2, Item 29, pg. 15). Both the Senate Subcommittee and the House Budget Committee recommended reviewing the security/fire system replacement issue at omnibus, pending more accurate information on the cost of replacement. The agency was informed in December, 1998 that the current security/fire system was not Year 2000 compliant. The current system is leased from ADT. The cost of replacing the CentraScan Fire and Security system and switching from the autoterms (a device that transmits the alarm) that ADT no longer produces to new Micro five controllers is estimated at \$148,006. The agency has contacted two other vendors, both of whom can provide 1990's technology with no Y2K concerns and which will allow the guard to pinpoint the exact room of the alarm. The current system only indicates the vicinity of the alarm and the guards must search out the specific alarm that has been tripped. Since the autoterms are made and used only by ADT, they must be replaced or bypassed by the other vendors, increasing the cost of replacing the system. Competitive bidding of the system replacement may reduce the cost estimates listed below. Both vendors have stated that upon award of the bid they can have the new system in place in 120 days.

Vendor 1 - \$170,140 Vendor 2 - \$158,200

The agency has requested a Governor's Budget Amendment of \$148,006 from the State General Fund for replacement of the system. The agency believes it can absorb any additional cost for the replacement of the system.

B. Technical Adjustment. The EDIF visitor donation match fund was started in FY 1999, matching each dollar donated by a visitor to any of the historic sites with a dollar from the Economic Development Initiatives Fund up to \$100,000. The Governor and the Legislature approved the continuation of this program in FY 2000 utilizing the remainder of the FY 1999 appropriation, totaling \$80,000. However, the following language is necessary for the transfer of funds to occur:

"On September 15, 1999, December 15, 1999, March 15, 2000, and June 15, 2000, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer amounts specified by the executive director of the state historical society from the Kansas economic development endowment account of the state economic development initiatives fund of the department of commerce and housing to the economic development initiatives fund of the state historical society."

Board of Pharmacy

A. GBA No. 2, Item 3, pg. 3—Executive Secretary Salary Increase

Adjutant General

A. STARBASE (House Budget Committee). The House Budget Committee recommended funding of \$75,000 from the State General Fund (subject to local matching funds) be considered

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if nonstate funding for a STARBASE site in Kansas City, Kansas. STARBASE is a math and science program taught by military personnel to 4th through 6th grade students at selected locations in Kansas.

B. Emergency Supplemental Funding (Senate Subcommittee). The Senate Subcommittee noted the revised estimates received from the agency concerning the amount of funding needed to finance state matching costs associated with the weather related disasters in Northeast, and South central Kansas, and the DeBruce Grain Elevator explosion. The Subcommittee recommended that consideration be given to using any excess moneys in the emergency supplemental bill S.B. 39 (\$2,151,901 as of March 12) to finance armory roofing projects. S.B. 39 is currently in Conference Committee.

C. Educational Assistance (Senate Committee). The Senate Committee noted its concerns as to the administration of the Educational Assistance program for Kansas National Guard members. The program provides state payment of tuition and fees for eligible members of the Kansas Army and Air National Guard at Kansas educational institutions. For Kansas National Guard members to be eligible for the program the member must be: a Kansas resident who is newly-enlisted or is re-enlisting; has been a member of the Kansas National Guard for not more than 15 years; has had no prior military service; has completed basic training; and is enrolled at a Kansas educational institution. The agency's goal is to pay 100 percent tuition for those who qualify. However, the agency has only been able to pay approximately 49 percent of the fall semesters fees due to processing time between the receipt of all applications and final review. The Senate Committee requested the agency present an update of the program during Omnibus. As of April 21, 1999, the Legislative Research Department has not received the requested information.

D. GBA No. 2, Item 43, pg. 20—Emergency Funding.

E. GBA No. 2, Item 44, pg. 20—Active Duty Reimbursement.

Kansas Bureau of Investigation

A. Technical Correction. A posting error in S.B. 325 resulted in the wrong FTE limitation being placed with the bill for FY 2000. The recommended FTE position limitation is 198.0, the amount posted was high by 0.5 FTE positions.

B. Capital Improvement at Great Bend (House Committee). The House Committee recommenced pursuit of federal crime prevention funds (\$253,590) to finance the renovation of the second floor of the Great Bend laboratory for the purpose of additional space for office, storage, and laboratory use. The Committee asked the agency to return during Omnibus with any updated information on the availability of federal funding. However, the latest information from the agency indicates that there are no available federal funds to finance the renovation of the Great Bend laboratory.

C. Assessment of Space Needs (Senate Committee). The Senate Subcommittee recommended the agency conduct an assessment of its space needs and present that information during Omnibus. However, the assessment is not complete, since the agency is still in the process of developing an assessment of their space needs.

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D. Technical Adjustment. A posting error in S.B. 325 resulted in the wrong adjustment for the Kansas Bureau of Investigation operating expenditures for FY 2000. Capital improvement expenditures of \$185,000 were included within that figure. Therefore, the operating expenditures amount needs to be decreased by \$185,000.

E. GBA No. 2, Item 46, pg. 21—Private Detective Fee Fund.

F. GBA No. 2, Item 47, pg. 21—Automated Fingerprint Identification System.

Sentencing Commission

A. GBA No. 2, Item 48, pg. 21—Criminal Justice Information System.

State Fire Marshal

A. Fee Fund (Senate Subcommittee). The Senate Committee recommended an evaluation of the Fire Marshal Fee Fund during Omnibus to consider the transfer of a portion of the FY 2000 ending balance (\$653,785) of the Fire Marshal Fee Fund to the State General Fund. In recent years, the Fire Marshal Fee Fund has had a large ending balance. As a percentage of expenditures, FY 1996 ending balance was \$1,291,908 or 67.0 percent of expenditures and \$1,511,354 or 42.0 percent in FY 1997. Further in 1998, \$716,852 was transferred out of the Fire Marshal Fee Fund into the State General Fund, which reduced the ending balance to 37.0 percent of reported expenditures.

B. Technical Adjustment. A posting error in S.B. 325 resulted in the wrong adjustment for the recommended Fire Marshal Fee Fund expenditure limitation. The amount should have totaled \$2,611,094. An increase of \$12,161 is necessary to correctly reflect the Legislature's approved level of funding.

C. H.B. 2012 (Law) H.B. 2012 amends current law to include hazardous material response as an official duty of the State Fire Marshal. This bill requires the State Fire Marshal to develop and implement a statewide system of hazardous material assessment and response. Also, the bill states that the agency may provide a toll-free telephone number where the agency can be contracted to respond to a hazardous materials incident. The State Fire Marshal estimated that \$24,995 would be needed for one month's operation for the new program in FY 1999. The cost to fund the program for a full year of operation in FY 2000 is estimated at \$456,113 and 3.0 FTE positions. Funding of \$24,995 in FY 1999 and \$456,113 in FY 2000 is already included in the agency's approved budget in S.B. 325. However, the Legislature did not provide specific funding for a toll-free telephone number for reporting of a hazardous materials incident. The agency estimates costs at \$5,000 (10 cents per minute with a monthly access charge of \$20) to provide a toll-free telephone number (a similar line in the State Library costs approximately the same). Therefore, an additional \$417 would be required in FY 1999 for one month's operation and \$5,000 for FY 2000.

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Highway Patrol

A. Vehicle Program (House Budget Committee). The House Budget Committee recommended the agency make a presentation regarding the development of procedures to alleviate the possibility of misconduct from occurring in the sale of vehicles to individuals both inside and outside the agency. As of April 21, 1999, the Legislative Research Department has not received this information.

B. Thunder Road Program (Senate Subcommittee). The Senate Subcommittee requested that the agency present information on the concept of a test program of interdiction along U.S. Highway 56 and 54 due to the heavy transportation of illegal drugs and weapons along those routes. According to the Patrol, including support and equipment, costs associated with the initiation of this program would be \$251,080 from the State General Fund and 4.0 FTE troopers (\$62,770 per trooper including salaries and wages, vehicle, and other equipment).

C. Per Diem Program (Senate Subcommittee). The Senate Subcommittee noted the Highway Patrol's idea of a Per Diem Program. A trooper would be given a stipend (\$10.75 per day plus fringe benefits) to allow them to eat out instead of at home. Officers would opt into the program by signing a contract (for three months) for the agency to fund their meals. This would allow officers to receive a stipend for their meals and at the same time broaden the patrol area they currently serve. The Subcommittee asked the agency to present additional information during Omnibus. As of April 21, 1999, the Legislative Research Department has not received any additional information.

D. Weigh In Motion Technology (Senate Subcommittee). The Senate Subcommittee recommended a presentation of "Weigh in Motion" technology during Omnibus. This technology allows semi tractors to be weighed as they are traveling on the road itself. The information would be automatically transferred to a computer at the upcoming weight station to be analyzed. Violating vehicles could then be stopped. The test station would be at Wabaunsee. The costs of the program are estimated to be \$160,000 from the State Highway Fund.

E. GBA No. 2, Item 45, pg. 20—Transfer Excess Funds to State General Fund.

Department of Corrections

A. Transitional Center/Work Release Program. (House Budget Committee Recommendation) The House Budget Committee recommended a review of the establishment of a transitional center/work release program at Topeka Correctional Facility. The Governor's recommendation was for 15.0 FTE and \$436,000 for the establishment of an 80-bed work release program on the grounds of the former Topeka State Hospital. The House Committee recommended a review of alternatives in advance of the Omnibus Session. Subsequently, the conference committee on Senate Bill 325 removed all funding for the transitional center/work release program.

B. Substitute for H.B. 2469. Concerning drugs, methamphetamine, chemical control act, and crimes and penalties. (Conference Committee). The bill establishes the manufacture of methamphetamines as an aggravating factor permitting upward departure in sentencing; establishing certain reporting requirements for chemical distributors and retailers; creates a new crime related to ephedra as a dietary supplement or stimulant. The bill also establishes the Kansas Chemical Control Act; regarding the sale of forfeited property with profits going to the

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Chemical Control Fund; requires the Kansas Department of Health and Environment (KDHE) to adopt rules and regulations regarding the Kansas Chemical Control Act, to levy fines, and to contract for clean up of chemicals. The anticipated fiscal impact on KDHE for cleanup is \$1,273,583 (all funds) in FY 2000 for operating costs, including 3.0 FTE, and contracted cleanup costs. The creation of new drug grid crimes and doubling of some underlying sentences related to methamphetamine production will add between 2 and 20 new inmates per year. The Department of Corrections would be impacted by increased operating costs between \$2.6 and \$3.6 million per year. Additionally, prison capacity expansion costs are estimated at \$5.3 to \$18.1 million over the next several fiscal years.

C. GBA No. 2, Item 30, pg. 15—Federal Grant Awards.

D. GBA No. 2, Item 31, pg. 15—Off Budget Positions Omitted.

E. GBA No. 2, Item 32, pg. 16—Shrinkage Rate.

F. GBA No. 2, Item 33, pg. 16—Drug Testing Guidelines.

G. GBA No. 2, Item 34, pg. 16—Raze Building.

H. GBA No. 2, Item 35, pg. 16—Legal Assistant.

I. GBA No. 2, Item 36, pg. 17—Capacity Expansion Project.

J. GBA No. 2, Item 37, pg. 17—Consolidated Debt Service Reduction

Topeka Correctional Facility

A. GBA No. 2, Item 38, pg. 18—Transition Center.

B. GBA No. 2, Item 39, pg. 18—Additional Housing for Female Inmates.

Ombudsman of Corrections

A. **Operating Expenditure Review. (Senate Subcommittee Recommendation)** A recommendation due to information technology needs, the transition of new management for the agency, and unsuccessful efforts to fill the open associate ombudsman position. These items should be reviewed for possible omnibus adjustments. The agency intends to expend savings gained from the open position, approximately \$28,480 SGF, for information technology equipment. Included in the agency's enhanced request was \$16,600 for four microcomputers, \$1,000 for network connections, and \$11,100 for ongoing operating expenditures related to routers, modems, repair, and servicing. The agency also reports increased DISC T-1 circuit costs (of indeterminate amount) when the Attorney General's office leaves Jayhawk Tower.

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Department of Wildlife and Parks

A. GBA No. 2, Item 52, pg. 23—Partnership with Natural Resources Conservation Service.

B. GBA No. 2, Item 53, pg. 23—Lesser Prairie Chicken Habitat Study.

C. GBA No. 2, Item 54, pg. 24—Grant-in-Aid for Recreational Trails.

Emergency Medical Services Board

A. Funding for Operations in FY 1999 (House Budget Committee and Senate Subcommittee). Both the House Budget Committee and Senate Subcommittee requested a Governor's Budget Amendment for the agency's FY 1999 supplemental request of \$10,100 to provide funding for operations and travel, including \$3,300 for travel and mileage, \$2,000 for telephone costs, \$1,000 for central duplicating costs and \$1,200 for advertising costs incurred from hiring a new administrator, and \$2,600 for *Kansas Register* publication of regulations pertaining to 1998 S.B. 535, which updated EMS training practices to reflect changes in federal training criteria. Travel and mileage increases are due to increased investigations and the necessity of holding three public meetings pursuant to S.B. 535.

B. GBA No. 2, Item 53, pg. 22—Emergency Medical Services for Children.

Board of Healing Arts

A. H.B. 2215 (Governor). This bill, as amended by the Senate Committee on Public Health and Welfare, changes the credentialing status for respiratory therapists from registration to licensure. On and after March 1, 2000, the bill makes it unlawful for any persons who are not licensed to hold themselves out to the public as a licensed respiratory therapist, to use specified initials following a name, or to practice respiratory therapy as defined in the bill. Any violation of the prohibition is a class B misdemeanor. The bill expands the statutory listing of persons who are not to be considered as engaged in the unlawful practice of respiratory therapy. The bill also changes the name of the Respiratory Therapist Council to Respiratory Care Council and provides for the addition of two public members and increase its membership from 5 to 7. The role of the Council remains advisory under the provisions of H.B. 2215. This bill would have no fiscal impact in FY 2000, but would result in additional expenditures to the Healing Arts Fee Fund in FY 2001 amounting to \$3,760 for a temporary clerical position for two months to process registration renewals and for costs associated with printing license certificates. The bill would also result in additional receipts of \$11,500 in FY 2001, when an anticipated 1,150 registered therapists would pay an initial registration fee of \$40 instead of the \$30 renewal fee.

B. S.B. 205 (Conference Committee). This bill, as amended by the House Judiciary Committee, allows the Board to grant a license, renewal, or reinstatement to any person convicted of a felony if the board determines by a two-thirds vote, based upon clear and convincing evidence, that such person will not pose a threat to the public and that the person has been sufficiently rehabilitated. The Board estimates that this bill as introduced would increase the number of administrative hearings as a result of license denial and cause ten

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additional hearings at a cost of \$20,000 for FY 2000. The amount would be needed to pay for court reporters, hearing officers, and 50 hours of staff time needed to hold the hearings. The Board notes that the cost is contingent on the number and the length of the hearings.

C. GBA No. 2, Item 1, pg. 3—Outside Counsel Expenses and New Disciplinary Counsel Position.

State Library

A. Grants-in-Aid to Local Libraries (House Budget Committee and Senate Subcommittee).

Both the House Budget Committee and Senate Subcommittee recommended reviewing at Omnibus the issue of funding for grants-in-aid to local libraries to identify appropriate funding needs, and both noted the agency's view that funding to local library units is inadequate. The Senate Subcommittee recommended phasing in over four years, instead of one, the agency's requested enhancement of \$1,779,720 (SGF), which includes \$1,434,257 (SGF) for state grants-in-aid (GIA) to local libraries and \$345,463 (SGF) for Interlibrary Loan Development grants (ILDP). The agency states that adequate funding levels for state grant support to local public libraries should equal 10.0 percent of total annual public library and system local revenue, which was \$48,891,713 in FY 1997. Currently, as funded, the total amount for GIA and ILDP grants equals 6.3 percent. The national average of state aid to local libraries is 12.0 percent.

Of the total aid to local units the agency requested for FY 2000 of \$5,243,864 (which includes the above enhancement amount), \$3,875,788 is for GIA funding, \$959,372 is for ILDP grants, and \$375,168 is for contracts with the subregional libraries of the Kansas talking book services. The Legislature in 1999 S.B. 325 for FY 2000 appropriated \$3,410,608 for aid to local units, which includes \$2,421,531 for GIA funding, \$613,909 for ILDP grants, and \$375,168 for contracts with the subregional libraries of the Kansas talking book services. As a note, while total (all funds) aid to local units over a ten-year period, from FY 1991 to FY 2000, has increased by \$1,613,225, or 53.8 percent, State General Fund expenditures over the same period have increased by \$1,508,872, or 79.3 percent. Grants-in-aid total funding (which includes interlibrary loan development grants and federal funding) over the same period has increased by \$941,867, or 44.9 percent.

Juvenile Justice Authority

The Conference Committee on S.B. 325 deleted all funding for the Juvenile Justice Authority, including the juvenile correctional facilities in FY 2000. The supplemental funding for FY 1999 was also deleted by the Conference Committee on S.B. 325. Funding for the Juvenile Justice Authority and institutions was deferred for further review during Omnibus.

A. FY 1999 Operating Budget (Conference Committee). The Governor recommends \$43,090,534 for operating expenditures in FY 1999, which includes \$5,945,504 for state operations, and \$37,145,030 for aid to local units (same as the agency's request), and is a decrease of \$4,190,426 from the amount approved by the 1998 Legislature and an increase of \$748,313 above the agency request. The decrease is primarily due to a lower estimate for Title IV-E funding, which is a product of the Social Security Act and is for foster care placements for juveniles that meet certain welfare requirements. The \$748,313 is for an expenditure limitation increase for operating costs and 4.0 FTE positions to add 57 beds on an "as needed" basis at

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the Topeka Juvenile Correctional Facility. The Governor intends that the funding be used over FY 1999 and FY 2000. The Senate had concurred with the Governor's recommendation. The House had concurred with the Governor's recommendation, but also added \$5,973 for 1.0 FTE Architect I position to plan and design juvenile facilities.

B. FY 2000 Operating Budget (Conference Committee). The Governor recommends operating expenditures of \$45,207,316, an increase of \$2,116,782 or 4.9 percent from the Governor's FY 1999 recommendation. The Governor's recommendation includes \$4,584,305 for operations, and \$40,623,011 for aid to local units, which includes \$14,377,237 (SGF) for purchase of services, \$4,000,000 tobacco money for prevention programs to communities, \$5,500,000 for case management operations, \$5,000,000 for intake and assessment, \$5,047,000 for community corrections, and \$1,737,416 for new programs. In light of the agency's receipt and analysis of plans submitted by 29 community planning teams and presented to the Legislature after February 15, 1999, the agency requests additional funding totaling \$13,348,888 or 37.4 percent above the Governor's recommendation for aid to local units. The agency had originally requested \$34,431,811 for aid to local units. The agency's revised request for aid to local units is \$54,141,899.

The Senate in S.B. 325 had concurred with Governor's recommendation, with the following adjustments:

- Add \$1,361,980 (SGF) for purchase of service funding for out-of-home placement bed expansion and daily rate increases for juveniles in detention facilities, emergency shelters, and out-of-home placements. The JJA has reported that the most recent SRS audited rates for the detention and out-of-home placements services is on average 2.87 years old, and some of the rates are reported to be 10 years old. Under its current rate structure, the JJA is at a disadvantage to move juvenile offenders into other placements because their rates are lower than SRS foster care rates for similar placements. The contractual capacity expansion funding is intended to provide out-of-home placement beds for an estimated 72 more juveniles in FY 2000. Without the capacity expansion, these juveniles would wait in detention facilities an average of 15.2 days until out-of-home placement beds become available. The Senate recommends using inflationary rates to gauge the increase until more accurate data can be obtained from SRS, the JJA, and providers. The rate increases could then be re-examined during Omnibus. Using a standard 3.5 percent inflation rate over three years, the following table represents the new rate increases the Subcommittee recommends, which includes the addition of the 72 out-of-home placement beds:

Type of Service	SGF Current Rate per Day (Since 1996)	Rate Assuming 3.5% Inflation Over 3 Years	Amount of SGF Increase	Estimated Number of Juveniles FY 00	SGF Increase X No. of Juveniles	Total Annual SGF Cost
Detention	\$74.70	\$82.54	\$7.84	116	\$910	\$332,094
Emergency Shelter	\$72.32	\$79.91	\$7.59	62	\$471	\$171,843
Level 4	\$55.93	\$61.80	\$5.87	42	\$247	\$90,028
Level 5	\$36.16	\$39.96	\$3.80	375	\$1,424	\$519,687
Level 6	\$98.18	\$108.48	\$10.31	66	\$680	\$248,329
				661	\$3,731	\$1,361,980

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- Add \$1,381,292 (SGF) for new intervention and graduated sanctions programs in communities beginning January 1, 2000. The funding is expected to be distributed to each administrative county in grant amounts based on a juvenile offender funding formula.
- Add \$2,000,000 (SGF) for purchase of services funding for 336 more juveniles the JJA anticipates to serve in FY 2000. The JJA has observed since July 1, 1999, an average 1.15 percent increase per month in juvenile caseload numbers—from 2,432 juveniles in FY 1999 to an estimated 2,768 juveniles in FY 2000. This is an annualized increase of 13.80 percent. The funding is expected to cover extra caseload costs.

The House in S.B. 325 had concurred with Governor's recommendation, with the following adjustments:

- Add \$2,900,000 of tobacco money for grants of \$100,000 to each administrative district or county to establish and operate a juvenile corrections advisory board in each administrative district to implement the recommendations of each district's community planning team. The House notes that each administrative district that develops a budget for administration which is less than the grant amount may expend the remainder of grant amount for prevention program specified in such administrative district's community planning process.
- Add \$1,000,000 of tobacco money for Kansas Endowment for Youth Trust Fund grants to support current statewide initiatives and provide support for new creative and pilot innovative prevention programs. The Kansas Advisory Group—established by the Governor and directed by statute to advocate for, and promote the best interests of, juveniles in Kansas—would be expected to report the outcomes of the pilot programs to other communities.
- Delete \$1,000,000 from the Governor's recommendation of tobacco money for prevention programs grants to communities.
- Add \$2,262,584 of tobacco money for new intervention and graduated sanctions programs in the form of grants to communities, effective January 1, 2000, for a total of \$4,000,000 appropriated for new programs.
- Add \$35,833 (SGF) for the continuation of a 1.0 FTE Architect I position recommended in FY 1999 for full-time juvenile facility design and planning.
- Add \$170,000 of tobacco money for management information system projects in communities, to provide hardware and assistance to local community information system infrastructure, so that the correlation and sharing of information on juveniles can be made more effective between the agency and the community planning teams.

C. Juvenile Correctional Facility Operating Budgets (Conference Committee). The Governor recommends facility operating expenditures totaling \$25,666,852 in FY 1999 and

\$26,481,883 in FY 2000. Both the **House** and the **Senate** concurred with the Governor in S.B. 325, prior to the deletion of all funding for the Juvenile Justice Authority. Individual operating budgets for the four juvenile correctional facilities are outlined below.

1. **Atchison Juvenile Correctional Facility.** The Governor recommends \$5,778,071 for operating expenditures in FY 1999, which is \$15,750 more than the amount approved by the 1998 Legislature. The increase is due to higher medical and dental costs for juveniles, as well as a larger than expected (4 percent, instead of 2 percent) raise in contracted teacher salaries. **The Governor recommends** \$6,008,305 for operating expenditures in FY 2000, which is \$230,234 (4.0 percent) over the FY 1999 estimate and \$25,019 above the agency's request. Most of the increase is due to the Governor adding \$33,802 for a 1.0 percent base salary adjustment for employees.

2. **Beloit Juvenile Correctional Facility.** The Governor recommends \$4,932,098 for operating expenditures in FY 1999, which is \$19,335 more than the amount approved by the 1998 Legislature. Part of the increase is due to a transfer of \$10,000 from the JJA for staff training related to the management information system. **The Governor recommends** \$5,029,231 for operating expenditures in FY 2000, which is \$97,133 (2.0 percent) over the FY 1999 estimate and \$24,003 above the agency's request, which is primarily due to the Governor adding \$26,896 for a 1.0 percent base salary adjustment for employees.

3. **Larned Juvenile Correctional Facility.** The Governor recommends \$4,142,198 for operating expenditures in FY 1999, which is \$68,765 more than the amount approved by the 1998 Legislature. The increase is mainly due to a transfer of \$56,988 from the JJA for staff training, 1.0 FTE, and equipment related to the management information system. **The Governor recommends** \$4,257,757 for operating expenditures in FY 2000, which is \$115,559 (2.8 percent) over the FY 1999 estimate and \$11,678 below the agency's request, which decrease is due to the Governor adjusting the agency's shrinkage rate.

4. **Topeka Juvenile Correctional Facility.** The Governor recommends \$10,752,802 for operating expenditures in FY 1999, which is \$2,208 more than the amount approved by the 1998 Legislature. **The Governor recommends** \$11,186,590 for operating expenditures in FY 2000, which is \$152,348 below the agency's request. The decrease is due to \$5,573 in salaries and wages to correct an agency error, \$85,775 for capital outlay to bring it in line with the agency's request, and \$51,000 in dietary expenditures.

D. Capital Improvements (Conference Committee). All of the regular rehabilitation and repair requests for each of the four facilities are included in the JJA's capital improvement budget request for both FY 1999 and FY 2000.

1. **FY 1999.** The agency's current year estimate of \$1,147,075 for rehabilitation and repair projects reflects the approved budget. **The Governor concurs. The**

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Senate had concurred with the Governor in S.B. 325. **The House** also had concurred with the Governor's recommendation, but also added \$1,000,000 (SIBF) for preliminary facility and design of juvenile facilities.

2. **FY 2000.** The agency's request totals \$4,319,976 for rehabilitation and repair projects, and also includes a request of \$2,185,297 (comprised of \$218,530 SGF and \$1,966,767 of Federal Violent Offender Incarceration/Truth-in-Sentencing funds) for the architectural design funding of the proposed maximum security facility, and a request of \$1,544,625 (SGF) for the design of the proposed Larned replacement facility. **The Governor** recommends \$1,307,123 for rehabilitation and repair projects and \$2,185,297 (SIBF) for the architectural design funding of the proposed single maximum security facility. The Governor also recommends \$6.0 million SIBF transfer without an expenditure for future maximum security facility construction. **The Senate** had concurred with the Governor in S.B. 325. **The House** had concurred with the Governor's recommendation of \$1,307,123 for rehabilitation and repair projects, but deleted the \$6.0 million transfer only for building costs associated with the maximum facility, deleted the \$2,185,297 for architectural design of the proposed maximum facility, and added \$4,000,000 (SIBF) for preliminary design of age and gender specific maximum custody expansion at the existing juvenile facilities.

E. Beloit Juvenile Correctional Facility's Grandview Cottage (House Budget Committee and Senate Subcommittee). Both the Senate and the House requested a Governor's Budget Amendment to reopen the Grandview Cottage at the Beloit Juvenile Correctional Facility and provide operational funding for more beds for female juvenile offenders. The JJA requests \$99,218 from the State General Fund in FY 1999 and \$450,002 in FY 2000 for 12.0 FTE, \$22,099 in one-time costs and operating expenditures for the 16-bed cottage. Capital improvement costs for rehabilitation and repair would total \$287,850, but will be financed from the agency's existing SIBF appropriation (repair and rehabilitation) for FY 1999.

F. Purchase-of-Services Funding (House Budget Committee and Senate Subcommittee). The House and the Senate requested a Governor's Budget Amendment for purchase-of-services funding and recommended reviewing the agency's request for increased community purchase-of-services costs, rate increases, and the increase in the number of juveniles being served by purchase-of-services funding. For FY 2000, **the Governor recommended** \$14,377,237 for purchase-of-services funding (the same level as FY 1999), which includes \$1,275,391 for daily costs incurred with in-home placement juveniles, \$1,203,094 for day reporting costs, \$3,240,161 for daily costs of juveniles in detention facilities, \$7,928,929 for daily costs of juveniles in out-of-home placements (emergency shelters and levels IV, V, and VI), \$525,000 for costs associated with transporting juveniles, and \$204,662 for other costs like commodities and miscellaneous goods and services for juveniles in custody.

The JJA issued a revised budget request, after receipt and review of community planning team requests for purchase-of-services funding totaling \$23,226,125, an increase of \$8,848,888 (61.6 percent) over its original request, which includes \$1,755,391 for daily costs incurred with in-home placement juveniles, \$1,243,094 for day reporting costs, \$6,240,161 for daily costs of juveniles in detention facilities, \$13,092,817 for daily costs of juveniles in out-of-home placements (emergency shelters and levels IV, V, and VI), \$610,000 for costs associated

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with transporting juveniles, and \$284,662 for other costs such as commodities and miscellaneous goods and services for juveniles in custody.

The JJA presented their revised funding proposal for purchase-of-services in three parts, rather than the six parts listed above. The JJA requested an increase of \$8,848,888, which included \$2,000,000 for caseload increases, \$2,300,000 for placement capacity expansion, and \$4,548,888 for rate increases. The House in S.B. 325 did not adjust the Governor's original recommendation of \$14,377,237 and the Senate added \$3,361,980 for caseload increases, placement capacity expansion, and rate increases.

G. GBA No. 2, Item 40, pg. 18—Implementation of Community Plans.

H. GBA No. 2, Item 41, pg. 19—Funding for Purchase-of-Services.

I. GBA No. 2, Item 42, pg. 19—Reopen Grandview Cottage at Beloit Juvenile Correctional Facility.

STATE OF KANSAS



KANSAS DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY OF TRANSPORTATION

E. Dean Carlson
SECRETARY OF TRANSPORTATION

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Topeka, Kansas 66612-1568
Ph. (785) 296-3461 FAX (785) 296-1095
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Bill Graves
GOVERNOR

April 19, 1999

The Honorable «FN» «LN» «JR»
«TITLE», «DIST» District
«ADD1»
«CITY», Kansas «ZIP»

Dear «TITLE» «LN»:

I am sending you an advance copy of information that is being sent out to media across the state later this week. Enclosed you will find a news release that includes a list of projects that are currently unfunded and a map showing those projects. As you can see from the release, the purpose of this map is to alleviate any confusion as to what will happen if a new comprehensive transportation program is not passed.

Please note that this is not new information. The projects were included in the map handed out by Governor Graves in February and detailed in a list given out by KDOT shortly thereafter. This is simply a clearer view of what projects are currently funded and which ones are not.

I wanted you to have time to review this information before any questions started coming your way from media in your home district. I look forward to working with you when you return to the Capitol later this month.

Sincerely,

E. Dean Carlson
Secretary of Transportation

Enclosures

Attachment 9-1
House Appropriations Committee
April 22, 1999

NEWS RELEASE



Docking State Office Building Office of Public Information Topeka, Kansas 66612-1568

April 19, 1999

99-074

EMBARGOED FOR RELEASE UNTIL 4/21/99

News Contact: Marty Matthews, (785) 296-3585

KDOT CLARIFIES TRANSPORTATION FUNDING QUESTIONS

Kansas Secretary of Transportation E. Dean Carlson is seeking to clarify what can be built, and what cannot, if the Kansas Legislature chooses not to enact a comprehensive transportation infrastructure plan. Today he released a list of projects that cannot move forward as anticipated without funding legislation.

The purpose of releasing the list and accompanying map is to end apparent misconceptions and confusion on the part of some lawmakers and the public regarding this issue.

"An 'extended interim plan' scenario included in some comparison charts has led some folks to think that all major modification and priority bridge projects will continue beyond 2002, even without legislation," Carlson said. "Not true. Without a comprehensive transportation program, KDOT won't be able to do much more than maintain existing highways."

---more---

NOTE: This information is available in alternative accessible formats. To obtain an alternative format, contact the KDOT Office of Public Information, Docking State Office Building, #754, Topeka, Kansas, 66612-1568 or phone (913) 296-3585 (Voice)/(TTY).

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Without a New CTP . . .

Projects Not Currently Funded That Were Included on the
Governor's Recommended Comprehensive Transportation Program Map
Major Modification Interstate and Non-Interstate and Priority Bridge Projects Only *

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Route	County	Location Description	Length (Mile)	Program Category
K 31	Anderson	North Fork Little Osage River Drainage, east of US-59		PB
US 59	Anderson	South Fork Pottawatomie Creek Drainage, north of US-169		PB
K 7	Atchison	Deer Creek, north of Atchison		PB
US 160	Barber	Bitter Creek, east of Comanche-Barber County Line		PB
US 160	Barber	Cedar Creek, west of US-281		PB
K 4	Barton	Cow Creek, west of Claflin		PB
US 281	Barton	Cheyenne Bottom Drainage, south of Hoisington		PB
US 281	Barton	Blood Creek Drainage, south of Hoisington		PB
US 281	Barton	Blood Creek, south of Hoisington		PB
US 281	Barton	Blood Creek Drainage, south of Hoisington		PB
K 7	Bourbon	Little Osage River, south of K-31		PB
US 54	Bourbon	Tennyson Creek, east of Bourbon-Allen County Line		PB
US 54	Bourbon	Walnut Creek, east of K-3		PB
US 54	Bourbon	Old US-69, east and south to South Jct US-69(Existing 4Lane)	1.5	MM
US 54	Bourbon	Ft Scott, east to Kansas-Missouri State Line	3.7	MM
US 69	Bourbon	North Jct US-54, north to Bourbon-Linn County Line (New 4Lane)	12.7	MM
US 75	Brown	East Jct US-36, north to north of Sabetha	7.5	MM
US 54	Butler	Augusta, east to east of K-96 (Existing 4Lane)	7.0	MM
US 54	Butler	BN Railroad over US-54 (EL), north of K-96	0.7	PB
US 54	Butler	Turkey Creek Drainage, (EL) north of K-96		PB
US 54	Butler	Cave Spring Creek, (EL) north of K-96		PB
US 54	Butler	Turkey Creek, (EL) north of K-96		PB
US 54	Butler	Walnut River Drainage, (EL) north of K-96		PB
US 77	Butler	Cowley-Butler County Line, north to Augusta	13.9	MM
US 77	Butler	El Dorado, north to north of DeGraff	9.6	MM
US 77	Butler	North of DeGraff, north to Butler-Chase County Line	7.3	MM
< 196	Butler	Fourmile Creek, southeast of Harvey-Butler County Line		PB

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Route	County	Location Description	Length (Mile)	Program Category
US 400	Butler	4.2 miles east of US-54, east 5.3 miles	5.3	MM
US 400	Butler	9.5 miles of US-54, east 7 miles	7.0	MM
US 69	Cherokee	Oklahoma-Kansas State Line, north to Columbus	11.9	MM
K 96	Cherokee	Cherry Creek, east of Labette-Cherokee County Line		PB
K 96	Cherokee	Cherry Creek, east of Labette-Cherokee County Line		PB
K 96	Cherokee	Cherry Creek, east of Labette-Cherokee County Line		PB
K 96	Cherokee	Cherry Creek, east of Labette-Cherokee County Line		PB
K 96	Cherokee	Spring River, west of Kansas-Missouri State Line		PB
K 34	Clark	Bluff Creek Drainage, north of US-160 (Not on original Governor's map due to data error)		PB
US 160	Clark	Johnson Creek, east of Clark-Meade County Line		PB
K 15	Clay	Otter Creek, north of K-82		PB
US 24	Clay	Republican River, west of Clay Center		PB
K 80	Clay	Huntress Creek, west of K-15		PB
US 81	Cloud	North of Concorida, north to Cloud-Republic County Line (New 4Lane)	3.0	MM
I 35	Coffey	Lyon-Coffey County Line, east to east of K-131	5.5	MM
I 35	Coffey	East of K-131, east to west of US-75	6.4	MM
I 35	Coffey	West of US-75, northeast to Coffey-Osage County Line	1.4	MM
US 75	Coffey	Neosho River, north of K-57		PB
US 75	Coffey	Approx. 5 miles north of New Strawn, north to south of I-35	5.0	MM
US 160	Comanche	Kiowa Creek, east of Protection		PB
US 160	Comanche	Cavalry Creek, east of Protection		PB
US 160	Comanche	Mule Creek, west of Comanche-Barber County Line		PB
K 15	Cowley	Grouse Creek, north of Dexter		PB
US 77	Cowley	Ark City, north to Walnut River in Winfield (Existing 4Lane)	8.9	MM
K 7	Crawford	Cherokee-Crawford County Line, north to K-126	5.0	MM
K 7	Crawford	K-126, north to Girard	6.5	MM
< 7	Crawford	West Fork Dry Wood Creek, north of Farlington		PB

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Route	County	Location Description	Length (Mile)	Program Category
US 69	Crawford	North Jct US-69 Bus, north to US-69 Bus (Arma)	8.1	MM
K 126	Crawford	Lightning Creek Drainage, west of K-7		PB
K 126	Crawford	Lime Creek, west of K-7		PB
K 126	Crawford	Lightning Creek, west of K-7		PB
K 126	Crawford	Lightning Creek, west of K-7		PB
US 160	Crawford	Relocated North Jct US-69, east to Kansas-Missouri State Line	4.8	MM
K 383	Decatur	Jennings, northeast to Decatur-Norton County Line	6.8	MM
K 4	Dickinson	East Holland Creek, east of Carlton		PB
K 4	Dickinson	West Branch Turkey Creek, west of K-15		PB
K 15	Dickinson	Mud Creek Drainage, north of I-70		PB
I 70	Dickinson	Saline-Dickinson County Line, east to west of Abilene	8.2	MM
I 70	Dickinson	I-70 over Local Road, east of K-43		PB
K 197	Dickinson	Chapman Creek Drainage, west of K-15		PB
K 7	Doniphan	K-20, northeast to Troy	4.6	MM
K 20	Doniphan	Independence Creek Drainage, east of Brown-Doniphan County Line		PB
US 36	Doniphan	East of Wathena, east to Missouri River Bridge (New 4Lane)	4.0	MM
US 59	Douglas	Franklin-Douglas County Line, north to Lawrence (New 4Lane)	11.1	MM
US 50	Edwards	Ford-Edwards County Line, east to AT&SF Railroad Bridge in Kinsley	8.5	MM
US 56	Edwards	US-50, east to Kinsley	0.3	MM
K 99	Elk	Mound Branch, north of US-160		PB
K 99	Elk	Pawpaw Creek, north of Howard		PB
K 99	Elk	North of Howard, north to Elk-Greenwood County Line	8.9	MM
US 160	Elk	Caney River, east of Cowley-Elk County Line		PB
US 160	Elk	Caney River Drainage, east of Cowley-Elk County Line		PB
US 160	Elk	Stream, east of K-99		PB
US 160	Elk	Hitchen Creek, east of Longton		PB
JS 183	Ellis	Hays, north to Ellis-Rooks County Line	16.5	MM

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Route	County	Location Description	Length (Mile)	Program Category
K 14	Ellsworth	Oxide Creek, southeast of K-156		PB
K 140	Ellsworth	Alum Creek, east of K-111 (Not on original Governor's map due to data error)		PB
K 156	Ellsworth	Plum Creek, northeast of Holyrood		PB
K 156	Ellsworth	Holyrood, northeast to K-14	12.7	MM
US 50	Finney	East of Garden City, southeast to Finney-Gray County Line	10.0	MM
K 34	Ford	St Louis-South Western Railroad over K-34 in Bucklin		PB
US 50	Ford	Dodge City, east to US-56/US-50B	4.1	MM
US 400	Ford	Arkansas River Drainage, west of US-283 Bus in Dodge City		PB
I 35	Franklin	North of K-68, northeast 7.3 miles	7.3	MM
US 59	Franklin	Ottawa, north to Franklin-Douglas County Line (New 4Lane)	7.3	MM
K 18	Geary	North of East Jct I-70, northeast to Geary-Riley County Line (New 4Lane)	2.7	MM
US 77	Geary	US-77 over Union Pacific Railroad, south of I-70		PB
K 23	Gove	Hackberry Creek, south of Gove		PB
K 23	Gove	Hackberry Creek Drainage, south of Gove		PB
US 24	Graham	South Fork Solomon River Drainage, east of K-18		PB
US 283	Graham	Curb and Gutter in Hill City, north to Graham-Norton County Line	13.5	MM
K 27	Greeley	Tribune, north to Greeley-Wallace County Line	15.9	MM
US 54	Greenwood	Verdigris River, west of Greenwood-Woodson County Line		PB
K 57	Greenwood	Halderman Creek Drainage, east of Madison		PB
K 57	Greenwood	Halderman Creek, east of Madison		PB
K 99	Greenwood	Elk-Greenwood County Line, north 0.8 mile	0.8	MM
K 99	Greenwood	Fall River Drainage, south of US-54		PB
K 99	Greenwood	Homer Creek Drainage, north of US-54		PB
K 99	Greenwood	Onion Creek, north of Hamilton		PB
K 99	Greenwood	Willow Creek, north of Hamilton		PB
K 2	Harper	Little Sandy Creek, east of Barber-Harper County Line		PB
< 44	Harper	Bluff Creek Drainage, east edge of Anthony		PB

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Route	County	Location Description	Length (Mile)	Program Category
K 44	Harper	Rock Creek, east of Anthony		PB
K 44	Harper	Silver Creek Drainage, east of Anthony		PB
K 44	Harper	Silver Creek, east of Anthony		PB
I 135	Harvey	North of K-15, northwest to Harvey-McPherson County Line	8.0	MM
K 156	Hodgeman	Buckner Creek, west of Hodgeman-Pawnee County Line		PB
K 156	Hodgeman	Buckner Creek Drainage, west of Hodgeman-Pawnee County Line		PB
K 4	Jefferson	Delaware River, northeast of K-16		PB
K 92	Jefferson	Prairie Creek, west of Jefferson-Leavenworth County Line		PB
K 192	Jefferson	Crooked Creek, east of US-59		PB
US 36	Jewell	K-128, east to Mankato	6.9	MM
US 36	Jewell	Mankato, east to 4.7 miles east of K-14	9.0	MM
US 56	Johnson	Martin Creek, east of Douglas-Johnson County Line		PB
I 435	Johnson	US-169, west to west of US-69	2.4	MM
K 17	Kingman	Smoots Creek, north of US-54		PB
US 54	Kingman	Kingman, east to east of K-17 (Existing 4Lane)	9.1	MM
US 166	Labette	Neosho River, east of US-59		PB
K 32	Leavenworth	Stranger Creek, east of Linwood		PB
US 73	Leavenworth	Threemile Creek, north of K-92		PB
K 14	Lincoln	Battle Creek, north of K-18		PB
K 14	Lincoln	Rattlesnake Creek, north of K-284		PB
K 7	Linn	Little Sugar Creek, north of K-52 at Mound City		PB
US 69	Linn	Bourbon-Linn County Line, north to K-239 (New 4Lane)	2.0	MM
US 69	Linn	South of K-239, north to North Jct K-52 (New 4Lane)	13.9	MM
US 69	Linn	North Jct K-52, north to Linn-Miami County Line (New 4Lane)	9.2	MM
I 35	Lyon	East of K-130, east to Lyon-Coffey County Line	0.9	MM
US 50	Lyon	US-50 over AT&SF Railroad and two Streets, east of K-99		PB
K 99	Lyon	Elm Creek, south of Lyon-Wabaunsee County Line		PB

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Route	County	Location Description	Length (Mile)	Program Category
K 130	Lyon	Neosho River, north of Hartford		PB
K 15	Marion	North Cottonwood River, south of Durham		PB
US 56	Marion	South City Limits Lincolnville, north to Marion-Dickinson County Line	8.4	MM
US 77	Marion	Butler-Marion County Line, north 4.4 miles	4.4	MM
US 77	Marion	US-50, north to US-56/K-150	8.8	MM
K 9	Marshall	Johnson Fork, southwest of Frankfort		PB
K 9	Marshall	Black Vermillion River Drainage, west of Frankfort		PB
K 9	Marshall	Little Timber Creek, east of K-99		PB
K 9	Marshall	Oikierman Creek, west of K-87		PB
K 99	Marshall	Clear Fork Creek, north of Pottawatomie-Marshall County Line		PB
K 23	Meade	Crooked Creek, south of US-54		PB
K 23	Meade	Crooked Creek, north of K-98		PB
US 54	Meade	2Lane/4Lane, east to Spring Lake in Meade	0.7	MM
US 54	Meade	State Street in Meade, east to 4Lane divided/2Lane	1.3	MM
US 160	Meade	Seward-Meade County Line, east to West Jct US-54	3.8	MM
K 68	Miami	South Wea Creek, west of US-69		PB
US 69	Miami	Linn-Miami County Line, north 4.6 miles (New 4Lane)	4.6	MM
US 69	Miami	4.6 miles north Linn-Miami County Line, north to 2Lane/4Lane Divided (New 4Lane)	10.9	MM
US 69	Miami	2Lane/4Lane Divided, north to 5.9 miles north of K-68 (Existing 4Lane)	6.5	MM
US 69	Miami	2Lane/4Lane Divided, north to 5.9 miles north of K-68 (Existing 4Lane)	9.9	MM
US 169	Miami	Southwest of K-7, northeast to southwest of K-263 (New 4Lane)	9.9	MM
US 169	Miami	Southwest of K-263, northeast to 2 Lane/4 Lane Divided (New 4Lane)	10.7	MM
K 14	Mitchell	Salt Creek, north of Lincoln-Mitchell County Line		PB
K 181	Mitchell	North Branch Spillman Creek Drainage, west of Hunter		PB
K 181	Mitchell	Clay Creek Drainage, south of Tipton		PB
US 160	Montgomery	Verdigris River Drainage, east of US-75		PB
US 169	Montgomery	2Lane/4Lane Divided, north to South Jct US-160 (Existing 4Lane)	1.1	MM
K 4	Morris	Clark Creek Drainage, east of US-77		PB

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Route	County	Location Description	Length (Mile)	Program Category
K 177	Morris	Munkers Creek, south of Morris-Geary County Line		PB
K 27	Morton	Elkhart, north to South Jct K-51 & Northeast Bypass	9.8	MM
US 56	Morton	West of Rolla, northeast to Morton-Stevens County Line	8.0	MM
K 9	Nemaha	South Branch Black Vermillion River Drainage, east of Marshall-Nemaha County Line		PB
K 9	Nemaha	South Branch Black Vermillion River Drainage, west of Centralia		PB
K 9	Nemaha	Illinois Creek, west of K-63		PB
K 39	Neosho	US-39 over BN-SF Railroad, in Chanute		PB
K 39	Neosho	Neosho River, east of Chanute		PB
US 59	Neosho	Labette Creek Drainage, north of Labette-Neosho County Line		PB
US 169	Neosho	South City Limits Thayer, north to north of K-47	6.1	MM
US 169	Neosho	4Lane Divided/2Lane, north to Neosho-Allen County Line	3.2	MM
K 96	Ness	North Fork Walnut Creek, west of Ness City		PB
K 96	Ness	North Fork Walnut Creek Drainage, west of US-283 in Ness City		PB
K 96	Ness	Long Branch, east of US-283		PB
K 96	Ness	Walnut Creek Drainage, west of Ness-Rush County Line		PB
US 36	Norton	Decatur-Norton County Line, east to West Jct K-383	9.5	MM
US 36	Norton	West Jct K-383, east to Norton	5.8	MM
US 36	Norton	US-36 over Railroad and Local Rd, east of US-283		PB
US 283	Norton	Graham-Norton County Line, northwest to West Jct K-9	6.0	MM
I 35	Osage	Coffey-Osage County Line, east to east of East Jct K-31	6.4	MM
US 56	Osage	Dragoon Creek Drainage, north of K-31		PB
US 24	Osborne	North Jct US-281, east to 2Lane/4Lane	6.9	MM
US 281	Osborne	South Fork Solomon River, south of US-24		PB
K 18	Ottawa	Antelope Creek, east of K-106		PB
K 156	Pawnee	Pawnee River Drainage, east of US-183		PB
K 16	Pottawatomie	Spring Creek, west of K-63		PB
K 63	Pottawatomie	Little Noxie Creek, north of Emmett		PB

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Route	County	Location Description	Length (Mile)	Program Category
K 99	Pottawatomie	Rock Creek, south of Westmoreland		PB
K 99	Pottawatomie	Rock Creek Drainage, north of State Street in Westmoreland		PB
US 50	Reno	K-14, east to K-61	6.6	MM
US 50	Reno	East of K-96, east to west of K-61 (New 4Lane)	2.2	MM
US 81	Republic	Cloud-Republic County Line, north to Belleville Inspection Station (New 4Lane)	9.4	MM
US 81	Republic	Northeast of US-36, north to south of Kansas-Nebraska State Line (New 4Lane)	9.9	MM
K 139	Republic	South Fork Mill Creek, south of US-36		PB
US 56	Rice	Cow Creek, east of Barton-Rice County Line		PB
K 18	Riley	Geary-Riley County Line, northeast to 2Lane/4Lane divided (New 4Lane)	2.3	MM
K 18	Riley	K-18/K-113 Interchange in Manhattan		MM
K 18	Riley	K-18 over K-113 (NL) in Manhattan		PB
K 18	Riley	K-18 over K-113 (SL) in Manhattan		PB
US 77	Riley	Fancy Creek, north of K-16		PB
US 183	Rooks	Ellis-Rooks County Line, north to Plainville	6.2	MM
K 4	Rush	Big Timber Creek, north of McCracken		PB
K 96	Rush	Walnut Creek Drainage, east of Ness-Rush County Line		PB
US 281	Russell	Landon Creek, north of Barton-Russell County Line		PB
US 281	Russell	Smoky Hill River, north of Barton-Russell County Line		PB
K 4	Saline	East of North Jct I-135, east and north to K-104	2.5	MM
I 70	Saline	West of I-135/US-81, east to 6.2 miles west of Saline-Dickinson County Line	9.4	MM
I 70	Saline	6.2 miles west of Saline-Dickinson County Line, east to Saline-Dickinson County Line	6.2	MM
US 81	Saline	North of I-70/I-135, north to Saline-Ottawa County Line (Existing 4Lane)	5.8	MM
K 104	Saline	K-4, north and west to I-135	2.3	MM
US 54	Sedgwick	Kingman-Sedgwick County Line, east to east of K-163 (Existing 4Lane)	7.5	MM
US 81	Sedgwick	Cowskin Creek, north of Sumner-Sedgwick County Line		PB
K 96	Sedgwick	West of Maize Road, southeast to Wichita (Existing 4Lane)	6.3	MM
I 135	Sedgwick	North of Pawnee Street, north to Beginning of Viaduct	2.3	MM

9-11

Without a New CTP . . .
Projects Not Currently Funded That Were Included on the
Governor's Recommended Comprehensive Transportation Program Map
Major Modification Interstate and Non-Interstate and Priority Bridge Projects Only *

MM = Major Modification project scopes include either rehabilitating the existing roadway or reconstructing the roadway including shoulder improvements
 PB = Priority Bridge project scopes include either rehabilitating the existing bridge or bridge replacement

Route	County	Location Description	Length (Mile)	Program Category
I 135	Sedgwick	End Viaduct, north to north of 37th Street	2.6	MM
I 135	Sedgwick	North of 85th Street, north to Sedgwick-Harvey County Line	4.8	MM
US 54	Seward	Oklahoma-Kansas State Line, northeast to Western Ave in Liberal (New 4Lane)	3.7	MM
US 160	Seward	South Jct US-83, east to Seward-Meade County Line	12.9	MM
K 4	Shawnee	Mission Creek Drainage, northeast of Dover		PB
US 24	Shawnee	Union Pacific Railroad, west of US-24/US-75 Interchange (New 4Lane)		PB
I 70	Shawnee	Wabaunsee-Shawnee County Line, east to west of Valencia Road	3.7	MM
US 75	Shawnee	4-Lane/2-Lane, north to north of KTA (New 4Lane)	5.7	MM
US 75	Shawnee	North of Kansas River Bridge, north to northeast of US-24 (Existing 4Lane)	1.7	MM
US 75	Shawnee	Northwest 35th Street Interchange north of Topeka (Not on original Governor's map due to data error)		MM
US 75	Shawnee	Northwest 46th Street Interchange north of Topeka (Not on original Governor's map due to data error)		MM
K 23	Sheridan	Saline River, north of Gove-Sheridan County Line		PB
K 27	Sherman	Wallace-Sherman County Line, north 7.1 miles	7.1	MM
K 27	Sherman	7.1 miles north of Wallace-Sherman County Line, north to Goodland	6.1	MM
K 27	Stanton	Morton-Stanton County Line, north to South Jct US-160	12.1	MM
US 56	Stevens	Morton-Stevens County Line, east to Hugoton	11.4	MM
K 44	Sumner	Fall Creek, east of Harper-Sumner County Line		PB
K 53	Sumner	Arkansas River, west of Mulvane		PB
K 55	Sumner	Cowskin Creek, east of Belle Plaine		PB
K 25	Thomas	Kyle Railroad, north of US-24 at Colby		PB
K 25	Thomas	South Fork Sappa Creek, north of US-24		PB
US 283	Trego	Ness-Trego County Line, north 10 miles	10.0	MM
US 283	Trego	10 miles north Ness-Trego County Line, north to south of I-70	11.8	MM
K 4	Wabaunsee	Dragoon Creek Drainage, northeast of Eskridge		PB
I 70	Wabaunsee	East of K-30, east to Wabaunsee-Shawnee County Line	4.7	MM
K 99	Wabaunsee	Chicken Creek, north of K-31		PB
K 27	Wallace	Eagle Trail Creek, south of US-40 at Sharon Springs		PB

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Without a New CTP . . .
Projects Not Currently Funded That Were Included on the
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Major Modification Interstate and Non-Interstate and Priority Bridge Projects Only *

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 PB = Priority Bridge project scopes include either rehabilitating the existing bridge or bridge replacement

Route	County	Location Description	Length (Mile)	Program Category
K 25	Wichita	Sand Creek, north of Kearny-Wichita County Line		PB
K 25	Wichita	Ladder Creek, north of K-96		PB
K 96	Wichita	White Woman Creek, east of Wichita-Greeley County Line		PB
US 75	Wilson	Approx. 5 miles north of US-400, north to Wilson-Woodson County Line	10.7	MM
I 35	Wyandotte	East of SW Boulevard, northeast to Kansas-Missouri State Line	1.7	MM
I 70	Wyandotte	West of I-635, east to east of I-635	1.3	MM
US 169	Wyandotte	US-169 over Union Pacific Railroad & Local Street, north of K-132		PB
I 635	Wyandotte	K-132, north to north of US-24	2.3	MM
I 635	Wyandotte	North of US-24 to Missouri River Bridge	2.9	MM

* Without additional resources only FY 2000 and FY 2001 Interim Projects can be funded. Beyond FY 2001, programmatic changes would have to be made including use of federal aid for Substantial Maintenance and minimal project scopes for any Major Modification and Priority Bridge Projects needed to use federal aid.