

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Vice-Chairperson Melvin Neufeld at 9:15 a.m. on April 20, 2000, in Room 514-S of the Capitol.

All members were present except: Representative Peterson - excused

Committee staff present: Alan Conroy, Kansas Legislative Research Department
Stuart Little, Kansas Legislative Research Department
Robert Waller, Kansas Legislative Research Department
Reed Holwegner, Kansas Legislative Research Department
Julian Efir, Kansas Legislative Research Department
Paul West, Kansas Legislative Research Department
Carolyn Rampey, Kansas Legislative Research Department
Audrey Nogle, Kansas Legislative Research Department
Deb Hollon, Kansas Legislative Research Department
Tom Severn, Kansas Legislative Research Department
Jim Wilson, Revisor of Statutes Office
Dave Stallings, Assistant to the Chairman
Mary Shaw, Committee Secretary

Conferees appearing before the committee: None

Others attending: See attached list

Consideration of the Omnibus Appropriations Bill

Vice-Chairman Neufeld asked Alan Conroy, Kansas Legislative Research Department, for a Staff briefing. Reed Holwegner briefed the Committee on the status of the State Water Plan Fund, FY 2000 and FY 2001 (Attachment 1). Paul West, Kansas Legislative Research Department, briefed the Committee on the status of the Economic Development Initiatives Fund (Attachment 2).

Alan Conroy briefed the Committee regarding the following information:

- House, Senate and Conference Committee Recommendation on Agency Appropriations at First Adjournment (Attachment 3)
- Adjustments to State General Fund Revenue Recommended by the Governor and Not Considered by the Legislature (Attachment 4)
- State General Fund Profile, Reflects Governor's Amended Recommendations, Governor's Budget Amendment No. 2 (Attachment 5)
- Adjustments to State General Fund Profile Receipts and Expenditures (Attachment 6)
- State General Fund Profile FY 1998 - FY 2004 (Attachment 7)
- State General Fund Profile FY 1998 - FY 2004 (Attachment 8)
- State General Fund Profile FY 1998 - FY 2004 (Attachment 9)

Committee questions and discussion followed. Chairman Adkins thanked Staff for briefing the Committee.

CONTINUATION SHEET

The following information was distributed to the Committee:

- Letter to the Chairman from the Office of the Governor regarding the Governor's amendments to his budget recommendations (Attachment 10)
- Items for Omnibus Consideration (Attachment 11)
- Tentative Schedule for Budget Committees (Attachment 12)

The meeting recessed at 9:50 a.m. for Committee members to go to their respective Budget Committees for discussion regarding the items for omnibus consideration. The meeting reconvened at 1:40 p.m.

Chairman Adkins asked the Budget Committees as to their progress regarding omnibus consideration:

General Government and Human Resources Budget Committee - Representative Pottorff mentioned that they are making progress and should be ready to report later this day.

Education and Legislative Budget Committee - Representative Farmer mentioned that they should be ready to wrap up today.

Tax, Judicial and Transportation Budget Committee - Representative Hermes mentioned that they should finish today.

Agriculture and Natural Resources Budget Committee - Representative Mollenkamp mentioned that they should finish today.

Public Safety Budget Committee - Representative Kline mentioned that they have reviewed all the issues and hope that they may conclude late today.

Social Services Budget Committee - Representative Neufeld mentioned that they should be done today.

The meeting recessed at 1:50 p.m. for further Budget Committee omnibus consideration. The meeting reconvened at 4:15 p.m.

Representative Adkins made a motion, second by Representative Reinhardt, to introduce the bills recommended by the Revisor's staff concerning reconciliation of conflicting amendments to existing sections of the Kansas Statutes Annotated or recommended to make technical or "cleanup" amendments that correct matters or are otherwise required to technically effectuate legislative enactments. Motion carried.

Tax, Judicial and Transportation Budget Committee Report Recommendations

Kansas Department of Transportation Presented by Representative Hermes

1. **A. Omnibus Review Item.** The Conference Committee on **SB 326** removed a proviso added by the House Committee of the Whole. There was a recommendation to review that proviso during the Omnibus period. That proviso would have required KDOT, when acquiring property during FY 2001, to hold a public hearing on the property acquisition in the county where the property is located and to notify owners of area property at least 21 days prior to a hearing. Also it would have required notice to be published in a newspaper providing time and place of such meeting, a general description of the property to be acquired, and the proposed use of such property.

The Tax, Judicial and Transportation Budget Committee rejects the proviso deleted from **SB 326** by the Conference Committee.

2. **GBA No. 2, Item 58, page 25—Three Year Vacancies**

CONTINUATION SHEET

The Tax, Judicial and Transportation Budget Committee rejects the GBA No. 2-58 regarding the Kansas Department of Transportation.

3. **GBA No. 2, Item 61, page 26—Retirement Reductions**

The Tax, Judicial and Transportation Budget Committee rejects the GBA No. 2-61 regarding the Kansas Department of Transportation.

4. **GBA No. 2, Item 60, page 26—Elimination of KPERS Rate Freeze**

The Tax, Judicial and Transportation Budget Committee recommendation is to add \$390,677 from State General Fund for GBA No. 2-60 to pay for a contribution increase in FY 2001 of .39 percent increasing the State General Fund demand transfer to the Highway Fund is also required in order to finance the expenditure increase for the agency operation.

5. Representative Hermes mentioned that the Conference Committee on **SB 326** reduced the Kansas Department of Transportation Agency Operations Account by \$1,000,000 but it did not re-allocate that money in the State Highway Fund for any purpose. The Tax, Judicial and Transportation would like to transfer \$500,000 of the \$1,000,000 for the State Highway Fund to the Kansas Highway Patrol for the purpose of reducing State General Fund appropriations by that amount. Also to be included in this recommendation, would be that the Kansas Highway Patrol appropriations from the State General Fund would be reduced by \$500,000.

6. The Tax, Judicial and Transportation Committee Budget agrees with the Post Audit request of Representative Dan Thimesch concerning K-96 safety and would like to support that request for investigation by Post Audit.

Representative Hermes made a motion, seconded by Representative Nichols, to adopt the Tax, Judicial and Transportation Budget Committee recommendations regarding the Kansas Department of Transportation. Motion carried.

Kansas Human Rights Commission Presented by Representative Hermes

1. **A. Request for 1.0 FTE for Information/Education Staff (Senate Subcommittee).** The Senate Subcommittee on the Kansas Human Rights Commission recommended the review of the agency request for 1.0 FTE position in FY 2001 for additional information/education staff. The agency is requesting \$36,472 (salary and benefits) from the State General Fund for this position. The agency is requesting the additional staff to further their mission of eliminating human rights violations.

The Tax, Judicial and Transportation Budget Committee made no recommendation on part A.

2. **B. Review Request for Reclassification of 18 Investigative Supervisors and Special Investigators (House Budget Committee).** The House Budget Committee recommended the review of the agency request for reclassification of 18 Investigative Supervisors and Special Investigators. According to the agency, the requested reclassifications are necessary for Investigative Supervisors and Special Investigators, based on their level of responsibility. The Division of Personnel Services has recommended a re-authorization of those positions which would allow the agency to promote the 4 Special Investigator IIs (pay grade 24) to Public Service Administrator IIs (pay grade 27) and the 17 Special Investigator Is (pay grade 22) to IIs (pay grade 24). The cost of the re-authorization would be \$21,127 (salary and benefits) from the State General Fund for FY 2001.

The Tax, Judicial and Transportation Budget Committee recommends the addition of a proviso allowing the agency to make the re-authorization within existing funds. The cost savings from other funds can be found to fund the \$21,127 request.

CONTINUATION SHEET

Representative Hermes made a motion, seconded by Representative Nichols, to adopt the Tax, Judicial and Transportation Budget Committee recommendations regarding Kansas Human Rights Commission. Motion carried.

Homestead Property Tax Refunds Presented by Representative Nichols

- A. Supplemental Request for \$1.5 million State General Fund in FY 2000 (Senate Subcommittee).** The Senate Subcommittee on the Homestead Property Tax Refund program recommended review of the agency's budget when the Department of Revenue could provide more accurate estimates of refunds. The Subcommittee recommended the addition of funds if the agency could not pay all claimants. In years when funding for the program did not cover all claims, the agency stopped processing claims until the following fiscal year, usually from mid-May to July. The program has processed 53,955 refund claims and paid a total of \$13,509,506 in refunds so far in FY 2000. The average refund to date is \$250. The program has 7,000 claims left to process as of April 19 and a balance of \$292,643 in the refund account. The agency indicates that it will need to stop processing claims for FY 2000 at the end of April or beginning of May if they do not receive the supplemental request.

The Tax, Judicial and Transportation Budget Committee recommendation is to add \$900,000 State General Fund to fund the request carried forward from FY 1999. Representative Nichols explained that the Homestead Property Tax Refund started with a \$900,000 deficit, so according to the Agency, the number of claims that will be filed this year are going to be comparable to last year and the average amount per claim will be the same amount. Given that the rationale that the claims are going to be about the same number and the amount need to pay per claim, the Budget Committee felt the most important issue to tackle was the \$900,000 deficit.

B. GBA No. 2, Item 25, p. 12—Property Tax Refunds.

The Tax, Judicial and Transportation Budget Committee recommendation is covered by the above issue.

Representative Hermes made a motion, seconded by Representative Nichols, to adopt the Tax, Judicial and Transportation Budget Committee recommendations regarding the Homestead Property Tax Refunds. Motion carried.

Judicial Branch Presented by Representative Nichols

- A. District Magistrate Judge for the 9th Judicial District (McPherson County).** Both the House Budget Committee and the Senate Subcommittee on the Judicial Branch budget identified the addition of a District Magistrate Judge for the 9th Judicial District as a funding priority if revenue constraints are relieved. The position would cost \$60,046 and would be for a district in which civil and criminal case filings have increased by more than 100 percent in the last ten years. Information presented to the subcommittees indicates that the three District Court Judges assigned to the 9th Judicial District presently have the fourth highest caseload per judge in the state and that delays in scheduling hearings and addressing other business before the court are regular occurrences. The District presently has no magistrate judge positions.

The Tax, Judicial and Transportation Budget Committee noted that this is an issue that was discussed and talked about and suggested to appoint within existing resources and the Budget Committee felt that there were no funds to fund this item.

- B. S.B. 150 (Conference Committee).** 1999 S.B. 150 concerns child custody, parental rights, and other issues relating to children. The portion that would have a fiscal impact on the Judicial Branch concerns expanding the definition of "interested party" to include grandparents with whom the child does not reside among those persons or entities who must be notified by mail whenever there is a hearing under the Child in Need of Care Code. According to the Office of Judicial Administration, this requirement would impose additional work on district court clerks amounting

CONTINUATION SHEET

to 8,720 hours per year. These hours equate to 4.2 new FTE Court Clerk positions, at an annual cost of \$22,596 per clerk, including fringe benefits, for a total cost of \$94,903. According to the Office of Judicial Administration, urban areas where there are high caseloads would be most affected by the increase in workload.

The Tax, Judicial and Transportation Budget Committee noted that **SB 150** is still in conference and because of that they did not take action on this matter.

C. S.B. 506 (House General Orders). Both subcommittees that considered the Judicial Branch budget endorsed legislation that would increase docket fees. One of the main differences between the House and Senate versions of the bill is that the docket fee increase would generate \$4.4 million in FY 2001 under the Senate version and \$3.9 million under the House version. Both versions of the bill provide that docket-fee funded salary increases are for nonjudicial personnel only and both versions would increase the amount of docket fee revenue credited to the Access to Justice Fund by about \$150,000. The House version of the bill also would expand the number of judges on the Court of Appeals from 10 to 14 over a four-year period, beginning July 1, 2001. More detailed information is below:

1. Salary upgrade of nonjudicial personnel. S.B. 506 would increase docket fees in order to pay for a one-time upgrade of nonjudicial personnel salaries totaling \$3.9 million, an increase of about 11 percent over the current year. Components of the increase are \$324,160 for an upgrade of Court Service Officers, \$1.2 million for a 2.5 percent cost of living adjustment, and \$2.4 million for an overall upgrade of most other salaries (some salaries at the top of the pay scale would not share in this upgrade). The upgrade is in addition to the regular 2.5 step increase nonjudicial employees would receive in FY 2001. Under the Senate version of the bill which generates more docket fees, the upgrade and maintenance of the upgrade would be paid for from docket fees for the foreseeable future. Under the House version, maintenance of the upgrade most likely would impact the State General Fund in FY 2002 or FY 2003. The House Budget Committee on the Judicial Branch budget identified the general upgrade of nonjudicial personnel salaries and the specific upgrade of Court Service Officers as items to consider at the end of the Session if additional docket fee revenue became available. The only action that would need to be taken in the Omnibus bill if **SB 506** passes would be to appropriate the new Nonjudicial Salary Initiative Fund, into which would be credited the additional docket fee revenues. The Legislature would have to decide whether the Fund would have an expenditure limitation or be a "no limit" fund. The Judicial Branch has indicated that its proposed upgrade will cost \$3,892,392 in FY 2001 and that it would not spend more than that, regardless of the amount of docket fee revenue that would be available. The recommendation is to appropriate the special revenue fund with a limitation of \$3,900,000.
2. Increased Funding for the Access to Justice Fund. Both versions of **SB 506** would increase docket fee revenues to the Access to Justice Fund, which currently is the fund paying for a \$150,000 contract with Kansas Legal Services, Inc., to provide statewide foster care legal services. The Senate version of the bill would shift the \$150,000 from increased docket fee revenues that otherwise would have gone to the Nonjudicial Salary Initiative Fund (the fund that pays for the salary upgrade), while the House version would take the \$150,000 from docket fee revenues that otherwise would go to the State General Fund. While **SB 506** does not specify how the increased revenues to the Access to Justice Fund would be spent, both subcommittees were interested in generating enough money to continue the contract with Kansas Legal Services, Inc., in FY 2001 and both subcommittees identified the contract as an item they wanted to address at the end of the Session if additional revenues became available. (The House Budget Committee specified that consideration should be contingent upon the availability of additional docket fee revenues,

CONTINUATION SHEET

while the Senate Subcommittee did not specify a specific source of revenue. However, the Subcommittee's recommendation was prior to its consideration of **SB 506**.)

The Tax, Judicial and Transportation Budget Committee felt that this was an important enough issue that they recommended to add a provision to increase funding by having a transfer from docket fees to go to State General Fund of \$150,000 in order to keep it going. Foster care is a very important issue and this committee has shown leadership in that capacity.

3. Expansion of the Court of Appeals. The House version of the bill incorporates the provisions of **HB 3051**, which would expand the Court of Appeals from 10 to 14 judges by adding one new judge a year over a four-year period. The total cost of adding four new judges is estimated to be \$1,416,344, or \$354,086 per judge. For each judge, the cost includes the judge's salary, two support staff, one-time expenditures for office equipment and furniture, and one-time costs to remodel space vacated by the Attorney General. However, the House proposal is that one new judge would be added each year, beginning July 1, 2001, and ending July 1, 2004. Therefore, there would be no fiscal impact until FY 2002.

The Tax, Judicial and Transportation Budget Committee did not address this issue because the House version has the one-year delay.

Representative Nichols made a motion, seconded by Representative Hermes, to adopt the Tax, Judicial and Transportation Budget Committee recommendations regarding the Judicial Branch. Motion carried.

Kansas Guardianship Plan
Presented by Representative Nichols

- A. **Training Plan (House Budget Committee)**. The House Budget Committee requested that the agency develop a written plan of action to expand training for staff and volunteers in the areas of self-advocacy, self-determination, and client capacity building and report back with the plan at Omnibus.

The Tax, Judicial and Transportation Budget Committee recommended no action.

Kansas Department of Revenue
Presented by Representative Nichols

- A. **SB 611 (Law)**. **SB 611** creates several new categories of distinctive license plates, including public safety officers, the Kansas Foundation for Agriculture, and veterans plates for motorcycles. The agency estimates that \$34,082 from the Division of Vehicles (DOV) Operating Fund will be required FY 2001 for plate production and computer programming costs.
- B. **HB 2561 (Law)**. **HB 2561** creates a new category of motor vehicle certificate of title and incorporates two new kinds of title brands into the vehicle identification number statutes. The agency estimates that \$10,003 from the Division of Vehicles (DOV) Operating Fund will be required in FY 2001 for computer programming costs.
- C. **HB 2883 (Law)**. **HB 2883** creates a new crime for theft of motor fuel and requires suspension of driving privileges upon second and subsequent convictions. The agency estimates that \$33,292 from the Division of Vehicles (DOV) Operating Fund will be required in FY 2001 for computer programming costs.

The Tax, Judicial and Transportation Budget Committee noted that A. **SB 611**, B. **HB 2561** and C. **HB 2883** which have all been signed into law, the total operating cost for those laws to be enacted is \$66,857 from the Division of Vehicles Operating Fund and the total amount requested for the three bills was roughly \$74,000. The Committee recommends that the Department pay this out of the existing

CONTINUATION SHEET

resources in the operating expenditures fund, of which there is a balance left to implement these three bills.

D. Bills In Conference. Several bills impacting the operations of the Department of Revenue are currently pending in conference committee. These include **SB 12** (sales information contained on appraised value notice), **SB 59** (sales tax exemption for church contractors), **SB124** (adult care home property tax exemption), **SB 226** (increased revenue from property taxes), **SB 410** (taxation statutory compliance benefits and incentives), **SB 429** (DUI suspension of drivers license), **SB 502** (oil lease property tax refunds), **HB 2037** (sales tax exemption for railroad and grain storage facilities) and **HB 2259** (motor vehicle certificates of title). 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. Many of these bills have been in conference in excess of a year. The final administrative impact of the bills will be dependent on what provisions are adopted by the conference committee and enacted into law.

The Tax, Judicial and Transportation Budget Committee recommended no action.

E. Agency Other Operating Expenses. The Senate Committee recommended consideration at Omnibus of additional funding for **FY 2001** other operating expenses for the agency. The approved budget for the agency includes a reduction of \$1.2 million in State General Fund financed other operating expenses from the agency's current services budget.

The Tax, Judicial and Transportation Budget Committee recommended no action.

F. GBA No. 2, Item 9, Page 5 - Legal Defense Costs.

The Tax, Judicial and Transportation Budget Committee concurs with the Governor's recommendation.

G. GBA No. 2, Item 10, Page 5 - Increase Compliance Activities.

The Tax, Judicial and Transportation Budget Committee, after much discussion, recommends the Governor's budget amendment.

Representative Hermes made a motion, seconded by Representative Nichols, to adopt the Tax, Judicial and Transportation Budget Committee recommendations regarding the Kansas Department of Revenue. Motion carried.

Chairman Adkins mentioned that the Committee will meet tomorrow morning at 9:00 a.m.

The meeting was adjourned at 5:00 p.m. The next meeting is scheduled for April 21, 2000.

HOUSE APPROPRIATIONS COMMITTEE GUEST LIST

DATE April 20, 2000

NAME	REPRESENTING
<i>Cody Danton</i>	<i>DOB</i>
<i>Chad Ham</i>	<i>DOB</i>
<i>Stephanie Buchanan</i>	"
<i>Ellen Petrollemy</i>	<i>Assoc. of CmtyCs</i>
<i>Bill Watts</i>	<i>KDOT</i>
<i>Kevin Baze</i>	<i>Men/weir chrtl</i>
<i>Charles LeBay</i>	<i>KRCC</i>
<i>Margaret Kauf</i>	<i>K.R.C.C.</i>
<i>Shannon Jones</i>	<i>SILCK</i>
<i>Kim M. Appellen</i>	<i>Inter Hal</i>
<i>TK Shively</i>	<i>Ks Legal Services</i>
<i>Lamy Klemm</i>	<i>League of KS Municipalities</i>
<i>Jabrina Wells</i>	<i>Insurance Dept.</i>
<i>Diane Zula Drake</i>	<i>Franklin's Cop Mental Health Clinic</i>
<i>John Randolph</i>	<i>Mental Health Center of East Central Kansas</i>
<i>Kenneth George</i>	<i>High Plains MHC - I say</i>
<i>Dodie Weathers Johnson</i>	<i>Ks Action for Children</i>
<i>Gary Robbins</i>	<i>Ks Optometric Assn</i>
<i>Alex Kobayantz</i>	<i>Partners 1st Territorial Capital</i>

**HOUSE APPROPRIATIONS COMMITTEE
GUEST LIST**

DATE April 20, 2000

NAME	REPRESENTING
Marcie Len	Sedgwick County
Carol Kahan	KCDD
Kathy Porter	OIA
Nancy Lindberg	AG
Neil Doorman	AG
Janet Schelansky	SRS
Laura Howard	SRS
Debra Pricheaux	FHSU
JEAN KRATTN	HGP
Doug Farmer	KDOA
Trudy Racine	SRS
Mary Bonatto	PSU
Mary Anne Kellum	USK1
Nancy Lindberg	AG
Jan Jossend	KU
Dick Bauman	KDOT
Sandy Braden	Civic Council of Kentucke
Jim Fairbank	KSC
Jim Conant	KDOR

**HOUSE APPROPRIATIONS COMMITTEE
GUEST LIST**

DATE April 20, 2000

NAME	REPRESENTING
Kimm Mullin	Jensen Hall
Stephanie Buchanan	DOB
Judith Ham	DOB
Karon Barone	Stevens child
Abner Taylor	Johnson County

STATE WATER PLAN FUND, FY 2001

Agency/Program	Gov. Rec. FY 2001	LEG. ADJ. FY 2001	LEG. APPR. FY 2001
State Conservation Commission			
Buffer Initiative	80,000	0	80,000
Conservation District Aid	1,035,500	0	1,035,500
Multipurpose Small Lakes	230,000	0	230,000
Nonpoint Source Pollution Asst.	3,000,000	0	3,000,000
Riparian and Wetland Program	200,000	0	200,000
Water Resources Cost Share	4,450,000	0	4,450,000
Water Rights Purchase	0	0	0
Watershed Dam Construction	805,000	0	805,000
Total--State Conservation Commission	9,800,500	0	9,800,500
Kansas Water Office			
Assessment and Evaluation	200,000	0	200,000
Basin Assessment	0	0	0
Cheney Agricultural Nonpoint Source	0	0	0
Federal Cost-Share Programs	250,000	0	250,000
GIS Data Access and Support Ctr.	177,300	0	177,300
GIS Data Base Development	250,000	0	250,000
Groundwater Condition Eval.*	70,000	0	0
Kansas Water Resource Research Institute	0	0	0
MOU Operation and Maintenance	429,787	0	429,787
PMIB Loan Payment for Storage	270,387	0	270,387
Public Information	30,000	0	30,000
Public Water Supply--GIS	0	0	0
Stream Gauging Program	370,000	0	370,000
Stream Team	0	0	0
Tech. Assist. to Water Users	440,000	0	440,000
Water Resource Education	60,000	0	60,000
Water Quality in Upper Arkansas River	0	0	0
Weather Modification	349,000	0	349,000
Total--Kansas Water Office	2,896,474	0	2,896,474
Department of Wildlife and Parks			
River Recreation	0	0	0
Stream Monitoring	50,000	0	50,000
Total--Wildlife and Parks	50,000	0	50,000
Department of Agriculture			
Best Management Practices	50,000	0	50,000
Floodplain Management	131,849	0	131,849
Interstate Water Issues	202,795	0	202,795
Subbasin Management Plan	647,291	0	647,291
Total--Department of Agriculture	1,031,935	0	1,031,935
Health and Environment			
Assessment of Sediment	50,000	0	50,000
Contamination Remediation	1,397,022	0	1,397,022
Local Environmental Protection Program	1,800,000	0	1,800,000
Nonpoint Source Program	469,430	0	469,430
TMDL Initiatives	220,000	0	220,000
Use Attainability Analysis	200,000	0	200,000
Total--Health and Environment	4,136,452	0	4,136,452
KCC--Well Plugging	400,000	0	400,000
Total Water Plan Expenditures	18,315,361	0	18,315,361

	Gov. Rec. FY 2001	LEG. ADJ. FY 2001	LEG. APPR. FY 2001
State Water Plan Resource Est.			
Beginning Balance	2,510,475	0	2,510,475
Revenues			
State General Fund Transfer	4,500,000	0	4,500,000
Economic Development Fund Transfer	2,000,000	0	2,000,000
Municipal Water Fees	3,685,000	0	3,685,000
Industrial Water Fees	1,300,000	0	1,300,000
Stock Water Fees	290,000	0	290,000
Pesticide Registration Fees	920,000	0	920,000
Fertilizer Registration Fees	3,087,000	0	3,087,000
Fines	70,000	0	70,000
Sand Royalty Receipts	367,837	0	367,837
Returned Funds/Transfers In	0	0	0
Total Receipts	16,219,837	0	16,219,837
Total Available	18,730,312	0	18,730,312
Less Expenditures	18,315,361	0	18,315,361
Less Transfer to the State General Fund**	395,000	0	0
Ending Balance	19,951	0	19,951

* Includes GBA No. 2, Item 52, pg. 23--Equus Beds Groundwater Research

**Includes GBA No. 2, Item 51, pg. 23--Released Encumbrances of the State Water Plan Fund

House Appropriations
4-20-00
Attachment 1

STATE WATER PLAN FUND, FY 2000

	Gov. Rec. FY 2000	LEG. ADJ. FY 2000	LEG. APPR. FY 2000
Agency/Program			
State Conservation Commission			
Buffer Initiative	128,721	0	128,721
Conservation District Aid	1,032,750	0	1,032,750
Multipurpose Small Lakes	231,000	0	231,000
Nonpoint Source Pollution Asst.	3,124,846	0	3,124,846
Riparian and Wetland Program	125,000	0	125,000
Water Resources Cost Share	4,549,693	0	4,549,693
Water Rights Purchase	0	0	0
Watershed Dam Construction	845,426	0	845,426
Total--State Conservation Commission	10,037,436	0	10,037,436
Kansas Water Office			
Assessment and Evaluation	0	0	0
Basin Assessment	25,000	0	25,000
Cheney Agricultural Nonpoint Source	25,000	0	25,000
Federal Cost-Share Programs	100,000	0	100,000
GIS Data Access and Support Ctr.	162,800	0	162,800
GIS Data Base Development	250,000	0	250,000
Groundwater Condition Eval.	75,000	0	75,000
Kansas Water Resource Research Institute	0	0	0
MOU Operation and Maintenance	489,663	0	489,663
PMIB Loan Payment for Storage	267,394	0	267,394
Public Information	30,000	0	30,000
Public Water Supply--GIS	0	0	0
Stream Gauging Program	400,000	0	400,000
Stream Team	0	0	0
Tech. Assist. to Water Users	440,000	0	440,000
Water Resource Education	70,000	0	70,000
Water Quality in Upper Arkansas River	75,000	0	75,000
Weather Modification	360,000	0	360,000
Total--Kansas Water Office	2,769,857	0	2,769,857
Department of Wildlife and Parks			
River Recreation	0	0	0
Stream Monitoring	50,000	0	50,000
Total--Wildlife and Parks	50,000	0	50,000
Department of Agriculture			
Best Management Practices	0	0	0
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	988,776	0	988,776
Health and Environment			
Assessment of Sediment	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
TMDL Initiatives	0	0	0
Use Attainability Analysis	0	0	0
Total--Health and Environment	4,240,000	0	4,240,000
KCC--Well Plugging	400,000	0	400,000
Total Water Plan Expenditures	18,486,069	0	18,486,069

	Gov. Rec. FY 2000	LEG. ADJ. FY 2000	LEG. APPR. FY 2000
State Water Plan Resource Est.			
Beginning Balance	1,196,771	0	1,196,771
Revenues			
State General Fund Transfer	5,940,000	0	5,940,000
Economic Development Fund Transfer	2,000,000	0	2,000,000
Municipal Water Fees	3,650,000	0	3,650,000
Industrial Water Fees	1,300,000	0	1,300,000
Stock Water Fees	290,000	0	290,000
Pesticide Registration Fees	920,000	0	920,000
Fertilizer Registration Fees	3,010,000	0	3,010,000
Fines	70,000	0	70,000
Sand Royalty Receipts	358,031	0	358,031
Returned Funds/Transfers In	2,261,742	0	2,261,742
Total Receipts	19,799,773	0	19,799,773
Total Available	20,996,544	0	20,996,544
Less Expenditures	18,486,069	0	18,486,069
Ending Balance	2,510,475	0	2,510,475

Economic Development Initiatives Fund

Agency/Program	Governor's Recommendation FY 2001	Legislative Adjustments FY 2001
Department of Commerce and Housing¹		
Agency Operations	\$ 8,592,909	
Small Business Development Centers	410,000	75,000
Certified Development Companies	400,000	
Kansas Industrial Training/Retraining	3,300,000	
Trade Show Promotion Grants	150,000	
Community Capacity Building Grants	197,000	
Economic Opportunity Initiative Fund	3,500,000	
Existing Industry Expansion	500,000	
Tourism Promotion Grants	852,100	
Mid-America World Trade Center	0	42,000
Mainstreet Grant and Development Prog.	216,800	
Agriculture Product Development	540,000	
Training Equipment Grants	277,500	
Travel Information Centers	115,000	(100,000)
Motion Picture and Television Rebate	75,000	
Kansas Sports Hall of Fame	0	
Eisenhower Museum Grant	300,000	
National Teachers Hall of Fame	300,000	(200,000)
HOME Program	533,022	
Challenger Learning Center	0	
Subtotal - KDCH	<u>\$ 20,259,331</u>	<u>\$ (183,000)</u>
Kansas Technology Enterprise Corporation¹		
Agency Operations	\$ 1,305,499	
Centers of Excellence	4,325,000	
Research Matching Grants	1,246,000	
Business Innovative Research Grants	76,000	
State Small Business Innovation Research	440,000	
Special Projects	79,303	
Commercialization Grants	845,000	
Mid-America Manufact. Tech. Center	950,931	
EPSCoR	2,436,126	763,874
Subtotal - KTEC	<u>\$ 11,703,859</u>	<u>\$ 763,874</u>
Kansas, Inc.¹		
	\$ 336,137	
Board of Regents		
Matching Grants - AVTS	200,000	
Post-secondary Aid - AVTS	6,882,981	
Capital Outlay Aid - AVTS	2,200,000	
Comprehensive Grant Program	0	250,000
Subtotal - Regents	<u>\$ 9,282,981</u>	<u>\$ 250,000</u>
Department of Education - Ag in the Classroom		
	0	30,000
Historical Society		
	0	95,000
Department of Administration		
Public TV Microwave Connection	350,000	
State Water Plan Fund		
	2,000,000	
Wildlife and Parks - Local Gov. Outdoor Recreation		
	475,000	(225,000)
State Fair		
Capital Improvements	100,000	
Operating Expenses	0	134,000
Adjutant General - Kansas National Guard Educational Asst.		
	0	50,000
Arts Commission - Operating Expenses		
	0	119,110
State Library - Grants to Local Libraries		
	0	170,000
	\$ 44,507,308	\$ 1,203,984

TOTAL TRANSFERS AND EXPENDITURES

EDIF Resource Estimate	Gov. Rec. FY 2001	Legislative Adjustments FY 2001
	\$ 2,243,508	1,450,000
Beginning Balance	42,500,000	-
Gaming Revenues	594,000	606,472
Other Income	\$ 45,337,508	\$ 47,393,980 ²
Total Available	44,507,308	45,711,292
Less: Expenditures and Transfers	<u>\$ 830,200</u>	<u>\$ 1,682,688</u>
ENDING BALANCE		

1) Does not include expenditures from prior year EDIF allocations.

2) Legislative Adjustments to Other Income include \$306,472 transferred from the Partnership Fund and \$300,000 of enhanced interest earnings.

Economic Development Initiatives Fund

Agency/Program	Governor's Recommendation FY 2000	Legislative Adjustments FY 2000
Department of Commerce and Housing⁽¹⁾		
Agency Operations	\$ 7,006,215	
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	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	
National Teachers Hall of Fame	0	
HOME Program	0	
Subtotal - KDOCH	<u>\$ 20,154,004</u>	
Kansas Technology Enterprise Corporation⁽¹⁾		
Agency Operations	\$ 1,338,486	
Centers of Excellence	3,552,640	
Research Matching Grants	969,196	
Business Innovative Research Grants	76,000	
State Small Business Innovation Research	440,000	
Special Projects	79,303	
Commercialization Grants	1,490,000	
Mid-America Manufact. Tech. Center	1,797,338	
EPSCoR	3,200,000	
Subtotal - KTEC	<u>\$ 12,942,963</u>	
Kansas, Inc.	\$ 189,563	
Board of Regents		
Matching Grants - AVTS	200,000	
Post-secondary Aid - AVTS	6,707,144	
Capital Outlay Aid - AVTS	2,000,000	
Subtotal - Education	<u>\$ 8,907,144</u>	
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	500,000	
State Fair	35,000	
TOTAL TRANSFERS AND EXPENDITURES	\$ 44,728,674	0

EDIF Resource Estimate

	Gov. Rec. FY 2000	Legislative Adjustments FY 2000
Beginning Balance	\$ 3,672,000	-
Gaming Revenues	42,500,000	-
Other Income	800,182 ⁽²⁾	1,450,000 ⁽³⁾
Total Available	<u>\$ 46,972,182</u>	<u>\$ 48,422,182</u>
Less: Expenditures and Transfers	44,728,674	44,728,674
ENDING BALANCE	\$ 2,243,508	\$ 3,693,508

1) Does not include expenditures from prior year EDIF allocations.

2) This category includes interest income as well as amounts lapsed by the 2000 Legislature.

3) Legislative Adjustments to other income include released encumbrances and enhanced interest earnings.

**HOUSE, SENATE AND CONFERENCE COMMITTEE RECOMMENDATIONS
ON AGENCY APPROPRIATIONS
AT FIRST ADJOURNMENT**

	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
Governor's Recommendation	\$ 4,426,177,700	\$ 8,685,548,123	39,773.9
House Recommendation	\$ 4,434,984,475	\$ 8,650,127,713	39,799.9
<i>Change From Governor's Recommendation</i>	8,806,775	(35,420,410)	26.0
Senate Recommendation	\$ 4,401,599,614	\$ 8,689,746,657	39,792.9
<i>Change From Governor's Recommendation</i>	(24,578,086)	4,198,534	19.0
Conference Committee Recommendation	\$ 4,399,812,210	\$ 8,647,870,449	39,803.9
<i>Change From Governor's Recommendation</i>	(26,365,490)	(37,677,674)	30.0

House Appropriations
4-20-00
Attachment 3

**ADJUSTMENTS TO STATE GENERAL FUND REVENUE
RECOMMENDED BY THE GOVERNOR AND NOT CONSIDERED
BY THE LEGISLATURE**

FY 2000:

Department of Agriculture	
Grain Storage Tax Credit	(342,000)

FY 2001:

Department of Administration	
Emergency Fund transfer (increase over amount recommended by Legislature)	50,000

Department of Agriculture	
Grain Storage Tax Credit	(356,000)

Racing and Gaming Commission	
Camptown Racetrack	249,909

Conservation Commission	
State Water Plan Released Encumbrances	395,000

Department of Revenue	
Increased Compliance Activities	8,550,000

Legislation	
SB 501 - Ag. Chemical Remediation Prog.	(100,000)

HB 2011 - Integrated Plant	8,110,000
----------------------------	-----------

HB 2648 - Bond Transfer Fees	(450,000)
------------------------------	-----------

HB 2527 - Agricultural Production Loans	(1,000,000)
---	-------------

TOTAL - FY 2001	<u><u>15,448,909</u></u>
------------------------	--------------------------

House Appropriations
4-20-00
Attachment 4

STATE GENERAL FUND PROFILE
Reflects Governor's Amended Recommendations
(Governor's Budget Amendment No. 2)

Governor's Recommendation

	<u>FY 99</u>	<u>FY 00</u>	<u>FY 01</u>
Beginning Balance	754.0	540.7	313.9
Released Encumbrances	4.5	0.8	0.0
Receipts (April 00 Consensus)	3,978.4	4,159.8	4,423.2
Adjustments in Gov. Rec.	0.0	0.9	0.8
Committee Adjustments	0.0	0.0	0.0
Adjusted Receipts	3,978.4	4,160.7	4,424.0
Expenditures	4,196.2	4,388.3	4,406.3
Ending Balance	540.7	313.9	331.6
Ending Balance as a % of Exp.	12.9	7.2	7.5
Adj. Receipts in Excess of Exp.	(217.8)	(227.6)	17.7
% Change From Prior Year:			
Adjusted Revenues	(1.2)	4.6	6.3
Expenditures	10.5	4.6	0.4

*House Appropriations
 4-20-00
 Attachment 5*

Adjustments to State General Fund Profile
Receipts and Expenditures

Receipts:

\$ 8,110 - HB 2011 - Integrated Plant

(1,000) - HB 2527 - Ag Production Loan Program

(450) - HB 2648 - Bond Transfer Fees

(100) - SB 501 - Agricultural Chemical Remediation Program

\$ 6,560 - Increased Receipts

Expenditures:

\$ 8,590 - KPERS Employer Contribution

(13,688) - Revised General and Supplemental State Aid Amount

15,784 - SRS and Aging Revised Caseloads

\$10,686 - Adjusted Expenditures

House Appropriations
4-20-00
Attachment 6

State General Fund Profile
FY 1998 - FY 2004

Conference Committee Recommendations on House Sub. for S.B. 326

April 4, 2000 Consensus Revenue Estimates

Demand Transfers at Current Law Beginning in FY 2002

S.B. 39 Adjustments in FY 2000

School Aid at \$3,820 Beginning in FY 2002

FY 2000 and FY 2001 Receipts as Further Adjusted by Conference Committee Action

	Actual FY 1998	Increase	Actual FY 1999	Increase	Approved FY 2000	Increase	Projected FY 2001	Increase	Projected FY 2002	Increase	Projected FY 2003	Increase	Projected FY 2004	Increase
Beginning Balance(a)	\$528.6		\$758.5		\$540.9		\$310.7		\$319.2		\$338.5		\$350.1	
RECEIPTS:(b)	4,027.2	343.4 9.3%	3,978.6	(48.6) -1.2%	4,161.1	182.5 4.6%	4,408.3	247.2 5.9%	4,507.8	99.5 2.3%	4,674.6	166.8 3.7%	4,862.5	187.9 4.0%
EXPENDITURES:														
General and Supplemental School Aid (c)	1,539.0	153.2 11.2%	1,748.1	209.1 13.6%	1,861.0	112.9 6.5%	1,894.9	33.9 1.8%	1,888.3	(6.6) -0.3%	1,878.4	(9.9) -0.5%	1,863.2	(15.2) -0.8%
Out-Year Additional KPERS Employer Contributions(d)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.4	13.4	20.3	6.9	27.4	7.1
Higher Education Restructuring - S.B. 345(e)	0.0	0.0	0.0	0.0	0.0	0.0	21.8	21.8	37.6	15.8	54.1	16.5	71.3	17.2
Demand Transfers: (f)	205.1	5.4	219.6	14.5	201.2	(18.4)	184.6	(16.6)	315.0	130.4	353.2	38.2	373.7	20.5
All Other Expenditures(g)	2,055.0	103.6 5.3%	2,228.5	173.5 8.4%	2,329.1	100.6 4.5%	2,298.5	(30.6) -1.3%	2,329.2	30.7 1.3%	2,320.0	(9.2) -0.4%	2,420.0	100.0 4.3%
Available for Other Purposes(h)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(95.0)	(95.0)	37.0	132.0	95.0	58.0
TOTAL Expenditures	3,799.1	263.3 7.4%	4,196.2	397.1 10.5%	4,391.3	195.1 4.6%	4,399.8	8.5 0.2%	4,488.5	88.7 2.0%	4,663.0	174.5 3.9%	4,850.6	187.6 4.0%
Ending Balance(i)	756.7		540.9		310.7		319.2		338.5		350.1		362.0	
Percent of Expenditures	19.9%		12.9%		7.1%		7.3%		7.5%		7.5%		7.5%	
Receipts In Excess of Expenditures	228.1		(217.6)		(230.2)		8.5		19.3		11.6		11.9	

House Appropriations
 4-20-00
 Attachment 7

State General Fund Profile
FY 1998 - FY 2004

Conference Committee Recommendations on House Sub. for S.B. 326

April 4, 2000 Consensus Revenue Estimates

Demand Transfers at Current Law Beginning in FY 2002

S.B. 39 Adjustments in FY 2000

School Aid at \$3,820 Beginning in FY 2001

FY 2000 and FY 2001 Receipts as Further Adjusted by Conference Committee Action

✓ and Legislation (Intergrated Plant)

✓ KPERs Employer contribution Increase in FY 2001

✓ SRS and Aging Caseload Increases

	Actual FY 1998	Increase	Actual FY 1999	Increase	Approved FY 2000	Increase	Projected FY 2001	Increase	Projected FY 2002	Increase	Projected FY 2003	Increase	Projected FY 2004	Increase
Beginning Balance(a)	\$528.6		\$758.5		\$540.9		\$315.7		\$320.5		\$345.0		\$361.8	
RECEIPTS:(b)	4,027.2	343.4 9.3%	3,978.6	(48.6) -1.2%	4,161.1	182.5 4.6%	4,415.3	254.2 6.1%	4,503.6	88.3 2.0%	4,669.9	166.3 3.7%	4,857.2	187.3 4.0%
EXPENDITURES:														
General and Supplemental School Aid (c)	1,539.0	153.2 11.2%	1,748.1	209.1 13.6%	1,856.0	107.9 6.2%	1,894.0	38.0 2.0%	1,878.9	(15.1) -0.8%	1,868.5	(10.4) -0.6%	1,853.2	(15.3) -0.8%
Out-Year Additional KPERs Employer Contributions(d)	0.0	0.0	0.0	0.0	0.0	0.0	8.6	8.6	13.4	4.8	20.3	6.9	27.4	7.1
Higher Education Restructuring - S.B. 345(e)	0.0	0.0	0.0	0.0	0.0	0.0	21.8	21.8	37.6	15.8	54.1	16.5	71.3	17.2
Demand Transfers: (f)	205.1	5.4	219.6	14.5	201.2	(18.4)	184.6	(18.6)	315.0	130.4	353.2	38.2	373.7	20.5
All Other Expenditures(g)	2,055.0	103.6 5.3%	2,228.5	173.5 8.4%	2,329.1	100.6 4.5%	2,301.5	(27.6) -1.2%	2,329.2	27.7 1.2%	2,320.0	(9.2) -0.4%	2,420.0	100.0 4.3%
Available for Other Purposes(h)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(95.0)	(95.0)	37.0	132.0	95.0	58.0
TOTAL Expenditures	3,799.1	263.3 7.4%	4,196.2	397.1 10.5%	4,386.3	190.1 4.5%	4,410.5	24.2 0.6%	4,479.1	68.6 1.6%	4,653.1	174.0 3.9%	4,840.6	187.5 4.0%
Ending Balance(i)	756.7		540.9		315.7		320.5		345.0		361.8		378.4	
Percent of Expenditures	19.9%		12.9%		7.2%		7.3%		7.7%		7.8%		7.8%	
Receipts in Excess of Expenditures	228.1		(217.6)		(225.2)		4.8		24.5		16.8		16.6	

House Appropriations
4-20-00
Attachment 8

**State General Fund Profile
FY 1998 - FY 2004**

Conference Committee Recommendations on House Sub. for S.B. 326

April 4, 2000 Consensus Revenue Estimates

Demand Transfers at Current Law Beginning in FY 2002

S.B. 39 Adjustments in FY 2000

School Aid at \$3,820 Beginning in FY 2001

FY 2000 and FY 2001 Receipts as Further Adjusted by Conference Committee Action

Legislation (Integrated Plan) and Enhanced Collection Efforts

KPERS Employer Contribution Increase in FY 2001

SRS and Aging Caseload Increases

	Actual FY 1998	Increase	Actual FY 1999	Increase	Approved FY 2000	Increase	Projected FY 2001	Increase	Projected FY 2002	Increase	Projected FY 2003	Increase	Projected FY 2004	Increase
Beginning Balance(a)	\$528.6		\$758.5		\$540.9		\$315.7		\$332.1		\$336.6		\$348.4	
RECEIPTS:(b)	4,027.2	343.4 9.3%	3,978.6	(48.6) -1.2%	4,181.1	182.5 4.6%	4,423.9	262.8 6.3%	4,503.6	79.7 1.8%	4,669.9	166.3 3.7%	4,857.2	187.3 4.0%
EXPENDITURES:														
General and Supplemental School Aid (c)	1,539.0	153.2 11.2%	1,748.1	209.1 13.6%	1,856.0	107.9 6.2%	1,894.0	38.0 2.0%	1,878.9	(15.1) -0.8%	1,868.5	(10.4) -0.6%	1,853.2	(15.3) -0.8%
Out-Year Additional KPERS Employer Contributions(d)	0.0	0.0	0.0	0.0	0.0	0.0	8.6	8.6	13.4	4.8	20.3	6.9	27.4	7.1
Higher Education Restructuring - S.B. 345(e)	0.0	0.0	0.0	0.0	0.0	0.0	21.8	21.8	37.8	15.8	54.1	16.5	71.3	17.2
Demand Transfers: (f)	205.1	5.4	219.6	14.5	201.2	(18.4)	184.8	(16.6)	315.0	130.4	353.2	38.2	373.7	20.5
All Other Expenditures(g)	2,055.0	103.6 5.3%	2,228.5	173.5 8.4%	2,329.1	100.6 4.5%	2,298.5	(30.6) -1.3%	2,329.2	30.7 1.3%	2,320.0	(9.2) -0.4%	2,420.0	100.0 4.3%
Available for Other Purposes(h)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(75.0)	(75.0)	42.0	117.0	98.0	56.0
TOTAL Expenditures	3,799.1	263.3 7.4%	4,196.2	397.1 10.5%	4,386.3	190.1 4.5%	4,407.5	21.2 0.5%	4,499.1	91.6 2.1%	4,658.1	159.0 3.5%	4,843.6	185.5 4.0%
Ending Balance(i)	756.7		540.9		315.7		332.1		336.6		348.4		362.0	
Percent of Expenditures	19.9%		12.9%		7.2%		7.5%		7.5%		7.5%		7.5%	
Receipts in Excess of Expenditures	228.1		(217.6)		(225.2)		16.4		4.5		11.8		13.6	

House Appropriations
4-20-00
Attachment 9

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 19, 2000

The Honorable David Adkins, 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 Adkins:

I amend my budget to decrease State General Fund expenditures by \$700,398 for FY 2000 and by \$19,918,574 for FY 2001. These adjustments will result in an increase of \$20,618,972 in the balance of the State General Fund by the end of FY 2001. My amended budget would also change the number of positions in state government. For FY 2000, there will be an increase of 10.0 FTE positions. For FY 2001, there will be a net reduction of 94.0 FTE positions.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	(\$ 700,398)	(\$19,918,574)
All Funds	\$15,315,267	\$87,976,545
FTE Positions	10.0	(94.0)

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

Sincerely,

BILL GRAVES
Governor

House Appropriations
4-20-00
Attachment 10

Racing & Gaming Commission

1. Camptown Racetrack

I amend my budget to finance the opening of the Camptown Racetrack, which is located in Frontenac. Expenditures of \$212,393 in FY 2000 and \$590,198 in FY 2001 are required from the State Racing Fund for the regulation of this facility. These estimates include the funding of 9.0 FTE positions, including 3.0 judges, 2.0 veterinarian assistants, 1.0 state auditor, 1.0 enforcement agent, 1.0 assistant animal health officer, and 1.0 licensing clerk. Revenues to the State Racing Fund are estimated at \$168,100 in FY 2000 and \$884,400 in FY 2001. Because revenues in excess of operating expenses in the State Racing Fund are transferred to the State Gaming Revenues Fund, it is estimated that \$294,202 would be transferred in FY 2001. After adjusting for the anticipated operating loss in FY 2000, it is estimated that \$249,909 will ultimately be transferred to the State General Fund from excess revenues of the State Racing Fund and the State Gaming Revenues Fund in FY 2001.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>212,393</u>	<u>590,198</u>
All Funds	\$ 212,393	\$ 590,198

Kansas Lottery

2. Lottery Accounting Change

I amend my budget to make the July 15, 2001 State Gaming Revenues Fund (SGRF) transfer from the Lottery Operating Fund account for sales in June 2001. This end of year transfer is estimated at \$4.5 million. In the prior fiscal year, the Legislature authorized only 11 transfers to the SGRF, and this recommendation would reestablish the original transfer schedule. Because it will be credited in FY 2001, the \$4.5 million transfer will ultimately be shifted to the State General Fund, since any revenues greater than \$50.0 million that the SGRF receives in any one fiscal year is transferred to the State General Fund.

Office of the Governor

3. Coordinator Position for Workforce Development Issues

At the request of the Kansas Workforce Investment Partnership Council, I amend my budget to add a position to my office to serve as a coordinator of the state's workforce development issues. Rather than adding a new position, an FTE position will be shifted from the Department of Human Resources to my office. Funding for the position and meetings of the Kansas Workforce Investment Partnership (KWIP) Council will be reimbursed on a pro rata basis from the four key agencies with funding for workforce issues: the Department of Human Resources, the Department of Commerce and Housing, the Department of Social and

Rehabilitation Services, and the Board of Regents. A new fund, the Special Programs Fund, has already been established for this purpose in the regular appropriations bill for FY 2001.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	--	<u>115,145</u>
All Funds	--	\$ 115,145

Department of Administration

4. State Emergency Fund Transfer

During the 1999 Legislative Session, at the initiation of the Division of the Budget, I proposed the establishment of a mechanism for financing the state's costs associated with natural disasters up to \$10.0 million in any fiscal year when the Legislature is not in session. Under current law, the State Finance Council is restricted to approving whatever funds are available in the State Emergency Fund. The mechanism, embodied in 1999 SB 100, will allow the Director of the Budget to certify any deficiency in funding to implement an emergency action by a unanimous vote of the Council. With this certification, the Director of Accounts and Reports will transfer the necessary funds from the State General Fund to the State Emergency Fund to cover any shortfall, which is the same process currently used to finance tort claims.

Upon passage of the bill, the necessity for maintaining a high balance in the State Emergency Fund would be removed. SB 100 has now been signed into law. Therefore, I recommend transferring \$1,950,000 of the current \$2.0 million unencumbered balance in the fund to the State General Fund, leaving \$50,000 for a small emergency or for payment of rewards I have offered for information leading to the apprehension of wanted criminals.

5. Cost Increases at the State Motor Pool

I amend by budget to increase the expenditure limitation on the Central Motor Pool Service Fund by \$424,282 for FY 2000. The corresponding increase in costs for FY 2001 totals \$148,819. However, because the expenditure limitation is recommended to be "no limit" starting in FY 2001, no change is necessary to the appropriations bill for that year. The premium on insurance for vehicles in the pool has increased by \$40,423 to \$252,624 for FY 2000 and is projected to increase by \$36,258 to \$253,350 for FY 2001. These amounts result from unanticipated cost increases in liability coverage. Second is an increase of \$407,287 to \$1,366,297 in fuel costs for FY 2000 and an increase of \$112,561 to \$1,144,332 for FY 2001. These amounts reflect the recent price increases that have occurred nationwide. Savings of \$23,428 in vehicle repairs, on the other hand, will partially offset these increases. There are sufficient balances in the fund to accommodate the net increase in costs. For budgeting purposes, the operations of the Motor Pool are non-reportable expenditures in the Department of Administration.

Secretary of State

6. Recapture Presidential Primary Cost

I amend my budget to recapture \$1.5 million from the State General Fund, which was included in my recommended expenditures for the Secretary of State in FY 2000. Although I strongly supported a Kansas Presidential Primary, there was not legislative approval to permit this expenditure in the current year. Moreover, the scheduled April 4th date for the primary has passed.

	FY 2000	FY 2001
State General Fund	(\$ 1,500,000)	\$ --
All Other Funds	--	--
All Funds	(\$ 1,500,000)	\$ --

7. Census Adjustment Operating Costs

I amend my budget to finance operating expenditures of \$20,000 in FY 2000 and \$320,156 in FY 2001 from the State General Fund so that the Secretary of State can perform the required adjustment of federal census data. This adjustment is needed to account for student and military personnel who are stationed in localities in the state that differ from their permanent residence and to assist with redistricting. The Secretary of State and Kansas Legislative Research Department have contracted with a private vendor to develop the needed databases that will recalculate population figures and assist with the computerization of legislative redistricting that will occur in FY 2002.

	FY 2000	FY 2001
State General Fund	\$ 20,000	\$ 320,156
All Other Funds	--	--
All Funds	\$ 20,000	\$ 320,156

Department of Commerce and Housing

8. Sports Hall of Fame

I amend my FY 2000 budget to include \$50,000 from the Economic Development Initiatives Fund for the Department of Commerce and Housing. The funds will be used for the continued operations of the Kansas Sports Hall of Fame.

	FY 2000	FY 2001
State General Fund	\$ --	\$ --
All Other Funds	50,000	--
All Funds	\$ 50,000	\$ --

Department of Revenue

9. 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. The funding will provide outside legal services for this lawsuit beyond the services already being provided by the Attorney General.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ 50,000	\$ --
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ 50,000	\$ --

10. Increase Compliance Activities

I amend my budget to add to \$570,000 from the State General Fund to allow the Department to retain 14.0 existing positions in tax collections. The Department indicates that receivables that have been identified during the current tax season could be pursued with these positions. The Department states that if it receives this funding, \$8,550,000 in increased revenues to the State General Fund would be captured.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ 570,000
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 570,000

State Treasurer

11. Bond Services Fees

HB 2648, passed by the 2000 Legislature, redirects approximately \$450,000 in revenue from the State General Fund to the State Treasurer's Bond Services Fee Fund beginning with FY 2001. The revenue comes from bond transfer fees generated by the State Treasurer's Office. *The FY 2001 Governor's Budget Report* provides \$417,691, including \$398,591 from the State General Fund and \$19,100 from the Bond Services Fund, for the Treasurer's Municipal Bond Services Program in FY 2001. I amend my budget to reduce the State General Fund budget for that program by \$300,000 and to increase expenditures from the Bond Services Fee Fund by the same amount, using the new revenue coming to that fund. This will provide for the establishment of an adequate balance in the Bond Services Fee Fund during FY 2001, allowing the program to be financed completely by the fee fund beginning with FY 2002.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	(\$ 300,000)
All Other Funds	<u>--</u>	<u>300,000</u>
All Funds	\$ --	\$ --

Social and Rehabilitation Services

12. Medical and Public Assistance Caseloads

I amend my FY 2000 budget to reflect changes in caseloads and the cost of assistance programs. These 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 to Families, General Assistance, and Nursing Facilities for Mental Health. This amendment includes a net increase of \$8,990,000 in FY 2000, of which \$25,031 is from the State General Fund. These adjustments include \$10.0 million in additional federal reimbursements for Medical Assistance, a savings of \$1.14 million to reflect further population reductions in the Temporary Assistance to Families Program and \$130,000 for a small increase in the number of persons receiving General Assistance. The State General Fund portion for Medical Assistance is expected to remain the same, while funding adjustments for General Assistance and savings for the state share for clients served by Nursing Facilities for Mental Health resulted in a net increase of \$25,031.

For FY 2001, I amend my budget to reflect a net increase of \$16,892,000, of which \$3,506,944 is from the State General Fund. Population reductions in Temporary Assistance to Families are expected to continue for savings of \$1,410,000, all of which will be in federal funds. The number of persons receiving General Assistance is expected to increase at a cost of \$130,000, all from the State General Fund. Medical Caseloads are expected to increase \$18,186,000, of which \$3,509,385 is from the State General Fund. This adjustment is due primarily to HMO rate increases, which were needed to ensure continued federal matching participation and for additional federal reimbursements. Nursing Facilities for Mental Health were adjusted slightly for savings of \$14,000. The state portion of this population is expected to decrease slightly for savings of \$132,441 from the State General Fund.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ 25,031	\$ 3,506,944
All Other Funds	<u>8,964,969</u>	<u>13,385,056</u>
All Funds	\$ 8,990,000	\$ 16,892,000

13. Shift Public Assistance Caseload Savings to State General Fund

I amend my budget to capture \$1.1 million in savings to the State General Fund as a result of population reductions in the public assistance caseloads in both FY 2000 and FY 2001. Kansas must spend approximately \$62.0 million in state funds annually to receive the entire

\$101.9 million federal TANF Block Grant. The state expenditure fulfilling this requirement is termed the Maintenance of Effort (MOE). State administrative expenditures are counted as part of the MOE and vary with the commitment of staff time devoted to family support and preservation. Staff time and effort are estimated by statistically random surveys in which staff members are asked to name the programs they are working with. Recent quarterly data display a marked increase in family support and preservation involvement. The resulting increase in state expenditures attributable to a TANF activity therefore places the state over the \$62.0 million minimum requirement. Consequently, SRS may reduce state funds from another TANF MOE source to realize the state savings. Reducing the state funds budgeted in the Temporary Assistance for Families Program is the most direct method to accomplish this transaction.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	(\$ 1,140,000)	(\$ 1,140,000)
All Other Funds	<u>1,140,000</u>	<u>1,140,000</u>
All Funds	\$ --	\$ --

14. Foster Care

In my original budget recommendations, I had proposed statutory changes to the Children in Need of Care code to divert children who are non-abused or neglected out of foster care and into community services. My proposal would have diverted an estimated 1,200 children out of the foster care system and into newly created programs designed to address their needs while keeping them in their homes. My recommendations for this reform were included in SB 633 as it was introduced, and the estimated savings to the budget totaled \$10,253,275, of which \$6.0 million was from the State General Fund.

Since that time, considerable discussion and review of SRS policies indicate that there are several changes it can make to its current practices that would divert children from being placed out-of-home without any statutory changes. To this end, I amend my budget to restore half of the savings in anticipation of these changes. My recommendations assume that these internal policy changes will divert approximately 600 children out of the foster care system.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ 3,000,000
All Other Funds	<u>--</u>	<u>2,126,637</u>
All Funds	\$ --	\$ 5,126,637

15. Savings in the Medicaid Program

I amend my budget to capture savings in the Medicaid Program for policy changes made since my original recommendations were made. The savings include \$750,000 in adult protective services, which was shifted to federal monies; \$1,660,000 for implementation of the maximum allowable cost pricing for generic drugs; and \$525,000 to reflect new federal regulations regarding the reimbursement to federal qualified health centers and rural health clinics. My adjustments include a total of \$1,624,000 in savings from the State General Fund.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	(\$ 1,624,000)
All Other Funds	--	(1,311,000)
All Funds	\$ --	(\$ 2,935,000)

16. Home and Community Based Services Programs Fund

I amend my budget to provide \$15.0 million from all funding sources, including \$6.0 million from the HCBS Programs Fund that was created in conjunction with the Intergovernmental Transfer Program. Total funding for the HCBS Waiver for the Physically Disabled will be \$3,750,000, including \$1.5 million from the HCBS Programs Fund. Total funding for the HCBS Waiver for the Developmentally Disabled will be \$11,250,000, including \$4.5 million from the HCBS Programs Fund.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	--	15,000,000
All Funds	\$ --	\$ 15,000,000

Department on Aging

17. Intergovernmental Transfer

I amend my budget to provide for the receipt of funding from the Kansas Intergovernmental Transfer Program (KSIT). First, a revenue transfer of \$25.0 million from the State General Fund to the newly created Flexible Spending Fund is necessary. In conjunction with this, expenditures from the State General Fund for the Home and Community Based Services Waiver for the Frail Elderly (HCBS/FE) are reduced by \$9.7 million and expenditures from the State General Fund for the Home and Community Based Services Waiver for the Developmentally Disabled (HCBS/DD) are reduced by \$15.3 million. Then expenditures of \$9.7 million for HCBS/FE and \$15.3 million for HCBS/DD will be funded from the newly created Medicaid Match Fund. If no funding is received under the KSIT Program in FY 2001, the \$25.0 million from the Flexible Spending Fund will be transferred to the Medicaid Match Fund to cover expenditures on the waivers.

If funding is received under the KSIT Program, I amend my budget to distribute the proceeds as follows in FY 2001:

- 60.0 percent -- \$72.0 million -- Senior Services Trust Fund
- 25.0 percent -- \$30.0 million -- Medicaid Match Fund
- 10.0 percent -- \$12.0 million -- Nursing Facilities Loan and Grant Fund
- 5.0 percent -- \$ 6.0 million -- HCBS Programs Fund

If funding is received under the KSIT Program, I recommend that the proceeds be distributed as follows for FY 2002 and future years:

- 70.0 percent -- \$67.2 million -- Senior Services Trust Fund
- 30.0 percent -- \$28.8 million -- State General Fund
- 5.0 percent -- \$ 4.8 million -- Nursing Facilities Loan and Grant Fund

Department on Aging:	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	(\$ 9,700,000)
All Other Funds	<u>--</u>	<u>9,700,000</u>
All Funds	\$ --	\$ --
SRS:	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	(\$ 15,300,000)
All Other Funds	<u>--</u>	<u>15,300,000</u>
All Funds	\$ --	\$ --

18. New Funds

I amend my budget to provide for expenditures from the Kansas Intergovernmental Transfer Program. An additional line-item appropriation in the section for the Department on Aging is necessary to allow the agency to transfer state funds to the local nursing facilities. These transfers must be performed in order to draw down the federal funding. This new line item should be labeled "Kansas Intergovernmental Transfer Fund" and have unlimited expenditure authority.

An additional line-item appropriation in the section for the Department on Aging is necessary to allow the agency to start the Nursing Facilities Loan and Grant Program. This new line item should be labeled the "Nursing Facilities Loan and Grant Fund" and have an expenditure limitation of \$12.0 million in FY 2001 along with the following proviso:

Provided, That during the fiscal year ending June 30, 2001, no expenditures shall be made from the nursing facilities loan and grant fund except upon approval of the state finance council acting on this matter, which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>12,000,000</u>
All Funds	\$ --	\$ 12,000,000

19. Intergovernmental Expenditures

Pending approval from the federal Health Care Finance Administration, the Kansas Department on Aging will establish the Kansas Intergovernmental Transfer Program (KSIT).

Under this new program the agency will draw down additional federal funds based on the differential between the current Medicaid reimbursement rates paid to nursing facilities and the maximum Medicare rate allowable for nursing facility reimbursement. The agency estimates that approximately \$120.0 million could be received under the program in FY 2001. Receipts for subsequent fiscal years are estimated at approximately \$96.0 million per year.

I amend my budget to provide for the expenditure of KSIT funds. First, a new line item in the appropriations bill in the section for the Department on Aging is necessary in order to facilitate expenditure of the earnings from the new Senior Services Trust Fund. This new line item should be labeled "Senior Pharmacy Program" and will appropriate the earnings only from the Senior Services Trust Fund to be used for the funding of a senior pharmacy program. The fund should have "no limit" expenditure authority in FY 2001.

Also in FY 2001, 25.0 percent of the KSIT funding will go into the new Medicaid Match Fund. Based on agency estimates for total program proceeds in FY 2001, 25.0 percent will be approximately \$30.0 million. I amend my budget to spend \$14.6 million to fund 85.0 percent of the special education excess costs, \$2.7 million to fund the Nursing Facilities Wage Pass-Through Program, and the remaining funds will be used to fund nursing facilities caseloads.

I also amend my budget to increase expenditures for the Nursing Facilities Program by \$10,400,000 million in FY 2000 and \$20,230,000 in FY 2001. These increases require funding from state sources of \$4.2 million in FY 2000 and \$8.1 million in FY 2001. This match will be provided through the Medicaid Match Fund. Since the KSIT funds will probably not be available until FY 2001, \$4.2 million from the State General Fund is added for the Nursing Facilities Program in FY 2000. Then, for FY 2001, funding from the State General Fund for the Nursing Facilities Program is reduced by \$4.2 million, and funding of \$12.3 million from the Medicaid Match Fund is added. These changes provide funding for the Nursing Facilities Program at the consensus caseload level and provide the required state match in both FY 2000 and FY 2001. I further amend my budget for FY 2001 to include the following language:

During the fiscal year ending June 30, 2001, no expenditures shall be made from the proceeds of the intergovernmental transfer program except upon approval of the state finance council acting on this matter, which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto.

Department on Aging:	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ 4,160,000	(\$ 4,160,000)
All Other Funds	<u>6,240,000</u>	<u>14,952,000</u>
All Funds	\$ 10,400,000	\$ 10,792,000
Department of Education:	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>14,600,000</u>
All Funds	\$ --	\$ 14,600,000

20. HCBS/FE Waiver

I amend my budget to reduce the Home and Community Based Services for the Frail Elderly Waiver Program by \$1.8 million, including \$720,000 from the State General Fund, in FY 2000. For FY 2001, I amend my budget to reduce the waiver by \$1.6 million, including \$640,000 from the State General Fund. Expenditures for the program have not grown as quickly as was previously anticipated. The new funding levels are adequate to ensure there will not be a need for waiting lists for services.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	(\$ 720,000)	(\$ 640,000)
All Other Funds	(1,080,000)	(960,000)
All Funds	(\$ 1,800,000)	(\$ 1,600,000)

21. Transfer Language

I amend my budget to include language in FY 2000 that will allow the Department on Aging flexibility in managing its current year resources.

() During the fiscal year ending June 30, 2000, the secretary of aging, with the approval of the director of the budget, may transfer any part of any item of appropriation for the fiscal year ending June 30, 2000, from the state general fund for the department on aging to another item of appropriation for fiscal year 2000 from the state general fund for the department on aging. The secretary of aging shall transmit a copy of each such certification to the legislative research department.

22. KSIT Rate Setting Dollars

I amend my budget to increase the appropriation for the Department on Aging by \$64,480 in FY 2000. This funding will allow the agency to pay the contractor for rate setting for the Kansas State Intergovernmental Transfer Program in a timely manner. When the KSIT funds are available, \$64,480 will be reimbursed to the State General Fund in FY 2001 through a revenue transfer in accordance with the following language:

() On July 1, 2000, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$64,480 from the Intergovernmental Transfer Fund to the State General Fund.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ 64,480	\$ --
All Other Funds	--	--
All Funds	\$ 64,480	\$ --

23. Operating Expenditures Correction

I amend my budget to lapse \$181,912 from the Department on Aging's KSIP account. I also amend my budget to appropriate \$181,912 to the Department on Aging administration account. This will allow the agency to operate as intended in my FY 2000 budget recommendation.

Department of Health and Environment

24. Infant Toddler Program Funding

I amend my budget to shift expenditures of \$500,000 from state sources to federal funds in both FY 2000 and FY 2001 for the Infant Toddler Program. Adequate federal funds are available to offset funding of \$500,000 from the State General Fund. This recommendation does not affect the original budget recommendation for this program but simply shifts the funding source.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	(\$ 500,000)	(\$ 500,000)
All Other Funds	<u>500,000</u>	<u>500,000</u>
All Funds	\$ --	\$ --

Department of Revenue—Homestead

25. Property Tax Refunds

I amend my budget for FY 2000 to add \$1,500,000 to the Homestead Property Tax Refund Program from the State General Fund to fund an increase in filings over the estimate in my original recommendations.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ 1,500,000	\$ --
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ 1,500,000	\$ --

Department of Human Resources

26. Authority to Relocate Office Space

Changes in the federal Workforce Investment Act necessitate programmatic changes for the Department. I therefore recommend that the agency be given authority to work with the

Department of Administration in selling office buildings across the state. The following language is recommended for the appropriation bill:

() In addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from any special revenue fund for the fiscal years ending June 30, 2000, and June 30, 2001, as authorized by this or other appropriation act of the 2000 regular session of the legislature, expenditures may be made by the Kansas department of human resources from moneys appropriated from any special revenue fund for fiscal year 2000 and fiscal year 2001 for the expenses of the sale, exchange, or other disposition conveying title for any portion or all of the properties owned throughout the state by the Kansas department of human resources: *Provided*, That such expenditures may be made and such sale, exchange or other disposition conveying title for any portion or all of the properties owned throughout the state by the Kansas department of human resources may be executed or otherwise effectuated only upon specific authorization by the state finance council acting on this matter, which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c and amendments thereto: *Provided further*, That the net proceeds from the sale of any properties owned throughout the state by the Kansas department of human resources shall be deposited in the state treasury to the credit of the employment security administration fund of the Kansas department of human resources.

27. New Federal Funds

The federal Job Training Partnership Act (JTPA) grants are being phased out as the U.S. Department of Labor realigns its programs into a new grant referred to as the Workforce Investment Act (WIA). This change has been accommodated in the appropriation bill for FY 2001, but the agency has received notification of WIA monies available in the current year. I therefore recommend that two new funds, shown below, be established so that the agency can expend a portion of the grant in FY 2000. The agency estimates it will spend approximately \$200,000 in the current year.

Workforce investment act state operations fund.....No limit
 Workforce investment act non-state operations fund.....No limit

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>200,000</u>	<u>--</u>
All Funds	\$ 200,000	\$ --

Commission on Veterans' Affairs

28. Veterans Home Fee Fund Adjustments

I amend my budget to add \$1,169,156 in FY 2001 expenditures to the Kansas Veterans' Home from the Veterans Home Fee Fund. The additional expenditures are necessary for the Home to admit residents to the new facility more quickly. The expenditures will come from resident fees and federal reimbursements that are generated by filling beds faster than anticipated in my original FY 2001 recommendation.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	--	1,169,156
All Funds	<u>\$ --</u>	<u>\$ 1,169,156</u>

Department of Education

29. Increase Per Pupil State Aid

The FY 2001 Governor's Budget Report provides enough money through general and supplemental state aid to fund a base state aid per pupil (BSAPP) of \$3,757 in FY 2000 and \$3,807 in FY 2001 based on the school finance estimates generated on November 12, 1999. On April 6, 2000, the Department of Education, the Legislative Research Department, and the Division of the Budget met and revised the estimate of local property tax resources and pupil enrollment. The revised estimate reduced the state's funding responsibility by \$13.7 million.

I amend my budget by using the school finance savings and additional State General Fund dollars to finance base state aid per pupil (BSAPP) levels of \$3,770 for FY 2000 and \$3,820 for FY 2001. The budget amendment adds \$3,059,000 in FY 2000 and reduces the FY 2001 recommendation by \$911,000.

	<u>FY 2000</u>	<u>FY 2001</u>
General State Aid	\$ 2,480,000	(\$ 905,000)
Supplemental State Aid	<u>579,000</u>	<u>(6,000)</u>
Total	\$ 3,059,000	(\$ 911,000)

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ 3,059,000	(\$ 911,000)
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ 3,059,000	(\$ 911,000)

Kansas Public Employees Retirement System

30. KPERS School Retirement Contribution Costs

My original recommendation provided \$92,690,290 from the State General Fund to pay the KPERS employer contributions for school districts during the 1999-2000 school year. The recommendation was reduced by \$3.2 million when the Legislature applied the freeze on the 0.6 percent death and disability contribution to the last quarter of FY 2000. I have adopted that strategy. In addition, at a meeting attended by representatives from the Department of Education, Kansas Legislative Research, the Division of the Budget, and KPERS, it was

determined that the budget for KPERS school employer contributions could be reduced another \$1,588,062 in FY 2000 and \$978,774 in FY 2001. The FY 2001 reduction is tied to the overpayment of employer contributions in FY 1998. I am amending my budget to recognize these State General Fund savings in both fiscal years.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	(\$ 1,588,062)	(\$ 978,774)
All Other Funds	--	--
All Funds	(\$ 1,588,062)	(\$ 978,774)

Regents Universities

31. Traditional General Fees Fund Adjustments

I amend my budget to adjust the recommended level of expenditures from General Fees Fund for FY 2000 and FY 2001 at those Regents institutions that 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. A negative number indicates a reduction in tuition dollars, requiring an additional State General Fund appropriation. The revisions reflect a total increase from the State General Fund of \$44,401 in FY 2000 and \$12,574 in FY 2001.

	<u>Available Tuition</u> <u>FY 2000</u>	<u>Available Tuition</u> <u>FY 2001</u>
Univ. of Kansas Medical Center	\$ --	\$ 65,451
Emporia State University	32,227	33,596
Pittsburg State University	(74,765)	(111,621)
Fort Hays State University	(1,863)	--
All Funds	(\$ 44,401)	(\$ 12,574)

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ 44,401	\$ 12,574
All Other Funds	(44,401)	(12,574)
All Funds	\$ --	\$ --

University of Kansas

32. Capital Improvement Projects

Since the institution's original budget request was submitted in September, the Board of Regents has approved additional capital improvement projects for the University of Kansas.

First, the University intends to redirect \$560,000 from the Restricted Fees Fund in FY 2000 to remodel space occupied by the Dean of Liberal Arts and Sciences in Strong Hall. The remodeling includes the demolition of existing offices and reconstructing them in a more efficient design, as well as installation of a new central ventilation system. Second, the University requests bonding authority for a \$17.0 million student recreation and fitness center. Bonds will be sold in FY 2001, with debt service to begin in FY 2002. The debt service will be paid with student fees. I amend my budget to authorize these additional capital projects. No additional monies need to be added to the University's budget in either fiscal year.

University of Kansas Medical Center

33. Renovate Wahl Hall

The Board of Regents has approved the University of Kansas Medical Center to proceed with an application for a federal grant to renovate two floors of Wahl Hall East for the new Renal Institute. The project will include new lab infrastructure and more efficient mechanical and lighting systems. The institution will request \$1.8 million from the National Institute of Health to be matched with \$1.8 million from within the Medical Center's research overhead and rehabilitation and repair monies. I amend my budget to authorize the expenditure of the federal grant in FY 2001.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	--	<u>1,800,000</u>
All Funds	\$ --	\$ <u>1,800,000</u>

Kansas State University

34. Authority to Issue Revenue Bonds for Ackert Hall Addition

A year ago, Kansas State was given authorization to issue up to \$1.5 million in revenue bonds for construction of an addition to Ackert Hall. The institution has not yet issued these bonds, so I recommend that the issuance of up to \$1.5 million in bonds for this project be reauthorized. The bonds will be repaid with restricted fees. In order to make debt service payments on the \$1.5 million, I amend my budget to include \$232,019 from restricted fees for FY 2001.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	--	<u>232,019</u>
All Funds	\$ --	\$ <u>232,019</u>

State Historical Society

35. Capital Improvement Project

The Historical Society now has plans in place to make ADA improvements to the First Territorial Capitol. Therefore, I recommend the addition of the following proviso to ensure that this project is completed from existing resources during FY 2001.

Provided That, of the monies available in the museum and historic sites visitor donation fund and the EDIF visitor donation match fund, \$71,000 shall be spent for ADA improvements at the first territorial capitol historic site for the fiscal year ending June 30, 2001.

State Library

36. Children's Access Network

I amend my budget to finance operating expenditures of \$70,000 in FY 2001 from the Children's Initiatives Fund for maintenance and operation of the Community Access Network. This network provides easily accessible information regarding services for victims of domestic violence. The Community Access Network has been recommended by the Children's Cabinet, the Governor's Advisory Committee for Children and Families, and the Office of the Attorney General. In addition to providing access, this network can be used as an evaluation tool by government officials to assess service distribution and effectiveness.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	<u> --</u>	<u>70,000</u>
All Funds	\$ --	\$ 70,000

Ellsworth Correctional Facility

37. Capacity Expansion

In order to address capacity issues in the state's correctional system, I amend my FY 2001 budget to add \$6,177,517, including \$5,559,765 in Violent Offender Incarceration and Truth-in-Sentencing Incentive Grants and \$617,752 from the State General Fund. The funds will be used to construct a 100-bed maximum security unit at the Ellsworth Correctional Facility to lessen the impact of overcrowding problems.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ 617,752
All Other Funds	<u> --</u>	<u>5,559,765</u>
All Funds	\$ --	\$ 6,177,517

Department of Corrections

38. Federal Grant Award

In FY 2001, the Department of Corrections will be awarded approximately \$990,000 under the State Criminal Alien Assistance Program (SCAAP). I amend my FY 2001 budget to divide these funds evenly among El Dorado, Hutchinson, and Lansing Correctional Facilities. The funds will be used to offset State General Fund operating expenditures by a like amount.

El Dorado Correctional Facility:	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	(\$ 330,000)
All Other Funds	<u>--</u>	<u>330,000</u>
All Funds	\$ --	\$ --

Hutchinson Correction Facility:	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	(\$ 330,000)
All Other Funds	<u>--</u>	<u>330,000</u>
All Funds	\$ --	\$ --

Lansing Correctional Facility:	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	(\$ 330,000)
All Other Funds	<u>--</u>	<u>330,000</u>
All Funds	\$ --	\$ --

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	(\$ 990,000)
All Other Funds	<u>--</u>	<u>990,000</u>
All Funds	\$ --	\$ --

39. Offender Program

I amend my FY 2001 budget to allow the Department of Corrections to expend \$495,000 from the Inmate Benefit Fund for the purpose of partially operating the Therapeutic Community Substance Abuse Treatment Program at Lansing Correctional Facility. Currently, federal funds and the State General Fund finance the program. Monies deposited in this fund are considered off-budget; therefore, no budgeting adjustment is needed.

Lansing Correctional Facility

40. New Correctional Officer Position

I amend my budget to add 1.0 FTE Corrections Officer I position at a cost of \$26,233 for Lansing Correctional Facility for FY 2001. Impact Design, a private industry, will occupy the facility's new Industries Building and would like to implement a second shift of inmates for its operations. The company will finance the cost for the additional position.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	<u> --</u>	<u>26,233</u>
All Funds	\$ --	\$ 26,233

El Dorado Correctional Facility

41. Delay RDU Relocation

I amend my budget to finance additional operating expenditures in FY 2001 for El Dorado Correctional Facility if the new Reception and Diagnostic Unit (RDU) must be used for general population inmates. The new RDU at El Dorado is scheduled to be complete and operating by March 1, 2001. Based on population projections, the Department of Corrections may need the 256 maximum-security beds in the RDU to house general population inmates temporarily during FY 2001. The Department will reallocate \$604,914 and 6.5 FTE positions designated for the RDU transition in my FY 2001 recommendations for this purpose. In addition, I recommend appropriating \$253,086 from the State General Fund into a new account named the El Dorado Correctional Facility—RDU Housing account. The Department will be authorized to spend money from that account and add 60.5 FTE positions to operate the RDU for general population housing upon approval of the Director of the Budget.

Provided, That no expenditures from the El Dorado correctional facility—RDU housing account for the fiscal year ending June 30, 2001, shall be made without specific authorization by the director of the budget.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ 253,086
All Other Funds	<u> --</u>	<u> --</u>
All Funds	\$ --	\$ 253,086

Larned Correctional Mental Health Facility

42. Retirement Reduction Correction

I amend my budget to add 1.0 FTE position to Larned Correctional Mental Health Facility in FY 2000 and FY 2001. This position was deleted from the facility's budget in FY 1999 and inadvertently deleted again through the retirement reduction process. 1.0 FTE position will be added to Larned Correctional Mental Health Facility and expenditures from the State General Fund will be increased by \$1,988 in FY 2000 and \$26,610 in FY 2001.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ 1,988	\$ 26,610
All Other Funds	--	--
All Funds	<u>\$ 1,988</u>	<u>\$ 26,610</u>

Sentencing Commission

43. Criminal Justice Information System (CJIS)

I amend my budget to add \$168,786, including \$115,681 from the State General Fund, in FY 2000 for CJIS. The expenditure authority will allow the project to continue toward its anticipated completion. Authorization will be given to the Kansas Sentencing Commission to expend \$115,681 that is currently a limited reappropriation from the agency's State General Fund State Matching Fund account. The agency would also expend \$53,105 from its Forfeiture Fund for CJIS in FY 2000. In addition, \$18,294 in the State General Fund State Matching Fund account originally planned for expenditure for the Kansas Highway Patrol for CJIS is recommended to be shifted to CJIS core project costs in FY 2000. I further amend my budget to add \$211,296 from the State General Fund in FY 2001 to complete the CJIS project.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ 115,681	\$ 211,296
All Other Funds	53,105	--
All Funds	<u>\$ 168,786</u>	<u>\$ 211,296</u>

Adjutant General's Department

44. Disaster Relief Technical Correction

I amend my budget to shift \$60,000 in FY 2000 from the Adjutant General's State General Fund disaster relief account to the State General Fund operating expenditures account. This will correct a technical error included in SB 39.

Highway Patrol

45. Increased Gasoline Expenses

I amend my budget to add \$339,000, including \$203,400 from the State General Fund, to allow the Kansas Highway Patrol to pay for the increased costs of gasoline in FY 2000. The price of gasoline has risen substantially since the agency's budget was submitted in September 1999. The additional funding will allow the agency to patrol the road miles as included in my original budget recommendations.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ 203,400	\$ --
All Other Funds	<u>135,600</u>	<u>--</u>
All Funds	\$ 339,000	\$ --

46. MCSAP Program Expansion

I amend my budget to allow the Kansas Highway Patrol to expend \$911,250 for the addition of 16.0 FTE positions in FY 2001 for expansion of the Motor Carrier Safety Assistance Program. The positions include 15.0 Trooper positions and 1.0 Office Specialist. The funding for this enhancement would be 80.0 percent from new federal funds and 20.0 percent from the Motor Carrier License Fee Fund of the Kansas Corporation Commission. The troopers would be assigned to Kansas highways that are primary routes for motor carriers operating in the state.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>911,250</u>
All Funds	\$ --	\$ 911,250

Emergency Medical Services

47. Operating Expenditures Correction

I amend my budget to lapse \$34,047 from the EMS Board's KSIP account. I also amend my budget to appropriate \$34,047 to the EMS operating account. The lapse amount included for State General Fund operating expenditures in SB 39 was in error and this action will correct the budget for the EMS Board.

48. Rural Health Options Grant Fund

I amend my budget to allow the EMS Board to expend monies from the Rural Health Options Grant Fund beginning in FY 2000 by raising the expenditure authority to "no limit." The agency will use the funding to conduct a study of rural emergency medical issues as they relate to community access hospitals.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>10,000</u>	<u>--</u>
All Funds	\$ 10,000	\$ --

Department of Agriculture

49. Agricultural Remediation Programs

I amend my budget to implement provisions of the SB 501, which creates the Remediation Linked Deposit Loan Program and the Remediation Reimbursement Program. I recommend expenditures of \$150,000 in FY 2001 from the Kansas Agricultural Remediation Board Fund to provide for operations of the newly established Kansas Agricultural Remediation Board. I recommend providing this funding for the Board's operations through the Department of Agriculture where support services and oversight would be provided. Furthermore, I amend my budget in FY 2001 to establish a new "no-limit" Kansas Agricultural Remediation Fund in the Department of Agriculture through which remediation reimbursement grants will be provided in accordance with SB 501. At this time I am not recommending any additional expenditures in the Department of Agriculture's budget, but instead provide the flexibility for grant expenditures as new fee revenues are deposited in the new fund. I also recommend expenditures of \$10,000 from the State General Fund in FY 2001 for the State Treasurer to establish administrative procedures for the loan packages and to develop the appropriate regulations as authorized by the bill.

Department of Agriculture:	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>150,000</u>
All Funds	\$ --	\$ 150,000

State Treasurer:	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ 10,000
All Other Funds	<u>--</u>	<u>--</u>
All Funds	\$ --	\$ 10,000

Animal Health Department

50. National Poultry Improvement Plan

I amend my budget to have the Animal Health Department assume the responsibilities of the National Poultry Improvement Plan. Currently, Kansas State University manages the plan. In order to assume this new responsibility, I recommend that the Poultry Improvements Fee Fund with "no limit" expenditure authority be created in the Animal Health Department. The agency

estimates total expenditures of \$100 in FY 2000 and \$6,250 from this fund in FY 2001. No additional staff in the Department would be required to carry out the plan.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>100</u>	<u>6,250</u>
All Funds	\$ 100	\$ 6,250

Conservation Commission

51. Released Encumbrances of the State Water Plan Fund

I amend my budget to transfer \$395,000 from the State Water Plan Fund in the Kansas Water Office to the State General Fund in FY 2001. These funds are from prior year encumbrances of the State Conservation Commission that will be released at the end of FY 2000.

Water Office

52. Equus Beds Groundwater Research

I amend my budget to finance Equus Beds Groundwater Research from the State Water Plan Fund in the amount of \$70,000 in FY 2001. This request would fund a contract with Kansas State University, which would be the last of a four-year comprehensive study of the impact of hog lagoons on groundwater.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ --
All Other Funds	<u>--</u>	<u>70,000</u>
All Funds	\$ --	\$ 70,000

53. Water Marketing Fund

I amend my budget to transfer \$633,370 from the Water Marketing Fund in the Kansas Water Office to the State General Fund in FY 2001. This transfer is a partial prepayment on the loan that the State General Fund made in a prior fiscal year. By making this prepayment, the future cost of paying off the loan will decrease and could cause a small decrease in water rates.

Grain Inspection

54. Fee Fund

Of the \$852,447 that is currently in the Grain Inspection Fee Fund of the Department of Agriculture, I amend my budget to transfer \$426,224 to the State General Fund and \$426,223 to the Kansas Agricultural Remediation Board Fund in the Department of Agriculture in FY 2001. As a result, the Grain Inspection Fee Fund in the Department of Agriculture is abolished.

55. Grain Storage Tax Credit

I agree with the Legislature's action to extend my original proposal to expand the sales tax exemptions to include grain storage facilities for another year. State General Fund revenues are revised downward by \$342,000 in FY 2000 and by \$356,000 in FY 2001. In addition, the revenue to the State Highway Fund is revised downward by \$18,000 in FY 2000 and by \$19,000 in FY 2001. The sales tax exemption applies to materials and services used for constructing and repairing grain storage facilities and the railroad sidings which provide access to the facilities.

Selected Agencies

56. Revenue Loss—Production Loan

I amend my budget to account for the Agriculture Production Loan portion of Senate Substitute for HB 2527. This program, which would be overseen by the State Treasurer, would lend idle funds from the Pooled Money Investment Board at a 2.0 percent interest rate reduction to banks and certain farm credit institutions. These institutions would lend money for agriculture production loans to qualified borrowers at a rate up to 2.0 percent above the market rate. This provision will reduce State General Fund revenues in FY 2001 and each year thereafter by approximately \$1.0 million.

57. Four-Year Vacancies

2000 SB 39, Section 72(b), abolished FTE positions that, as of January 1, 2000, had been vacant for four years or more. The determination as to which positions met the criteria for abolishment was made by the Director of the Budget on March 7, 2000, in consultation with the Director of Personnel Services. Because the determination was made after the regular FY 2001 appropriations bill was introduced, these reductions for FY 2000 are not currently reflected in FY 2001. Therefore, I amend my budget to adjust FY 2001 accordingly. In making the deletions for FTE positions, the dollar savings for FY 2001 are captured as well. The agency, the number of FTE positions to be deleted, and the amounts to be reduced from budgets are listed below:

<u>Agency</u>	<u>FTE</u>	<u>SGF</u>	<u>All Funds</u>
Insurance Department	1.0	\$ --	\$ 57,139
Real Estate Commission	1.0	--	28,330
Kansas Neurological Institute	2.5	38,418	38,418
Larned State Hospital	3.0	--	69,112
Osawatomie State Hospital	1.0	--	31,595
Parsons State Hospital	1.0	23,800	34,000
Department of Human Resources*	26.2	--	--
Department of Corrections*	2.0	--	--
Total	37.7	\$62,218	\$258,594

* Only the FTE positions were budgeted, not the dollars.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ (62,218)
All Other Funds	--	(196,376)
All Funds	\$ --	\$ (258,594)

58. Three-Year Vacancies

2000 House Substitute for SB 326, Section 75(b), abolished FTE positions that, as of March 1, 2000, had been vacant for three years or more for FY 2001. However, because of a similar provision in SB 39 for four-year vacancies, this provision actually affects vacancies between 36 and 48 months. The determination as to which positions meet the criteria for abolishment has been made by the Director of the Budget, in consultation with the Director of Personnel Services. Therefore, I amend my budget for these deletions. The agency, the number of FTE positions deleted, and the amounts to be reduced from budgets are listed below:

<u>Agency</u>	<u>FTE</u>	<u>SGF</u>	<u>All Funds</u>
Department of Administration*	9.0	\$50,205	\$50,205
Insurance Department	1.0	--	34,042
Kansas Neurological Institute**	3.5	--	--
Larned State Hospital**	14.8	--	--
Osawatomie State Hospital	1.0	--	28,704
Department of Human Resources	4.0	--	123,650
School for the Deaf	1.0	27,975	27,975
Department of Corrections	1.0	--	32,240
Department of Transportation	3.0	--	102,955
Total	38.3	\$78,180	\$399,771

* Off Budget total equals \$110,102.

** Only the FTE were budgeted, not the dollars.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	(\$ 78,180)
All Other Funds	--	<u>(321,591)</u>
All Funds	\$ --	(\$ 399,771)

59. KPERs Death and Disability Fourth Quarter Moratorium

I amend my budget to extend my recommended FY 2001 moratorium on death and disability contributions to include contributions made in the fourth quarter of FY 2000. I include in my recommendation only the reduction of State General Fund expenditures associated with this moratorium. The recommendation will reduce FY 2000 State General Fund expenditures by \$3,213,639 for the employer death and disability contributions made by the state on behalf of the schools and \$951,152 from various state agencies budgets for this purpose. The amounts by agency are contained in an attachment following this memorandum. These reductions are already deleted from the accounting system, so no further action is required.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	(\$ 4,164,791)	\$ --
All Other Funds	--	--
All Funds	<u>(\$ 4,164,791)</u>	\$ --

60. Elimination of KPERs Rate Freeze

I amend my budget to eliminate my original recommended FY 2001 "freeze" on the KPERs employer contribution rate. To implement my recommendation, I am restoring FY 2001 State General Fund expenditures of \$6,490,907 for the employer rate contributions made by the state on behalf of the schools and \$2,103,407 from various state agencies' budgets for this purpose. Included in the amount from state agency budgets is \$835,856 from other funding sources. The amounts, by agency, are contained in an attachment following this memorandum. The recommendation will also increase FY 2002 State General Fund expenditures by \$2.6 million because only three quarters of reduced KPERs school payments resulting from the rate freeze would have occurred in FY 2001.

	<u>FY 2000</u>	<u>FY 2001</u>
State General Fund	\$ --	\$ 8,594,314
All Other Funds	--	<u>835,856</u>
All Funds	\$ --	\$ 9,430,170

61. Retirement Reductions

I amend my budget to reduce expenditures in various agencies in FY 2000 and FY 2001 to reflect savings resulting from retirement reductions. In FY 2000, savings from retirements in addition to the amounts included in my original budget recommendations total \$697,627, of which \$331,526 is from the State General Fund. Full-year salary savings in FY 2001 for

positions that were eliminated through the retirement reduction process total \$1,490,039, including \$657,134 from the State General Fund. A total of 45.0 FTE positions will be reduced for FY 2001 that have occurred to date in FY 2000. The amounts by agency are contained in the attachment following this memorandum.

	FY 2000	FY 2001
State General Fund	(\$ 331,526)	(\$ 657,134)
All Other Funds	(366,101)	(832,905)
All Funds	(\$ 697,627)	(\$ 1,490,039)
Education (continued)		
Kansas State University	114,724	114,724
Eastern State University	30,071	30,071
Board of Regents	1,806	1,806
School for the Deaf	7,032	7,032
School for the Blind	2,770	2,770
Department of Education	6,252	6,252
Human Resources		
Total - Human Resources	188,139	188,139
Kansas State University	286	286
Commission on Veterans Affairs	2,274	2,274
Department of Human Resources	1,484	1,484
Health & Environment - Health	6,879	6,879
Department on Aging	3,617	3,617
Rafaelow Mental Health Facility	1	1
Parsons on Alcohol & Training Ct.	2,421	2,421
Lawrence State Hospital	2,277	2,277
Lawrence State Hospital	8,272	8,272
Kansas Neurological Institute	7,200	7,200
Social & Rehabilitation Services	6,678	6,678
Human Resources		
Total - Human Resources	108,319	108,319
Lawrence State Hospital	152,319	152,319
State Treasurer	1,249	1,249
Board of Examiners	1,230	1,230
Secretary of State	1,227	1,227
Review of Services	1,892	1,892
Department of Revenue	22,245	22,245
Office of the Lieutenant Governor	88	88
Legislative Research Department	13,013	13,013
Legislative Division of Post Audit	2,941	2,941
Legislative Coordinating Council	740	740
Kansas, Inc.	208	208
Judiciary	25,092	25,092
Judicial Council	181	181
Board of Judicial Officers Services	2,617	2,617
Education		
Total - Education	601,623	601,623
State Library	983	983
Financial Society	4,078	4,078
Kansas Arts Commission	284	284
Human Resources		
Total - Human Resources	9,333	9,333
Department of Agriculture	9,333	9,333
Department of Wildlife & Parks	2,024	2,024
Kansas Water Office	1,227	1,227
Health & Environment - Environment	8,822	8,822
State Conservation Commission	289	289
Animal Health Department	424	424
Department of Agriculture	9,333	9,333
Human Resources		
Total - Human Resources	22,708	22,708
Department of Wildlife & Parks	2,024	2,024
Kansas State University	20,719	20,719
Department of Agriculture	114,724	114,724
Total Expenditures		
Total Expenditures	957,181	957,181

Attachment for Item No. 59

Death and Disability Fourth Quarter Moratorium

FY 2000 SGF Reduction Amounts

General Government

Department of Administration	13,837
Attorney General	3,598
Dept. of Commerce & Housing	1,459
Governmental Ethics Commission	406
Office of the Governor	1,563
Kansas Human Rights Commission	1,005
Board of Indigents' Defense Services	7,617
Judicial Council	181
Judiciary	73,093
Kansas, Inc.	209
Legislative Coordinating Council	760
Legislative Division of Post Audit	1,396
Legislative Research Department	2,641
Legislature	13,013
Office of the Lieutenant Governor	83
Department of Revenue	25,840
Revisor of Statutes	1,892
Secretary of State	1,227
Board of Tax Appeals	1,930
State Treasurer	1,569
Total--General Government	153,319

Human Resources

Social & Rehabilitation Services	66,678
Kansas Neurological Institute	7,300
Larned State Hospital	8,372
Osawatomie State Hospital	2,577
Parsons St. Hospital & Training Ctr.	5,421
Rainbow Mental Health Facility	1
Department on Aging	3,687
Health & Environment--Health	8,679
Department of Human Resources	1,484
Commission on Veterans' Affairs	3,574
Kansas Guardianship Program	366
Total--Human Resources	108,139

Education

Department of Education	6,552
School for the Blind	3,770
School for the Deaf	7,035
Board of Regents	1,606
Emporia State University	29,719
Fort Hays State University	30,071
Kansas State University	114,724

Education (continued)

KSU--Veterinary Medical Center	13,893
Kansas State University--ESARP	64,175
Pittsburg State University	32,726
University of Kansas	141,412
KU Medical Center--Education	81,224
Wichita State University	68,659
Kansas Arts Commission	280
Historical Society	4,828
State Library	989
Total--Education	601,663

Public Safety

Department of Corrections	9,932
El Dorado Correctional Facility	1,344
Ellsworth Correctional Facility	2,250
Hutchinson Correctional Facility	2,858
Lansing Correctional Facility	3,300
Larned Correctional MH Facility	971
Norton Correctional Facility	1,634
Topeka Correctional Facility	2,461
Winfield Correctional Facility	991
Juvenile Justice Authority	1,778
Atchison Juvenile Correctional Fac.	3,792
Beloit Juvenile Correctional Fac.	3,756
Larned Juvenile Correctional Fac.	4,402
Topeka Juvenile Correctional Fac.	7,107
Adjutant General	1,999
Ombudsman for Corrections	174
Emergency Medical Services Board	552
Highway Patrol	9,195
Kansas Bureau of Investigation	5,096
Kansas Parole Board	513
Sentencing Commission	218
Total--Public Safety	64,323

Agriculture & Natural Resources

Department of Agriculture	9,839
Animal Health Department	434
State Conservation Commission	589
Health & Environment--Environ.	8,855
Kansas Water Office	1,357
Department of Wildlife & Parks	2,634
Total--Ag. & Natural Resources	23,708

Total Expenditures

951,152

Attachment for Item No. 60
Replacement of KPERS Rate Freeze Reductions
FY 2001 Agency Amounts

	<u>SGF</u>	<u>All Funds</u>		<u>SGF</u>	<u>All Funds</u>
General Government			Education (continued)		
Dept. of Administration (On Budget)	39,158	39,802	Fort Hays State University	25,334	25,334
Dept. of Administration (Off Budget)*	--	--	Kansas State University	95,819	95,819
Attorney General	13,808	9,313	Kansas State Vet Med Center	12,854	12,854
Banking	--	12,199	KSU--ESARP	134,490	134,490
CURB	--	808	Pittsburg State University	21,870	21,870
Dept. of Commerce and Housing	--	20,386	University of Kansas	99,408	99,408
Kansas Corporation Commission	--	31,563	KU Medical Center	58,748	58,748
Governmental Ethics Commission	1,325	1,325	Wichita State University	70,075	70,075
Governor	910	910	Arts Commission	1,247	1,247
Human Rights Commission	5,426	5,426	Historical Society	14,072	15,483
Board of Indigents' Defense	21,514	21,514	State Library	2,733	3,292
Insurance Department	--	22,435	Total--Education	593,902	614,069
Health Care Stabilization	--	2,097			
Judicial Council	525	700	Public Safety		
Judiciary	105,551	111,343	Dept. of Corrections	34,105	38,464
KPERS	--	11,511	El Dorado Correctional	3,742	3,742
KTEC	--	3,504	Ellsworth Correctional	3,924	3,924
Kansas, Inc.	--	812	Hutchinson Correctional	8,333	8,333
Legislative Coordinating Council	2,162	2,162	Lansing Correctional	9,213	9,213
Legislative Post Audit	3,890	3,890	Larned Correctional MH	2,841	2,841
Legislative Research Dept.	6,903	6,903	Norton Correctional	11,310	11,310
Legislature	12,512	12,512	Topeka Correctional	6,994	6,994
Lottery	--	12,097	Winfield Correctional	2,703	2,703
Racing and Gaming Commission	--	8,958	Juvenile Justice Authority	5,284	5,668
Dept. of Revenue	65,008	90,114	Atchison Juv. Correctional	10,992	10,992
Revisor of Statutes	5,300	5,300	Beloit Juv. Correctional	10,879	11,016
Secretary of State	3,512	5,873	Larned Juv. Correctional	12,713	13,465
Board of Tax Appeals	9,071	9,071	Topeka Juv. Correctional	20,172	21,072
State Treasurer	4,441	7,016	Adjutant General	5,352	26,165
Total--General Government	301,016	459,544	Ombudsman for Corrections	500	500
			Emergency Medical Services	1,707	1,707
Human Resources			State Fire Marshal	--	6,907
Dept. of Social and Rehab. Services	194,241	463,674	Kansas Highway Patrol	15,959	39,078
Kansas Neurological Institute	65,545	65,545	KBI	18,610	18,610
Larned State Hospital	80,759	80,759	Parole Board	1,114	1,114
Osawatomie State Hospital	53,496	53,496	Sentencing Commission	1,084	1,084
Parsons State Hospital	54,618	54,618	Total--Public Safety	187,531	244,902
Rainbow State Hospital	16,016	16,016			
Dept. on Aging	20,593	20,593	Agriculture and Natural Resources		
KDHE--Health	33,835	68,459	Dept. of Agriculture	34,081	43,251
Dept. of Human Resources	3,884	121,302	Animal Health Dept.	3,310	3,683
Commission on Veterans' Affairs	31,476	31,614	Conservation Commission	1,714	1,982
Total--Human Resources	554,463	976,076	KDHE--Environment	25,388	69,590
			Kansas State Fair	--	2,663
Education			Kansas Water Office	4,185	4,355
Department of Education	18,691	36,317	Kansas Wheat Comm.	--	1,168
School for the Blind	12,422	12,422	Dept. of Wildlife and Parks	7,140	53,154
School for the Deaf	20,692	20,692	Total--Ag. & Nat. Res.	75,818	179,846
Board of Regents	150	721			
Emporia State University	5,297	5,297	Transportation		
			Department of Transportation	390,677	390,677
			Total Expenditures	2,103,407	2,865,114

* Off Budget = \$74,149

**Attachment for Item No. 61
Retirement Reductions**

Agency	FY 2000		FY 2001		
	SGF	All Funds	SGF	All Funds	FTE
Dept. of Administration	\$17,716	\$105,924	\$54,415	\$142,743	5.0
Dept. of Revenue	--	7,262	--	22,880	1.0
Social and Rehabilitation Services	136,949	254,466	193,191	423,037	11.5
Kansas Neurological Institute	8,190	8,190	29,036	29,036	1.0
Larned State Hospital	8,556	8,556	41,646	41,646	1.0
Osawatomie State Hospital	15,576	31,151	40,375	80,750	2.0
Parsons State Hospital & T.C.	15,148	30,547	18,542	52,978	2.0
Health and Environment--Health	3,937	59,049	5,551	128,448	3.0
Emporia State University	10,034	10,034	28,121	28,121	1.0
University of Kansas	27,053	27,053	62,658	62,658	2.0
KU Med Center--Education	25,781	25,781	37,351	37,351	4.0
Wichita State University	6,142	10,323	19,108	52,170	1.5
State Historical Society	9,667	9,667	25,240	25,240	1.0
Dept. of Corrections	4,037	4,037	10,000	10,000	1.0
Hutchinson Correctional Facility	11,356	11,356	26,747	26,747	1.0
Topeka Correctional Facility	9,096	9,096	48,571	48,571	1.0
Dept. of Agriculture	12,444	17,704	16,582	26,069	1.0
Health & Environment--Environment	9,844	20,564	--	42,878	1.0
Dept. of Transportation	--	46,867	--	208,716	4.0
Statewide Total	\$331,526	\$697,627	\$657,134	\$1,490,039	45.0

April 20, 2000

ITEMS FOR OMNIBUS CONSIDERATION

State Treasurer

A. HB 2648 (Governor). One provision of HB 2648 provides that fees paid to the State Treasurer for services provided with the issuance of municipal bonds be credited to the Bond Services Fee Fund in lieu of the State General Fund. Conferees on HB 2559 (the original version of the proposal) indicated that operational efficiencies could be achieved if the Municipal Bond Services Program was operated on a fee basis. The fees for these services have generated between \$430,000 and \$610,000 in recent years. The approved FY 2001 budget for the Municipal Bond Services Program includes \$398,591 from the State General Fund. The State Treasurer has requested that the fees be allowed to accumulate in the Bond Services Fee Fund for a year and that the Municipal Bond Services Program be shifted to fee fund financing in FY 2002.

B. GBA No. 1, Item 4—Local Ad Valorem Tax Reduction Fund (LAVTRF) Payments. Based on actual expenditures, GBA No. 1, Item 4 reduces FY 2000 transfers to the Local Ad Valorem Tax Reduction Fund by \$169,092. Both the House and the Senate recommended that this item be considered at Omnibus.

C. GBA No. 2, Item 11, Page 5 - Bond Service Fees.

D. GBA No. 2, Item 49, Page 22 - Agricultural Remediation Programs.

Department of Administration

A. S.B. 660 (Governor). S.B. 660 authorizes the issuance of up to \$40.0 million in bonds for the renovation of the State Capitol. Implementation of the bill requires the creation of a new special revenue fund in the Department of Administration in FY 2001 with a proviso authorizing the issuance of the bonds and the expenditure of the bond proceeds.

B. Public Broadcasting. The Senate Subcommittee on the budget for the Department of Administration recommended that funding to begin the implementation of digital broadcasting for the state's public broadcasting television stations in FY 2001 be reviewed at Omnibus. The Public Broadcasting Council estimates the initiative will cost \$48.3 million through FY 2004 and requests \$15.0 million from the state, with a minimum FY 2001 investment of \$1,450,000. Of this amount, the approved FY 2001 budget includes \$350,000.

House Appropriations
4-20-00
Attachment 11

C. GBA No. 2, Item 4, Page 3 - State Emergency Fund Transfer.

D. GBA No. 2, Item 5, Page 3 - Cost Increases at the State Motor Pool.

Department of Revenue

A. S. B. 611 (Law). S.B. 611 creates several new categories of distinctive license plates, including public safety officers, the Kansas Foundation for Agriculture, and veterans plates for motorcycles. The agency estimates that \$34,082 from the Division of Vehicles (DOV) Operating Fund will be required FY 2001 for plate production and computer programming costs.

B. H. B. 2561 (Law). H.B. 2561 creates a new category of motor vehicle certificate of title and incorporates two new kinds of title brands into the vehicle identification number statutes. The agency estimates that \$10,003 from the Division of Vehicles (DOV) Operating Fund will be required in FY 2001 for computer programming costs.

C. H. B. 2883 (Law). H.B. 2883 creates a new crime for theft of motor fuel and requires suspension of driving privileges upon second and subsequent convictions. The agency estimates that \$33,292 from the Division of Vehicles (DOV) Operating Fund will be required in FY 2001 for computer programming costs.

D. Bills In Conference. Several bills impacting the operations of the Department of Revenue are currently pending in conference committee. These include S.B. 12 (sales information contained on appraised value notice), 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), S.B. 410 (taxation statutory compliance benefits and incentives), S.B. 429 (DUI suspension of drivers license), S.B. 502 (oil lease property tax refunds), H.B. 2037 (sales tax exemption for railroad and grain storage facilities) and H.B. 2259 (motor vehicle certificates of title). 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. Many of these bills have been in conference in excess of a year. The final administrative impact of the bills will be dependent on what provisions are adopted by the conference committee and enacted into law.

E. Agency Other Operating Expenses. The Senate Committee recommended consideration at Omnibus of additional funding for FY 2001 other operating expenses for the agency. The approved budget for the agency includes a reduction of \$1.2 million in State General Fund financed other operating expenses from the agency's current services budget.

F. GBA No. 2, Item 9, Page 5 - Legal Defense Costs.

G. GBA No. 2, Item 10, Page 5 - Increase Compliance Activities.

Regents Systemwide

A. General Fees Fund (Tuition) Revised Estimates—Non-Tuition Accountability Institutions (also GBA No. 2, Item 31, pg. 15). Based on Spring 2000 enrollments, the institutions not participating in tuition accountability have submitted revised estimates of tuition revenues for both FY 2000 and FY 2001. 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 2000, based on Spring enrollments, a net decrease in available tuition revenue totaling \$44,401 is projected. Based on these revisions, under traditional budgeting methods, State General Fund dollars of \$44,401 would be added 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 2001, based on Spring enrollments, a net decrease in available tuition revenue totaling \$12,574 is projected. Based on these revisions, under traditional budgeting methods, State General Fund dollars of \$12,574 would be added 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 2000 Revised Tuition Estimates

	<u>Amount Approved</u>	<u>Revised Estimate</u>	<u>Difference</u>
KU Medical Center	\$ 10,827,240	\$ 10,827,240	\$ 0
Emporia State University	8,569,036	8,601,263	32,227
Fort Hays State University	8,771,882	8,770,019	(1,863)
Pittsburg State University	10,663,103	10,588,338	(74,765)
TOTAL	<u>\$ 38,831,261</u>	<u>\$ 38,786,860</u>	<u>\$ (44,401)</u>

FY 2001 Revised Tuition Estimates

	<u>Amount Approved</u>	<u>Revised Estimate</u>	<u>Difference</u>
KU Medical Center	\$ 11,308,864	\$ 11,374,315	\$ 65,451
Emporia State University	9,106,432	9,140,028	33,596
Fort Hays State University	9,036,098	9,036,098	0
Pittsburg State University	11,335,978	11,224,357	(111,621)
TOTAL	<u>\$ 40,787,372</u>	<u>\$ 40,774,798</u>	<u>\$ (12,574)</u>

Fort Hays State University

A. Technical Adjustment. H. Sub. for S.B. 326 inadvertently over appropriated State General Fund financing for the university in FY 2001 by \$21,641.

Emporia State University

A. Technical Adjustment. H. Sub. for S.B. 326 inadvertently over appropriated State General Fund financing for the university FY 2001 by \$22,445.

Pittsburg State University

A. Technical Adjustment. H. Sub. for S.B. 326 inadvertently over appropriated State General Fund financing for the university FY 2001 by \$26,043.

University of Kansas Medical Center

A. Children's Initiative's Funding. The Conference Committee recommended the deletion of all funding from the Children's Initiatives Fund pending further review at Omnibus. The Governor recommends \$250,000 from the Fund in FY 2001 for the expansion of the TeleKid Health Care Link. In 1998 the University launched a pilot program to deliver medical services to children in school. Using PC based telemedicine technology, the project links the school nurse's office with physicians to provide clinical consultations for students. For FY 2001, the Governor recommends \$250,000 from the Children's Initiatives Fund to extend this program to other portions of the state. KUMC would serve as a facilitator to link local health care providers with schools in their service areas. In those cases where there are no health care providers or if back up medical services are requested, KUMC physicians would be available to provide clinical consultations.

The House Committee also recommended the Omnibus consideration be give to allocating \$1.0 million from the Fund in FY 2001 for pediatric biomedical research.

B. Technical Adjustment. H. Sub. for S.B. 326 inadvertently over appropriated State General Fund financing for the university in FY 2001 by \$58,841.

C. GBA No. 2, Item 38, Page 16 - Wahl Hall Renovation.

Board of Regents

A. H.B. 2996 (conference). H.B. 2996 modifies the formula for distribution of community college operating grants. The approved FY 2001 budget for the grants assumes the revised formula. Should the bill fail to pass, an additional \$1.0 million would be required to fully fund the existing formula.

B. Postsecondary Vocational Education Funding. The Senate Committee recommended that state funding for postsecondary vocational education be reviewed at Omnibus. The approved budget for FY 2001 includes \$26.4 million for Postsecondary Vocational Education Aid, an increase of \$200,000 (0.8 percent) from the revised current year budget. An additional \$2.7 million is available for Vocational Education Capital Outlay Aid, an increase of \$200,000 (8.0 percent) from the current year.

Department of Commerce and Housing

A. Kansas Industrial Training and Retraining (KIT/KIR). The Senate Subcommittee recommended review of FY 2001 funding for KIT/KIR to determine if additional money should be added to return the program to current levels. The program is currently funded at the amount recommended by the Governor, \$3.3 million (Economic Development Initiatives Fund), this is a reduction of \$300,000 from the current year. The following table shows five years of expenditures for KIT/KIR.

KIT/KIR Expenditures				
Actual FY 1997	Actual FY 1998	Actual FY 1999	Approved FY 2000	Approved FY 2001
\$ 3,244,358	\$ 3,250,000	\$ 3,803,869	\$ 3,600,000	\$ 3,300,000

B. GBA No. 2, Item 8, Page 4 - Sports Hall of Fame.

Kansas Technology Enterprise Corporation

A. Commercialization. The Senate Subcommittee recommended review of FY 2001 funding for the Commercialization program to determine if additional money should be added to return the program to current levels. The program is currently funded at the amount recommended by the Governor, \$845,000 (Economic Development Initiatives Fund), this is a reduction of \$845,000 from the revised recommendation for the current year. Additionally, SB 39 transferred \$490,804 from KTEC to the Economic Development Initiatives Fund, \$200,000 of which was budgeted for Commercialization. This reflects the amount of reappropriated money KTEC was given authority to spend by the 1999

Legislature. At the present time, KTEC anticipates using KTEC holdings to make up the reduction in Commercialization grants. This will require completely spending down KTEC holdings.

KTEC holdings have been accumulating since FY 1993 to the current level of \$1.7 million. KTEC holdings receives revenues primarily from the Applied Research Matching Fund royalty payments and distributions from the Ad Astra and Commercialization funds, and it is the intent of both KTEC and the Legislature that these revenues eventually should reduce KTEC's reliance on state funding. Expenditures from the account are subject to authorization by the KTEC Board of Directors. Annual receipts to KTEC holdings are volatile and unpredictable and have fluctuated dramatically. There is no guarantee that money expended in FY 2001 to fund the Commercialization program will be recouped in a short period of time.

Kansas Public Employees Retirement System (KPERs)

A. Omnibus Review Item. The House and Senate committees agreed to review fees paid to investment managers and for litigation expenses in order to determine if the expenditure limitation in FY 2000 should be adjusted. The approved FY 2000 limitation is \$26,644,408. The revised KPERs estimate is \$26,011,735, a reduction of \$632,673 in the approved limit set in SB 39 earlier this Session.

B. HB 2034 (Governor) also GBA No. 2, Items 59-60. The bill addresses a number of items affecting state employees, funding KPERs benefits, and implementing certain Governor's recommendations. GBA 2-59 and 2-60 also address revised Governor's recommendations on the subject of the KPERs payments for two programs.

Death and Disability Benefits Moratorium. Among the Governor's recommendations included in HB 2034 as passed is a moratorium on the employer contributions for insurance payments that finance the KPERs death and long-term disability benefits program. The Legislature approved a five quarter holiday whereas the Governor's original recommendation was for four quarters. In GBA 2-59, the Governor concurs with the additional fifth quarter state savings of \$4,164,791 from the State General Fund that already was recognized by the Legislature.

Retirement Contribution Freeze. The Governor's recommended freeze on the state's employer retirement contribution rate in FY 2001 was not included in legislation passed. As a result, the state as a KPERs participating employer legally is obligated to pay the retirement assessment in FY 2001, including the anticipated increase of 0.39 percent. When the *Governor's Budget Report* for FY 2001 was prepared, the amount of funding for the 0.39 percent KPERs increase was omitted from state agency budgets. GBA No. 2-60 adds back for state agency budgets the \$9,430,170 that was omitted previously. The following table summarizes the amount of funding recommended by the Governor to finance the 0.39 percent retirement contribution increase in FY 2001. Most of the KPERs retirement contribution increase of \$9.43 million would be paid in the state's school contribution of

\$6.49 million. The remaining portion of the state's obligation totals \$2.87 million for the state agencies, with \$2.1 million SGF and \$0.84 million all other funds. The Governor's proposed freeze of the retirement rate did not apply to local KPERS employers.

FY 2001 Financial Impact	
Estimated State KPERS Employer Contributions	
(In Millions)	
Retirement Contribution Increase	
State/School/TIAA	\$ 9.43
Local Units	0.00
Totals	\$ 9.43
State General Fund (a)	\$ 8.59
School Only SGF	\$ 6.49
Source: GBA No. 2, Item 60.	
a) The Division of the Budget notes that \$2.6 million SGF of increased school funding would be paid in FY 2002.	

C. SB 248 (Governor), SB 660 (Governor), HB 2559 (conference committee), HB 2624 (conference committee). At least four bills have administrative impact on KPERS. New investment-related duties are assigned to KPERS by SB 248, SB 660 and HB 2559 for the purpose of investing non-KPERS money in order to earn a higher rate of return. In HB 2624, KPERS would be authorized to assess fees for any services provided in regard to activities not exclusively for the benefit of its members. This provision would authorize KPERS to recoup its own administrative costs and to pay for investment-related services out of non-KPERS funds. SB 248 provides for KPERS investment and management of funds in the Intergovernmental Transfer Program. SB 660 concerns financing restorations for the Capitol and investments by KPERS. Under HB 2559, the proceeds from the sale of the bonds and any tobacco settlement payments not required to pay debt service on the securities would be credited to the Kansas Endowment for Youth Fund consistent with current law on the use of tobacco settlement receipts. KPERS currently is authorized to invest funds from the tobacco settlement. The amount of money that could be available for investment by KPERS would increase dramatically under HB 2559. The Legislature should consider appropriating the Senior Services Trust Fund to KPERS pursuant to SB 248. The Kansas Endowment for Youth Fund already is appropriated to KPERS. No new fund is required to be appropriated to KPERS by SB 660 when KPERS acts as the investment mechanism for unclaimed property in the State Treasury. No new staff is requested by KPERS for administering the provisions of these bills. Any fees collected by KPERS pursuant to HB 2624 for administrative staff related-expenses potentially would reduce the amount of expenditures authorized to be paid from the Agency Operations account of the KPERS Fund. There is no estimate from KPERS regarding these new expenses and a possible offsetting reduction of KPERS Fund expenditures.

In addition, a provision in HB 2624 would authorize a new, lump sum payment option at retirement that could reduce an individual's KPERS defined monthly benefit by no more than 50 percent for life. Up to 50 percent of the actuarially calculated benefit may be taken

as a lump sum amount under this option. Individuals selecting the lump sum option would be required to choose a lump sum amount based on 10 percent increments. The implementation date would be delayed until FY 2002 in order to give KPERS adequate lead-in time to implement this change. The fiscal note for administrative costs is estimated at \$100,000 in FY 2001 in order to do programming work in preparation of offering this new option.

Kansas Department of Transportation

A. Omnibus Review Item. The Conference Committee on SB 326 removed a proviso added by the House Committee of the Whole. There was a recommendation to review that proviso during the Omnibus period. That proviso would have required KDOT, when acquiring property during FY 2001, to hold a public hearing on the property acquisition in the county where the property is located and to notify owners of area property at least 21 days prior to a hearing. Also it would have required notice to be published in a newspaper providing time and place of such meeting, a general description of the property to be acquired, and the proposed use of such property.

Kansas Racing and Gaming Commission

A. Camptown Race Track – Omnibus Review Item; also GBA No. 2, Item 1—Camptown Racetrack. Both House and Senate Committees recommended review during the Omnibus period for operating costs and staffing level associated with a track reopening. The Executive Director of the Kansas Racing and Gaming Commission notified the Director of the Budget that the current owner of Wichita Greyhound Park has purchased the now closed Camptown track in Frontenac. It has been closed since late 1995 and staff of the Commission who previously worked there were terminated or reassigned. The Commission has approved an application for license to reopen the track and for the not-for-profit organization. An application for track manager was rejected by the Commission. No specific dates for live racing have been approved by the Commission. However, a Commission meeting on April 28, 2000, will consider a request to start simulcasting and parimutuel betting on April 29, 2000.

Additional state personnel and expenditure authority are requested by the Commission in order to staff the facility. The fiscal note submitted by the Commission for staffing and State Racing Fund (SRF) financing totals 9.0 FTE positions and FY 2001 expenses of \$590,198. GBA 2-1 concurs with these estimates. Additional FY 2001 expenses would be paid from other funds totaling \$162,264. GBA 2-1 does not address expenditures from these other funds. Projections of revenue indicate an early cash flow problem in financing the budget items from revenues derived exclusively from the Camptown track and related activities since no start date for racing (either live or simulcasting) has been approved by the Commission. The fiscal impact initially would be a reduction in the projected transfers to the SGRF in FY 2000 and early FY 2001. However, the FY 2001

revenue estimate is \$884,400, or a net of \$294,000 more than budgeted expenses to be paid from the SRF.

Initial startup costs totaling \$258,653 are estimated and authority to hire nine new staff is requested in FY 2000. GBA 2-1 recommends \$212,393 from the State Racing Fund in FY 2000. GBA 2-1 does not address expenditures of \$46,260 from other funds in FY 2000. Most of the estimated FY 2001 excess revenue of \$294,000 presumably would repay the FY 2000 expenditure of \$212,393 from the State Racing Fund as recommended by the Governor before the track starts live racing and generates parimutuel revenue. The Governor's estimated FY 2000 revenue of \$168,100 presumes parimutuel betting will begin this fiscal year, even though the Commission has not approved live dates for racing. The delay in adding new staff and spending startup funds will be dependent upon approval of this budget request by the Legislature and when the Omnibus bill finally is published in the *Kansas Register*. In 1999, the Omnibus bill became effective on May 20, 1999, when published in the *Kansas Register*.

Camptown Budget Amendment				
Estimated Expenditures	Agency Req. FY 2000	Gov. Rec. FY 2000	Agency Req. FY 2001	Gov. Rec. FY 2001
Salaries and Wages	\$ 83,622	\$ 83,622	\$ 405,518	\$ 405,518
Contractual Services	69,270	69,270	164,720	164,720
Commodities	13,776	13,776	19,960	19,960
Capital Outlay	45,725	45,725	0	0
Subtotal—SRF	\$ 212,393	\$ 212,393	\$ 590,198	\$ 590,198
Other Funds	46,260	0	162,254	0
TOTAL—All Funds	<u>\$ 258,650</u>	<u>\$ 212,393</u>	<u>\$ 752,452</u>	<u>\$ 590,198</u>
FTE Positions	9.0	9.0	9.0	9.0

Kansas Lottery

A. Omnibus Review Item; also GBA No. 2, Item 2—Lottery Accounting Change. Both House and Senate Committees recommended review of lottery sales for the Omnibus period. For FY 2000, the Legislature approved estimated lottery sales of \$198 million and projected transfers of \$59.4 million to the State Gaming Revenues Fund (SGRF). A provision in 1999 SB 325 set the SGRF transfer rate to the statutory rate of 30.0 percent in FY 2000. As a result of using approximately \$2.0 million for enhanced prizes, the 1999 Legislature anticipated sales to increase in FY 2000. This adjustment was expected to increase the SGRF transfer by a net of \$732,560 according to the 1999 projection, which, in turn, would be to increase transfers by \$732,560 for the State General Fund (SGF) with total SGF transfers of \$9,400,000 in FY 2000.

In reviewing the Governor's revised FY 2000 budget recommendations and the Legislature's consideration of \$198 million in sales and \$59.4 million in SGRF transfers, some discussion took place about a penalty provision that was passed by the 1999 Legislature and operative if the Lottery does not achieve the projected FY 2000 sales. Section 5(b) of Chapter 160, 1999 *Session Laws of Kansas*, would penalize the Lottery by up to \$732,560 if the approved FY 2000 SGRF transfers are not achieved. The penalty currently must be paid by June 20, 2000 if sales do not reach \$198 million by May 31, 2000.

In addition, the 2000 Legislature approved in SB 326 a 13th SGRF transfer to be credited on June 30, 2001. GBA No. 2, Item 2 concurs with this additional transfer in FY 2001. The Legislature could consider deferring the June 20, 2000, penalty transfer if FY 2000 sales do not reach \$198 million by May 31, 2000. An additional \$4.5 million is anticipated in the 13th transfer on June 30, 2001. In order to achieve that estimate, the Legislature could consider alternatives to this year's penalty, such as to defer the penalty scheduled at the end of FY 2000, or alternatively, to cancel the penalty. If the penalty is postponed to another date, then it could be added to the 13th FY 2001 estimated transfer. That estimated amount could be raised to \$5.2 million for June 30, 2001. An added benefit would be to enhance the SGF ending balance when the 7.5 percent ending balance law is under pressure.

Lottery sales through March 31, 2000, lag behind the approved sales to date. Two months remain in this fiscal year. This year's transfer rate is based on 30.00 percent. Next year, the Legislature approved the Governor's recommended transfer rate of 30.75 percent in SB 326. The Lottery has begun reducing the amount of prizes to be paid next fiscal year based on having to transfer additional earnings to the SGRF beginning July 15, 2000.

	SGRF Transfer	Lottery Sales*
June	\$ —	\$ 18,944,359
July	5,683,308	14,951,008
August	4,485,331	13,946,199
September	4,183,867	14,911,064
October	4,472,405	16,440,160
November	4,932,926	13,977,940
December	4,193,382	15,389,849
January	4,616,955	18,624,174
February	5,587,252	16,508,129
March	4,952,439	19,945,032
April	5,983,509	NA
May	NA	NA
June	NA	—
To date	\$ 49,091,374	\$ 163,637,914
Mo. Ave.	4,909,137	16,363,791
Gov. Rec.	\$ 59,400,000	\$ 198,000,000
12 Mo. Ave. for Gov. Rec.	4,950,000	16,500,000
Remaining Difference	\$ 10,308,626	\$ 34,362,086
Remaining Monthly	\$ 5,154,313	\$ 17,181,043

* SGRF transfers are based on the prior month's sales.

Developmental Disabilities Institutions - Systemwide

A. Teacher Salary Increase. The Governor's recommendation and the Legislative approved budget for FY 2001 includes teacher salary increases within the education contracts. The education contract in the FY 2001 approved budget for Kansas Neurological Institute includes an increase of 16.0 percent, while the education contract for Parsons State Hospital and Training Center contains an increase of 4.2 percent. The following table illustrates the adjustment necessary to provide for uniform salary increases across the institutions.

Percentage Increase	Kansas Neurological Institute	Parsons State Hospital and Training Center	Total
0.5	\$ (29,082)	\$ (6,043)	\$ (35,125)
1.0	(28,132)	(5,226)	(33,358)
1.5	(27,182)	(4,410)	(31,592)
2.0	(26,233)	(3,593)	(29,826)
2.5	(25,283)	(2,777)	(28,060)
3.0	(24,333)	(1,961)	(26,294)
3.5	(23,383)	(1,144)	(24,527)
4.0	(22,433)	(328)	(22,761)
4.5	(21,483)	488	(20,995)
5.0	(20,533)	1,305	(19,228)
5.5	(19,583)	2,121	(17,462)
6.0	(18,634)	2,938	(15,696)
6.5	(17,684)	3,754	(13,930)
7.0	(16,734)	4,570	(12,164)

B. Categorical Aid. For FY 2000, the budgeted school contracts for the institutions include categorical aid based on a rate of \$19,751 for Kansas Neurological Institute and \$20,000 for Parsons State Hospital and Training Center. The current FY 2000 categorical aid rate per eligible teaching unit is estimated to be \$19,770. If this rate is maintained, the school contracts at the institutions would need adjustments. The table below identifies the State General Fund adjustments required.

Institution	Change
Kansas Neurological Institute	\$ 1,862
Parsons State Hospital and Training Center	\$ (1,392)

For FY 2001, the categorical aid rate was budgeted at \$19,815 for Kansas Neurological Institute and \$20,000 at Parsons State Hospital and Training Center. The current FY 2001 categorical aid rate is estimated to be \$20,491. The adjustments in State General Fund required are outlined in the table below.

Institution	Change
Kansas Neurological Institute	\$ 2,230
Parsons State Hospital and Training Center	\$ 1,232

Mental Health Institutions - Systemwide

A. Teacher Salary Increases. The Governor's recommendation and the Legislative approved budget for FY 2001 includes teacher salary increases within the education contracts. The education contract in the FY 2001 approved budget for Larned State Hospital includes an increase of 5.1 percent, while the education contract for Rainbow Mental Health Facility contains an increase of 6.0 percent. The following table illustrates the adjustment necessary to provide for uniform salary increases across the institutions.

<u>Percentage Increase</u>	<u>Larned State Hospital</u>	<u>Rainbow Mental Health Facility</u>	<u>Total</u>
0.5	\$ (74,075)	\$ (43,541)	\$ (117,616)
1.0	(66,014)	(39,582)	(105,596)
1.5	(57,954)	(35,624)	(93,578)
2.0	(49,893)	(31,666)	(81,559)
2.5	(41,833)	(27,708)	(69,541)
3.0	(33,772)	(23,749)	(57,521)
3.5	(25,712)	(19,791)	(45,503)
4.0	(17,651)	(15,833)	(33,484)
4.5	(9,591)	(11,874)	(21,465)
5.0	(1,530)	(7,916)	(9,446)
5.5	6,531	(3,958)	2,573
6.0	14,591	0	14,591
6.5	22,652	3,959	26,611
7.0	30,712	7,917	38,629

B. Categorical Aid. For FY 2000, the budgeted school contracts for the institutions include categorical aid based on a rate of \$20,000 for Larned State Hospital and \$20,707 for Rainbow Mental Health Facility. The current FY 2000 categorical aid rate per eligible teaching unit is estimated to be \$19,770. If this rate is maintained, the school contracts at the institutions would need adjustments. The table below identifies the State General Fund adjustments required.

<u>Institution</u>	<u>Change</u>
Larned State Hospital	\$ (2,951)
Rainbow Mental Health Facility	\$ (13,115)

For FY 2001, the categorical aid rate was budgeted at \$20,000 for Larned State Hospital and \$20,707 at Rainbow Mental Health Facility. The current FY 2001 categorical aid rate is estimated to be \$20,491. The adjustments in State General Fund required are outlined in the table below.

<u>Institution</u>	<u>Change</u>
Larned State Hospital	\$ 6,300
Rainbow Mental Health Facility	\$ (3,021)

Kansas Guardianship Program

A. Training Plan (House Budget Committee). The House Budget Committee requested that the agency develop a written plan of action to expand training for staff and volunteers in the areas of self-advocacy, self-determination, and client capacity building and report back with the plan at Omnibus.

Governmental Ethics Commission

A. S.B. 481 (Conference). S.B. 481 adds the Governmental Ethics Commission to the list of agencies which submit a biennial budget. The House version also contains a 20 percent increase in the filing fees paid by candidates for office, political action committees, and lobbyists. The estimated revenue increase for FY 2001 for the agency is approximately \$17,500. The Senate version of the bill does not include the filing fee increase.

The FY 2001 budget recommended by the Governor and approved by the Legislature includes an 11.2 percent increase in the State General Fund appropriation for the agency. This relatively large increase was recommended due to concerns over the balance of the agency's fee fund. The increase in fee revenue should the House version S.B. 481 pass could allow an offset of the State General Fund appropriation.

Secretary of State

A. Census Adjustment (House Budget Committee and GBA No. 2, Item 7, pg. 4—Census Adjustment Operating Costs). The House Budget Committee recommended a review of the estimated expenditures for the census adjustment. This recalculation is a Constitutional requirement for the agency and adjusts the federal census data to exclude nonresident students and military personnel and to count those who are Kansas residents at their place of permanent residence.

Estimated expenditures for the census adjustment total \$397,296 over four fiscal years. The agency had also requested 1.0 FTE Project Manager for FY 2001. Of the total estimated expenditures, approximately \$272,000 is for the contract for database services and support. The estimated expenditures are outlined by category in the table below.

Estimated Census Adjustment Expenditures

FY 2000	
Vendor Contract	\$ 20,000
TOTAL FY 2000	\$ 20,000
FY 2001	
Vendor Contract	\$ 194,972
Personnel	
1.0 FTE Project Manager	30,000
Temporaries	76,724
Other Operating Expenditures	18,460
TOTAL FY 2001	\$ 320,156
FY 2002	
Vendor Contract	\$ 45,819
TOTAL FY 2002	\$ 45,819
FY 2003	
Vendor Contract	\$ 11,321
TOTAL FY 2003	\$ 11,321
GRAND TOTAL	\$ 397,296

B. S.C.R. 1629 (Law). S.C.R. 1629 calls for a vote on a Constitutional amendment concerning property tax classifications for aircraft and watercraft. The Secretary of State's office is required to publish the suggested amendment in the official newspaper in every county. The estimated cost of publication for the amendment contained in SCR 1629 is \$78,150 State General Fund for FY 2001.

C. Senate Substitute For H.B. 2879 (Governor). Senate Substitute for H.B. 2879 enacts the Uniform Electronic Transactions Act. Included in the provisions of the act is the requirement that entities which certify electronic and digital signatures register with the Secretary of State's office and comply with rules and regulations adopted by the agency.

The Secretary of State estimates expenditures of \$109,430 (\$104,430 SGF) and an additional 2.0 FTE positions are needed beginning in FY 2001 to implement and carry out the requirements of the act. The estimate includes 1.0 FTE Information Resource Manager (\$62,500), 1.0 FTE clerical position (\$25,000), and associated operating expenditures (\$21,930). Staffing estimates are based upon similar programs in other states.

Estimated registration fees of \$5,000 are expected from annual filings and would offset a portion of the expenditures. However, the bill does not include language establishing a fee fund to receive the registration fees.

Senate Substitute for H.B. 2879 also impacts the Department of Administration.

D. S.B. 366 (Conference). S.B. 366 amends the Uniform Commercial Code to include language recommended by the National Conference of Commissioners on Uniform State Laws.

The agency estimates that implementation of the bill would require \$45,000 for the addition of 2.0 FTE clerical positions due to the mandatory two day turnaround required by the bill beginning in FY 2001. The additional expenditures would be paid through the agency's UCC Fee Fund.

E. GBA No. 2, Item 6, pg. 4—Recapture Presidential Primary Cost.

Commission on Veterans Affairs

Operating Expenditures at the Kansas Veterans' Home at Winfield and GBA No. 2, Item 28, pg. 13—Veterans Home Fee Fund Adjustments. The House Budget Committee and the Senate Subcommittee recommended that State General Fund dollars for operating expenditures for the Veterans' Home be reviewed to determine if adequate funding was provided in the Governor's budget. The Conference Committee removed the expenditure limitation on the Veterans' Home Fee Fund for FY 2001. The Superintendent of the Home had reported to both Committees that an increased rate bed occupation over the Governor's estimates (the Home is scheduled to open May 1, 2000) would result in increased revenues and the need for increased expenditures. The Superintendent estimates a possible State General Fund shortfall of up to \$500,000 for FY 2001.

Operating Expenditures at the Kansas Soldiers' Home at Fort Dodge. The House Budget Committee recommended that operating expenditures for the Soldiers' Home be reviewed to determine if the Governor's recommendation for FY 2001 was sufficient. According to the Commission, current expectations for FY 2001 are that the amount recommended by the Governor (\$5,528,572, including \$712,688 from the State General Fund) will be adequate.

Planning Funds for the State Veterans' Cemeteries Program. The House Budget Committee recommended that the Commission's request for \$50,000 (State Institutions Building Fund) in FY 2001 for planning costs for cemetery construction at Winfield and WaKeeney be reviewed. The planning costs would be reimbursed by the federal Veterans Administration once construction of the cemeteries begins. The FY 2000 budget includes \$100,000 (State Institutions Building Fund) for planning costs for the cemeteries at Fort Riley (\$75,000) and Winfield (\$25,000). The Commission reported to the Senate Subcommittee that delays in the transfer of the Fort Riley land could result in this money being made available for planning for the other cemeteries in FY 2001. In order to ensure flexibility in the cemetery construction program, the Commission is requesting the \$50,000 (State Institutions Building Fund) be added in FY 2001.

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 7 to develop consensus caseload estimates on agency programs for FY 2000 and FY 2001. 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). In total, estimated State General Fund expenditures are increased by \$4,185,031 in FY 2000 and \$11,598,944 in FY 2001. State General Fund expenditures for programs operated by SRS were increased by \$25,031 in FY 2000 and \$3,506,944 in FY 2001. Programs operated by the Department on Aging require an additional \$4,160,000 in FY 2000 and \$8,092,000 in FY 2001. The following tables summarize the October 1999 and April 2000 caseload estimates and the resulting differences:

<u>FY 2000</u>			October Estimate	April Estimate	Difference
Cash Assistance					
	Temporary Assistance for Families	All Funds	\$ 43,440,000	\$ 42,300,000	\$ (1,140,000)
		SGF	31,433,070	31,433,070	0
	General Assistance	All Funds	\$ 4,040,000	\$ 4,170,000	\$ 130,000
		SGF	4,040,000	4,170,000	130,000
Medical Assistance		All Funds	\$ 600,000,000	\$ 610,000,000	\$ 10,000,000
		SGF	207,204,355	207,204,355	0
Adult Care Homes					
	Nursing Facilities (KDOA)	All Funds	\$ 264,600,000	\$ 275,000,000	\$ 10,400,000
		SGF	105,840,000	110,000,000	4,160,000
	Nursing Facilities - Mental Health	All Funds	\$ 13,100,000	\$ 13,100,000	\$ 0
		SGF	9,427,969	9,323,000	(104,969)
Subtotal - Adult Care Facilities		All Funds	\$ 277,700,000	\$ 288,100,000	\$ 10,400,000
		SGF	\$ 115,267,969	\$ 119,323,000	\$ 4,055,031
<u>FY 2001</u>					
Cash Assistance					
	Temporary Assistance for Families	All Funds	\$ 43,090,000	\$ 41,680,000	\$ (1,410,000)
		SGF	31,433,070	31,433,070	0
	General Assistance	All Funds	\$ 4,040,000	\$ 4,170,000	\$ 130,000
		SGF	4,040,000	4,170,000	130,000
Medical Assistance		All Funds	\$ 633,314,000	\$ 651,500,000	\$ 18,186,000
		SGF	207,836,493	211,345,878	3,509,385
Adult Care Homes					
	Nursing Facilities (KDOA)	All Funds	\$ 271,270,000	\$ 291,500,000	\$ 20,230,000
		SGF	108,508,000	116,600,000	8,092,000
	Nursing Facilities - Mental Health	All Funds	\$ 13,800,000	\$ 13,786,000	\$ (14,000)
		SGF	9,932,441	9,800,000	(132,441)
Subtotal - Adult Care Facilities		All Funds	\$ 285,070,000	\$ 305,286,000	\$ 20,216,000
		SGF	\$ 118,440,441	\$ 126,400,000	\$ 7,959,559

B. Omnibus Review Items

1. Federal Medical Assistance—FY 2000 Reduction in federal Medical Assistance Fund (House Budget Committee and Senate Subcommittee). The House Budget Committee on Social Services and the Senate Subcommittee reviewing the SRS budget recommended that during the Omnibus Session the federal Medical Assistance Fund

be reduced by \$509,147 to reflect the decrease in state match in the Homeless Mentally Ill Project made by the Governor in **GBA #1, Item 7**.

2. Follow up on Child Support Enforcement Plan (House Budget Committee).

The House Budget Committee on Social Services reviewing the Child Support Enforcement Program notes that the Governor's reduction coupled with the loss of federal funding will cut the funds available for enforcement contracts by approximately 45 percent in FY 2001. Therefore, the Department is requested to present a revised plan for managing the Program within the existing resources.

3. Follow up on the Temporary Assistance to Needy Families (House Budget Committee). The House Budget Committee on Social Services recommended the Department begin discussions with Community mental Health Centers, substance abuse treatment centers, Kansas Legal Services, and the Department of Human Resources to make recommendations on ways in which the state can meet the federal requirement for two-parent work in the Temporary Assistance to Needy Families Program. The recommendations and agency plan for meeting the work requirement are to be reviewed during the Omnibus Session.

4. Follow up Information on Providing Prenatal Coverage under the HealthWave Program (House Budget Committee). The House Budget Committee on Social Services felt that enough information was not yet available on providing prenatal coverage under the HealthWave program to make an informed recommendation during the regular budget review. Therefore, the Department is to report updated information to the Budget Committee during the Omnibus Session.

5. Child Support--FY 2000 Reduction in federal Child Support Enforcement Fund (House Budget Committee and Senate Subcommittee). The House Budget Committee on Social Services and the Senate Subcommittee reviewing the SRS budget recommended that during the Omnibus Session the Child Support Enforcement Fund should be reduced by \$3,821,747 in FY 2000 to reflect the decrease in state match made by the Governor.

6. Follow Up on Reimbursement to Freestanding Psychiatric Hospitals (House Appropriations Committee). The House Appropriations Committee directed the Department of Social and Rehabilitation to report back prior to the Omnibus Session on data collected to equalize the rates for the freestanding psychiatric hospitals in Kansas.

7. Follow Up on Continuing the Homeless Mentally Ill Project (House Appropriations Committee). The House Appropriations Committee directed the Department to examine their uncommitted resources to continue the Homeless Mentally Ill Project in FY 2001 and report back prior to the Omnibus. The Governor removed all funding for the program in FY 2000 and FY 2001; however, the Department did fund \$238,000 from existing resources to continue the program in two areas of the state for FY 2000. The 1999 Legislature approved \$750,000 from the State General Fund for the program in FY 2000.

8. Follow Up on the Expanded Role of the Council of Community Members (House Budget Committee). The House Budget Committee reviewing the Mental Retardation Institutions made the following recommended changes to the role of Council of Community Members to:

- Review and approve the annual plan submitted by the Community Developmental Disability Organization for managing the waiting list within the funding appropriated;
- Oversee the implementation of the service reduction provisions of the contract between SRS and the Community Developmental Disability Organizations and will have a role in the approval of any plan of care in the region which exceeds normal tier rates or average use;
- Approve Community Developmental Disability Organization agreements with newly affiliating community service providers in the region;
- Assess each Community Developmental Disability Organization's regulatory implementation practices annually;
- Expand the membership of the Council to include representatives from the greater "community" where the services take place, such as local business people who can bring special skills or expertise needed while the majority of the councils are to remain consumers; and
- The Department of Social and Rehabilitation Services will use a rotating peer review system to assess and recommend best practice improvements for any Community Developmental Disability Organization.

The Budget Committee directed the Department to report at Omnibus on the progress of these changes and on feedback received from the public. The Conference Committee in Substitute for SB 326 added a proviso that in any area where a community developmental disability organization (CDDO) provides treatment and care services for persons with developmental disabilities and a community services provider or providers also provides treatment and care services in the area in which the CDDO provides such treatment and services, the CDDO shall present a plan to the Secretary of Social and Rehabilitation Services for approval that demonstrates how the CDDO will impartially provide, directly or by subcontract, information about any and all community services that are available in such area to persons with developmental disabilities and the family members and that delineates the role that other community service providers may have in the dissemination of services information to consumers.

9. Review the Budget Structure of the Crisis Stabilization Center at the University of Kansas Medical Center (Senate Subcommittee). The Senate Subcommittee recommended that the budget structure of the Crisis Stabilization Center be reviewed

during the Omnibus Session to determine if a cost sharing arrangement can be developed between the Department of Social and Rehabilitation Services, the KU Hospital Authority, the community mental health centers, and other involved entities. The Subcommittee expresses concern over the future of the Crisis Stabilization Center being operated at the University of Kansas Medical Center Hospital. With the reduction in state psychiatric hospital beds nationally, an array of crisis and community-based support services are critical in serving the needs of individuals with serious mental illness. On such alternative is the use of local hospital beds for stabilization of individuals. Generally the hospital beds are used for short term stays which allow the community mental health staff time to develop alternative crisis plans while the person is in a safe environment.

10. Follow Up on Definitions of a Child In Need of Care (House Budget Committee). The House Budget Committee requested that the Department review and clarify definitions of a Child In Need of Care, especially in the area of protective custody, and report back to the Budget Committee for Omnibus consideration. However, in House Substitute for S.B. 326 the language was added as a proviso and the Department is to report back at the beginning of the 2001 Legislative Session.

11. Follow Up on the Medicaid Pharmacy Budget (Senate Subcommittee). The Senate Committee recommends that the Medicaid Pharmacy budget be reviewed during the Omnibus Session as the Legislative Post Audit Report on the Medicaid Program's Use of Generic Drugs was released after the Senate Subcommittee reported (late March). The Conference Committee in House Substitute for S.B. 326 deleted \$10.0 million all funds, including \$4.0 million from the State General Fund of the pharmacy budget and added a proviso which states that the Secretary shall not increase the average wholesale price discount above 12 percent; shall provide a statewide uniform dispensing fee that is applicable in all areas except in rural areas of the state or in cities and counties where competition does not exist for pharmacy business, and shall establish a unit dosage dispensing fee.

12. Review of the Community Mental Health Funding cuts (Senate Subcommittee). The Senate Subcommittee recommends that the reconsideration should be given to the funding of community grants used for case managers which was reduced by \$600,000 from the State General Fund in the Governor's recommendation for FY 2000.

13. Home and Community Based Services Waiver Programs (House Budget Committee and Senate Subcommittees). The House Budget Committee on Social Services and the Senate Subcommittees reviewing the SRS budget recommend that consideration be given to the following issues during the Omnibus Session:

- The recommendations on the definitions of Needs vs Wants of consumers served by the Home and Community Based Services for the Mentally Retarded and the Physically Disabled by the task force of stakeholders.

- The House Budget Committee recommends that reconsideration be given to the issue of waiting lists for services in the Home and Community Based Services Waiver Programs.
- The projected shortfall in FY 2001 for the HCBS/DD waiver is \$4,228,527 all funds, including \$1,691,411 from the State General Fund.
- The projected shortfall in FY 2001 for the HCBS/PD waiver is \$3,834,556 all funds, including \$1,533,822 from the State General Fund.

14. The Children's Initiatives Funded Program (Conference Committee). The Conference Committee in House Substitute for S.B. 326 deleted all of the Children's Initiatives Funded Programs in FY 2001 to be reconsidered during the Omnibus Session. The following are the reductions:

Program	Children's Initiatives Fund	All Funds
HCBS/Children's Mental Health	\$ 1,000,000	\$ 2,500,000
Family Centered System of Care	5,000,000	5,000,000
HCBS/MRDD	3,000,000	7,500,000
HCBS/PD	1,800,000	4,500,000
Best Children's Programs Practices Research	250,000	250,000

C. Bills

1. S.B. 248 (Enrolled) creates the Kansas Intergovernmental Transfer Program to receive additional federal funding for nursing homes through the Kansas Medicaid Program. The bill also establishes the Senior Services Trust Fund, Senior Services Fund, State Medicaid Match Fund, HCBS Programs Fund, and the Long-Term Care Loan and Grant Fund. The Conference Committee in House Substitute for S.B. 326 created and appropriated the State Medicaid Match Fund and the HCBS Programs Fund. The Intergovernmental Transfer Fund, the Senior Services Fund, and the Long-Term Care Loan and Grant Fund need to be established in the appropriations bill for FY 2001.

2. H.B. 2814 (In the second house) creates the Senior Pharmacy Assistance Program to provide financial assistance to eligible individuals for the purchase of prescription drugs. The House position would begin enactment as of April 1, 2001 and the Senate positions would be July 1, 2001. The bill would be funded from the Senior Services Fund under the Kansas Intergovernmental Transfer Program (S.B. 248).

3. S.B. 530 (First House) creates a centralized unit for the collection and disbursement of child support payments through the Child Support Enforcement Division of SRS. The Department is required to collaborate with the Kansas Supreme Court in establishing the Kansas Payment Center. The fiscal note states that money for the payment center is included in the Governor's FY 2001 budget. However, if the bill fails to pass in the worst case scenario, could result in federal penalties and the loss of \$36.8 million in federal funds in FY 2001 as the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 required centralized processing of support payments as a key element for improving child support laws and procedures. Under the original federal penalty provision, Kansas was at risk of losing all federal funds for the IV-D program and a percentage of the TANF block grant. For states unable to meet the original 1999 implementation date, a 1999 federal law provides a graduated scale of IV-D penalties starting at 4 percent of federal financial participation and eliminates the related penalty against TANF. The new law also provides for waiver of all or part of the penalty for any state that completes implementation during federal fiscal year 2000. Based upon the current implementation schedule, Kansas expects to qualify for the partial waiver, limiting its penalty risk to 1 percent of administrative costs if the bill is enacted.

4. S.B. 633 (First House) makes changes to the Adoption and Safe Families Act to comply with federal regulations. In addition, the introduced bill created two subcategories of Children in Need of Care: children in need of protection and youth in need of community services; however, these provisions were removed by the Senate Judiciary Committee. The impact of this action, according to the Department of Social and Rehabilitation Services, is that the Child Welfare System is now underfunded by \$10.6 million all funds, including \$6.0 million from the State General Fund.

D. GBA No. 2, Item 12, pg. 6—Medical and Public Assistance Caseloads.

E. GBA No. 2, Item 13, pg. 6—Shift Public Assistance Caseload Savings to State General Fund.

F. GBA No. 2, Item 14, pg. 7—Foster Care.

G. GBA No. 2, Item 15, pg. 7—Savings in the Medicaid Plan.

H. GBA No. 2, Item 16, pg. 8—Home and Community Based Services Programs Fund.

I. GBA No. 2, Item 17, pg. 9—Intergovernmental Transfer.

Department on Aging

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

B. Omnibus Review Items

1. Follow Up on the Nutrition Program Grants (House Budget Committee and Senate Subcommittee). The Secretary of Aging is directed to update the House Budget Committee and the Senate Subcommittee on the Nutrition Services Grants Program with regard to the impact of the possible reduction of \$450,000 in FY 2001 on the area nutrition sites. In addition, the Secretary is to report on the possibility of waiting lists due to a lack of volunteers to deliver the meals is also to be reviewed during the Omnibus Session.

2. The Retired Senior Volunteer Program (House Budget Committee and Senate Subcommittee). The House Budget Committee and the Senate Subcommittee reviewing the Department on Aging recommended reconsideration of the Retired Senior Volunteer Program funding for FY 2001. In FY 1999, grants of \$2,500 each were awarded to 15 service providers which were used to fund the administrative function of recruiting and connecting retired senior volunteers with not-for-profit volunteer organizations such as Red Cross Blood Mobile, Toys for Tots, and tutoring elementary school children. The 15 service providers connected 5,812 volunteers with not-for-profit organizations in Kansas. The volunteers provided 866,000 hours of work to the organizations during the fiscal year. During FY 2000 the funding was cut from \$50,000 to \$25,000. The Governor recommended \$25,000 from the State General Fund in FY 2001.

3. Wage Pass-Through Program (House Budget Committee and Senate Subcommittee). The House Budget Committee and the Senate Subcommittee recommended that the Wage Pass-Through Program which was implemented during the 1999 Legislative Session with passage of S.B. 126 be reviewed during the Omnibus Session for possible funding.

4. Hesston Senior Center Program (House Budget Committee). The House Budget Committee recommends review of the Hesston Senior Center Program including performance outcomes and any other program information provided to the Committee prior to the Omnibus Session. The state funding for the program was eliminated in the Governor's FY 2001 recommendations. In the current year, funding of \$10,000 from the State General Fund was provided.

5. Senior Companion Program (Senate Subcommittee). The Senate Subcommittee recommends that the committee revisit the issue of the Senior Companion Program at Ft. Hays State University during the Omnibus Session for possible consideration of state funding. In FY 1999 the Department on Aging provided \$50,000 from the State General Fund.

6. Environmental Modification Grant Program (Senate Subcommittee). The Senate Subcommittee recommended Omnibus consideration of funding for the eliminated Environmental Modifications Grant Program in FY 2001. However, the Conference Committee on House Substitute for S.B. 326 provided \$100,000 from the State General Fund for the program in FY 2001.

7. Home and Community Based Services for the Frail Elderly Waiver Program (House Budget Committee). The House Budget Committee wanted to review the recommendations of the task force of stakeholders on the definitions of Needs vs Wants of consumers served by the Home and Community Based Services for the Frail Elderly during the Omnibus Session.

C. Bills

1. S.B. 248 (Enrolled) creates the Kansas Intergovernmental Transfer Program to receive additional federal funding for nursing homes through the Kansas Medicaid Program. The bill also establishes the Senior Services Trust Fund, Senior Services Fund, State Medicaid Match Fund, HCBS Programs Fund, and the Long-Term Care Loan and Grant Fund. The Conference Committee in House Substitute for S.B. 326 created and appropriated the State Medicaid Match Fund and the HCBS Programs Fund. The Intergovernmental Transfer Fund, the Senior Services Fund, and the Long-Term Care Loan and Grant Fund need to be established in the appropriation bill for FY 2001.

2. H.B. 2814 (In the second house) creates the Senior Pharmacy Assistance Program to provide financial assistance to eligible individuals for the purchase of prescription drugs. The House position would begin enactment as of April 1, 2001 and the Senate positions would be July 1, 2001. The bill would be funded from the Senior Services Fund under the Kansas Intergovernmental Transfer Program (S.B. 248).

3. H.B. 2700 (In Conference) would allow adult care homes and home health care agencies to acquire criminal background information from a private contractor approved by the Kansas Bureau of Investigation. The Department on Aging would be affected by passage of H.B. 2700 and estimates the impact at \$61,250 (all funds), including \$24,500 from the State General Fund to comply with the provisions of the bill.

D. GBA No. 2, Item 17, pg. 8—Intergovernmental Transfer.

E. GBA No. 2, Item 18, pg. 9—New Funds.

F. GBA No. 2, Item 19, pg. 9—Intergovernmental Expenditures.

G. GBA No. 2, Item 20, pg. 11—HCBS/FE Waiver.

H. GBA No. 2, Item 21, pg. 11—Transfer Language.

I. GBA No. 2, Item 22, pg. 11—KSIT Rate Setting Dollars.

J. GBA No. 2, Item 23, pg. 12—Operating Expenditures Correction.

Kansas Bureau of Investigation

A. Kansas City Kansas Forensic Laboratory (Senate Capital Improvements Subcommittee). The agency requested an FY 2000 supplemental appropriation of \$231,000 from the State General Fund to complete the Kansas City, Kansas satellite laboratory. During the 1999 Legislative Session, \$240,000 was appropriated to cover costs associated with remodeling the laboratory on the campus of Kansas City Kansas Community College. However, the original costs increased by \$48 per square foot from \$80 to \$128 per square foot, resulting in the agency's request for \$144,000 in additional remodeling costs. In addition, \$87,000 was requested to finance the purchasing of equipment for the firearms section because federal funds which had been anticipated were not available.

C. SB 423 (Law). SB 423 expands the requirement that a \$150 Kansas Bureau of Investigation laboratory analysis fee be assessed against the defendant to cover all DUI cases involving a conviction or diversion. Current law limited the DUI fee assessment to those cases involving drugs or controlled substances. The agency estimates that SB 423 will generate \$100,000 in additional revenue which would be deposited in the Forensic Laboratory Materials Fee Fund (a no limit fund). The primary use of the fund has been to match federal grant moneys and for operation of the agency's laboratories. Also, the agency states that the additional revenue could be used to offset State General Fund financed expenditures within the Laboratory Division.

D. HB 2700 (Conference Committee). HB 2700, would amend current procedures and allow the operator of an adult care home or home health agency to receive a copy of the criminal history furnished to the Secretary of Health and Environment by the Kansas Bureau of Investigation, including information not relative to whether the subject of the criminal history has been convicted as an adult of any crime or has been adjudicated as a juvenile. The agency indicates that \$10,000 from the State General Fund of additional expenses would be incurred with the passage of this legislation due to the KBI's duties regarding the approval of contractors who would be conducting record checks instead of the agency itself. However, those additional expenses incurred by the agency would be offset by revenues received from the Department of Health and Environment for conducting those criminal history checks.

Currently, the potential employer requests the Secretary of Health and Environment to provide information that relates to a person who is being considered for employment by an adult care home or home health agency for the purpose of determining whether the subject is prohibited from being employed in such home or agency. The Secretary is authorized to receive such information from the KBI (the request and response are transmitted by computer linkage). If the potential employee has no criminal history record, the KBI informs the Secretary who, in turn, informs the adult care home or home health agency operator requesting the information that the potential employee is not prohibited from employment by KSA 1999 Supp. 39-970 or KSA 1999 Supp. 65-5117. If the subject of the investigation has a criminal history record, the KBI sends a record of adult convictions and juvenile adjudications to the Secretary and the legal staff of the Department of Health

and Environment review this record and determine whether the suspect has been convicted of a crime that would disqualify them for employment.

Parole Board

A. Additional Board Member Position (House Budget Committee and Senate Subcommittee). In the *Governor's FY 2001 Budget Report*, 1.0 FTE Board member position and the corresponding funding were deleted to reflect the Governor's recommendation to reduce the Board from 4.0 to 3.0 members. SB 347, reducing the Board's membership from 4.0 to 3.0, was introduced during the 1999 Session, and passed the Senate. However, the bill did not pass the House. Therefore, \$108,910 (including fringes) from the State General Fund, and 1.0 FTE position should be considered for restoration to the agency's budget in FY 2001.

Sentencing Commission

A. The Criminal Justice Information System (House Budget Committee). During the 2000 Legislative Session, the House Budget Committee was informed that the completion of the Criminal Justice Information System (CJIS) was nine months behind schedule, and that the CJIS project director had been transferred to another state agency. The House Budget Committee suggested that CJIS expenditures, and the project as a whole, should be consolidated into one budget document and a proviso added directing all agencies to submit CJIS expenditures to the Sentencing Commission, thereby creating a unified budget. Additionally, the House Committee considered transferring the CJIS Project Manager to the Sentencing Commission and having the Manager report to the Director of the Sentencing Commission. The House Budget Committee recommended reviewing the CJIS project at Omnibus.

B. Highway Forfeiture Funds (House Budget Committee and Senate Subcommittee). Under the Governor's FY 2000 recommendation, \$75,000 (from the Highway Forfeiture Fund) was used to offset \$75,000 in State General Fund expenditures. However, K.S.A. 60-4117 (d)(3) states ". . . moneys in the Kansas Bureau of Investigation state forfeiture fund, Kansas Highway Patrol state forfeiture fund, Kansas Department of Corrections forfeiture fund and the special law enforcement trust funds shall not be considered a source of revenue to meet normal operating expenses . . ." Therefore, both the House Budget Committee and Senate Subcommittee recommended a proviso be added in the Omnibus bill to allow the agency to expend funds from the Highway Forfeiture fund for normal operating expenditures for FY 2000. A proviso was also added to SB 326 to allow the agency to expend those funds for normal operating expenses during FY 2001.

C. GBA No. 2, Item 43, pg. 20—Criminal Justice Information System (CJIS).

Adjutant General

- A. GBA No. 2, Item 44, pg. 20—Disaster Relief (Technical Adjustment).**

Highway Patrol

- A. GBA No. 2, Item 45, pg. 21—Increased Gasoline Expenses.**
- B. GBA No. 2, Item 46, pg. 21—MCSAP Program Expansion.**

Citizens' Utility Ratepayer Board

A. Enhancement Request (Senate Subcommittee and House Budget Committee.) The agency requests enhancements of \$148,349 (special revenue funds) in FY 2001 including \$40,000 for additional professional services (consulting) and 2.0 additional FTE— one staff attorney and one secretary. An additional staff attorney, for a total of three, would address a heavy caseload and permit specialization in the areas of gas, electric, and telephone cases. Currently, the agency has an office specialist but no secretary. Both Committees recommended considering this request at Omnibus.

State Corporation Commission

A. HB 2782 (Conference Committee). As passed by the House, HB 2782 would create the Well Plugging Assurance Fund to receive certain revenues now deposited in the Conservation Fee Fund, and would authorize expenditures from the new fund for investigating abandoned wells, and well plugging or site remediation when drilling of the wells began after July 1, 1996. Certain balances in the Conservation Fee Fund would be transferred to the new fund on July 1, 2000. Because the new fund would earn interest, interest receipts to the SGF would decrease by approximately \$22,000. To the extent that expenditures for investigation or other administrative expenses are shifted, the aggregate limit applying to the Public Service Regulation Fund, the Motor Carrier License Fees Fund, and the Conservation Fee Fund could be reduced.

Senate Substitute for House Bill 2782 would make several changes to the statutes pertaining to the Abandoned Oil and Gas Well Fund, administered by the Commission. A change in the fee structure for financial assurance filings would shift approximately \$150,000 of revenue from the Conservation Fee Fund to the Abandoned Oil and Gas Well Fund, and add an estimated \$5,050 of such revenue. Expenditures from the Abandoned Oil and Gas Well Fund would be authorized for administrative expenses, and the fund would be made subject to a spending limit. To the extent that such expenditures are currently budgeted from the Conservation Fee Fund, the aggregate limit applying to the Public Service Regulation Fund, the Motor Carrier License Fees Fund, and the Conservation Fee Fund could be reduced.

The Commission reports that should Senate Sub for HB 2782 pass, it would require \$76,045 of new expenditures in FY 2001 for a plugging coordinator: \$65,720 in salaries and wages, including \$12,720 for fringes, and \$10,325 for other operating expenditures, of which \$4,500 would be one-time capital outlay. The approved budget for the Conservation Program contains one new FTE funded from current resources.

Juvenile Justice Authority

A. Topeka Juvenile Correctional Facility Overcrowding Issues (Senate Subcommittee). The Senate Subcommittee recommended that the facility carefully review population numbers and projected operating expenditures and present the numbers to the Committee during Omnibus. The facility initially requested \$1.9 million in FY 2001 for operating expenditures for 57 additional beds to be used for overcrowding emergencies. The agency then requested a revised \$1.4 million. It had originally requested \$742,313 in FY 1999 to operate the overcrowding beds, but used only \$36,000. The remainder was carried forward to FY 2000 to operate the same beds. The Senate Subcommittee concluded that the facility is experiencing difficulty in accurately estimating projected operating expenditures.

An additional issue the Senate Subcommittee noted was that although the facility has increased its juvenile offender bed capacity from 219 to 276 to meet overcrowding needs, it has only increased new staff by 4.0 FTE from FY 1999 to FY 2001. The 4.0 FTE new staff are part of the facility's Ancillary Services and serve juvenile offenders in a social worker capacity. The number of staff from the facility's Youth Services division, who are involved with the daily management and supervision of juvenile offenders, has not increased, but remained at 146.0 FTE. With an average daily population of 242 reported at the end of FY 1999 and a current population of 267 juvenile offenders, the ratio of Youth Services staff to juvenile offender has increased from 1.66 to 1.83.

The Subcommittee further noted that the agency has compensated for lack of staff by maximizing the use of expensive overtime compensation, which contributes to a higher operating cost of the 57 overcrowding beds and places additional pressures on staff. The total overtime cost is \$111,057 in FY 2000, which is \$83,700 more than the amount used in FY 1999. The facility requested \$215,628 in FY 2001 for overtime. For FY 2001, the Governor recommended \$46,336 and the Legislature concurred. The Senate Committee directed the facility to examine the effectiveness of using overtime compensation from a safety and cost standpoint and to address the issue of using unclassified temporary positions in place of overtime for FY 2001. The Committee further directed the facility to report this information to the Committee during Omnibus.

B. Construction of Proposed Juvenile Correctional Facilities (Conference Committee). The Conference Committee on SB 326 recommended delaying the agency's proposed facility construction budget of \$10,000,000 (SIBF) until Omnibus. The funds were requested to be used to commence construction on the agency's proposed juvenile maximum-security facility in Topeka and Larned replacement facility for FY 2001.

C. Children's Initiatives Funding for Prevention and Intervention/Graduated Sanctions Grants (Conference Committee). As with all expenditures from the Children's Initiatives Fund in FY 2001, the Conference Committee on SB 326 recommended delaying \$7,000,000 in FY 2001 from the Children's Initiatives Fund for prevention and intervention/graduated sanctions block grant funding until Omnibus.

Emergency Medical Services Board

A. Rural Health Options Grant Fund (House Budget Committee, Senate Subcommittee, and GBA No. 2, Item 48, pg. 21). Both the House Budget Committee and Senate Subcommittee requested that a "Rural Health Options Grant Fund" be established as a no-limit fund. The fund is to receive transferred funds from Kansas Department of Health and Environment for FY 2000 and for future fiscal years. The funds will be used for expense reimbursements for a project to study rural Emergency Medical Services issues with regard to Community Access Hospitals. A federal grant of \$10,000 currently resides with KDHE and can be used by the agency for the remainder of FY 2000, provided the fund is established.

B. KSIP Funds (Senate Subcommittee and GBA No. 2, Item 47, pg. 21). The Senate Subcommittee requested that the agency have flexibility in spending \$34,047 of its FY 2000 KSIP funds for general operating expenditures to adjust for an apparent oversight in S.B. 39 that lapsed State General Fund monies. The recommendation of flexibility would make no change to the Governor's FY 2000 operating expenditures recommendation of \$826,956 from the State General Fund for FY 2000. The flexibility can be achieved by inserting the following proviso into the Omnibus bill that allows KSIP funds to be used for general operating expenditures: "In addition to the other purposes for which expenditures may be made by the above agency from the KSIP account established in state general fund for the above agency under the Kansas savings incentive program pursuant to section 91 of chapter 132 of the 1999 Session Laws of Kansas for the fiscal year ending June 30, 2000, expenditures may be made by the above agency from the KSIP account of the above agency in state general fund for fiscal year 2000 for operating expenditures: Provided, That expenditures for operating expenditures from the KSIP account of the above agency in state general fund for fiscal year 2000 shall not exceed \$34,047."

State Library

A. GBA No. 2, Item 36, pg. 17—Children's Access Network.

Board of Healing Arts

A. S.B. 599 (Conference Committee). This bill, as amended by the House Committee on Health and Human Services, would create a new licensure act under which physician assistants are to be licensed and regulated, and would require that all administra-

tive proceedings under the act created by the bill be conducted in accordance with the Kansas Administrative Procedures Act. The House Committee amendments also authorize the Board of Healing Arts to bring an action for an injunction against violations of the laws created by the bill. The Board estimates that this bill as amended would increase the number of licensure certificate mailings at a cost of \$850 for FY 2001. The amount would be needed to pay for mailing licensure certificates to approximately 360 physician assistants, for developing application and reinstatement regulations, and for additional publication expenditures to amend rules and regulations.

Department of Agriculture

A. H.B. 2674 (Governor). H.B. 2674 privatizes the Corn, Grain Sorghum, Soybean, and Wheat Commissions. The first three commissions are organized with the Department of Agriculture. Each commodity will have its own commission elected by producer members who will serve three-year terms. The new commissions may not have less than seven members and each commission may, by majority vote, appoint two additional members to serve at-large.

For FY 2001 the bill transfers the balance of all funds and liabilities associated with the old grain commissions to each of the newly created commissions. The old funds are then abolished. The bill provides for the transfer of the property of the old Wheat Commission to the newly created wheat commission.

The assessments on the commodities imposed under the bill will be remitted to the Secretary of Agriculture. The Secretary will then deposit the moneys in a private bank account established in the name of the appropriate commission. The bill gives the Secretary of Agriculture the power to (1) hire clerical and other personnel deemed necessary to carry out the act; (2) establish record keeping requirements deemed necessary by the commodity commissions; (3) inspect and audit any records required to be kept by the act; and (4) contract with any of the commissions for the collection of the assessments and to enter into any other contracts necessary to carry out the provisions of the bill.

The bill also establishes the Grain Commodities Commission Services Fund. The bill provides that all costs and expenses incurred by the Department in providing services to the commodity commissions will be paid from the fund.

Passage of H.B. 2674 would result in a revenue reduction in FY 2001 of \$509,787 to the State General Fund and \$9,082,953 to all funds. The State General Fund reduction would include the loss of \$100,000 that the four commodity commissions transferred to the General Fund for administrative costs and \$409,787 in interest revenue. For the Agriculture Department in FY 2001, this would cause an reduction in expenditures of \$4,172,301 from other funds and a reduction of 1.3 FTE positions. For the Wheat Commission in FY 2001, this would cause an reduction in expenditures of \$3,432,606 and a reduction of 8.0 FTE positions.

B. S.B. 388 (Conference). S.B. 388 would enact the Kansas Water Banking Act. The bill would allow for the chartering of water banks which would be private not-for-profit corporations. The water banks would provide safe deposit accounts for the deposit of unused water from a bankable water right for future use. Water banks may provide services to facilitate the sale or lease of water rights, in accordance to the Kansas Water Appropriations Act, and would be prohibited from owning, buying, or selling water rights.

The water bank's charter must be approved by the Chief Engineer of the Division of Water Resources in the Department of Agriculture. Water banks would be chartered for a period of not more than seven years at which time the bank would be subject to a review by an evaluation team lead by the Kansas Geological Survey (KGS).

A provision of the bill would require water banks to pay all costs incurred by the Division of Water Resources and the KGS for assistance and services including costs for personnel. Payments received from the water banks would be deposited into either the Water Resources Cost Fund or the Geological Survey Cost Fund as appropriate to reimburse costs incurred by either the Division of Water Resources or the KGS.

In order to implement provisions of the bill, the Department of Agriculture indicates that in FY 2001, \$76,029 from the State General Fund and 3.0 unclassified temporary positions would be required. This estimate includes \$46,317 for 1.0 Environmental Scientist III position, \$10,578 for 1.0 Environmental Scientist II position, \$5,334 for 1.0 Office Assistant III position, and \$13,800 for travel and subsistence. The agency indicates that the Environmental Scientist II and Office Assistant III positions would not begin until the last quarter of FY 2001.

C. S.B. 664. (Conference). S.B. 664 would allow the Agriculture Department to fund more of the Division of Plant Health from other funds rather than the State General Fund. The bill would allow an additional \$75,000 to be funded from other funds. Specifically, it would permit \$35,000 from both the Feeding Stuffs Fee Fund and the Fertilizer Fee Fund and \$5,000 from the Agricultural Liming Materials Fee Fund. The Senate version of the bill allows the use of these funds for FY 2001; the House version of the bill allows the use for FY 2001 and FY 2002.

The Governor's recommendation for FY 2001 includes the funding from these additional sources, but not in the same combination. The Governor's recommendation, which was approved by the Legislature, includes an additional \$24,992 from the Feeding Stuffs Fee Fund, \$24,923 from the Fertilizer Fee Fund, and \$22,256 from the Agricultural Liming Materials Fee Fund.

D. Convert 4.0 special project positions to full time unclassified positions in the Meat and Poultry Inspections Program (Technical Correction). During the 1999 session, for FY 2000, the Governor recommended and the Legislature approved four special project veterinarian positions to be converted to full time unclassified positions in the Meat and Poultry Inspections Program. However, the corresponding language is not included in

either of the appropriations bills for FY 2000 (See 1999 *Session Laws*, Chapter 132, Sec. 82.) or for FY 2001 (S.B. 326).

E. GBA No. 2, Item 54, pg. 24—Fee Fund.

Kansas Agricultural Remediation Board

A. S.B. 501 (Law). The bill enacts the Agricultural and Specialty Chemical Remediation Act. The act addresses the costs to voluntarily clean agricultural or specialty chemicals that pose a threat to human health or the environment. The act has two aspects: the first being a Remediation Linked Deposit Loan Program and the second being a Remediation Reimbursement Program. The Reimbursement Program is discussed in this section of the memorandum, and the Loan Program is discussed in the State Treasurer's section.

The bill creates the Kansas Agricultural Remediation Board to administer the reimbursement program. The Board consists of five members appointed by the Governor and would represent agricultural retailers, agricultural producers, agricultural processors, specialty chemical distributors or retailers, and agricultural and specialty chemical registrants. Representatives of the Department of Agriculture and the Kansas Department of Health and Environment will serve as ex officio members. The Board will have the following powers, duties, and functions:

- Administer the Remediation Reimbursement Program and the newly created Kansas Agricultural Remediation Fund;
- Adopt rules and regulations concerning the terms and conditions of any reimbursements from the fund;
- Adopt rules and regulations establishing criteria for classification and prioritization of properties for purposes of the Remediation Linked Deposit Loan Program and the Remediation Reimbursement Program;
- Establish operating standards and procedures for approval of projects, application procedures, appeals procedures, and priority determinations;
- Appoint or contract for administrative services subject to a \$150,000 limit;
- Annually provide for an independent audit of the fund; and
- Annually report to the Governor, the Senate Committee on Energy and Natural Resources, and the House Committee on Environment.

The bill establishes annual environmental assessments to be deposited into the newly created Remediation Fund:

- \$100 by each custom blender of fertilizer;
- \$20 for each commercial fertilizer required to be registered;
- \$60 for each agricultural chemical required to be registered, except for agricultural chemicals classified as an antimicrobial pesticide as defined by federal law;
- \$80 to be paid by each pesticide dealer required to be registered; and
- \$.0005 per bushel of storage capacity of each public grain warehouse licensed by the state or the federal government.

The imposition of the assessments would cease when on April 1 of any year the fund has a balance of \$5 million or more. The assessments would resume when on any following April 1 the balance is \$1.5 million or less. The fund would be allowed to receive interest earnings. In S.B. 326, the Legislature authorized the transfer of \$426,223 from the Grain Inspection Fee Fund to the Remediation Fund. For FY 2001 the expenditure limitation on the Remediation Fund is set at \$0.

The Remediation Reimbursement Program and the Kansas Agricultural Remediation Fund are automatically abolished by the start of FY 2011.

B. GBA No. 2, Item 49, pg. 22—Agricultural Remediation Programs.

Wheat Commission

A. H.B. 2674 (Governor). H.B. 2674 privatizes the Corn, Grain Sorghum, Soybean, and Wheat Commissions. The first three commissions are organized with the Department of Agriculture. Each commodity will have its own commission elected by producer members who will serve three-year terms. The new commissions may not have less than seven members and each commission may, by majority vote, appoint two additional members to serve at-large.

For FY 2001 the bill transfers the balance of all funds and liabilities associated with the old grain commissions to each of the newly created commissions. The old funds are then abolished. The bill provides for the transfer of the property of the old Wheat Commission to the newly created wheat commission.

The assessments on the commodities imposed under the bill will be remitted to the Secretary of Agriculture. The Secretary will then deposit the moneys in a private bank

account established in the name of the appropriate commission. The bill gives the Secretary of Agriculture the power to (1) hire clerical and other personnel deemed necessary to carry out the act; (2) establish record keeping requirements deemed necessary by the commodity commissions; (3) inspect and audit any records required to be kept by the act; and (4) contract with any of the commissions for the collection of the assessments and to enter into any other contracts necessary to carry out the provisions of the bill.

The bill also establishes the Grain Commodities Commission Services Fund. The bill provides that all costs and expenses incurred by the Department in providing services to the commodity commissions will be paid from the fund.

Passage of H.B. 2674 would result in a revenue reduction in FY 2001 of \$509,787 to the State General Fund and \$9,082,953 to all funds. The State General Fund reduction would include the loss of \$100,000 that the four commodity commissions transferred to the General Fund for administrative costs and \$409,787 in interest revenue. For the Agriculture Department in FY 2001, this would cause an reduction in expenditures of \$4,172,301 from other funds and a reduction of 1.3 FTE positions. For the Wheat Commission in FY 2001, this would cause an reduction in expenditures of \$3,432,606 and a reduction of 8.0 FTE positions.

B. Clarify the elimination of restricted use funds (Technical Correction). In S.B. 39, for FY 2000, the Legislature approved a reduction of \$237,000 from the expenditure limitation of the Wheat Commission Fee Fund. This is the amount that was not requested by the agency to be released by the State Finance Council for a new marketing plan. In interpreting S.B. 39, the Division of Accounts and Reports has applied this reduction to the agency's routine operations and not to the remaining restricted use funds.

State Fair

A. Financing of the facilities master plan (House Appropriations Committee). The State Fair Board states that the implementation of its facilities master plan will cost \$36,147,920. The construction period is estimated to take a minimum of six years. The agency initially requested this amount be paid by the State General Fund over a period of six years, approximately \$6 million per year. The State Fair now suggests that this project could be financed from the following four funding sources.

Funding Source	% Share	Amount
State's Share	64.0%	\$ 23,134,669
Private Support/Routine Rehab. & Repair	16.7%	6,036,703
State Fair Board's Share	11.0%	3,976,271
City of Hutchinson and Reno County	8.3%	3,000,277
TOTAL	<u>100.0%</u>	<u>\$ 36,147,920</u>

The State Fair further suggests that the shares of the state, agency, and local governments could be financed through the issuance of bonds which could be paid over a ten-year period. The local governments first bond payment could be scheduled for January 2002. The agency states that the local government contributions is contingent upon state funding. Under this proposal, the agency would cover the cost of inflation during the construction period through either private support or the agency's budget for routine rehabilitation and repair.

B. Financing of code compliance projects (Joint Committee on State Building Construction). The State Fair Board has incorporated the ADA, EPA, and fire code compliance projects into its facilities master plan. For FY 2001, the State Fair initially planned for \$150,000 from the State General Fund to be spent on code compliance projects. The Legislature has not approved any funds specifically for code compliance projects in the budget year. The agency now states that the following structures could be worked upon without conflicting the master plan.

Code Compliance Projects
(in descending order of priority)

<u>Structure</u>	<u>Amount</u>
Grandstand	\$ 440,000
Medora Restrooms	12,210
Beef Judging Arena	189,885
Administration	231,440
Rabbit Barn	26,695
Parking Stalls	193,545
New Restrooms	40,000
TOTAL	<u>\$ 1,133,775</u>

In April 1998, the State Fair Board completed a study of ADA, EPA, and fire code compliance projects. The total cost was estimated to be \$4,354,498. For FYs 1999-2000, an aggregate of \$925,000 has been appropriated. This includes \$870,000 from the State General Fund and \$55,000 from the State Fair Capital Improvement Fund.

State Fair Capital Improvement Fund*	Actual FY 1999	Agency Est. FY 2000	Gov. Rec. FY 2000	Agency Req. FY 2001	Gov. Rec. FY 2001
Beginning Balance	\$ 390,947	\$ 527,946	\$ 527,946	\$ 653,496	\$ 521,147
Transfer from Fee Fund	300,000	300,000	300,000	300,000	300,000
SGF Demand Transfer	260,000	300,000	300,000	300,000	300,000
Interest	17,078 **	30,000	30,000	30,000	30,000
Private Donations	1,750	0	0	0	0
Net Receipts	\$ 578,828	\$ 630,000	\$ 630,000	\$ 630,000	\$ 630,000
Total Funds Available	\$ 969,775	\$ 1,157,946	\$ 1,157,946	\$ 1,283,496	\$ 1,151,147
Less: Expenditures	441,829	504,450	636,799	600,000	600,000
Ending Balance	\$ 527,946	\$ 653,496	\$ 521,147	\$ 683,496	\$ 551,147
Ending Balance as a Percentage of Expenditures	119.5%	129.5%	81.8%	113.9%	91.9%

* For FYs 1999-2001 the Legislature has approved a "no limit" expenditure limitation on the State Fair Capital Improvement Fund.

** Interest was transferred from the State Fair Surplus Fund which was used in the grandstand renovation. This fund, along with the other obsolete grandstand funds, was abolished in SB 326.

Animal Health Department

A. GBA No. 2, Item 50, pg. 22—National Poultry Improvement Plan.

State Conservation Commission

A. GBA No. 2, Item 51, pg. 23—Released encumbrances of the State Water Plan Fund.

Kansas Water Office

A. GBA No. 2, Item 52, pg. 23—Equus Beds Groundwater Research.

B. GBA No. 2, Item 53, pg. 23—Water Marketing Fund.

School for the Blind

A. GBA No. 1, Item 12, pg. 6—Decrease KSIP expenditures (House Budget Committee). The Governor decreases his FY 2000 recommendation by \$1,676 from the State General Fund. As the GBA explains, the amount available in the current fiscal year to be spent in the School's Kansas Savings Incentive Program (KSIP) account should be

\$8,324 and not \$10,000. The Budget Committee believes this to be a technical adjustment to the FY 2000 budget.

B. Expenditure Limitation on General Fees Fund (House Budget Committee). For FY 2000, the Governor's budget recommendation includes an additional \$10,000 to be spent from the General Fees Fund. However, S.B. 39 does not increase the expenditure limitation which is currently set at \$9,349. (See 1999 *Session Laws*, Chapter 132, Sec. 60(b).) The Budget Committee believes this to be a technical adjustment to the FY 2000 budget.

Behavioral Sciences Regulatory Board

A. Review fee structure. The Senate Subcommittee on the Behavioral Sciences Regulatory Board recommended the review of the agency fee structure at Omnibus. The fees are as follows:

Profession	Current Fee	Statutory Maximum
Social Worker		
Application KSA 65-6314(a)(2)	\$100	\$150
Original License	N/A	N/A
Renewal KSA 65-6314(a)(1)	\$100	\$150
Temporary License KSA 65-6314(a)(7)	\$50	\$50
Reinstatement KSA 65-6313(d); 65-6314(a)(1)	\$200	\$300
Psychologist		
Application KSA 74-5310(a)	\$75	\$150
Original License KSA 74-5310(a)	\$175	\$200
Renewal KSA 74-5319	\$200	\$200
Temporary License KSA 74-5316	\$30	\$15
Reinstatement KSA 74-5320	\$400	\$400
Professional Counselor		
Application KSA 65-5808(1)(a)	\$75	\$100
Original License KSA 65-5808(a)(2)	\$150	\$175
Renewal KSA 65-5808(a)(4)	\$150	\$150
Temporary License KSA 65-5808(a)(10)	\$150	\$150
Reinstatement KSA 65-5808(a)(5)(9)	\$300	\$300
Masters Level Psychologist		
Application KSA 74-5365(a)	\$75	\$200
Original License KSA 74-5365(a)	\$175	\$200
Renewal KSA 74-5365(a)	\$175	\$200
Temporary License KSA 74-5366(f)	\$100	\$100
Reinstatement KSA 74-5366(d)	\$350	\$400
Licensed Marriage and Family Therapist		
Application KSA 65-6411(a)(1)	\$75	\$150
Original License KSA 65-6411(a)(2)	\$150	\$175
Renewal KSA 65-6411(a)(4)	\$150	\$175
Temporary License KSA 65-6406	\$150	\$150
Reinstatement KSA 65-6411(a)(5)&(7)	\$150+	\$175
(Plus an additional \$5 for every 30 days the application is late.)		
Registered Alcohol and Other Drug Abuse Counselor		
Application KSA 65-6603(b)	\$100	\$100
Original License	N/A	N/A
Renewal KSA 65-6603(b)	\$100	\$100
Temporary License	N/A	N/A
Reinstatement KSA 65-6603(c)	\$200	\$200

Fee Fund Analysis

Resource Estimate	Actual FY 1999	Agency Est. FY 2000	Gov. Rec. FY 2000	Agency Req. FY 2001	Gov. Rec. FY 2001
Beginning Balance	\$ 344,468	\$ 386,547	\$ 386,547	\$ 396,096	\$ 431,043
Net Receipts	415,709	475,000	475,000	499,000	499,000
Total Funds Available	\$ 760,177	\$ 861,547	\$ 861,547	\$ 895,096	\$ 930,043
Less: Expenditures	373,630	465,451	430,504	439,121	424,641
Ending Balance	\$ 386,547	\$ 396,096	\$ 431,043	\$ 455,975	\$ 505,402
 Ending Balance as Percent- age of Expenditures	 103.5%	 85.1%	 100.1%	 103.8%	 119.0%

Kansas Department of Human Resources

A. \$1.6 Million State General Fund for Welfare-to-Work State Match (House Budget Committee). The House Budget Committee recommended a review of the agency request for \$1.6 million State General Fund in FY 2001 to provide the final state match necessary to access the \$3.2 million in federal money still available to the state. The Welfare to Work program provides transitional assistance which moves hard-to-employ welfare recipients living in high poverty areas into unsubsidized employment and economic self-sufficiency. This is done through job readiness, placement, and post-employment services; vouchers for placement, readiness, and post-employment services; and job retention or support services for hard-to-employ welfare recipients. Current welfare to work programs can continue for 6 to 18 months without the match, depending on the service delivery area.

B. GBA No. 2, Item 26, pg. 12—Authority to Relocate Office Space.

C. GBA No. 2, Item 27, pg. 13—New Federal Funds.

Kansas State Historical Society

A. \$100,000 State General Fund for Rehabilitation and Repair Projects (House Budget Committee). The House Budget Committee on the State Historical Society and the Joint Committee on State Building Construction recommended review of the agency request for \$100,000 from the State General Fund in FY 2001 for rehabilitation and repair projects at Omnibus. The agency requested the funds to cover emergency repairs at the historic sites and Kansas History Center. The agency received \$100,000 State General Fund in FY 2000 and \$334,573 State General Fund in FY 1999.

B. \$121,000 Economic Development Initiatives Fund for rehabilitation and repair projects at the Fort Hays Blockhouse (\$50,000) and First Territorial Capitol

(\$70,000) (House Committee). The House Committee recommended review of the agency request for \$121,000 in FY 2001 for rehabilitation and repair projects at the Fort Hays Blockhouse and First Territorial Capitol after the conference committee on S.B. 326 removed the \$121,000 Economic Development Initiatives Fund money for the projects. The Conference Committee recommended the agency complete the projects with existing funds.

C. GBA No. 2, Item 35, pg. 17—Capital Improvement Project.

Kansas Human Rights Commission

A. Request for 1.0 FTE for Information/Education Staff (Senate Subcommittee). The Senate Subcommittee on the Kansas Human Rights Commission recommended the review of the agency request for 1.0 FTE position in FY 2001 for additional information/education staff. The agency is requesting \$36,472 (salary and benefits) from the State General Fund for this position. The agency is requesting the additional staff to further their mission of eliminating human rights violations.

B. Review Request for Reclassification of 18 Investigative Supervisors and Special Investigators (House Budget Committee). The House Budget Committee recommended the review of the agency request for reclassification of 18 Investigative Supervisors and Special Investigators. According to the agency, the requested reclassifications are necessary for Investigative Supervisors and Special Investigators, based on their level of responsibility. The Division of Personnel Services has recommended a re-authorization of those positions which would allow the agency to promote the 4 Special Investigator IIs (pay grade 24) to Public Service Administrator IIs (pay grade 27) and the 17 Special Investigator Is (pay grade 22) to IIs (pay grade 24). The cost of the re-authorization would be \$21,127 (salary and benefits) from the State General Fund for FY 2001.

Homestead Property Tax Refunds

A. Supplemental Request for \$1.5 million State General Fund in FY 2000 (Senate Subcommittee). The Senate Subcommittee on the Homestead Property Tax Refund program recommended review of the agency's budget when the Department of Revenue could provide more accurate estimates of refunds. The Subcommittee recommended the addition of funds if the agency could not pay all claimants. In years when funding for the program did not cover all claims, the agency stopped processing claims until the following fiscal year, usually from mid-May to July. The program has processed 53,955 refund claims and paid a total of \$13,509,506 in refunds so far in FY 2000. The average refund to date is \$250. The program has 7,000 claims left to process as of April 19 and a balance of \$292,643 in the refund account. The agency indicates that it will need to stop processing claims for FY 2000 at the end of April or beginning of May if they do not receive the supplemental request.

B. GBA No. 2, Item 25, p. 12—Property Tax Refunds.

Kansas Legislative Research Department

A. Omnibus Review Items (House Appropriations Committee). The House Appropriations Committee requested that the agency report back to the Committee for consideration at Omnibus information on the following items: (a) The cost and efficiency of utilizing a voice mail system with the agency; (b) The adequacy of travel funding for staff who are on a committee of the National Council of State Legislatures or the Council of State Governments; (c) Options for establishing a program of granting compensatory time for staff of the agency; and (d) The cost, effectiveness, and options for establishing a deferred compensation program for the staff of this agency which would be similar to the deferred compensation program for legislative leadership staff.

Legislature

A. Legislative, Congressional, and State Board of Education Redistricting (House Appropriations Committee and Senate Committee). The House Appropriations Committee and the Senate Ways and Means Committee both requested that possible additional funding for legislative, congressional, and State Board of Education redistricting be reviewed at Omnibus. The redistricting will occur in the 2002 Session of the Legislature. The agency had initially requested \$1.2 million (State General Fund) in FY 2001 for redistricting costs (consultants, computer software, training, etc.). Since that initial request, bids have been solicited, negotiations have been completed and the latest estimate for redistricting is \$700,000 in FY 2001, \$415,000 in FY 2002 and \$76,000 in FY 2003 (all from the State General Fund). The Governor recommended and the Legislature has approved \$500,000 (State General Fund) in FY 2001 in 2000 House Substitute for Senate Bill 326. The fully fund the agency's request would require an additional \$200,000 in FY 2001, \$415,000 in FY 2002, and \$76,000 in FY 2003 (all from the State General Fund).

B. Remodel Room 143-N in the Statehouse (Senate Committee). The Senate Ways and Means Committee requested that further consideration be given at Omnibus for remodeling costs associated with Room 143-N in the Statehouse. The proposal would change Room 143-N from Senate offices into a committee hearing room. The request by the agency for the remodeling was \$500,000 (State General Fund) in FY 2001. The Committee noted that the Secretary of State vacated the Statehouse in January, 2000. The Committee also maintained that if an appropriation is not made by the 2000 Legislature, the vacated Secretary of State space will remain largely vacant for another year.

C. Full-Time Legislative Secretarial Pool (House Appropriations Committee). The House Appropriations Committee requested that the Director of Legislative Administrative Services report back to the Committee at Omnibus about the costs of establishing a full-time legislative secretarial typing pool. The pilot project would provide five full-time secretaries to those legislators who do not have permanent staff available to them during the interim period of the fiscal year. The secretaries could also be mentors to new session-only clerical personnel and help staff interim committees. The estimated net cost according

to the Director of Legislative Administrative Services for five FTE positions in FY 2001 would be \$92,340 (State General Fund).

D. H.B. 2570 - Public Safety Task Force (Conference Committee). H.B. 2570 as amended by the Senate Ways and Means Committee creates an eleven member Task Force on Consolidation of Public Safety Agencies to study the possible consolidation of state public safety agencies. The Task Force would consist of 11 members including: one member of the House Appropriations Committee to be appointed by the Speaker of House; one member of the House Judiciary Committee to be appointed by the Speaker of the House; one member of the House appointed by the Minority leader of the House; one member of Senate Ways and Means Committee to be appointed by the President of the Senate; one member of the Senate Judiciary Committee appointed by the President of Senate; one member of the Senate to be appointed by the Senate Minority Leader; and five members to be appointed by the Governor. Two of the Governor's appointments would come from local law enforcement agencies. None of the Governor's appointments could be members of the Legislature.

The Task Force would be charged with reviewing the feasibility and efficiencies that could be achieved by consolidating all public safety functions of state agencies. Those state agencies and functions include, but are not limited to : the Kansas Highway Patrol; the State Fire Marshal; the Ombudsman of Corrections; the Juvenile Justice Authority; the Kansas Parole Board; the Kansas Bureau of Investigation; the Board of Emergency Medical Services; the Division of Emergency Management of the Adjutant General's Office; the Department of Corrections; the Kansas Sentencing Commission; and the Alcoholic Beverage Control program of the Department of Revenue. The Task Force would be authorized to meet at any place in the state on call of the chairperson, but is required to meet at least quarterly. The Task Force would be required to submit a final report of its findings and recommendations on or before January 1, 2001.

Expenditures for the Task Force, including legislator compensation, subsistence, mileage and clerical assistance for FY 2001 are estimated at \$9,916 (State General Fund). The exact fiscal note would depend on who was appointed to the Task Force and the number of meetings held during FY 2001.

E. H.B. 2780 - Long-Term Care Services Task Force (Conference Committee). H.B. 2780 as amended by the Senate Committee on Public Health and Welfare, would create a 20-member Task Force on Long-Term Care Services to study state and federal laws and regulations that impact on services provided by the public and private sector to citizens who are consumers of long-term care services, the financing of such services, the effectiveness of partnering activities between state agencies and long term care providers, and other matters as the Task Force deems appropriate. Seven members of the Task Force are to be appointed by the Legislative Coordinating Council, three of whom are to be consumers of long-term care, three providers of long-term care, and one a trustee or board member of a long-term care facility. Two members are to be appointed by the President of the Senate and the Speaker of the House. Of the two appointments, one is to be a member of the House Committee on Appropriations and one a member of the Senate Committee on

Ways and Means. An additional two members are to be appointed by the Senate President, and the Minority Leader of the Senate is to appoint two members. In each case, one appointee is to be a member of the Senate Committee on Public Health and Welfare and one a member of the Senate Committee on Financial Institutions and Insurance. Two additional members are to be appointed by the Speaker of the House, and two members appointed by the Minority Leader of the House. In each case, one appointee is to be a member of the House Committee on Health and Human Services and one a member of the House Committee on Insurance. The Secretaries of Social and Rehabilitation Services, Aging, and Health and Environment or their designees make up the remaining members of the Task Force. The authorization for the Task Force would expire on July 1, 2005.

Expenditures for the Task Force, including legislator compensation, subsistence, mileage and clerical assistance for FY 2001 are estimated at \$31,944 (State General Fund). The exact fiscal note would depend on who was appointed to the Task Force and the number of meetings held during FY 2001.

Office of the Governor

A. GBA No. 2, Item 3, page 2—Coordinator Position for Workforce Development Issues.

Selected Agencies

A. GBA No. 2, Item 56, page 24—Revenue Loss--Production Loan.

B. GBA No. 2, Item 57, page 24—Four-Year Vacancies.

C. GBA No. 2, Item 58, page 25—Three-Year Vacancies.

D. GBA No. 2, Item 61, page 26—Retirement Reductions.

University of Kansas

A. Capital Improvement Projects (Senate Committee and Conference Committee Recommendation and GBA No. 2, Item 32, page 15). During its consideration of the capital improvements budget of the University of Kansas, the Senate Subcommittee on Capital Improvements was presented with two capital improvement projects which were approved by the Board of Regents and submitted to the Legislature after submission of the institution's budget request. These projects had been reviewed and recommended by the Joint Committee on State Building Construction but due to the timing of the submission of the projects, had not been considered by the Governor. The Subcommittee, and subsequently the full Committee, recommended the projects be deferred for consideration in the Omnibus Appropriation Bill. The House had added the projects, but during

Conference Committee, the House concurred with the Senate to defer consideration of the items pending possible receipt of a Governor's Budget Amendment on the projects. The two projects are:

- a. Authorization for the expenditure of \$560,000 from existing resources in FY 2000 to renovate a portion of Strong Hall for administrative space for the College of Liberal Arts and Sciences. No new expenditures would be required.
- b. Authorization of the issuance of up to \$17.0 million in bonds in FY 2001 for the construction of a Student Recreation Center on the Lawrence campus. The bonds would be repaid with student fees. No expenditures would be required in FY 2001.

B. Senate Bill No. 388 (Conference). SB 388 would enact the Kansas Water Banking Act. The bill would allow for the chartering of water banks which would be private not-for-profit corporations leasing water from holders of water rights that have been deposited in the bank. The water banks also would provide safe deposit accounts for the deposit of unused water from a bankable water right which is placed in the bank for use in future years. A water bank may be a groundwater bank or a surface water bank, or both. Water banks may provide services to facilitate the sale or lease of water rights and would be prohibited from owning, buying, or selling water rights. The House version of the bill would authorize the Director of the Kansas Geological Survey (KGS) to convene a team to evaluate the operation of a water bank *not later than five years* after the establishment of a water bank. The staff of the KGS would provide staff assistance to the evaluation team. An additional provision of the bill would require water banks to pay all costs incurred by the KGS for assistance and services including costs for personnel. Payments would be deposited into the Geological Survey Cost Fund, which is established in the bill. Because of the provision that provides up to a five-year period before the convening of the evaluation team, it is doubtful that any expenditures will be incurred by the KGS in FY 2001, but the fund created in the bill could be appropriated.

Kansas State University

A. GBA No. 2, Item 34, Page 16—Authority to Issue Bonds for Ackert Hall Addition.

Kansas State University Extension Systems and Agriculture Research Programs

A. SB 534 (Law). SB 534 establishes a center of excellence on sustainable agriculture and alternative crops at Kansas State University. Some of the functions and duties of the center would be to emphasize research, education, outreach, and marketing for sustainable agriculture and alternative food, fiber and medicinal crops; expand small farm research; develop and distribute a guide of all state services for small farms and value added agriculture; and focus research on value added processes and new crops that offer low-volume, high margin niche opportunities. Subject to appropriations, the bill authorizes expenditures for a coordinator for the center and associated operational expenses. The University estimates total FY 2001 expenditures of \$60,000 from the State General Fund and 1.0 FTE position to fund the new center. The funding would include \$50,960 for the salary of a Coordinator and \$9,040 in other operating expenditures.

State Department of Education

A. Revised School Finance Estimates. Savings in general and supplemental general state aid totaling \$13.7 million have been identified, based on revised school finance estimates made April 6, 2000. The savings are attributable to reduced enrollments and result in reductions of \$5.0 million in FY 2000 and \$8.7 million in FY 2001.

The revised estimates are shown below. (Numbers are in thousands.)

	Previous Est. FY 2000	Revised Est. FY 2000	Savings FY 2000	Previous Est. FY 2001	Revised Est. FY 2001	Savings FY 2001	Two-Year Savings
Gen. State Aid	\$ 1,788,199	\$ 1,783,204	\$ 4,995	\$ 1,820,567	\$1,812,181	\$ 8,386	\$ 13,381
Supp. Gen. State Aid	72,821	72,800	21	82,059	81,773	286	307
TOTAL	<u>\$ 1,861,020</u>	<u>\$ 1,856,004</u>	<u>\$ 5,016</u>	<u>\$ 1,902,626</u>	<u>\$ 1,893,954</u>	<u>\$ 8,672</u>	<u>\$ 13,688</u>

Note: The savings shown for FY 2000 are in addition to savings previously identified of \$6,846,896 for general state aid and \$4,025,365 for supplemental general state aid, or a total of \$10,872,261.

Financing. Prior to first adjournment, the Legislature approved funding in House Sub. for SB 326 that would fully fund school finance in FY 2001, prior to the revision. That funding includes \$7,761,000 from the Flexible Spending Fund for general state aid. A comparison of approved funding for FY 2001 and the revised estimates is shown below (in thousands):

	House Sub. for SB 326	Revised Estimates	Savings
General State Aid			
State General Fund	\$ 1,813,086	\$ 1,804,420	\$ 8,666
Flex. Spend. Fund	7,761	7,761	0
Subtotal	<u>\$ 1,820,847</u>	<u>\$ 1,812,181</u>	<u>\$ 8,666</u>
Supp. Gen. State Aid			
SGF	\$ 81,779	\$ 81,773	\$ 6
TOTAL	<u>\$ 1,902,626</u>	<u>\$ 1,893,954</u>	<u>\$ 8,672</u>

Note: The \$7,761,000 for FY 2001 from the Flexible Spending Fund appropriated for general state aid in House Sub. for SB 326 includes \$280,000 that should have been appropriated for supplemental general state aid. However, the issue is moot now because the numbers have been revised and will be reposted.

Reappropriation. Legislative policy in recent years has been to reappropriate any savings from the current year to the following year in order to reduce the appropriation of new money and to give the State Department flexibility to use any savings in the current year in the event that the estimates are low and additional money is needed. For FY 2001, the Governor recommended, and the Senate concurred, that the savings should be lapsed and not reappropriated. It was the House's intention to reappropriate the savings, but the bill was not correctly posted. Based on the revised estimates, there are savings in FY 2000 of \$11,841,896 in general state aid and \$4,046,365 in supplemental general state aid, for a total of \$15,888,261, which either would lapse at the end of the current fiscal year or could be reappropriated to FY 2001. Without further action by the Legislature, the savings will lapse.

B. Revised Estimate for KPERS-School. On April 17, 2000, revisions were made to estimated expenditures for KPERS-School in FY 2000, resulting in the identification of savings of \$1,588,062, which reduce expenditures from an estimated \$89,476,651 to \$87,888,589. The Legislature has the option of allowing the savings to lapse or to be reappropriated in order to reduce the amount of new money needed for FY 2001. The State Department of Education would prefer that the amount be reappropriated so that, if the revised estimates are understated, there still would be money available in the current year to fully fund the KPERS-School entitlement. In addition, an error has been discovered that occurred in FY 1999 and resulted in overpayments of \$978,774. Because the money already has been transferred to KPERS and is not in the State Department's account, the Legislature could reduce the appropriation for FY 2001 and allow KPERS to apply the savings to next year's expenditure. With this adjustment, KPERS-School expenditures for FY 2001 are estimated to be \$88,742,868.

The exhibits below show estimated funding for KPERS-School in FY 2001, assuming that savings in FY 2000 are lapsed (option 1) and that they are reappropriated (option 2):

Option I FY 2000 Savings Lapsed		Option II FY 2000 Savings Reappropriated	
Governor's Recommendation	\$ 83,230,735	Governor's Recommendation	\$ 83,230,735
<u>Add:</u> Adjustment for KPERs rate increase	6,490,997	<u>Add:</u> Adjustment for KPERs rate increase	6,490,907
<u>Less:</u> KPERs overpayment for FY 2001 Revised Expenditures	(978,774)	<u>Less:</u> KPERs overpayment	(978,774)
	<u>\$ 88,743,868</u>	TOTAL Revised Expenditures	\$ 88,742,868
		<u>Less:</u> Savings reappropriated from FY 2000 already accounted for	(504,371)
		<u>Less:</u> Current year savings	(1,588,062)
		TOTAL NEW MONEY APPROPRIATED	<u>\$ 86,650,435</u>

C. Programs Funded from the Children's Initiatives Fund (Deferred to Omnibus). Programs in the State Department's budget that the Governor recommended be funded from tobacco money total \$7,277,833 for FY 2001 and are the following:

Parent Education. The Governor recommends \$5,944,833 for parent education, of which \$1,277,833 is tobacco money and \$4,667,000 is from the State General Fund. The current appropriation totals \$5,372,058, of which \$777,833 is tobacco money.

Four-Year-Old At-Risk Program. The Governor recommends \$1.0 million in general state aid to expand the four-year-old at-risk program from 1,794 children to 2,232, an increase of 438. (HB 2810, discussed below, would statutorily expand the program to implement the Governor's recommendation.)

School Violence Prevention (Experimental Wraparound). The Governor recommends \$500,000 for the second year of the school violence prevention program, a competitive grant program designed to reduce school violence, substance abuse, school dropouts, and delinquency. The program requires a 25 percent local match and is for school districts that have developed a collaborative program with a community mental health system. In FY 2000, 8 school districts received grants out of 16 that applied.

Technology Infrastructure. The Governor recommends \$4.5 million to establish a state education technology network known as "KAN-ED." The network would provide Internet connectivity to school districts and public libraries.

D. Structured Mentoring Program (Consider in Omnibus). The Senate Subcommittee on the State Department's budget flagged for Omnibus consideration funding of the structured mentoring program, should additional funding become available. The program began in FY 1999 and is funded for FY 2000 with \$965,250 from the State General Fund. The Governor recommends no funding for the program in FY 2001. The State Board requested \$1,265,169. Thirty-one grant applications were received in FY 2000, of which 22 have been funded. Grants must be matched locally dollar-for-dollar and support

programs to improve students' skills and raise academic achievement in the areas of reading, mathematics, language arts, and Spanish language arts through the use of trained mentors.

E. Educational Excellence Grants (Consider in Omnibus). This item was flagged for Omnibus consideration by the Senate Subcommittee on the State Department's budget in the event that revenue constraints are relieved. Educational excellence grants are funded in FY 2000 at \$1,584,000 from the State General Fund, but are not funded in the Governor's FY 2001 budget. Grants are made to school districts on a competitive basis for special enhancements and innovative programs and must be matched 100 percent at the local level. The State Board's request for FY 2001 of \$1.6 million would fund around 20 grants, or about one-quarter of the number of applications. Grants in FY 2000 were awarded on the basis of proposals that focused on aligning curriculum, instruction, and assessment with state standards; that increased productivity through the use of technology; and that focused on school reform aimed at all students or schools reaching standards of excellence.

F. Reading and Vision Research (Consider in Omnibus). The House Budget Committee on the State Department's budget recommended Omnibus consideration of providing \$250,000 from the Intergovernmental Transfer Program to fund research on vision problems. The recommendation followed a review of results of research the 1998 Legislature funded through the Kansas Optometric Association with an appropriation of \$27,000 for FY 1999. Research indicates that 20 percent of children entering kindergarten will have some form of vision problem and that the percentage doubles to 40 percent by high school. The proposed research project would expand the number of students involved from 60 in the earlier study to 160 and expand the vision problems addressed to include convergence insufficiency, convergence excess, and accommodation problems, conditions that cannot be corrected with glasses or contact lenses. Under the proposal, vision therapy would be provided students at 12 sites by participating optometrists. Most of the cost of the project would be for treatment of students (\$192,000). Other costs would be for diagnosis eye examinations (\$17,500), transportation expenses for parents (\$20,000), and other costs.

G. Increased Funding for State Department Operating Budget (Consider in Omnibus). The House Budget Committee recommended Omnibus consideration of an additional \$329,407 from available funding sources for the State Department's operating budget for FY 2001. Under the Governor's recommendation, the portion of the operating budget funded from the State General Fund has been reduced by \$803,353, or 8.3 percent, compared to the current year. The State Department requested restoration of \$329,407, which consists of \$118,465 to reduce the shrinkage rate from 5 percent to 3 percent (the historical level in recent years), \$67,668 for technology equipment, \$52,483 to restore a position cut in 2000 SB 39, and \$90,791 for other items, such as travel.

H. Discretionary Grant Funding (Consider in Omnibus). The House Budget Committee recommended Omnibus consideration of funding for discretionary grants, which are grants allocated by the State Board for programs it considers meritorious. Programs funded in the current year total \$100,000 from the State General Fund and consist of \$30,000 for the Kansas Cultural Heritage Center, \$35,000 for Environmental Education, and

\$35,000 for the Kansas Foundation for Agriculture. Although the Governor recommended no funding for the grants in FY 2001, the Legislature appropriated \$30,000 from the Economic Development Initiatives Fund for the Kansas Foundation for Agriculture in House Sub. for SB 326.

I. HB 2810 (Law). HB 2810 makes two changes in current law:

Four-Year-Old At-Risk Students. The bill increases the number of children served in the four-year-old at-risk program from 1,794 pupils to 2,230, an increase of 436 children. The fiscal impact of this provision in FY 2001 is an additional \$1.0 million for general state aid.

Juvenile Detention Facilities. School districts receive state aid equal to the lesser of actual costs of educational services provided to children in juvenile detention facilities and the Flint Hills Job Corps Center or two times Base State Aid Per Pupil, based on the greatest number of pupils served on one of three counting dates: September 20, November 20, or April 20. HB 2810 adds six new facilities to the list of participating centers and deletes two that no longer are operating. The new facilities are St. Francis Academy at Atchison, St. Francis Academy at Ellsworth, St. Francis Academy at Salina, St. Francis Center at Salina, Clarence M. Kelley Youth Center at Topeka, and Clarence M. Kelley Youth Center at WaKeeney. The centers that have closed and are deleted are Charter Wichita Behavior Health System and Parkview Passages Residential Treatment Center of Topeka. The bill is effective upon publication in the *Kansas Register*, but there is no fiscal impact in FY 2000 because the increase in the number of pupils served in the new facilities is offset by the closure of the other two centers. Under the Governor's recommendation, the recommended appropriation for FY 2001 of \$4,509,310 would pay for services provided to 610 students under current law. The provisions of HB 2810 increase the estimate of the number of students to be served by 116, at an additional cost of \$870,931.

J. SB 432 (Conference). SB 432 originally concerned criminal history checks of applicants for initial employment with school districts, but now has been expanded to include provisions of four other bills: SB 519, relating to suspension and expulsion of pupils; HB 2794, mastery of basic skills; HB 2799, the Mentor Teacher Program, and HB 2801, National Board certification of teachers. The total fiscal impact of the bill would be an additional \$93,753 for state agency operations and 1.0 FTE new position in FY 2001. The material below addresses only those portions of the bill that would have a fiscal impact.

Mastery of Basic Skills Program. The State Board of Education would be required to prepare a strategy for identifying, developing, and implementing a mastery of basic reading skills program in kindergarten and each of grades one through three of school districts based upon the goal of mastery of basic reading skills by pupils upon completion of the third grade. The bill directs the State Board to:

- Identify state standards and outcomes of mastery of basic reading skills in kindergarten and each of grades one through three;

- Prepare a plan for monitoring the progress of pupils in achieving mastery of basic reading skills; and
- Specify the means to be used for determining mastery of basic reading skills at each applicable grade level by pupils upon completion of grade 3.

The State Board's strategy also must address what school districts must do to provide interventions for pupils who do not make satisfactory progress toward mastering basic reading skills, such as summer school and additional school days. The State Board is required to report to the 2001 Legislature its strategy and proposed plan to implement the basic reading skills program, including an estimate of the cost of program implementation. The State Board must develop program standards during the 2001-02 school year, and implement the plan in the 2002-03 school year.

The State Department intends to reallocate existing staff to assist in developing the program, but does estimate additional costs of \$25,000 in FY 2001 associated with travel and subsistence for a committee consisting of elementary school teachers, reading specialists, early childhood educators, and teacher educators who will be charged with identifying standards and helping to develop and implement the program.

Kansas Mentor Teacher Program. SB 432 would establish the Kansas Mentor Teacher Program whereby grants would be paid to school districts to pay stipends for experienced teachers who serve as mentors to probationary teachers. School districts that elect to participate would have to meet State Board of Education criteria for approved mentor teacher programs and would be eligible to receive \$1,000 for each mentor teacher who provides support for probationary teachers. The State Board of Education must develop rules and regulations to administer the program by January 1, 2001. Responsibilities of the State Board include establishing criteria for evaluating and approving mentor teacher programs, identifying the criteria for qualification of certificated teachers to serve as mentors, prescribing guidelines for selecting mentor teachers, providing mentor teacher training programs, and evaluating the effectiveness of the program.

The grant program would be implemented for the 2001-02 school year (FY 2002). Not included in the bill, but part of the agreement reached by House and Senate conferees on SB 432, is the plan that funding for the grants should come from any unanticipated savings in general state aid at the end of FY 2001. In this respect, funding for the Mentor Teacher Program would be like that portion of the inservice education program that, for the last several years, has come from general state aid savings. The conferees on SB 432 specified that funding for the Mentor Teacher Program should take precedence over any other programs funded from general state aid savings. The State Department estimates that 1,000 teachers would be involved in the program during its first year, at a cost of \$1,000 per teacher, for a total of \$1.0 million in FY 2002. Because the conferees on SB 432 anticipate that the program would be funded from savings for general state aid, no new appropriation would be needed. However, to carry out the conference committee agreement, either the 2000 Legislature or the 2001 Legislature would have to include a new fund in the State

Department's budget for the Kansas Mentor Teacher Program and attach a proviso to the appropriation for general state aid specifying that any balances in the fund at the end of June 30, 2001, would be transferred to the Kansas Mentor Teacher Program and that this transfer would take precedence over any other transfer the Legislature might authorize, such as for inservice education.

For FY 2001, the State Department is requesting the addition of \$68,753 from the State General Fund for operating costs and one new position to develop the standards and provide the training to mentor teachers that the bill would require. The amount consists of \$44,100 for the salary of 1.0 FTE new Education Program Consultant, \$9,653 for associated operating costs, and \$15,000 for committee work to develop standards and criteria and to provide training.

National Board Certification. The bill would establish the National Board for Professional Teaching Standards Certification Incentive Program under which a teacher who attains National Board certification would be issued a Master Teacher's Certificate by the State Board of Education that would be valid for ten years. A teacher employed by a school district who has attained National Board certification would be paid an annual incentive bonus of \$1,000.

Although the ten-year certificate would be new policy, it is current policy to award one-time bonuses of \$1,000 for each teacher who receives National Board certification. For FY 2001, \$39,000 is included in the State Department's budget for this purpose. It is estimated that the cost of the program after four years would be \$270,000, assuming that 80 teachers attain National Board Certification during that period.

K. GBA No. 2, Item 31, pg. 14—Increase Per Pupil State Aid.

L. GBA No. 2, Item 32, pg. 14—KPERs School Retirement Contribution Costs.

Judicial Branch

A. District Magistrate Judge for the 9th Judicial District (McPherson County). Both the House Budget Committee and the Senate Subcommittee on the Judicial Branch budget identified the addition of a District Magistrate Judge for the 9th Judicial District as a funding priority if revenue constraints are relieved. The position would cost \$60,046 and would be for a district in which civil and criminal case filings have increased by more than 100 percent in the last ten years. Information presented to the subcommittees indicates that the three District Court Judges assigned to the 9th Judicial District presently have the fourth highest caseload per judge in the state and that delays in scheduling hearings and addressing other business before the court are regular occurrences. The District presently has no magistrate judge positions.

B. S.B. 150 (Conference Committee). 1999 S.B. 150 concerns child custody, parental rights, and other issues relating to children. The portion that would have a fiscal

impact on the Judicial Branch concerns expanding the definition of "interested party" to include grandparents with whom the child does not reside among those persons or entities who must be notified by mail whenever there is a hearing under the Child in Need of Care Code. According to the Office of Judicial Administration, this requirement would impose additional work on district court clerks amounting to 8,720 hours per year. These hours equate to 4.2 new FTE Court Clerk positions, at an annual cost of \$22,596 per clerk, including fringe benefits, for a total cost of \$94,903. According to the Office of Judicial Administration, urban areas where there are high caseloads would be most affected by the increase in workload.

C. S.B. 506 (House General Orders). Both subcommittees that considered the Judicial Branch budget endorsed legislation that would increase docket fees. One of the main differences between the House and Senate versions of the bill is that the docket fee increase would generate \$4.4 million in FY 2001 under the Senate version and \$3.9 million under the House version. Both versions of the bill provide that docket-fee funded salary increases are for nonjudicial personnel only and both versions would increase the amount of docket fee revenue credited to the Access to Justice Fund by about \$150,000. The House version of the bill also would expand the number of judges on the Court of Appeals from 10 to 14 over a four-year period, beginning July 1, 2001. More detailed information is below:

1. Salary upgrade of nonjudicial personnel. S.B. 506 would increase docket fees in order to pay for a one-time upgrade of nonjudicial personnel salaries totaling \$3.9 million, an increase of about 11 percent over the current year. Components of the increase are \$324,160 for an upgrade of Court Service Officers, \$1.2 million for a 2.5 percent Cost of Living Adjustment, and \$2.4 million for an overall upgrade of most other salaries (some salaries at the top of the pay scale would not share in this upgrade). The upgrade is in addition to the regular 2.5 step increase nonjudicial employees would receive in FY 2001. Under the Senate version of the bill which generates more docket fees, the upgrade and maintenance of the upgrade would be paid for from docket fees for the foreseeable future. Under the House version, maintenance of the upgrade most likely would impact the State General Fund in FY 2002 or FY 2003. The House Budget Committee on the Judicial Branch budget identified the general upgrade of nonjudicial personnel salaries and the specific upgrade of Court Service Officers as items to consider at the end of the Session if additional docket fee revenue became available. The only action that would need to be taken in the Omnibus bill if S.B. 506 passes would be to appropriate the new Nonjudicial Salary Initiative Fund, into which would be credited the additional docket fee revenues. The Legislature would have to decide whether the Fund would have an expenditure limitation or be a "no limit" fund. The Judicial Branch has indicated that its proposed upgrade will cost \$3,892,392 in FY 2001 and that it would not spend more than that, regardless of the amount of docket fee revenue that would be available.

2. Increased Funding for the Access to Justice Fund. Both versions of S.B. 506 would increase docket fee revenues to the Access to Justice Fund, which currently is the fund paying for a \$150,000 contract with Kansas Legal Services, Inc., to provide statewide foster care legal services. The Senate version of the bill would shift the \$150,000 from increased docket fee revenues that otherwise would have gone to the Nonjudicial Salary Initiative Fund (the fund that pays for the salary upgrade), while the House version would take the \$150,000 from docket fee revenues that otherwise would go to the State General Fund. While S.B. 506 does not specify how the increased revenues to the Access to Justice Fund would be spent, both subcommittees were interested in generating enough money to continue the contract with Kansas Legal Services, Inc., in FY 2001 and both subcommittees identified the contract as an item they wanted to address at the end of the Session if additional revenues became available. (The House Budget Committee specified that consideration should be contingent upon the availability of additional docket fee revenues, while the Senate Subcommittee did not specify a specific source of revenue. However, the Subcommittee's recommendation was prior to its consideration of S.B. 506.)

3. Expansion of the Court of Appeals. The House version of the bill incorporates the provisions of H.B. 3051, which would expand the Court of Appeals from 10 to 14 judges by adding one new judge a year over a four-year period. The total cost of adding four new judges is estimated to be \$1,416,344, or \$354,086 per judge. For each judge, the cost includes the judges salary, two support staff, one-time expenditures for office equipment and furniture, and one-time costs to remodel space vacated by the Attorney General. However, the House proposal is that one new judge would be added each year, beginning July 1, 2001, and ending July 1, 2004. Therefore, there would be no fiscal impact until FY 2002.

Attorney General

A. Statewide D.A.R.E. Program. Consideration of the Governor's recommended FY 2001 expenditure of \$159,956 from the Children's Initiatives Fund for the statewide Drug Abuse Resistance Education (D.A.R.E.) Program was deferred to the end of the session. Funding began for the program in FY 2000 (\$165,300 from tobacco money) after the 1999 Legislature located the statewide office in the Office of the Attorney General. Prior to that, training for an estimated 300 local law enforcement officers who participate in school and community D.A.R.E. programs was provided by the Topeka Police Department through federal funding, which now has ended. Training provided by the state office is not available elsewhere in Kansas. The staff for the program consists of the D.A.R.E. Coordinator, who was hired February 1, 2000, and a Secretary III, who was hired March 7, 2000. The office provides training to local D.A.R.E. officers, coordinates locally-funded activities and curricula, and will develop an evaluation tool to demonstrate the effectiveness of the

program in Kansas. The office also will work with the Southeast Kansas Education Service Center (Greenbush) to partner in developing data from the "Communities That Care Survey," which is administered to students in more than 80 percent of Kansas schools. Currently, 550 elementary schools, 50 middle schools, and 8 high schools in 62 counties have programs. According to information provided by the Attorney General, more emphasis has been placed on elementary school programs in order to influence students before they are subject to peer pressure, but a goal of the statewide office is to expand the program at the middle and high school level where students are exposed to more risky behavior.

Department of Health and Environment

A. Children's Initiatives Funding. The Conference Committee recommended the deletion of all funding recommended by the Governor from the Children's Initiatives Fund pending further review. These reductions total \$4.25 million, and include the Healthy Start Home Visitor Program (\$250,000), the Infants and Toddlers Program (\$500,000), Smoking Cessation and Prevention Grants (\$500,000), and Kansas Health Foundation Community Partnership Grants (\$3,000,000).

The Senate Committee's recommendation had shifted the \$3.0 million for Kansas Health Foundation Grants to grants to local health departments on a competitive basis to develop prevention based, outcomes-driven programming, and/or community partnerships for delivery of services (such as nurse home visitation programs).

B. Food Inspection Program. The Senate Subcommittee recommended that State General Fund expenditures for the food inspection program be reviewed at Omnibus to determine if that funding is needed in light of SB 661 which was introduced by the Senate Committee. The bill, if implemented, would allow for fees to be charged to grocery stores and food processing plants thus increasing revenues to the Food Inspection Fee Fund and allowing for decreased reliance on State General Fund dollars. SB 661 was introduced by the Senate Committee on Ways and Means and referred to the Senate Committee on Public Health and Welfare. Prior to first adjournment, no action had been taken on the bill. FY 2001 budgeted expenditures for the program are \$1,904,686, including \$350,039 from the State General Fund.

C. Temporary Licenses for Daycare Centers. The House Committee recommended review of the issue of extending temporary licenses for daycare centers for an additional 90 days. The Committee recommended that the possibility of incorporating the provisions of HB 3005 into the Omnibus appropriation bill be examined if HB 3005 had not passed the Legislature. Currently, the bill is in a conference committee. The Senate Committee on Public Health and Welfare amended the bill to make clear that the authority to extend temporary permits does not require the approval of the Secretary of Social and Rehabilitation Services, thereby making the extension conform with the procedure for issuing the original temporary permit.

D. Statewide Hepatitis B Immunization Initiative - Request For Information. The House Budget Committee requested that the Department provide information on its plan for a statewide hepatitis B immunization program. According to the Department, the current plan for hepatitis B immunizations is a voluntary program targeted at children entering the peak years of risk (the teen and young adult years) rather than requiring the vaccine for school entry. The planned initiative will be funded with federal immunization funds. According to the Department, these federal dollars cannot be used for a mandated school entry requirement. Currently, efforts focus on delivery of vaccine to younger children, with publicly-funded vaccine now available to uninsured children through age 9 and at age 11. Many older children currently at ages 10 through 17 have not received the vaccine and will not receive it under current programs. The Department would like to embark on a campaign to improve the immunization coverage rate for hepatitis B of adolescents in Kansas through improvement of access to free vaccine. The following is a brief synopsis of the Department's plan:

The objective is to increase the level of immunization protection in the adolescent population of Kansas by offering free vaccine to children under 18 who are currently not eligible to receive publicly funded hepatitis B vaccine and do not have private insurance coverage. The target is to approximately double the current level of protection among adolescents by immunizing 34,000 of these children during the campaign's first phase. The first phase will last six months from its starting date, currently projected for July 2000. The free vaccine campaign will be centered around the provision of free vaccine through local health departments. Local health departments will be encouraged to establish outreach activities to facilitate access to the vaccine for the target population. Enrollment of local health departments and individuals will be voluntary. The public information staff of the Department will have a lead role in developing the statewide media campaign, including developing, printing, and distributing brochures to advertise the campaign to the public.

E. Public Water Systems - Request For Information. The House Budget Committee requested information regarding the cause in the decrease in compliance with the federal Safe Drinking Water Act and how much of this decrease is the result of changed federal standards; the exact number of systems which will be out of compliance and the cost of bringing these systems into compliance; and a list of systems which the Department expects to address through the revolving loan program for upgrading in the next five years.

According to the Department, the decrease in compliance has resulted from a combination of increased requirements for treatment and monitoring combined with decreased staff in the Bureau of Water to oversee such requirements. The Department's estimate attributes 80 percent of the non-compliance to tougher standards. The stricter federal regulations require that water served to the public be a better quality and the regulations require more detailed monitoring, record keeping, and reporting. According to the Department, there are roughly a dozen new federal rules planned to be phased in over the next decade. Some of the most significant are not yet proposed, or are not final. Detailed information on new rules and those systems which would be impacted has been provided by the Department.

F. Use of Medicaid Funds for the Aids Drug Assistance Program (ADAP) Maintenance of Effort - Request for Information. The House Budget Committee requested information regarding the possibility of state Medicaid funds being incorporated into the calculations for Kansas' maintenance of effort for ADAP. This would require identification of how many Medicaid dollars are spent on HIV/AIDS activities, but would not actually require increased expenditures in either program. According to the Department, in the event that additional state funding is necessitated for ADAP in the future, it is possible that Medicaid funds could be used in the following fiscal years to meet the maintenance of effort that would be established. This sort of budgeting is being used in a few states currently.

According to information presented by the Department to the Budget Committee, federal dollars allocated for the program were sufficient for the federal fiscal year ending March 31. The Department will return to the 2001 Legislature with revised estimates for the current federal fiscal year.

G. S.B. 501 (Law). S.B. 501 enacts the Agricultural and Specialty Chemical Remediation Act to address corrective action costs for release of agricultural or specialty chemicals that pose a threat to human health or the environment. The Act has two components: a Remediation Linked Deposit Loan Program and a Remediation Reimbursement Program. The bill also creates the Kansas Agricultural Remediation Board. The part of the bill that affects the Department of Health and Environment is contained in New Section 8, which establishes the Remediation Reimbursement Program under which eligible persons may be reimbursed for the costs of corrective action approved by the Department of Health and Environment or taken in accordance with requests or orders issued by the Department relative to agricultural and specialty chemical remediation activities. S.B. 501 also creates the Kansas Agricultural Remediation Fund, into which would be credited certain assessments on fertilizer blenders, commercial fertilizer, agricultural chemicals, pesticide dealers, and storage capacities of public grain warehouses.

The Department reports that it will need 1.0 FTE position and \$56,272 from special revenue funds to implement the program in FY 2001. Requested expenditures consist of \$45,989 for the salary of 1.0 FTE Environmental Geologist II, \$5,250 for ongoing operating expenditures, and \$5,033 for one-time costs of furniture and office equipment. According to the agency, the position would provide oversight of the remediation projects. The Department reports that costs associated with the bill would be paid for from the existing Voluntary Cleanup Fund.

H. S.B. 513 (to Governor). S.B. 513 would exempt hair braiding from the list of professions regulated by the State Board of Cosmetology. However, the bill would require anyone who braids hair who wants to be exempt from the practice of cosmetology to complete a self-test included in a brochure prepared by the Department of Health and Environment. The bill directs the Secretary of Health and Environment to prepare the brochure and include in it information about infection control techniques that are appropriate for hair braiding outside the salon setting. The brochure and the self-test would be available through the Department's website or by mail, upon request. Anyone requesting the

brochure would be charged a fee that would cover the Department's printing costs. The applicant would be required to keep the brochure and completed self-test at the location at which the individual is braiding hair.

The Department of Health and Environment reports that costs associated with developing, printing, and mailing the brochure can be absorbed within the existing budget. Fees received to cover the cost of preparing the brochure could be credited to the existing Health and Environment Publication Fee Fund established by K.S.A. 75-5662. However, a proviso needs to be attached to the Fund to make it clear that the Fund can be used for purposes related to S.B. 513.

I. H.B. 3020 (to Governor). H.B. 3020 establishes the Sunflower Army Ammunition Plant Remediation Trust Fund which will be administered by the Secretary of Health and Environment to pay qualified expenses of remediation of environmental contamination at the Sunflower Army Ammunition Plant. Funding for the trust fund will come from any proceeds received by the Department of Health and Environment from the payment obligation surety bonds furnished by the Oz Entertainment Company pursuant to a consent decree agreement. All expenditures from the trust fund would be subject to the appropriation process.

There is no fiscal impact as the result of the bill in FY 2001, according to the Department of Health and Environment. However, it is necessary to appropriate the fund created by the bill (the "Sunflower Army Ammunition Plant Remediation Trust Fund") in the Department's budget. The Department would prefer that the fund have a "no limit" expenditure limitation because of the difficulty in predicting whether any proceeds from the payment of obligation surety bonds furnished by the Oz Entertainment Company will be paid to the Department.

J. H.B. 2700 (Conference). H.B. 2700 would amend statutes relating to persons who are prohibited from being employed by an adult care home or a home health agency. The bill would add certain specified crimes to the list of crimes that result in a prohibition on employment by the adult care home or home health agency. The bill also would allow the operator of an adult care home or home health agency to be deemed in compliance with the statute if the operator receives the same or better criminal history information from a private contractor approved by the Kansas Bureau of Investigation. In addition, the Secretary of Health and Environment would be required to provide each person who requests information about a potential adult care home or home health care employee the criminal history record information provided to the Secretary by the Kansas Bureau of Investigation, regardless of whether the information relates to an adult conviction or juvenile adjudication that is one of the crimes that would result in barring the potential employee from working for the adult care home or home health agency. Within three business days, the Secretary must inform the potential employer whether the criminal history information reveals that the subject of the information has not been convicted of an offense that would result in the subject being prohibited from being employed in an adult care home or home health agency.

According to the Department of Health and Environment, the impact of the bill on the agency would be due to the short turnaround time in which to provide criminal history information (within three business days) and the fact that a copy of the criminal history information now would be required to be provided within three business days to each person who requests information about a potential adult care home or home health care employee. The Department is requesting a new position and \$34,026 from the State General Fund, which consists of \$23,180 for 1.0 FTE Office Assistant III and \$10,846 for other operating expenditures, including postage to mail the criminal history information in response to an estimated 30,000 requests per year.

K. GBA No. 2, Item 26, pg. 12–Infant Toddler Program Funding.

Department of Corrections

A. Community Corrections Funding (Senate and House Recommendation). Both committees recommended a review of community corrections funding during the omnibus session. The Governor's recommendation for community corrections funding in FY 2001 was a reduction of \$500,000 from funding in the current year and a reduction of almost \$2.0 million from the agency's current services request. Subsequent to the recommendation for omnibus consideration, the Conference Committee on **House Substitute for SB 323** added funding totaling \$1,629,484 (including \$879,484 SGF) for enhanced community corrections. Therefore, the grants will total \$15,342,159, an increase of \$1,151,040 over the current fiscal year.

B. El Dorado and Topeka Correctional Facility Capital Improvement Projects (Senate and House Recommendation). Both committees recommended a review of the current status of the inmate population projections and alternatives to prison expansion which might become available. Both Committees removed the Governor's recommended funding of \$17.3 million for new construction at El Dorado (\$10.0 million in bonds and \$7.3 million in federal Violent Offender Incarceration/Truth in Sentencing Grant funds). Subsequent to the recommendation for omnibus consideration, the Conference Committee on **House Sub. for SB 323** added funding for a number of capacity and prison bed space demand reductions which are discussed below. The only prison beds space expansion in the Conference Committee recommendation is remodeling of the J Cellhouse at Topeka, as well as a new laundry facility and staff training building.

C. SB 472 (Law). SB 472 modifies the penalty for conviction of a misdemeanor while on postrelease supervision, which requires the offender to be confined for not more than the remaining time of postrelease supervision as determined by the Kansas Parole Board. Old law requires the offender to serve for the conviction of either a new felony or misdemeanor the balance of their postrelease supervision without good time credits. SB 472 differentiates between new felony and misdemeanor convictions, and is more lenient for misdemeanors. The Kansas Sentencing Commission projects a 18-54 annual reduction in bed space needs and the Division of the Budget anticipates reduced Department of Corrections' SGF inmate operating expenditures between \$49,500 and \$148,500, annually.

D. Topeka Correctional Facility (HB 2624 in Conference Committee). HB 2624 includes provisions of HB 3018 and SB 275 and provides correctional facility employees an incentive package to retain staff at the Reception and Diagnostic Unit as the duties are transferred to El Dorado Correctional Facility. The incentive package is modeled after the package provided employees of Topeka and Winfield State Hospitals and includes right of first refusal, continuation of health coverage and death benefits, and payment for accumulated sick leave. The Department of Corrections has proposed postponement of the transfer of the Reception and Diagnostic Unit until late in calendar year 2001, fiscal year 2002. Additional provisions provide for an 85 point (combination of age and years of service) retirement option for participants in KPERS Correctional retirement.

E. House Sub. for SB 323 (Conference Committee). The Senate Ways and Means and House Appropriations Conference Committee on SB 326, the appropriations bill for FY 2001 and FY 2002, recommended the consolidation of a number of issues related to adult corrections into an omnibus corrections bill.

Items contained in House Sub. for SB 323, the Corrections Mega Bill include the following:

1. Day Reporting Centers

Day reporting centers funding of \$1.9 million in FY 2001 for one-half year funding and \$3.8 million in FY 2002 for a full year funding. The Department of Corrections is required to contract for the operation of the centers because the federal crime bill funds (Violent Offender Incarceration/Truth in Sentencing grants) will fund the operation of programs if (a) they make available bedspace, and (b) if they are run by private companies. The plan anticipates three day reporting centers which include drug testing, reporting, and electronic monitoring in Kansas City, Topeka, and Wichita.

2. Community Corrections Funding Increase

Additional Community Corrections funding is included in two programs.

- a. \$750,000 for the Conditional Violator Grant which funds projects designed to divert offenders who would otherwise return to prison. The Governor did not fund the project after two years of funding. The grant is funded from the ending balance of the Correctional Industries fund.
- b. \$879,484 SGF increases the average daily population served by Community Corrections. The increase is based on funding the anticipated impact on local Community Corrections organizations of the proposed legislative package in this bill.

3. New Construction

- a. Included is \$4.4 million in bonding authority for projects at the Topeka Correctional Facility to address the female inmate bedspace demands. Includes \$2,140,000 to renovate the J-Cellhouse (the current male reception and diagnostic unit), a new laundry (\$764,600), and a new staff training center (\$386,175). The last two items are a result of the intent to remove the minimum custody correctional unit from the grounds of the former Topeka State Hospital to facilitate the property's disposition. Included in the bonding authority as well is \$1.1 million to repair the fire damage of the Correctional Industries Building at Lansing Correctional Facility.
- b. A proviso is included in the bill prohibiting the Kansas Development Finance Authority from any bond issuance for prison construction without specific legislative authorization.
- c. Add \$300,000 from the Correctional Institutions Building Fund to renovate or construct program space at Larned Correctional Mental Health Facility for the Chemical Dependency Recovery Program. These funds, in addition to \$750,000 State Institutions Building Fund in the SRS budget for construction or renovation of housing for the sexual predators as well as \$568,000 shifted from the Larned hospital to the prison, will make 30 maximum custody prison cells available.

4. Legislation Changes

The Conference Committee includes the following legislation in Sub. for SB 323, all of which targets low-level, primarily non-violent offenders who tend to violate the conditions of their post release supervision or probation and occupy prison beds for a brief period of time which would otherwise be available for violent offenders. The anticipated bed space savings from the Kansas Sentencing Commission on the bill is 924 beds in FY 2001 by diverting offenders.

No part of the legislative proposal adjusts Sentencing Guidelines to reduce the length of time any offender is required to spend in prison.

- a. Sub. for HB 2683 passed the Senate on March 31, 2000. Contents of the bill include:
 - i. Prohibition on racial profiling
 - ii. SB 491 which passed the Senate but not the House
 - iii. Increases local jail time availability as a condition of probation from 30 to 120 days (not retroactive)
 - (1) Mandatory placement of probation conditional violators to community corrections or other alternative sanction (with public safety exception)
 - (2) Graduate and reduce some postrelease supervision lengths for some offenders (excludes N1-N4 and D1-D2)
 - iv. SB 665 which passed the Senate

- (1) N9 and N10 probation condition violators not revoked to prison, but to an alternative sanction (retroactive)
 - (2) Combine criminal history H and I (not retroactive)
 - (3) Graduate probation periods for levels N8-10 and D3-D4 (retroactive)
 - (4) No postrelease supervision for probation condition violators who serve sentence (excludes departures and sex offenders) (retroactive)
- b. SB 490 passed the Senate and the House. The Senate version is included herein.
- i. Establishes a target population for community corrections programs and requires court services to establish a risk needs assessment to provide consistency of population, needs, and services, as well as the effectiveness of the programs.

Anticipated Fiscal Impact

The anticipated fiscal impact of the various provisions of Substitute for SB 323 are difficult to determine. The Division of the Budget and the Department of Corrections did not provide any information regarding fiscal impacts, other than to note offenders diverted from prison to community corrections might add \$2,653 per offender, the current per unit rate for community corrections, and offenders diverted from prison would decrease the prison cost at approximately \$5,500 per offender.

Neither the Division of the Budget nor the Department of Corrections provided any information regarding the bills' impact on diminished prison population growth, and subsequent operational and construction savings in the state's correctional system. In general, the fiscal impact on other agencies, local units of government, the judicial system are not available as well.

The fiscal impact data provided by the Division of the Budget and the Department of Corrections on the components of Sub. for SB 323, can be summarized briefly :

1. HB 2638 the prohibition against the practice of racial profiling by law enforcement would have no anticipated fiscal impact for the state.
2. SB 490 establishing the community corrections target population. The Division of the Budget fiscal note reported potentially off-setting funding shifts between prison costs and additional community corrections costs. Subsequent to the inclusion of SB 490 in Substitute for SB 323, the Office of Judicial Administration asserts additional costs of \$641,160 SGF to hire 20.0 additional court service officers to supervise an unspecified amount of offenders who may no longer be eligible for community corrections.

3. SB 491 and SB 665 reducing supervision lengths and other modifications is without an overall fiscal impact statement from the Division of the Budget and the Department of Corrections. The administration presumes reduced bed space demands, estimated at 924 in FY 2001, and approximately 850 for each of the next nine years, which would be offset to some degree by increased costs to community corrections and court services. However, supervision lengths are reduced by one-half for many offenders, so caseload reductions must be considered as well for community corrections and court service supervision. Subsequent to the inclusion of SB 490, SB 665, and SB 491 in Sub. for SB 323, the Office of Judicial Administration asserts that court service caseloads warrant the addition of 61.0 court service officers and \$1,976,888 SGF, although the agency is not requesting the positions.

F. GBA No. 2, Item 37, Page 17—Capacity Expansion Project at Ellsworth Correctional Facility.

G. GBA No. 2, Item 38, Page 18—Federal Grant Award.

H. GBA No. 2, Item 39, Page 18—Offender Programs.

I. GBA No. 2, Item 40, Page 19—New Correctional Officer Position—Lansing Correctional Facility.

J. GBA No. 2, Item 41, Page 19—Delay RDU Relocation—El Dorado Correctional Facility.

Department of Wildlife and Parks

A. Technical Corrections. Inadvertently double counted the addition of \$391,621 Wildlife Fee Fund from the Governor's GBA No. 1. The agency appropriation should be reduced \$391,621 to properly reflect the Legislature's concurrence with the Governor's recommendation.

B. SB 568. (Law). Increases the total number of nonresident antlered deer firearm permits issued to not more than 10 percent (from the current 5.0 percent) of the total number of resident deer firearm permits authorized for a season in a management area. Non-resident deer archery permits are increased to 15 percent. Eliminates the cap on the nonresident antlerless deer firearm and archery permits in areas where no resident limit exists. The Secretary is allowed to issues no more than 50 percent of the total number of nonresident deer permits to landowners and tenants applying for them, but the permits may be transferred to any resident or nonresident. The bill further requires the establishment of a toll free telephone number to report crop damage allegedly due to big game, and to provide other big game permit information. Additional provisions impose increased penalties for the illegal taking of big game.

The Department of Wildlife and Parks reports the increased issuance of hunting permits will bring in additional revenue to the Wildlife Fee Fund of \$921,010. Anticipated costs are estimated at \$14,280 Wildlife Fee Fund for the administration of new permitting as well as required hotline services and public notice provisions.

C. SB 316 (Conference Committee). SB 316 would require annual and temporary state park motor vehicle permit fees for those 65 years of age or older and individuals with disabilities at one-half the current fee rate (one-half rate=\$14.75). The bill also require seniors to pay one-half the current fee rate for hunting and fishing licenses (one-half=\$7.50), which was stricken on the House floor. The Department of Wildlife and Parks projects no anticipated increased expenditures from this bill, although Park Fee Fund revenues are projected to increase by as much as \$400,000 and licenses would provide as much as \$300,000 in state revenue and \$215,000 in federal funds.

Tentative Schedule for Budget Committees

Budget Committee

Room Number

Social Services Budget Committee - Neufeld

531-N

Dept. of SRS - Sparks

Dept. on Aging - Sparks

MH/DD Hospitals - Hollon

KDHE - Rampey

Behavioral Sciences Regulatory Board - Nogle

Education and Legislative Budget Committee - Farmer

521-S

Regents Systemwide - Robinson/West

University of Kansas - Robinson

Kansas State University - Robinson

KSU Extension and Ag Research - Robinson

KU Medical Center - West

Fort Hays State University - West

Emporia State University - West

Pittsburg State University - West

Board of Regents - West

Legislative Research - Conroy

Legislature - Conroy

Board of Healing Arts - Chapman

State Library - Chapman

Historical Society - Nogle

School for the Blind - Holwegner

Dept. of Education - Rampey

Tax, Judicial, and Transportation Budget Committee - Peterson

423-S

Dept of Revenue - West

Homestead Property Tax Refund - Nogle

Human Rights Commission - Nogle

Judicial Branch - Rampey

Dept of Transportation - Efird

Kansas Guardianship Program - Hollon

House Appropriations
4-19-00
Attachment 12

Public Safety Budget Committee - Kline 527-S
Dept of Corrections - Little
Emergency Medical Services - Chapman
Juvenile Justice Authority - Chapman
Adjutant General - Waller
KBI - Waller
Highway Patrol - Waller
Parole Board - Waller
Sentencing Commission - Waller

General Government and Human Resources Budget Committee - Pottorff 522-S
Dept of Commerce and Housing - West
Kansas Technology Enterprise Corporation - West
Dept of Administration - West
State Treasurer - West
Kansas Lottery - Efir
Racing and Gaming Commission - Efir
KPERs - Efir
Commission on Veterans Affairs - Hollon
Governmental Ethics Commission - Hollon
Secretary of State - Hollon
Dept of Human Resources - Nogle
Attorney General - Rampey

Agriculture and Natural Resources Budget Committee - Mollenkamp 245-N
Dept of Agriculture - Holwegner
State Fair Board - Holwegner
Wheat Commission - Holwegner
Conservation Commission - Holwegner
Water Office - Holwegner
Animal Health Department - Holwegner
Agriculture Remediation Board - Holwegner
Dept of Wildlife and Parks - Little
Citizens Utility Ratepayer Board - Severn
Kansas Corporation Commissioner - Severn

Full Appropriations Committee
Selected Agencies
Retirement Reductions - Conroy