

## MINUTES OF THE SENATE WAYS &amp; MEANS COMMITTEE.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on March 24, 2000 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Chief Fiscal Analyst, KLRD  
Rae Anne Davis, KS Legislative Research Department  
Debra Hollon, KS Legislative Research Department  
Norman Furse, Revisor of Statutes  
Michael Corrigan, Asst. Revisor of Statutes  
Judy Bromich, Administrative Assistant to the Chairman  
Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

**HB 2605: Sub for H 2605 by committee on Kansas 2000 Select Committee--Kansas state historical society created as a new state agency, transferring statutory agency powers, duties and functions from not-for-profit corporation**

Senator Ranson expressed her opinion that changing the name of the state agency would help alleviate confusion between the state agency and the not-for-profit entity. Senator Ranson moved, Senator Morris seconded that Sub. for HB 2605 be amended by renaming the state agency the Kansas Department of History and Preservation. Senator Salisbury, Chair of the Special Committee on Organization and Structure of the State Historical Society, told members that the Special Committee believed that fund raising could be more effective if there was more distinction between the names and that a name change would place more emphasis on preservation within the state agency. She added, however, that this was one issue which had become "very emotional." The motion to amend carried on a show of hands.

Senator Salisbury moved, Senator Petty seconded, that the effective date of the act be changed from July 1, 2001 to July 1, 2000. The motion carried on a voice vote.

Senator Salisbury moved, Senator Petty seconded, that the "shall" be changed to "may" on page 3, line 25 of the bill. Senator Salisbury voiced her concern that without this amendment, the Governor would be limited to the three names submitted by the not-for-profit entity and would not have the ability to retain the current executive director. The motion to amend carried on a voice vote.

It was moved by Senator Salisbury and seconded by Senator Petty that Sub. for HB 2605 as amended be recommended favorably for passage. The motion carried on a roll call vote.

**SB 639: Appropriations for FY 2001 for state agencies**

Alan Conroy, Chief Fiscal Analyst, KLRD, distributed and briefly reviewed the following documents:

- "House and Senate Committee Recommendations on Agency Appropriations" (Attachment 1) In discussing this item, Mr. Conroy noted that the House's adjustments to the Governor's recommendations included an increase in funding from the SGF (a result of their recommendation to fully fund base state aid per pupil at \$50.) and a decrease in "all funds" expenditures (due to their deletion of Childrens' Initiatives Fund monies from the budget for Omnibus consideration).
- "Senate Adjustments to Amended Governor's Recommendation" (Attachment 2)
- "House Adjustments to Amended Governor's Recommendation" (Attachment 3)
- "Comparison of Senate & House Adjustments to the Governor's Recommendation for FY 2001"

## CONTINUATION SHEET

### SENATE WAYS & MEANS COMMITTEE MINUTES

(Attachment 4)

- “FY 2001 Governor’s Budget Amendments Not Considered by Senate Committee (Attachment 5)  
Mr. Conroy told members that the item concerning the Department of SRS had been addressed. Senator Salisbury moved, Senator Jordan seconded that the Governor’s Budget Amendments (with the exception of SRS) be amended into SB 639. The motion carried on a voice vote.
- “Senate Items for Omnibus Consideration” (Attachment 6)

Reed Holwegner, KLRD, presented information on the State Water Plan Fund for FY 2000 and FY 2001 (Attachment 7).

Rae Anne Davis, KLRD, reviewed information on the Children’s Initiatives Fund (Attachment 8). The Committee concurred with making a technical adjustment to reflect that the Senate Committee Adjustment of \$500,000 was intended for the School District Reading Readiness Programs.

Rae Anne Davis also reviewed the status of the Economic Development Initiatives Fund (Attachment 9). It was noted that some of the recommendations made by the House had been addressed by the Senate in the Capital Improvements bill.

Alan Conroy distributed and reviewed copies of a document entitled “State General Fund Profile” (Attachment 10).

Senator Downey moved, Senator Petty seconded, that \$200,000 be shifted from other operating expenditures within the budget of the Department of Education to the reading and vision therapy research as described in Attachment 11. She told members that the costs associated with revising and giving new science tests in FY 2001 total \$255,000 and it would be her suggestion that the balance of \$55,000 remain within the Department of Education. She distributed copies of a response from Dale Dennis, Deputy Commissioner of Education, in regard to how the reappropriation would be used (Attachment 12). Members generally supported the results of vision therapy treatment, but expressed some concern about the funding source. Senator Downey withdrew her motion and Senator Petty withdrew her second. The Chairman noted that this item might be considered during Omnibus.

The Chairman told members that Senator Bond had requested \$30,000 for the State Treasurer to allow expenditures for hospitality in an effort to identify more unclaimed property. Senator Petty stated that the Department of Revenue has \$9,000 in unclaimed property which is not being used. Members discussed the funding source of the Unclaimed Property Expense Fund. Senator Petty moved, Senator Downey seconded that a proviso be added directing the Department of Revenue to check with the State Treasurer for unclaimed property that is owed to the Department of Revenue. The motion carried on a voice vote.

It was moved by Senator Salmans and seconded by Senator Lawrence that the State Treasurer be given authority in a proviso to spend up to \$25,000 from the Unclaimed Property Expense Fund for official hospitality. Staff noted that the state has a restriction against open receptions without specific authority in either an appropriations bill or in statute, and reviewed amounts other agencies had been given authority to use for official hospitality. Senator Ranson offered a substitute motion which was seconded by Senator Petty to recommend a proviso on the Unclaimed Property Expense Fund that up to \$10,000 might be spent for official hospitality. The motion carried on a voice vote.

Senator Ranson reviewed the “Final Report by the Senate Committee on Utilities” regarding oil and gas well plugging (Attachment 13). She advised members that **HB 2782** would be debated on the Senate floor later in the day and noted that the bill incorporates the recommendations of the Committee with the exception of those related to the bidding process and contractual costs (Attachment 13-5 & 6). In answer to a question about the potential lack of supervision of well plugging, Senator Ranson stated that **HB 2782** authorizes the use of well plugging fee funds for personnel expenses. Senator Ranson moved, Senator Morris seconded that the Kansas Corporation Commission section be amended to include two provisos;

- Recommend that the Division of Purchases require all plugging and remediation jobs, regardless of cost, to be competitively bid using the RFQ procedures that govern contractual amounts exceeding \$10,000

CONTINUATION SHEET

SENATE WAYS & MEANS COMMITTEE MINUTES

- Recommend that the Conservation Division and the Division of Purchases, in developing specifications, change the formula for compensation to contractors to a cost per well/flat fee basis for at least a twelve months period

and that the section be further amended to include the following recommendations:

- Contract out site supervision of plugging contractors to independent contractors
- Post information on opportunities for plugging contractors on KCC web site
- Send information on how to bid on state contracts to all licensed plugging contractors

The motion carried on a voice vote.

Senator Jordan moved, Senator Feleciano seconded that the section on the School for the Blind be amended to include language that would authorize the reappropriation of \$35,631 in FY 2001 to the Technology Lending Library. The motion carried on a voice vote.

Senator Jordan moved, Senator Salisbury seconded that the section on Human Resources be amended to include language regarding the subcommittee's concern and recommendations regarding data transmission within the Division of Workers' Compensation (Attachment 14). The motion carried on a voice vote.

Chairman Kerr distributed copies of an exhibit regarding **SB 653** (Attachment 15). He explained that he had worked with research staff to devise a plan that would incorporate Senator Petty's recommendations on March 23 without transferring the risk (inherent in not receiving the monies) from the Governor's proposal for education to the Medicaid Match. He explained the mechanics and advantages of the alternate plan, noting that if the intergovernmental monies are received, the new money in New No. 1 Fund would not be needed for Medicaid and could be used for education. If, however, the Intergovernmental Transfer monies are not received and the Medicaid Match Fund is insufficient, the Finance Council would release the monies from the New No. 1 Fund for Medicaid Match. He noted that by designating the monies a revenue transfer (to both the Medicaid Match Fund and the New No. 1 Fund) the ending balance in the SGF would not be affected. In answer to Senator Petty, staff explained that monies transferred to the Medicaid Match Fund would supplant SGF monies, and those "freed up" SGF dollars could be used for wage pass through. The Chairman noted that he would like to have a provision in **SB 639** to fund base state aid per pupil at \$50 and special education at 85% if the money becomes available, and this alternate plan would accomplish that.

It was moved by Senator Salisbury and seconded by Senator Lawrence that **SB 639** be amended by adopting the alternate (two fund) plan as outlined in Attachment 15 and including language that would designate the monies transferred from the Intergovernmental Transfer Monies and the SGF as revenue transfers, that necessary technical amendments be made to the bill, and that **SB 653** be amended to reflect the same transfer language. The motion carried on a voice vote.

Senator Salisbury offered a motion which was seconded by Senator Morris to recommend **SB 639** as amended favorably for passage. The motion carried on a roll call vote

The Chairman adjourned the meeting at 1:00 p.m. The next meeting will be March 27, 2000.

# SENATE WAYS & MEANS COMMITTEE GUEST LIST

DATE: March 24, 2000

NAME	REPRESENTING
Alex Kotovantz	K <del>ol</del> Territorial Capitol of Ks.
Marc Hamann	DOB
Scott Brunner	DOB
J. Chubb	SOS
<del>SUPERPERSON</del>	<del>K-STATE</del>
Jon Sonnenwald	KU
Paul Johnson	PACK
John Fairbank	KSC
Gary Roberts	KOA
Nancy Holt	KSHS
Herschel P. Strand DDS	Myself -
Randy Scott	KCVA
STONE & WAGES	"
DANNA DECK	KCVA
Debby W. Zylk	Kansas Inc.
Ranzen Powers	Kansas State Historical Society
Jeon Krahn	KGP
Jim Grant	KIDOR
MC <del>Tomato</del>	PSU
Bob Hayes	HCSE



# SENATE WAYS & MEANS COMMITTEE GUEST LIST

DATE: March 24, 2000

NAME	REPRESENTING
Joan McConnell	KCC
Ronna Plummer	KCC
Wanna & Suk	K.P.O.T.
Dean Carlson	KDOT
Nancy Bogina	KDOT
Bill Watts	KDOT
Dick Koertl	KDWP
Marc Lowe	KDRP

**HOUSE AND SENATE COMMITTEE RECOMMENDATIONS  
ON AGENCY APPROPRIATIONS  
(Reflects Committee action as of March 23, 2000)**

	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
<b>Governor's Recommendation</b>	<b>\$ 4,426,177,700</b>	<b>\$ 8,685,548,123</b>	<b>39,773.9</b>
<b>House Committee Recommendation</b>	<b>\$ 4,434,984,475</b>	<b>\$ 8,650,092,713</b>	<b>39,799.9</b>
<i>Change From Governor's Recommendation</i>	<i>8,806,775</i>	<i>(35,455,410)</i>	<i>26.0</i>
<b>Senate Committee Recommendation</b>	<b>\$ 4,403,414,841</b>	<b>\$ 8,621,374,269</b>	<b>39,785.9</b>
<i>Change From Governor's Recommendation</i>	<i>(22,762,859)</i>	<i>(64,173,854)</i>	<i>12.0</i>
<b>Senate Committee Recommendation, excluding Governor's Pay Plan adjustments</b>	<b>\$ 4,426,563,983</b>	<b>\$ 8,666,264,980</b>	<b>39,785.9</b>
<i>Change From Governor's Recommendation</i>	<i>386,283</i>	<i>(19,283,143)</i>	<i>12.0</i>

Senate Ways and Means Committee  
 Date *March 24, 2000*  
 Attachment # *1*

**SENATE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION  
Reflects Senate Committee Adjustments for FY 2001**

Agency/Item	State General Fund	All Funds	FTE Positions
<b>FY 2001:</b>			
<b>Bank Commissioner</b>			
Add funding and FTE for secretary and financial examiner positions	0	108,624	2.0
Add funding for other operating expenditures	0	27,437	0.0
Eliminate Shrinkage for Consumer and Mortgage Lending Division	0	20,698	0.0
<b>Behavioral Sciences Regulatory Board</b>			
Add KSIP funding for bonuses	0	6,000	0.0
Create official hospitality account with \$500 expenditure limitation	0	0	0.0
<b>Board of Cosmetology</b>			
Add from KSIP Fund for KSIP expenditures	0	13,000	0.0
<b>Legislature</b>			
Funding for legislator daily subsistence rate change from \$80.00 per day to \$85.00 per day (Rate change was effective January 1, 2000).	106,000	106,000	0.0
<b>Legislative Division of Post Audit:</b>			
Additional salary and wage funding to reduce shrinkage	39,231	39,231	0.0
<b>Legislative Research Department:</b>			
Additional salary and wage funding to eliminate shrinkage	111,405	111,405	0.0
<b>State Treasurer</b>			
Restore clerical position for education savings plan	21,914	21,914	1.0
<b>Insurance Department</b>			
Add Imaging System	0	118,500	0.0
<b>Judicial Branch</b>			
Create a new District Court Judge position for the 18th Judicial (\$128,987) to be funded from available resources, unless other funding becomes available	0	0	1.0
<b>Kansas Public Employees Retirement System (KPERs)</b>			
Add funding and position for investment accountant	0	36,122	1.0
Add funding for unclassified bonus awards	0	57,469	0.0
Add funding for advertising to pass constitutional amendment on banking	0	300,000	0.0

# SENATE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION

## Reflects Senate Committee Adjustments for FY 2001

Agency/Item	State General Fund	All Funds	FTE Positions
Reduce funding for investment manager fees	0	(1,208,055)	0.0
<b>State Corporation Commission</b>			
Did not consider GBA No. 1, item 2	0	20,918	0.0
<b>Department of Administration</b>			
Transfer any balance in excess of \$100,000 from the State Emergency Fund to the State General Fund	0	0	0.0
<b>Department of Revenue</b>			
New CAMA System	0	900,000	0.0
Add for Div. Of Vehicles other operating expenditures (includes 500k transfer from VIPS/CAMA Fund to DOV Operating Fund)	0	500,000	0.0
Remove salaries and wages limit from DOV Operating Fund	0	0	0.0
<b>Kansas Lottery</b>			
Add proviso to require a 13th transfer during the fiscal year and occurring in June, 2001, that will provide an estimated \$4,500,000 of additional revenue to SGF by way of the State Gaming Revenues Fund	0	0	0.0
<b>Department of Commerce and Housing</b>			
Reduce Partnership Fund (Infrastructure Projects) expenditures and transfer that amount to the EDIF	0	(306,472)	0.0
Shift EDIF funding for Goodland Travel Information Center from FY 2001 to FY 2002 - Capital Improvement	0	(100,000)	0.0
Reduce EDIF funding for Eisenhower Center to \$100,000	0	(200,000)	0.0
Reduce EDIF funding for National Teachers Hall of Fame to \$100,000	0	(200,000)	0.0
Add EDIF funding for the Small Business Development Center	0	75,000	0.0
<b>Kansas, Inc.</b>			
Increase EDIF expenditure limitation to allow carryforward funds to be used for strategic analysis of state's economy	0	41,000	0.0
<b>Kansas Technology Enterprise Corporation</b>			
Add EDIF funding for EPSCoR	0	763,874	0.0
<b>Department of Human Resources</b>			



# SENATE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION

## Reflects Senate Committee Adjustments for FY 2001

Agency/Item	State General Fund	All Funds	FTE Positions
Shift \$30,000 (SGF) from operating expenditures to the Older Kansans Employment Program (OKEP)	0	0	0.0
<b>Commission on Veterans Affairs</b>			
Remove expenditure limitation on Kansas Veterans' Home Fee Fund	0	0	0.0
<b>Department of Health and Environment</b>			
Shift \$3.0 million (Children's Initiatives Fund) from Kansas Health Foundation Community Grants to competitive grants for local health departments to develop prevention based early intervention programs (such as nurse home visitations)	0	0	0.0
<b>Department on Aging</b>			
Add funding to reinstate the protected income level back to the \$687 from the recommended amount of \$570 (\$475 plus \$95 for medical supplies) on the HCBS/FE waiver	800,000	2,000,000	0.0
Add \$17,500 for the Senior Legal Hotline	17,500	17,500	0.0
<b>Department of Social and Rehabilitation Services</b>			
Add funding for Child Support Enforcement contracts	300,000	300,000	0.0
Delete \$5.2 million from the federal Child Support Enforcement Fund to match the Governor's reduction in state match	0	(5,171,078)	0.0
Add a proviso eliminating the child support collection pass through for FY 2001	0	0	0.0
Add funding to provide cash assistance for case managers training opportunities by financing courses designed to increase skills in job retention and job advancement	102,990	300,000	0.0
Delete funding from the Medicaid pharmacy budget by changing the current payment method to Average Wholesale Price minus 13 percent plus a \$3.50 dispensing fee	(2,360,000)	(5,900,000)	0.0
Delete funding from the Medicaid pharmacy budget by implementing a disease management program	(1,000,000)	(2,500,000)	0.0
Delete funding from the Medicaid budget to reflect current practices of the agency by shifting Adult Protective Services to federal funds (\$750,000 SGF); implementation of maximum cost pricing for generic drugs (\$664,000 SGF); and new federal regulations regarding reimbursement to FQHCs/RHCs (\$210,000 SGF)	(1,624,000)	(2,935,000)	0.0

# SENATE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION

## Reflects Senate Committee Adjustments for FY 2001

Agency/Item	State General Fund	All Funds	FTE Positions
Add funding to restore all optional services to the medically needy disabled and aged populations	2,079,600	5,200,000	0.0
Add funding to reinstate the protected income level back to \$687 per month for consumers receiving HCBS/PD services	400,000	1,000,000	0.0
Add funding to continue the contract for the Adoptions in Child Time	60,000	60,000	0.0
Add funding to reinstate the protected income level back to \$687 per month for consumers receiving HCBS/DD services	400,000	1,000,000	0.0
Add proviso requiring service providing CDDOs in areas with community providers to present a plan to SRS on impartially providing information about community services in order to mitigate potential conflicts of interest; SRS is required to report to the SRS Transition Oversight Committee on these plans, monitoring efforts, and creation of a community services ombudsman	0	0	0.0
<b>Larned State Hospital</b>			
Delete funding for Chemical Dependency Recovery Program (shifted to Dept. of Corrections)	(568,596)	(568,596)	0.0
<b>Department of Education</b>			
Do not reappropriate savings in general and supplemental general state aid from FY 2000 to FY 2001	0	0	0.0
Reduce the required local match for parent education from 75 percent to 65 percent	0	0	0.0
Shift \$500,000 (Children's Initiatives Fund) from the Experimental Wraparound Kansas Project to grants to school districts for learning readiness programs in reading, mathematics, and language arts	0	0	0.0
Concur with the Governor recommendation to appropriate \$4.5 million from the Kansas Endowment for Youth Fund for technology infrastructure, but make expenditure of the money contingent upon receiving E-rate discounts from the federal government	0	0	0.0
<b>State Library</b>			
Add funding to decrease shrinkage from 5.0 to 3.0 percent	16,489	19,345	0.0
<b>Kansas Arts Commission</b>			
Change proviso to allow expenditure of \$4,000 for hospitality from current funds	0	0	0.0



**SENATE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION  
Reflects Senate Committee Adjustments for FY 2001**

Agency/Item	State General Fund	All Funds	FTE Positions
Change proviso to allow for accounting of state and local matching dollars in the aggregate instead of on a program by program basis	0	0	0.0
<b>School for the Blind</b>			
Increase amount for professional fees and services as required for the federal Individuals with Disabilities Education Act	25,000	25,000	0.0
Upgrade fire alarms - Capital Improvement	0	78,390	0
<b>School for the Deaf</b>			
Reinstate business manager position	47,041	47,041	1.0
Reinstate supervisory teacher position and provide additional funds for student's tuition and interpreter costs for vocational classes	60,000	60,000	1.0
Renovations for the Roberts Classroom Building -Capital Improvement	0	271,200	0.0
<b>Kansas State Historical Society</b>			
Add EDIF for the Kansas Humanities Council for Kansas Chautauqua feasibility study and Yesterday's Tomorrows Smithsonian exhibit	0	16,000	0.0
<b>Fort Hays State University</b>			
Enrollment Adjustment	155,918	155,918	0.0
<b>Department of Corrections</b>			
Community Corrections Conditional Violator Grant	0	750,000	0.0
Modify bonding authority request in Governor's recommendation to remove El Dorado expansion, but leave Topeka projects including J-Cellhouse renovation. Add \$1.1 million in bonds for Lansing fire damage renovation. Total bonding authority will be \$4.4 million. (Capital Improvement)	0	0	0.0
Add one-half year funding for privately operated day reporting centers	190,000	1,900,000	0.0
Add to reflect a transfer of Chemical Dependency Recovery Program and costs from Larned State Hospital to Osawatomie State Hospital	568,596	568,596	0.0
<b>El Dorado Correctional Facility</b>			
Delete federal crime bill funds for El Dorado Housing Units (Capital Improvement)	0	(7,323,133)	0.0
<b>Juvenile Justice Authority</b>			
Delete funding for maximum security facility	0	(10,000,000)	0.0
<b>Adjutant General</b>			
Add EDIF for National Guard Educational Assistance Program	0	250,000	0.0

# SENATE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION

## Reflects Senate Committee Adjustments for FY 2001

Agency/Item	State General Fund	All Funds	FTE Positions
<b>Attorney General - Kansas Bureau of Investigation</b>			
Restore FTE positions	0	0	3.0
Add a proviso allowing use of General Fees Fund for normal operating expenses	0	0	0.0
Replace local funding for the Southeast Kansas Drug Enforcement Task Force	97,154	97,154	0.0
Replace local funding for the Kansas City Kansas Community College laboratory	60,000	60,000	0.0
Replace Federal Forfeiture Funds for normal operating expenses with SGF	78,609	78,609	0.0
Add funding for the Offender Registration Program	47,770	47,770	0.0
Additional salary and wage funding for forensic laboratory scientists	16,467	16,467	0.0
<b>Emergency Medical Services Board</b>			
Increase funding for Regional Councils grants	35,992	35,992	0.0
Add Office Specialist position (employed in FY 2000)	36,546	36,546	1.0
Establish a Rural Health Options Grant Fund with no expenditure limitation that will receive funds from KDHE	0	0	0.0
<b>Kansas Sentencing Commission</b>			
Add a proviso allowing use of the Highway Forfeiture Fund for normal operating expenses	0	0	0.0
Add funding and position due to Governor's budget deletion of mixed funding sources	64,657	42,895	1.0
<b>Department of Agriculture</b>			
Transfer \$852,447 from the Grain Inspection Fund to the State General Fee Fund	0	0	0.0
<b>Animal Health Department</b>			
Add attorney position and create fund allowing agency to receive money from other state agencies for legal service	0	49,040	1.0
<b>State Fair</b>			
State operations	0	25,000	0.0
Abolish funds related to grandstand renovation - Capital Improvement	0	0	0
<b>Water Office</b>			
Transfer \$653,350 from Water Marketing Fund to State General Fund	0	0	0.0



**SENATE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION**  
**Reflects Senate Committee Adjustments for FY 2001**

Agency/Item	State General Fund	All Funds	FTE Positions
Allow the agency, if necessary, to make a short term loan from the PMIB for cash flow purposes of the Water Marketing Program	0	0	0.0
<b>Department of Wildlife and Parks</b>			
Delete EDIF funding for Local Government Outdoor Recreation Grants	0	(275,000)	0.0
Delete funding to reduce personal watercraft purchases	0	(25,500)	0.0
Did not consider GBA No. 1, item 14	0	(50,953)	(1.0)
Did not consider GBA No. 1, item 15	0	(340,668)	0.0
Did not consider GBA No. 1, item 16	0	45,657	0.0
Add proviso limiting acquisition of wetlands to property located within 1.1 miles of current state-owned wetlands	0	0	0.0
<b>Department of Transportation</b>			
Shift Info Technology expenditures of \$1,000,000 from limited account to KSIP account	0	0	0.0
By proviso, direct agency to provide budget information for the Comprehensive Transportation Plan in a budget format that includes non-reportable financing	0	0	0.0
<b>All Agencies</b>			
Delete funding for Governor's pay plan adjustments	(23,149,142)	(44,890,711)	0.0
<b>TOTAL CHANGE - FY 2001</b>	<b>(22,762,859)</b>	<b>(64,173,854)</b>	<b>12.0</b>
<b>Total Adjustments Excluding Pay Plan Deletion</b>	<b>386,283</b>	<b>(19,283,143)</b>	<b>12.0</b>

**HOUSE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION  
(Reflects House Committee Adjustments for FY 2001)**

Agency/Item	State General Fund	All Funds	FTE Positions
<b>FY 2001:</b>			
<b>Legislature</b>			
Funding for legislator daily subsistence rate change from \$80.00 per day to \$85.00 per day (Rate change was effective January 1, 2000)	106,000	106,000	0.0
<b>Legislative Division of Post Audit</b>			
Additional salary and wage funding to reduce shrinkage	49,231	49,231	0.0
Additional other operating expenditures for contracted financial compliance audits	15,000	15,000	0.0
<b>Legislative Research Department</b>			
Additional salary and wage funding to eliminate shrinkage	111,405	111,405	0.0
<b>Judicial Council</b>			
Recommends introduction of legislation, effective July 1, 2001, to statutorily create the Publications Fee Fund (which currently exists by proviso) and restrict expenditures to preparation, publication, and distribution of legal publications	0	0	0.0
<b>Judicial Branch</b>			
Recommends introduction of legislation to repeal the requirement that there be a district court judge in each county (KSA 20-301b)	0	0	0.0
<b>Attorney General</b>			
Delete \$159,956 from Children's Initiatives Fund for DARE program and review at Omnibus. (Inadvertently omitted from the appropriations bill.)	0	(159,956)	0.0
Attach a proviso to expenditures from the Crime Victims Assistance Fund specifying that \$200,000 in revenues to the Fund derived from marriage license fees will be transferred to the State General Fund in FY 2001.	0	0	0.0
Add 1.0 FTE Assistant Attorney General, funded from within available resources, to more actively enforce the Open Records Act. Also direct the Attorney General provide open-records assistance to other governmental units and establish an open-records hotline	0	0	1.0
<b>Kansas Lottery</b>			
Proviso to make SGRF 13th payment estimated at \$4-6 million addition to SGF. Revenue adjustment, not expenditure increase.	0	0	0.0
<b>KPERS</b>			
Reduce funding for investment manager and legal fees	0	(1,208,055)	0.0
Add funding for educating voters about a constitutional amendment that removes a banking restriction on KPERS investments	0	300,000	0.0
Add proviso for public safety officer to retire under Tier 2 instead of Tier 1	0	0	0.0
Add a proviso that any reduction in legal fees for outside counsel in tobacco settlement remitted to Kansas shall be credited to the Kansas Endowment for Youth Fund	0	0	0.0
<b>State Bank Commissioner</b>			
Add 2.0 FTE and salaries and wages	0	108,624	2.0



**HOUSE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION  
(Reflects House Committee Adjustments for FY 2001)**

Agency/Item	State General Fund	All Funds	FTE Positions
Add for OOE	0	27,437	0.0
Eliminate Shrinkage for Consumer and Mtg Lending Division	0	20,698	0.0
Reduce Shrinkage for Rest of Agency from 5.2 Pct to 1.0 Pct	0	145,030	0.0
<b>Insurance Department</b>			
Reduce Shrinkage Rate for Insurance Co Regulation program from 3.5 to 2.5 percent	0	59,754	0.0
Recommend study of state imaging operation	0	0	0.0
<b>Corporation Commission</b>			
Add 1.0 FTE for Conservation Division within current resources	0	0	1.0
Transfer \$400,000 from SGF to Abandoned Oil and Gas Well Fund, in addition to the scheduled quarterly transfers totaling \$400,000.	0	0	0.0
<b>Human Resources</b>			
Reduce transfer from the Workmen's Compensation fee fund to SGF to \$500,000 and add proviso giving the State Finance Council authority to transfer an additional \$500,000 to the SGF if the funds are not necessary to operate the Workers' Compensation program at the current fee assessment level	J	0	0.0
Add \$22,000 SGF for the Neighborhood Improvement and Youth Employment Act	22,000	22,000	0.0
<b>Arts Commission</b>			
Add \$119,110 SGF to restore agency to FY 2000 funding level	119,110	119,110	0.0
Increase expenditure limitation for official hospitality from \$300 to \$4,000	0	0	0.0
Revise appropriations bill to allow aggregate accounting of state and local funding matches for federal funds for Legislative Post Audit	0	0	0.0
<b>Behavioral Sciences Regulatory Board</b>			
Add \$1,000 fee funds for official hospitality and add expenditure authority for \$1,000	0	1,000	0.0
Use KSIP funding for salary and wage bonuses	0	6,000	0.0
<b>State Historical Society</b>			
Add \$121,000 EDIF for rehabilitation and repair projects at the First Territorial Capital (\$71,000) and the Fort Hays Blockhouse (\$50,000) (Capital Improvement)	0	121,000	0.0
Add \$70,000 EDIF for the EDIF Visitor Donation Match fund	0	70,000	0.0
Add \$35,000 EDIF for the Kansas Humanities Council Kansas Chautauqua feasibility study (\$27,000) and the Smithsonian traveling exhibit "Yesterday's Tomorrow: Past Visions of the American Future" (\$8,000)	0	35,000	0.0
<b>State Library</b>			
Add for grants to local libraries	300,000	300,000	0.0

**HOUSE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION  
(Reflects House Committee Adjustments for FY 2001)**

Agency/Item	State General Fund	All Funds	FTE Positions
Add to decrease shrinkage from 5.0 to 3.0 percent	16,489	19,345	0.0
<b>Department of Commerce and Housing</b>			
Add EDIF funding to restore Small Business Development Centers to current level	0	75,000	0.0
Add EDIF funding for the Wichita World Trade Center	0	60,000	0.0
<b>Kansas, Inc.</b>			
Increase EDIF expenditure limitation to allow the use of carry forward funds for planning for statewide strategic plan	0	10,000	0.0
<b>Commission on Veterans Affairs</b>			
Increase fee fund expenditure limitation to reflect revised revenues and expenditure expectations at the Winfield Veterans' Home	0	1,169,156	0.0
<b>Department of Aging</b>			
Reinstate the protection income level back to the \$687 for the recommended amount of \$570 (\$475 plus \$95 medical supplies) on the HCBS/FE waiver	0	0	0.0
Add \$100,000 SGF for the Environmental Modification Grant Program	100,000	100,000	0.0
Add \$17,500 SGF for the Senior Legal Hotline	17,500	17,500	0.0
<b>Department of Social and Rehabilitation Services</b>			
Delete \$300,000 from the State General Fund for capital outlay	(300,000)	(300,000)	0.0
Delete \$6.0 million from the federal Child Support Enforcement Fund. The Governor reduced the state funds; however, did not make the corresponding reduction in the federal funds.	0	(6,053,431)	0.0
Delete \$3.0 million all funds, including \$1.2 million from the State General Fund from the Medicaid pharmacy budget by changing the current payment method from Average Wholesale Price (AWP) minus 10 percent to AWP minus 13 percent.	(1,200,000)	(3,000,000)	0.0
Delete \$2.2 million from all funds, including \$1.6 million from the State General Fund from the Medicaid budget to reflect current practices of the agency. The savings comes from shifting Adult Protective Services to federal funds (\$750,000SGF); implementation of maximum cost pricing for generic drugs (\$664,000 SGF); and new federal regulations regarding reimbursement to FQHCs/RHCs (\$210,000 SGF).	(1,624,000)	(2,185,000)	0.0
Add \$4.1 million all funds, including \$1.8 million SGF to restore FQHCs/RHcs services and durable medical goods to the medically needy aged and disabled populations.	1,823,200	4,095,000	0.0
Add \$1.0 million all funds, including \$400,000 SGF to reinstate the protected income level back to \$687 per month for consumers receiving HCBS/PD services.	400,000	1,000,000	0.0
Add \$120,000 from the SGF to continue the contract for the Adoptions in Child Time and Permanency in Child Time initiatives; as well as, begin a legal foster care hotline.	120,000	120,000	0.0



**HOUSE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION  
(Reflects House Committee Adjustments for FY 2001)**

Agency/Item	State General Fund	All Funds	FTE Positions
Proviso is added which prohibits the spending of any capital improvement funding on Rainbow Mental Health Facility, unless it would endanger the health or safety of individuals at the facility, until the findings of the Mental Health Task Force are published. In addition, Rainbow Mental health Facility is not to be closed without Legislative approval.			
Add \$1.0 million all funds, including \$400,000 SGF to reinstate the protected income level back to \$687 per month for consumers receiving HCBS/DD services.	400,000	1,000,000	0.0
Proviso is added that the Community Mental Health Center for Sedgwick County provide on the first day of the 2001 Legislative Session a report that specifies each revenue source and the amount of each revenue source of the center; expenditures by category, beginning and ending balances in all financial accounts of the mental health center, and the number of individuals served by class so that the Legislature can make informed future decisions with regard to funding.	0	0	0.0
Proviso is added to the federal Medical Assistance fund that directs the Department of Social and Rehabilitation Services to review all current practices regarding the use of trusts to misrepresent an individuals net worth when applying for medical assistance and report back to the 2001 Legislature.	0	0	0.0
Add a proviso that directs the agency to review and clarify definition of a child in need of care especially in the area of protective custody and to report the needed changes to the 2001 Legislature.	0	0	0.0
Delete \$19.75 million all funds, including \$11.05 million from the Children's Initiatives Fund for consideration during the Omnibus Session for the following:			
a.) Delete Children's Mental Health Initiative (\$1.0 million Children's Initiatives Fund	0	(2,500,000)	0.0
b.) Delete Family Centered System of Care (\$5.0 million Children's Initiatives Fund	0	(5,000,000)	0.0
c.) Delete HCBS Services for Mentally Retarded (\$3.0 Children's Initiatives Fund)	0	(7,500,000)	0.0
d.) Delete HCBS Services for Physically Disabled (\$1.8 Children's Initiatives Fund)	0	(4,500,000)	0.0
e.) Delete Best Children's Programs Practices Research (\$250,000 Children's Initiatives Fund)	0	(250,000)	0.0
<b>State Treasurer</b>			
Restore clerical position for education savings plan	21,914	21,914	1.0
Restore banking fees	25,000	25,000	0.0
<b>Department of Administration</b>			
Transfer any balance in excess of \$100,000 from the State Emergency Fund to the State General Fund	0	0	0.0
<b>Board of Regents</b>			
Student Financial Aid Programs	666,666	666,666	0.0
<b>University of Kansas Medical Center</b>			
Systemwide Reduction	(182,000)	(182,000)	0.0
Student Salary Increase	18,000	18,000	

**HOUSE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION  
(Reflects House Committee Adjustments for FY 2001)**

Agency/Item	State General Fund	All Funds	FTE Positions
Defer until Omnibus the Budget Committee recommendation to add \$1.0 million for Pediatric Biomedical Research from the Children's Initiatives Fund	0	0	0.0
Wahl Hall East renovation (Capital Improvement)	0	1,800,000	0.0
Defer until Omnibus the Telekid Health Care Link (Children's Initiatives Fund)	0	(250,000)	0.0
<b>Fort Hays State University</b>			
Systemwide Reduction	(56,000)	(56,000)	0.0
Student Salary Increase	35,667	35,667	0.0
Enrollment Adjustment	155,918	155,918	0.0
<b>Emporia State University</b>			
Systemwide Reduction	(54,000)	(54,000)	0.0
Student Salary Increase	31,667	31,667	0.0
<b>Pittsburg State University</b>			
Systemwide Reduction	(59,000)	(59,000)	0.0
Student Salary Increase	25,667	25,667	0.0
<b>Kansas State University</b>			
Systemwide State General Fund reduction	(188,000)	(188,000)	0.0
Student Salary Increase	55,667	55,667	0.0
<b>KSU-Extension and Ag. Research Programs</b>			
Systemwide State General Fund reduction	(86,000)	(86,000)	0.0
Student Salary Increase	9,667	9,667	0.0
<b>KSU-Veterinary Medical Center</b>			
Systemwide State General Fund reduction	(17,000)	(17,000)	0.0
Student Salary Increase	5,333	5,333	0.0
<b>University of Kansas</b>			
Systemwide State General Fund reduction	(242,000)	(242,000)	0.0
Student Salary Increase	100,334	100,334	0.0
Authorize the issuance of bonds in the amount of \$17.1 million to construct a Student Recreation Center. (Capital Improvement)	0	0	0.0
<b>Wichita State University</b>			
Systemwide State General Fund reduction	(116,000)	(116,000)	0.0
Student Salary Increase	51,333	51,333	0.0
<b>Department of Corrections</b>			
Add a proviso requiring the agency to use Inmate Benefit Funds from correctional facility budgets totaling \$250,303 to continue operations of the Visitors Centers	0	0	0.0
<b>El Dorado Correctional Facility</b>			



**HOUSE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION  
(Reflects House Committee Adjustments for FY 2001)**

Agency/Item	State General Fund	All Funds	FTE Positions
Delete \$7,323,133 federal crime bill funds and \$10 million in bonding authority for construction of two housing units pending evaluation of alternatives to prison expansion and consideration at Omnibus. No bond payments are due until FY 2002	0	(7,323,133)	0.0
Delete \$553,914 SGF for transitional and duplication salary costs of reception and diagnostic unit transfer from Topeka. Redirect funds to facilities to reestablish inmate work crews abolished in the Governor budget. Leave the 6.5 FTE	(553,914)	(553,914)	0.0
<b>Ellsworth Correctional Facility</b> Add \$74,055 SGF and 2.0 FTE to reestablish inmate work crews	74,055	74,055	2.0
<b>Hutchinson Correctional Facility</b> Add \$37,550 SGF and 1.0 FTE to reestablish inmate work crews	37,550	37,550	1.0
<b>Lansing Correctional Facility</b> Add \$178,691 SGF and 5.0 FTE to reestablish inmate work crews	178,691	178,691	5.0
<b>Norton Correctional Facility</b> Add \$230,703 SGF and 7.0 FTE to reestablish inmate work crews	230,703	230,703	7.0
<b>Topeka Correctional Facility</b> Delete bonding authority included with El Dorado facility expansion for review by Building Committee, review of alternatives, and consideration at Omnibus. Projects include remodel of J Cellhouse, a new laundry, and new staff training building	0	0	0.0
<b>Winfield Correctional Facility</b> Add \$32,915 SGF and 1.0 FTE to reestablish inmate work crews	32,915	32,915	1.0
<b>Sentencing Commission</b> Add proviso allowing agency to use monies from the Highway Forfeiture Fund to finance operating expenses	0	0	0.0
Add \$42,895 (\$64,657 SGF) and 1.0 FTE due to Governor's budget deletion of mixed funding sources	64,657	42,895	1.0
<b>Highway Patrol</b> Add a proviso allowing Highway Patrol officer (in addition to those who are retiring) to purchase their firearms	0	0	0.0
<b>Adjutant General</b> Inclusion of S.B. 592 (issuance of bonds for armory repairs) within H.B. 2993 (capital improvements bill). Capital Improvement	0	0	0.0
Add proviso directing the agency to appear before the Joint Committee on State Building Construction before the issuance of each bond phase. (Capital Improvement)	0	0	0.0
<b>Juvenile Justice Authority</b> Delete \$727,787 SGF from the central office operating expenditures and transfer to Topeka Juvenile Correctional Facility operating expenditures due to overcrowding	(727,787)	(727,787)	0.0
Delete Children's Initiative funding for prevention grants for consideration at Omnibus	0	(5,000,000)	0.0

**HOUSE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION  
(Reflects House Committee Adjustments for FY 2001)**

Agency/Item	State General Fund	All Funds	FTE Positions
Delete Children's Initiative funding for intervention and graduated sanctions community grants for consideration during Omnibus	0	(2,000,000)	0.0
Delete all funding for capital improvements for consideration during Omnibus. (Capital Improvement)	0	(11,000,000)	0.0
<b>Topeka Juvenile Correctional Facility</b>			
Add \$727,787 SGF from the JJA central office for operating expenditures due to overcrowding	727,787	727,787	0.0
<b>Emergency Medical Services Board</b>			
Add \$36,546 SGF and 1.0 FTE Office Specialist and increase expenditure limitation authority to spend increased fee fund revenue	36,546	36,546	1.0
Establish a "Rural Health Options Grant Fund" as a no-limit fund that will receive funds transferred from KDHE	0	0	0.0
<b>Department of Wildlife and Parks</b>			
Add \$25,000 EDIF to increase Local Government Outdoor Recreation Grants to \$500,000, one-half the agency's requested level of funding.	0	25,000	0.0
Add \$10,000 Wildlife Fee Fund to increase new federal duck stamp purchase program to \$50,000. The Governor recommended \$40,000 for the agency to purchase federal stamps and sell them to consumers which they cannot do now.	0	10,000	0.0
Delete \$250,000 Wildlife Conservation Fund to reduce upland land acquisition. A total of \$250,000 remains from the Governor's recommendation. (Capital Improvement)	0	(250,000)	0.0
Delete \$225,000 Wildlife Conservation Fund to reduce wetland acquisition. A total of \$225,000 remains from the Governor's recommendation. (Capital Improvement.)	0	(225,000)	0.0
<b>School for the Blind</b>			
Increase amount for professional fees and services as required for the federal Individuals with Disabilities Education Act	25,000	25,000	0.0
Decrease turnover rate from 5.0 percent to 4.5 percent	16,000	16,000	0.0
Authorize a "no limit" expenditure limitation for the General Fees Fund	0	0	0.0
Upgrade fire alarms (Capital Improvement)	0	78,390	0.0
<b>School for the Deaf</b>			
Reinstate business manager position	47,041	47,041	1.0
Reinstate supervisory teacher position and provide additional funds for student's tuition and interpreter costs for vocational classes	60,000	60,000	1.0
Renovate Roberts Classroom Building (Capital Improvement)	0	341,200	0.0
<b>Department of Agriculture</b>			
Abolish Computer Services Fund	0	0	0.0
<b>State Fair</b>			
Shift funding source from SGF to EDIF for state's support of operations and increase the amount by \$7,000, from \$118,000 to \$125,000	(118,000)	7,000	0.0



**HOUSE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION  
(Reflects House Committee Adjustments for FY 2001)**

Agency/Item	State General Fund	All Funds	FTE Positions
<b>Water Office</b>			
Add proviso authorizing the transfer of money from the sub-accounts of the Water Supply Storage Assurance District Fund to the Water Marketing Fund	0	0	0.0
<b>Animal Health Department</b>			
Attorney position and create fund allowing agency to receive money from other state agencies for legal service.	0	49,040	1.0
<b>Department of Education</b>			
Add a proviso to the appropriation for special education capping payments to individual districts so that no USD shall receive more than 100 percent of special education excess costs in FY 2001.	0	0	0.0
Reduce the local match for the Parent Education Program from 75.0 percent to 65.0 percent	0	0	0.0
Add a total of \$7,761,000 from the SGF to fully fund BSAPP at the statutory amount of \$3,820	7,761,000	7,761,000	0.0
Appropriate a no-limit special revenue fund, into which would be credited funding for special education, pursuant to H.B. 3042 which provides for the appropriation of \$14.6 million from the Intergovernmental Transfer Program. The addition would increase special education excess costs funding from 80% to 85%.	0	14,600,000	0.0
Defer consideration of all items funded from the Children's Initiatives Fund until Omnibus. The items and funding deleted are:			
a.) \$4.5 million for KAN-ED	0	(4,500,000)	0.0
b.) \$1,277,833 for Parent Education	0	(1,277,833)	0.0
c.) \$1.0 million to expand the four-year-old at-risk program	0	(1,000,000)	0.0
d.) \$500,000 for the school violence prevention program (Experimental Wraparound)	0	(500,000)	0.0
<b>Department of Health and Environment</b>			
Fund the Rural Stroke Prevention Program from the Trauma Fund	0	156,000	0.0
Add proviso continuing the Pregnancy Maintenance Program at \$300,000 SGF withing existing resources	0	0	0.0
Allow the Department to transfer money from special revenue funds to the Sponsored Project Overhead Fund to pay for administration	0	0	0.0
Allow the Department to shift up to \$40,000 within existing resources from special revenue funds to the Sudden Infant Death Support Fund	0	0	0.0
Add proviso limiting expenditures from the Publication Fee Fund to publishing activities	0	0	0.0
Defer all Children's Initiatives funding (\$4.25 million ) until Omnibus			
a.) Health Start	0	(250,000)	0.0
b.) Infant Toddler	0	(500,000)	0.0
c.) Community Partnership Grants	0	(3,000,000)	0.0
d.) Smoking Cessation	0	(500,000)	0.0
<b>Kansas Bureau of Investigation</b>			
Replace operational expenses recommended by the Governor from the Southeast Kansas Drug Enforcement Task Force.	97,154	97,154	0.0

**HOUSE ADJUSTMENTS TO AMENDED GOVERNOR'S RECOMMENDATION  
(Reflects House Committee Adjustments for FY 2001)**

Agency/Item	State General Fund	All Funds	FTE Positions
Replace operational expenses recommended by the Governor from Wyandotte County for the KBI laboratory at KCK Community College.	60,000	60,000	0.0
Replace operational expenses recommended by the Governor from federal forfeiture funds.	78,609	78,609	0.0
Remove cap on the number of unclassified temporary positions authorized for the agency in FY 2001	0	0	0
<b>TOTAL CHANGE - FY 2001</b>	<b>8,806,775</b>	<b>(35,455,410)</b>	<b>26.0</b>

3-9

**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
<b>FY 2001:</b>						
<b>Bank Commissioner</b>						
Add funding and FTE for secretary and financial examiner positions	0	108,624	2.0		concur	
Add funding for other operating expenditures	0	27,437	0.0		concur	
Eliminate Shrinkage for Consumer and Mortgage Lending Division	0	20,698	0.0		concur	
Reduce shrinkage for rest of agency from 5.2 to 1.0 percent	0	0	0.0	0	145,030	0.0
<b>Behavioral Sciences Regulatory Board</b>						
Add KSIP funding for bonuses	0	6,000	0.0		concur	
Create official hospitality account		create account with \$500 expenditure limitation within existing resources			create account and add \$1000 expenditures	
<b>Board of Cosmetology</b>						
Add from KSIP Fund for KSIP expenditures	0	13,000	0.0	0	0	0.0
<b>Legislature</b>						
Funding for legislator daily subsistence rate change from \$80.00 per day to \$85.00 per day (Rate change was effective January 1, 2000).	106,000	106,000	0.0		concur	
<b>Legislative Division of Post Audit:</b>						
Additional salary and wage funding to reduce shrinkage	39,231	39,231	0.0	49,231	49,231	0.0
Additional OOE for contracted financial compliance audits	0	0	0.0	15,000	15,000	0.0
<b>Legislative Research Department:</b>						
Additional salary and wage funding to eliminate shrinkage	111,405	111,405	0.0		concur	

Senate Ways and Means Committee

Date **March 24, 2000**

Attachment # **4**



**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

4-2

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
<b>Attorney General</b>						
Defer funding from Children's Initiatives Fund for DARE program until Omnibus	concur with Governor (technical adjustment needed)			0	(159,956)	0.0
Attach a proviso to expenditures from the Crime Victims Assistance Fund specifying that \$200,000 in revenues to the Fund derived from marriage license fees will be transferred to the State General Fund in FY 2001.	did not recommend			add proviso		
Add 1.0 FTE Assistant Attorney General to enforce Open Records Act funded within available resources	did not recommend			0	0	1.0
<b>State Treasurer</b>						
Restore clerical position for education savings plan	21,914	21,914	1.0	concur		
Restore banking fees	0	0	0.0	25,000	25,000	0.0
<b>Insurance Department</b>						
Add for Imaging System	0	118,500	0.0	recommend study of state imaging operation		
Reduce shrinkage rate for Insurance company regulation program	0	0	0.0	0	59,754	0.0
<b>Judicial Branch</b>						
Create a new District Court Judge position for the 18th Judicial (\$128,987) to be funded from available resources, unless other funding becomes available	0	0	1.0	0	0	0.0
Recommend introduction of legislation to repeal the requirement that there be a district court judge in each county (KSA 20-301b)	did not recommend			recommend legislation		

**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

4-3

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
<b>Judicial Council</b>						
Recommend introduction of legislation, effective July 1, 2001, to statutorily create the Publications Fee Fund (which currently exists by proviso) and restrict expenditures to preparation, publication, and distribution of legal publications			did not recommend			recommend legislation
<b>Kansas Public Employees Retirement System (KPERs)</b>						
Add funding and position for investment accountant	0	36,122	1.0	0	0	0.0
Add funding for unclassified bonus awards	0	57,469	0.0	0	0	0.0
Add funding for advertising to pass constitutional amendment on banking	0	300,000	0.0			concur
Reduce funding for investment manager fees	0	(1,208,055)	0.0			concur
Add proviso for a state public safety officer covered by KP&F to retire under Tier 2 rather than Tier 1 based on an actuarial cost estimate absorbed by KPERs			did not recommend			add proviso
Add proviso that any reduction in legal fees for outside counsel in tobacco settlement remitted to Kansas shall be credited to the Kansas Endowment for Youth Fund			did not recommend			add proviso
<b>State Corporation Commission</b>						
Did not consider GBA No. 1, item 2	0	20,918	0.0			adopted GBA
Add FTE for Conservation Division within current resources	0	0	0.0	0	0	1.0
Transfer \$400,000 from SGF to Abandoned Oil and Gas Well Fund, in addition to the scheduled \$400,000 transfer			did not recommend			recommend transfer

**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

4-7

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
<b>Department of Administration</b>						
Transfer any balance in excess of \$100,000 from the State Emergency Fund to the State General Fund						
			recommend transfer		concur	
<b>Department of Revenue</b>						
New CAMA System	0	900,000	0.0	0	0	0.0
Add for Div. Of Vehicles other operating expenditures (includes 500k transfer from VIPS/CAMA Fund to DOV Operating Fund)	0	500,000	0.0	0	0	0.0
Remove salaries and wages limit from DOV Operating Fund	0	0	0.0	0	0	0.0
<b>Kansas Lottery</b>						
Add proviso to require a 13th transfer during the fiscal year and occurring in June, 2001, that will provide an estimated \$4,500,000 of additional revenue to SGF by way of the State Gaming Revenues Fund						
			recommend payment		concur	
<b>Department of Commerce and Housing</b>						
Reduce Partnership Fund (Infrastructure Projects) expenditures and transfer that amount to the EDIF	0	(306,472)	0.0	0	0	0.0
Shift EDIF funding for Goodland Travel Information Center from FY 2001 to FY 2002	0	(100,000)	0.0	0	0	0.0
Reduce EDIF funding for Eisenhower Center to \$100,000	0	(200,000)	0.0	0	0	0.0
Reduce EDIF funding for National Teachers Hall of Fame to \$100,000	0	(200,000)	0.0	0	0	0.0
Add EDIF funding to restore the Small Business Development Centers to current level	0	75,000	0.0		concur	
EDIF funding for the Wichita World Trade Center	0	0	0.0	0	60,000	0.0



**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

5-17

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
<b>Kansas, Inc.</b>						
Increase EDIF expenditure limitation to allow carryforward funds to be used for strategic analysis of state's economy	0	41,000	0.0	0	0	0.0
Increase EDIF expenditure limitation to allow carryforward funds to be used for planning for strategic analysis of state's economy	0	0	0.0	0	10,000	0.0
<b>Kansas Technology Enterprise Corporation</b>						
Add EDIF funding for EPSCoR	0	763,874	0.0	0	0	0.0
<b>Department of Human Resources</b>						
Shift \$30,000 (SGF) from operating expenditures to the Older Kansans Employment Program (OKEP)			recommend shift			did not recommend
Reduce transfer from the Workmen's Compensation Fee Fund to SGF to \$500,000 and add proviso giving Finance Council authority to transfer an additional \$500,000 if the funds are not necessary to operate the Workers' Compensation program at the current fee assessment level			did not recommend			recommend reduced transfer
Add funding for the Neighborhood Improvement and Youth Employment Act	0	0	0.0	22,000	22,000	0.0
<b>Commission on Veterans Affairs</b>						
Increase fee fund expenditure limitation to reflect revised revenues and expenditure expectations at the Winfield Veterans' Home			removed expenditure limitation but did not increase expenditures	0	1,169,156	0.0
<b>Department of Health and Environment</b>						
Shift \$3.0 million (Children's Initiatives Fund) from Kansas Health Foundation Community Grants to competitive grants for health departments to develop prevention based early intervention programs (such as nurse home visitations)			shift \$3.0 million			did not recommend

**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

9-1  
4-6

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
Defer all Children's Initiatives funding until Omnibus; Healthy Start (\$250,000), Infants and Toddlers (\$500,000), Community Partnership Grants (\$3,000,000), Smoking Cessation (\$500,000)		did not recommend		0	(4,250,000)	0.0
Fund the Rural Stroke Prevention Program from the Trauma Fund	0	0	0.0	0	156,000	0.0
Add proviso continuing the Pregnancy Maintenance Program at \$300,000 SGF withing existing resources		did not recommend			add proviso	
Allow the Department to transfer money from special revenue funds to the Sponsored Project Overhead Fund to pay for administration		did not recommend			allow transfer	
Allow the Department to shift up to \$40,000 within existing resources from special revenue funds to the Sudden Infant Death Support Fund		did not recommend			allow shifting	
Add proviso limiting expenditures from the Publication Fee Fund to publishing activities		did not recommend			add proviso	
<b>Department on Aging</b>						
Add funding to reinstate the protected income level back to the \$687 from the recommended amount of \$570 (\$475 plus \$95 for medical supplies) on the HCBS/FE waiver	800,000	2,000,000	0.0		reinstated PIL but did not add funding	
Add \$17,500 for the Senior Legal Hotline	17,500	17,500	0.0		concur	
Add funding for the Environmental Modification Grant Program	0	0	0.0	100,000	100,000	0.0
<b>Department of Social and Rehabilitation Services</b>						
Add \$300,000 from the State General Fund for Child Support Enforcement contracts.	300,000	300,000	0.0	0	0	0.0

**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

4-7

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
Delete \$5.2 million from the federal Child Support Enforcement Fund to match the Governor's reduction in state match.	0	(5,171,078)	0.0	0	(6,053,431)	0.0
Add a proviso which states that notwithstanding K.S.A. 39-7, 154, the child support collection pass through is eliminated for FY 2001.	0	0	0.0	did not recommend		
Add \$300,000 all funds, including \$102,990 SGF to provide cash assistance for case managers training opportunities by financing courses designed to increase their skills in job retention and job advancement.	102,990	300,000	0.0	0	0	0.0
Delete funding from the Medicaid pharmacy budget by changing the current payment method to Average Wholesale Price minus 13 percent plus a \$3.50 dispensing fee (House did not adjust dispensing fee)	(2,360,000)	(5,900,000)	0.0	(1,200,000)	(3,000,000)	0.0
Delete \$2.5 million all funds, including \$1.0 million SGF from the Medicaid pharmacy budget by implementing a disease management program.	(1,000,000)	(2,500,000)	0.0	did not recommend		
Delete \$2.9 million from all funds, including \$1.6 million from the State General Fund from the Medicaid budget to reflect current practices of the agency. The savings comes from shifting Adult Protective Services to federal funds (\$750,000SGF); implementation of maximum cost pricing for generic drugs (\$664,000 SGF); and new federal regulations regarding reimbursement to FQHCs/RHCs (\$210,000 SGF)	(1,624,000)	(2,935,000)	0.0	(1,624,000)	(2,185,000)	0.0
Add funding to restore optional services to the medically needy disabled and aged populations (House added supplies and FQHC services only)	2,079,600	5,200,000	0.0	1,823,200	4,095,000	0.0



**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
Add \$1.0 million all funds, including \$400,000 SGF to reinstate the protected income level back to \$687 per month for consumers receiving HCBS/PD services	400,000	1,000,000	0.0		concur	
Add \$60,000 from the State General Fund to continue the contract for the Adoptions in Child Time (House also began legal services foster care hotline)	60,000	60,000	0.0	120,000	120,000	0.0
Delete funding for capital outlay	0	0	0.0	(300,000)	(300,000)	0.0
Add proviso to prohibit spending of any capital improvement funding on Rainbow Mental Health Facility, unless it would endanger the health or safety of individuals at the facility, until the findings of the Mental Health Task Force are published. In addition, Rainbow cannot be closed without legislative approval					add proviso	
Add funding to reinstate the protected income level to \$687 per month for consumers receiving HCBS/DD services	400,000	1,000,000	0.0		concur	
Add proviso to require the Community Mental Health Center for Sedgwick County to provide the 2001 Legislature with a report that specifies each revenue source of the center; expenditures by category, beginning and ending balances in all financial accounts of the mental health center, and the number of individuals served by class so that the Legislature can make informed future decisions with regard to funding					add proviso	
Add proviso to federal medical assistance fund to direct the Department to review all current practices regarding the use of trusts to misrepresent an individual's net worth when applying for medical assistance and report to 2001 Legislature					add proviso	
Add proviso directing review and clarification of definition of child in need of care (especially in the area of protective custody) with report to 2001 Legislature					add proviso	

8-7

**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

6-7

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
Add proviso requiring service providing CDDOs in areas with community providers to present a plan to SRS on impartially providing information about community services in order to mitigate potential conflicts of interest; SRS is required to report to the SRS Transition Oversight Committee on these plans, monitoring efforts, and creation of a community services ombudsman						
		add proviso			did not recommend	
Defer Medicaid and Children's Initiatives funding until Omnibus; HCBS/SED - \$2,500,000 all funds(\$1,000,000 Children's Initiatives Fund), Family Centered System of Care (\$5,000,000 Children's Initiatives Fund), HCBS/MR - \$7,500,000 all funds (\$3,000,000 Children's Initiatives Fund), HCBS/PD - \$4,500,000 all funds (\$1,800,000 Children's Initiatives Fund), Best Children's Programs Practices Research (\$250,000 Children's Initiatives Fund).						
		did not recommend		0	(19,750,000)	0.0
<b>Larned State Hospital</b>						
Shift funding for Chemical Dependency Recovery Program from Larned State Hospital to Department of Corrections	(568,596)	(568,596)	0	0	0	0.0
<b>Department of Education</b>						
Create a new special revenue fund into which would be credited \$14.6 million for special education pursuant to H.B. 3042 which provides for the appropriation of money from the Intergovernmental Transfer Program. The addition would increase excess costs aid from 80% to 85%.						
		did not recommend		0	14,600,000	0.0
Add funding for general and supplemental general state aid to fully fund BSAPP at \$3,820. The amount is an increase of \$13 over the Governor's recommendation and an increase of \$50 over the current year.						
		did not recommend		7,761,000	7,761,000	0.0
Reduce the required local match for parent education from 75 percent to 65 percent						
		Reduce			concur	

**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

4-10

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
Shift \$500,000 (Children's Initiatives Fund) from the Experimental Wraparound Kansas Project to grants to school districts for learning readiness programs in reading, mathematics, and language arts		Shift funding to learning readiness			Did not recommend	
Defer remaining Children's Initiatives funding until Omnibus; Parent Education (\$1,277,833), Four-year-old At-risk Program (\$1,000,000)		did not recommend		0	(2,277,833)	0.0
Kan-Ed Program		Concur with Governor to fund Kan-Ed but make contingent upon E-rate discounts		0	(4,500,000)	0.0
Add proviso to the appropriation for special education capping payment to individual districts so that no USD shall receive more than 100 percent of special education excess costs in FY 2001		Did not recommend			add proviso	
<b>State Library</b>						
Add funding to decrease shrinkage from 5.0 to 3.0 percent	16,489	19,345	0.0	16,489	19,345	0.0
Add funding for grants to local libraries	0	0	0.0	300,000	300,000	0.0
<b>Kansas Arts Commission</b>						
Change proviso to allow expenditure of \$4,000 for hospitality from current funds		change proviso			concur	
Change proviso to allow for accounting of state and local matching dollars in the aggregate instead of on a program by program basis		change proviso			concur	
Add funding to restore to FY 2000 funding level	0	0	0.0	119,110	119,110	0.0
<b>School for the Blind</b>						
Increase amount for professional fees and services as required by the federal Individuals with Disabilities Education Act	25,000	25,000	0.0		concur	



**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001**  
**Reflects Committee Action as of March 22, 2000**

11-27

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
Add funding to decrease shrinkage from 5.0 to 4.5 percent	0	0	0.0	16,000	16,000	0.0
Remove expenditure limitation on General Fees Fund	did not recommend			remove expenditure limitation		
Upgrade fire alarms - Capital Improvement	0	78,390	0.0		concur	
<b>School for the Deaf</b>						
Reinstate business manager position	47,041	47,041	1.0		concur	
Reinstate supervisory teacher position and provide additional funds for student's tuition and interpreter costs for vocational classes	60,000	60,000	1.0		concur	
Renovations for Roberts Classroom Building - Capital Improvement	0	271,200	0.0	0	341,200	0.0
<b>Kansas State Historical Society</b>						
Add EDIF for the Kansas Humanities Council for Kansas Chautauqua feasibility study and Yesterday's Tomorrow Smithsonian exhibit	0	16,000	0.0	0	35,000	0.0
Add EDIF for rehabilitation and repair projects at the First Territorial Capitol and the Ft. Hays Block House	0	0	0.0	0	121,000	0.0
Add EDIF for Visitor Donation Match Fund	0	0	0.0	0	70,000	0.0
<b>Fort Hays State University</b>						
Enrollment Adjustment	155,918	155,918	0.0		concur	
Systemwide reduction	did not recommend			(56,000)	(56,000)	0.0
Student salary increase	did not recommend			35,667	35,667	0.0

**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

4-12

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
<b>Kansas State University</b>						
Systemwide State General Fund reduction		did not recommend		(188,000)	(188,000)	0.0
Student salary increase		did not recommend		5,333	5,333	0.0
<b>KSU - Extension and Ag. Research Programs</b>						
Systemwide State General Fund reduction		did not recommend		(86,000)	(86,000)	0.0
Student salary increase		did not recommend		9,667	9,667	0.0
<b>KSU - Veterinary Medical Center</b>						
Systemwide State General Fund reduction		did not recommend		(17,000)	(17,000)	0.0
Student salary increase		did not recommend		5,333	5,333	0.0
<b>Emporia State University</b>						
Systemwide State General Fund reduction		did not recommend		(54,000)	(54,000)	0.0
Student salary increase		did not recommend		31,667	31,667	0.0
<b>Pittsburg State University</b>						
Systemwide State General Fund reduction		did not recommend		(59,000)	(59,000)	0.0
Student salary increase		did not recommend		25,667	25,667	0.0
<b>University of Kansas</b>						
Systemwide State General Fund reduction		did not recommend		(242,000)	(242,000)	0.0
Student salary increase		did not recommend		100,334	100,334	0.0
Authorize issuance of bonds to construct Student Recreation Center		consider at Omnibus		authorize bonds		
<b>University of Kansas Medical Center</b>						
Systemwide State General Fund reduction		did not recommend		(182,000)	(182,000)	0.0
Student salary increase		did not recommend		18,000	18,000	0.0

**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

4-13

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
Pediatric Biomedical Research		did not consider			consider at Omnibus	
Wahl Hall East Renovation - Capital Improvement		defer pending GBA		0	1,800,000	0.0
Defer Children's Initiatives funding for Telekid Care Health Link until Omnibus		did not recommend		0	(250,000)	0.0
<b>Wichita State University</b>						
Systemwide State General Fund reduction		did not recommend		(116,000)	(116,000)	0.0
Student salary increase		did not recommend		51,333	51,333	0.0
<b>Board of Regents</b>						
Add funding for Student Financial Aid Programs		did not recommend		666,666	666,666	0.0
<b>Department of Corrections</b>						
Community Corrections Conditional Violator Grant	0	750,000	0.0	0	0	0.0
Add proviso requiring the agency to use inmate benefit funds from correctional facility budgets totaling \$250,303 to continue operations of the visitors center		did not recommend			add proviso	
Modify bonding authority request in Governor's recommendation to remove El Dorado expansion, but leave Topeka projects including J-Cellhouse renovation. Add \$1.1 million in bonds for Lansing fire damage renovation. Total bonding authority will be \$4.4 million (Capital Improvement)		modify bonding authority			delete all bonding authority	
Add one-half year funding for privately operated day reporting centers	190,000	1,900,000	0.0		did not recommend	
Add to reflect transfer of Chemical Dependency Recovery Program and costs from Larned State Hospital to Osawatomie State Hospital	568,596	568,596	0.0		did not recommend	



**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

4-14

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
<b>EI Dorado Correctional Facility</b>						
Delete funding and \$10 million in bonding authority for construction of two housing units (House -pending evaluation of alternatives to prison expansion and consideration at Omnibus)	0	(7,323,133)	0			
					concur	
Delete funding for transitional and duplication salary costs of reception and diagnostic unit transfer from Topeka. Redirect funds to facilities to reestablish inmate work crews.	did not recommend			(553,914)	(553,914)	0.0
<b>Ellsworth Correctional Facility</b>						
Add funding and positions to reestablish inmate work crews	did not recommend			74,055	74,055	2.0
<b>Hutchinson Correctional Facility</b>						
Add funding and position to reestablish inmate work crews	did not recommend			37,550	37,550	1.0
<b>Lansing Correctional Facility</b>						
Add funding and positions to reestablish inmate work crews	did not recommend			178,691	178,691	5.0
<b>Norton Correctional Facility</b>						
Add funding and positions to reestablish inmate work crews	did not recommend			230,703	230,703	7.0
<b>Topeka Correctional Facility</b>						
Delete bonding authority included with EI Dorado facility expansion for review by Building Committee, review of alternatives, and consideration at Omnibus	did not recommend			0	0	0.0
<b>Winfield Correctional Facility</b>						
Add funding and position to reestablish inmate work crews	did not recommend			32,915	32,915	1.0
<b>Juvenile Justice Authority</b>						
Delete funding from the central office operating expenditures and transfer to Topeka Juvenile Correctional Facility due to overcrowding	did not recommend			(727,787)	(727,787)	0.0
Delete funding for construction of proposed juvenile facilities pending further consideration	0	(10,000,000)	0.0			
					concur	

**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

4-15

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
Delete funding for capital improvement rehabilitation and repair projects for Omnibus consideration		did not recommend		0	(1,000,000)	0.0
Defer all Children's Initiatives funding until Omnibus; Prevention Program Grants (\$5,000,000), Intervention and Graduated Sanctions Community Grants (\$2,000,000)		did not recommend		0	(7,000,000)	0.0
<b>Topeka Juvenile Correctional Facility</b>						
Add funding from the JJA central office due to overcrowding		did not recommend		727,787	727,787	0.0
<b>Adjutant General</b>						
Add EDIF for National Guard Educational Assistance Program	0	250,000	0.0	0	0	0.0
Include provisions of SB 592 (bonds for armory repairs) in capital improvements bill and require appearance before Building Committee before each bond issue		did not recommend			included	
<b>Kansas Highway Patrol</b>						
Add a proviso allowing Highway Patrol Officers to purchase their firearms upon leaving the agency		did not recommend			add proviso	
<b>Attorney General - Kansas Bureau of Investigation</b>						
Restore FTE positions	0	0	3.0	0	0	0.0
Add a proviso allowing use of General Fees Fund for normal operating expenses		add proviso			did not recommend	
Replace local funding for the Southeast Kansas Drug Enforcement Task Force	97,154	97,154	0.0		concur	
Replace local funding for the Kansas City Kansas Community College laboratory	60,000	60,000	0.0		concur	
Replace Federal Forfeiture Funds for normal operating expenses with SGF	78,609	78,609	0.0		concur	

**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

4-16

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
Add funding for the Offender Registration Program	47,770	47,770	0.0	0	0	0.0
Additional salary and wage funding for forensic laboratory scientists	16,467	16,467	0.0	0	0	0.0
Remove limit on the number of unclassified temporary positions authorized	did not recommend			recommend removal of limit		
<b>Emergency Medical Services Board</b>						
Increase funding for Regional Councils grants	35,992	35,992	0.0	0	0	0.0
Add Office Specialist position (employed in FY 2000)	36,546	36,546	1.0		concur	
Establish a Rural Health Options Grant Fund with no expenditure limitation that will receive funds from KDHE	recommend establishing fund				concur	
<b>Kansas Sentencing Commission</b>						
Add a proviso allowing use of the Highway Forfeiture Fund for normal operating expenses	0	0	0.0		concur	
Add funding and FTE due to Governor's budget deletion of mixed funding sources (House added unclassified temp.)	64,657	42,895	1.0	64,657	42,895	1.0
<b>Department of Agriculture</b>						
Transfer \$852,447 from the Grain Inspection Fund to the State General Fee Fund	recommend transfer			did not recommend		
Abolish Computer Services Fund	did not recommend			recommend abolishing fund		
<b>Animal Health Department</b>						
Add attorney position and create fund allowing agency to receive money from other agencies for legal service	0	49,040	1.0		concur	
<b>State Fair</b>						
State operations	0	25,000	0.0	0	0	0.0



**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

71-70

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
Shift funding source from SGF to EDIF for state support of operations and add	0	0	0.0	(118,000)	7,000	0.0
<b>Water Office</b>						
Transfer \$653,350 from Water Marketing Fund to State General Fund and, by proviso, allow the agency, if necessary, to make a short term loan from the PMIB for cash flow purposes of the Water Marketing Program		recommend transfer and proviso		did not recommend		
Add proviso authorizing the transfer of money from the subaccounts of the Water Supply Storage Assurance District Fund to the Water Marketing Fund		did not recommend		add proviso		
<b>Department of Wildlife and Parks</b>						
EDIF funding for Local Government Outdoor Recreation Grants	0	(275,000)	0.0	0	25,000	0.0
Delete funding to reduce personal watercraft purchases	0	(25,500)	0.0	0	0	0.0
Did not consider GBA No. 1, item 14	0	(50,953)	(1.0)	adopted GBA		
Did not consider GBA No. 1, item 15	0	(340,668)	0.0	adopted GBA		
Did not consider GBA No. 1, item 16	0	45,657	0.0	adopted GBA		
Add from Wildlife Fee Fund to increase new federal duck stamp purchase program	0	0	0.0	0	10,000	0.0
Delete from the Wildlife Conservation Fund to reduce upland land acquisition (Capital Improvement)	0	0	0.0	0	(250,000)	0.0
Delete from the Wildlife Conservation Fund to reduce wetland acquisition (Capital Improvement)	0	0	0.0	0	(250,000)	0.0
<b>Department of Transportation</b>						

**Comparison of Senate and House Adjustments to the Governor's Recommendation for FY 2001  
Reflects Committee Action as of March 22, 2000**

8/18  
4-7

Agency/Item	Senate Position			House Position		
	State General Fund	All Funds	FTE Positions	State General Fund	All Funds	FTE Positions
Shift Info Technology expenditures of \$1,000,000 from limited account to KSIP account		recommend shift			did not recommend	
By proviso, direct agency to provide budget information for the Comprehensive Transportation Plan in a budget format that includes non-reportable financing		add proviso			did not recommend	
<b>All Agencies</b>						
Delete funding for Governor's pay plan adjustments	(23,149,142)	(44,890,711)	0.0		did not recommend	
<b>TOTAL Adjustments to Governor's recommendation</b>	<b>(22,762,859)</b>	<b>(64,173,854)</b>	<b>12.0</b>	<b>8,806,775</b>	<b>(35,455,410)</b>	<b>26.0</b>
<b>Total Adjustments excluding pay plan deletion</b>	<b>386,283</b>	<b>19,283,143</b>	<b>12.0</b>	<b>8,806,775</b>	<b>(35,455,410)</b>	<b>26.0</b>



**FY 2001 GOVERNOR'S BUDGET AMENDMENTS  
NOT CONSIDERED BY SENATE COMMITTEE**

	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
<b>Kansas Corporation Commission</b>			
GBA No. 1, Item 2			
Motor Carrier License Fee Fund - KSIP account	\$ 0	\$ (20,918)	0.0
<b>Department of SRS</b>			
GBA No. 1, Item 7			
Overfunded federal funds	0	(440,000)	0.0
<b>Department of Wildlife and Parks</b>			
GBA No. 1, Item 14			
Retirement Reduction Correction	0	50,953	1.0
GBA No. 1, Item 15			
Restore Wildlife Fee Fund expenditures	0	340,668	0.0
GBA No. 1, Item 16			
Boating Fee Fund - KSIP account	0	(45,657)	0.0
	<u>0</u>	<u>(114,954)</u>	<u>1.0</u>
	<u>\$ 0</u>	<u>\$ (114,954)</u>	<u>1.0</u>

Senate Ways and Means Committee

Date *March 24, 2000*

Attachment # *5*



**Senate Items for  
Omnibus Consideration**

State Department of Education

General and Supplemental General State Aid. Consideration should be given to increasing Base State Aid Per Pupil in FY 2001 above the currently-recommended level of \$3,807.

Special Education. Consideration should be given to increasing the level of excess costs funded from the 80 percent level currently recommended for FY 2001.

Structured mentoring and educational excellence. Consideration should be given to funding the structured mentoring program and the educational excellence program.

Judicial Branch

Create a new District Judge for the 18th Judicial District (Sedgwick County) (\$123,987) from within available resources, but consider at the end of the Session if other revenues become available.

Add a District Magistrate Judge position for the 9th Judicial District (McPherson County).

Consider adding \$150,000 for a contract with Kansas Legal Services, Inc., to provide training and other statewide foster care legal services.

Department of Health and Environment

Review food inspection program to see if fees will be sufficient to supplant SGF in FY 2001.

Kansas Human Rights Commission

Review the enhancement request for 1.0 FTE position to increase the information/education staff.

Behavioral Sciences Regulatory Board

Review fee structure.

Homestead Property Tax Refunds

Review budget for a better estimate on refunds.

Kansas Department of Human Resources

Review the Worker's Compensation program database project regarding user costs to access the database.

*Kansas Legislative Research Department*

*March 23, 2000*

Senate Ways and Means Committee

Date *March 24, 2000*

Attachment # *6*

## KPERS

Review investment manager fees to update payment estimate (FY 2000 and FY 2001)

## Legislature

Review for possible additional funding for legislative, congressional and State Board of Education redistricting. (The agency has requested an additional \$200,000 in FY 2001; \$415,000 in FY 2003; and \$76,000 in FY 2004). The Governor has recommended \$500,000 in FY 2001.

Further review of adding \$500,000 (State General Fund) in FY 2001 for remodeling of Room 143-North in the Statehouse from Senate offices into a committee hearing room. The Statehouse Historic Structures Report is scheduled to be done in March, 2000.

## Department of Commerce and Housing

Review adding funding for KIT/KIR if sufficient EDIF dollars are available.

Review adding state funding for the Wichita World Trade Center.

## KTEC

Review additional funding to restore all or part of the Commercialization program.

## Department of Corrections

Review community corrections funding.

## Department on Aging

Agency to report on the impact of the Nutrition Program reduction of \$450,000 SGF on the area nutrition sites including any information regarding the lack of volunteers to deliver meals.

Review funding for the Senior Companion Program.

Review funding for the Nursing Homes Program based on any changes in the consensus caseload estimates.

Review funding for the Wage Pass-through Program for nursing facilities.

Review the Retired Senior Volunteer Program.

Review the Environmental Modification Grant Program.

Department of Social and Rehabilitation Services

Review state match for federal Child Support Enforcement Fund.

Review Medicaid pharmacy budget.

Review the budget structure of the crisis stabilization center at the University of Kansas Medical Center Hospital.

Review GBA No. 1, item 7, regarding the federal Medical Assistance Fund. (FY 2000)

Review funding for Community Grants for Mental Health

Agency to present recommendations of the task force on the HCBS/DD waiver program.

Sentencing Commission

Add a proviso allowing the agency to expend monies from the Highway Forfeiture Fund for normal operating expenses (FY 2000).

Parole Board

Consider reinstatement of funding for 1.0 FTE board member due to the failure of SB 347 which would have reduced the Board's membership from 4.0 to 3.0.

Kansas Bureau of Investigation

Review funding for completion of the Kansas City, Kansas satellite laboratory due to increased square foot costs and the purchasing of equipment. (FY 2000)

Juvenile Justice Authority

Examine the use of overtime (both in terms of safety and expense) at Topeka Juvenile Correctional Facility.

Commission on Veterans' Affairs

Review Soldiers' Home budget for adequacy.

Review funding for state veterans cemeteries planning costs.



University of Kansas

Consider funding for renovation of a section of Strong Hall (\$560,000 from restricted fees) to provide space for the administrative offices of the College of Liberal Arts and Sciences.

Consider authorizing the issuance of bonds for construction of a Student Recreation Center (construction costs are estimated at \$17.1 million).

STATE WATER PLAN FUND, FY 2000

	Gov. Rec. FY 2000	H. CMTE. ADJ. FY 2000	S. CMTE. ADJ. FY 2000
Agency/Program			
State Conservation Commission			
Buffer Initiative	128,721	0	0
Conservation District Aid	1,032,750	0	0
Multipurpose Small Lakes	231,000	0	0
Nonpoint Source Pollution Asst.	3,124,846	0	0
Riparian and Wetland Program	125,000	0	0
Water Resources Cost Share	4,549,693	0	0
Water Rights Purchase	0	0	0
Watershed Dam Construction	845,426	0	0
<b>Total--State Conservation Commission</b>	<b>10,037,436</b>	<b>0</b>	<b>0</b>
Kansas Water Office			
Assessment and Evaluation	0	0	0
Basin Assessment	25,000	0	0
Cheney Agricultural Nonpoint Source	25,000	0	0
Federal Cost-Share Programs	100,000	0	0
GIS Data Access and Support Ctr.	162,800	0	0
GIS Data Base Development	250,000	0	0
Groundwater Condition Eval.	75,000	0	0
Kansas Water Resource Research Institute	0	0	0
MOU Operation and Maintenance	489,663	0	0
PMIB Loan Payment for Storage	267,394	0	0
Public Information	30,000	0	0
Public Water Supply--GIS	0	0	0
Stream Gauging Program	400,000	0	0
Stream Team	0	0	0
Tech. Assist. to Water Users	440,000	0	0
Water Resource Education	70,000	0	0
Water Quality in Upper Arkansas River	75,000	0	0
Weather Modification	360,000	0	0
<b>Total--Kansas Water Office</b>	<b>2,769,857</b>	<b>0</b>	<b>0</b>
Department of Wildlife and Parks			
River Recreation	0	0	0
Stream Monitoring	50,000	0	0
<b>Total--Wildlife and Parks</b>	<b>50,000</b>	<b>0</b>	<b>0</b>
Department of Agriculture			
Best Management Practices	0	0	0
Floodplain Management	110,619	0	0
Interstate Water Issues	193,157	0	0
Subbasin Management Plan	685,000	0	0
<b>Total--Department of Agriculture</b>	<b>988,776</b>	<b>0</b>	<b>0</b>
Health and Environment			
Assessment of Sediment	125,000	0	0
Contamination Remediation	1,390,000	0	0
Local Environmental Protection Program	1,800,000	0	0
Nonpoint Source Program	925,000	0	0
TMDL Initiatives	0	0	0
Use Attainability Analysis	0	0	0
<b>Total--Health and Environment</b>	<b>4,240,000</b>	<b>0</b>	<b>0</b>
KCC--Well Plugging	400,000	0	0
<b>Total Water Plan Expenditures</b>	<b>18,486,069</b>	<b>0</b>	<b>0</b>

	Gov. Rec. FY 2000	H. CMTE. ADJ. FY 2000	S. CMTE. ADJ. FY 2000
State Water Plan Resource Est.			
Beginning Balance	1,196,771	0	0
Revenues			
State General Fund Transfer	5,940,000	0	0
Economic Development Fund Transfer	2,000,000	0	0
Municipal Water Fees	3,650,000	0	0
Industrial Water Fees	1,300,000	0	0
Stock Water Fees	290,000	0	0
Pesticide Registration Fees	920,000	0	0
Fertilizer Registration Fees	3,010,000	0	0
Fines	70,000	0	0
Sand Royalty Receipts	358,031	0	0
Returned Funds/Transfers In	1,796,742	0	0
<b>Total Receipts</b>	<b>19,334,773</b>	<b>0</b>	<b>0</b>
<b>Total Available</b>	<b>20,531,544</b>	<b>0</b>	<b>0</b>
Less Expenditures	18,486,069	0	0
<b>Ending Balance</b>	<b>2,045,475</b>	<b>0</b>	<b>0</b>
<b>Adjusted Ending Balance</b>	<b>2,045,475</b>	<b>2,045,475</b>	<b>2,045,475</b>

Senate Ways and Means Committee

Legislative Research Department (03/16/00, 5:13:56 PM)

Date *March 24, 2000*

Attachment # *7*

STATE WATER PLAN FUND, FY 2001

Agency/Program	Gov. Rec. FY 2001	H. CMTE. ADJ. FY 2001	S. CMTE. ADJ. FY 2001
<b>State Conservation Commission</b>			
Buffer Initiative	80,000	0	0
Conservation District Aid	1,035,500	0	0
Multipurpose Small Lakes	230,000	0	0
Nonpoint Source Pollution Asst.	3,000,000	0	0
Riparian and Wetland Program	200,000	0	0
Water Resources Cost Share	4,450,000	0	0
Water Rights Purchase	0	0	0
Watershed Dam Construction	805,000	0	0
<b>Total--State Conservation Commission</b>	<b>9,800,500</b>	<b>0</b>	<b>0</b>
<b>Kansas Water Office</b>			
Assessment and Evaluation	200,000	0	0
Basin Assessment	0	0	0
Cheney Agricultural Nonpoint Source	0	0	0
Federal Cost-Share Programs	250,000	0	0
GIS Data Access and Support Ctr.	177,300	0	0
GIS Data Base Development	250,000	0	0
Groundwater Condition Eval.	0	0	0
Kansas Water Resource Research Institute	0	0	0
MOU Operation and Maintenance	429,787	0	0
PMB Loan Payment for Storage	270,387	0	0
Public Information	30,000	0	0
Public Water Supply--GIS	0	0	0
Stream Gauging Program	370,000	0	0
Stream Team	0	0	0
Tech. Assist. to Water Users	440,000	0	0
Water Resource Education	60,000	0	0
Water Quality in Upper Arkansas River	0	0	0
Weather Modification	349,000	0	0
<b>Total--Kansas Water Office</b>	<b>2,826,474</b>	<b>0</b>	<b>0</b>
<b>Department of Wildlife and Parks</b>			
River Recreation	0	0	0
Stream Monitoring	50,000	0	0
<b>Total--Wildlife and Parks</b>	<b>50,000</b>	<b>0</b>	<b>0</b>
<b>Department of Agriculture</b>			
Best Management Practices	50,000	0	0
Floodplain Management	131,849	0	0
Interstate Water Issues	202,795	0	0
Subbasin Management Plan	647,291	0	0
<b>Total--Department of Agriculture</b>	<b>1,031,935</b>	<b>0</b>	<b>0</b>
<b>Health and Environment</b>			
Assessment of Sediment	50,000	0	0
Contamination Remediation	1,397,022	0	0
Local Environmental Protection Program	1,800,000	0	0
Nonpoint Source Program	469,430	0	0
TMDL Initiatives	220,000	0	0
Use Attainability Analysis	200,000	0	0
<b>Total--Health and Environment</b>	<b>4,136,452</b>	<b>0</b>	<b>0</b>
KCC--Well Plugging	400,000	0	0
<b>Total Water Plan Expenditures</b>	<b>18,245,361</b>	<b>0</b>	<b>0</b>

State Water Plan Resource Est.	Gov. Rec. FY 2001	H. CMTE. ADJ. FY 2001	S. CMTE. ADJ. FY 2001
<b>Beginning Balance</b>	<b>2,045,475</b>	<b>0</b>	<b>0</b>
<b>Revenues</b>			
State General Fund Transfer	4,500,000	0	0
Economic Development Fund Transfer	2,000,000	0	0
Municipal Water Fees	3,685,000	0	0
Industrial Water Fees	1,300,000	0	0
Stock Water Fees	290,000	0	0
Pesticide Registration Fees	920,000	0	0
Fertilizer Registration Fees	3,087,000	0	0
Fines	70,000	0	0
Sand Royalty Receipts	367,837	0	0
Returned Funds/Transfers In	0	0	0
<b>Total Receipts</b>	<b>16,219,837</b>	<b>0</b>	<b>0</b>
<b>Total Available</b>	<b>18,265,312</b>	<b>0</b>	<b>0</b>
<b>Less Expenditures</b>	<b>18,245,361</b>	<b>0</b>	<b>0</b>
<b>Ending Balance</b>	<b>19,951</b>	<b>0</b>	<b>0</b>
<b>Adjusted Ending Balance</b>		<b>19,951</b>	<b>19,951</b>



## Children's Initiatives Fund (Tobacco)

Agency/Program	FY 2001 Children's Cabinet Recommendation	FY 2001 Governor's Recommendation	FY 2001 House Committee Adjustments*	FY 2001 Senate Committee Adjustments
<b>Miscellaneous Programs</b>				
Statewide Strategic Planning	\$ 350,000	\$ 0		
Enhance Community Access Network catalog	70,000	0		
Research and Planning	350,000	0		
Cabinet Costs	387,058	0		
<b>Subtotal - Misc.</b>	<b>\$ 1,157,058</b>	<b>\$ 0</b>		
<b>Department of Health and Environment</b>				
Healthy Start/Home Visitor	\$ 250,000	\$ 250,000	\$ (250,000)	
Infants and Toddlers Program	500,000	500,000	(500,000)	
Vaccine Purchases	250,000	0		
Newborn Screening Equipment Purchases	0	0		
Community Partnership Grants	6,950,000	3,000,000	(3,000,000)	(3,000,000)
Smoking Cessation/Prevention Program Grants	2,500,000	500,000	(500,000)	
Early Prevention Grants for Local Health Departments	0	0		3,000,000
<b>Subtotal - KDHE</b>	<b>\$ 10,450,000</b>	<b>\$ 4,250,000</b>	<b>\$ (4,250,000)</b>	<b>\$ 0</b>
<b>Juvenile Justice Authority</b>				
Juvenile Prevention Program Grants	\$ 4,000,000	\$ 5,000,000	\$ (5,000,000)	
Juvenile Graduated Sanctions Grants	2,000,000	2,000,000	(2,000,000)	
Community Management Information Systems Grants	85,000	0		
<b>Subtotal - JJA</b>	<b>\$ 6,085,000</b>	<b>\$ 7,000,000</b>	<b>\$ (7,000,000)</b>	
<b>Department of Social and Rehabilitation Services</b>				
Children's Mental Health Initiative	\$ 1,000,000	\$ 1,000,000	\$ (1,000,000)	
Family Centered System of Care	5,000,000	5,000,000	(5,000,000)	
HCBS Services for Mentally Retarded	3,000,000	3,000,000	(3,000,000)	
HCBS Services for Physically Disabled	1,800,000	1,800,000	(1,800,000)	
Best Children's Programs Practices Research	0	250,000	(250,000)	
<b>Subtotal - SRS</b>	<b>\$ 10,800,000</b>	<b>\$ 11,050,000</b>	<b>\$ (11,050,000)</b>	
<b>Attorney General</b>				
Statewide DARE Program	\$ 165,300	\$ 159,956	\$ (159,956)	
<b>Department of Education</b>				
Parent Education	\$ 777,833	\$ 1,277,833	\$ (1,277,833)	
Four-Year -Old At-Risk Programs	0	1,000,000	(1,000,000)	
School Violence Prevention	500,000	500,000	(500,000)	(500,000)
Kan-Ed	0	4,500,000	(4,500,000)	
Natl. Geographic Society Ed. Foundation Endowment	0	0		
School District Learning Readiness Programs	0	0		500,000
<b>Subtotal - Dept. of Ed.</b>	<b>\$ 1,277,833</b>	<b>\$ 7,277,833</b>	<b>\$ (7,277,833)</b>	<b>\$ 0</b>
<b>University of Kansas Medical Center</b>				
Tele-Kid Health Care Link	\$ 0	\$ 250,000	\$ (250,000)	
Pediatric Biomedical Research	0	0	0	
<b>Subtotal - KU Medical Center</b>	<b>\$ 0</b>	<b>\$ 250,000</b>	<b>\$ (250,000)</b>	
<b>TOTAL</b>	<b>\$ 29,935,191</b>	<b>\$ 29,987,789</b>	<b>(29,987,789)</b>	<b>\$ 0</b>

\* The House Committee recommends deleting all Children's Initiatives funding pending further consideration at Omnibus.

Senate Ways and Means Committee

Date *March 24, 2000*

Attachment # *8*

# Economic Development Initiatives Fund

Agency/Program	Governor's Recommendation FY 2000	Senate Committee Adjustments FY 2000
Department of Commerce and Housing <sup>(1)</sup>		
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	\$ 20,154,004	
Kansas Technology Enterprise Corporation <sup>(1)</sup>		
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	\$ 12,942,963	
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	\$ 8,907,144	
Historical Society	0	
Department of Administration		
Public TV Microwave Connection	0	
State Water Plan Fund	2,000,000	
KSU -- Ag Extension		
Ogalala Aquifer Study	0	
Wildlife and Parks		
Local Government Outdoor Recreation	500,000	
State Fair	35,000	
<b>TOTAL TRANSFERS AND EXPENDITURES</b>	<b>\$ 44,728,674</b>	<b>\$ 0</b>
<b>EDIF Resource Estimate</b>	<b>Gov. Rec.</b>	<b>Senate Comm. Adj.</b>
	<b>FY 2000</b>	<b>FY 2000</b>
Beginning Balance	\$ 3,672,000	-
Gaming Revenues	42,500,000	-
Other Income <sup>(2)</sup>	800,182	-
Total Available	\$ 46,972,182	\$ 46,972,182
Less: Expenditures and Transfers	44,728,674	44,728,674
<b>ENDING BALANCE</b>	<b>\$ 2,243,508</b>	<b>\$ 2,243,508</b>

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.

**Economic Development Initiatives Fund**

<u>Agency/Program</u>	<u>Governor's Recommendation FY 2001</u>	<u>Senate Committee Adjustments FY 2001</u>
Department of Commerce and Housing*		
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	
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	(200,000)
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>\$ (425,000)</u>
Kansas Technology Enterprise Corporation *		
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.	\$ 336,137	
Board of Regents		
Matching Grants - AVTS	200,000	
Post-secondary Aid - AVTS	6,882,981	
Capital Outlay Aid - AVTS	2,200,000	
Subtotal - Education	<u>\$ 9,282,981</u>	
Historical Society	0	16,000
Department of Administration		
Public TV Microwave Connection	350,000	
State Water Plan Fund	2,000,000	
Wildlife and Parks		
Local Government Outdoor Recreation	475,000	(275,000)
State Fair	100,000	25,000
Adjutant General		
Kansas National Guard Educational Assistance	0	250,000
<b>TOTAL TRANSFERS AND EXPENDITURES</b>	<b><u>\$ 44,507,308</u></b>	<b><u>354,874</u></b>
<b>EDIF Resource Estimate</b>	<b>Gov. Rec.</b>	<b>Senate Comm. Adj.</b>
	<b>FY 2001</b>	<b>FY 2001</b>
Beginning Balance	\$ 2,243,508	-
Gaming Revenues	42,500,000	-
Other Income	594,000	306,472
Total Available	<u>\$ 45,337,508</u>	<u>45,643,980</u>
Less: Expenditures and Transfers	44,507,308	44,862,182
<b>ENDING BALANCE</b>	<b><u>\$ 830,200</u></b>	<b><u>781,798</u></b>

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



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

**Governor's Recommendation Except:**

Senate Appropriations Committee Action  
 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 2001 Receipts Increased by \$6.4 million (Lottery and State Emergency Fund)

	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		\$316.1		\$337.4		\$338.1		\$351.7	
<b>RECEIPTS:(b)</b>	4,027.2	343.4 9.3%	3,978.6	(48.6) -1.2%	4,166.6	188.0 4.7%	4,447.9	281.3 6.8%	4,507.8	59.9 1.3%	4,674.6	166.8 3.7%	4,862.5	187.9 4.0%
<b>EXPENDITURES:</b>														
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	22.0	22.0	20.3	(1.7)	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%	2,329.2	100.7 4.5%	2,325.3	(3.9) -0.2%	2,329.2	3.9 0.2%	2,320.0	(9.2) -0.4%	2,420.0	100.0 4.3%
<b>Available for Other Purposes(h)</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(85.0)	(85.0)	35.0	120.0	95.0	60.0
TOTAL Expenditures	3,799.1	263.3 7.4%	4,196.2	397.1 10.5%	4,391.4	195.2 4.7%	4,426.6	35.2 0.8%	4,507.1	80.5 1.8%	4,661.0	153.9 3.4%	4,850.6	189.6 4.1%
Ending Balance(i)	756.7		540.9		316.1		337.4		338.1		351.7		363.6	
Percent of Expenditures	19.9%		12.9%		7.2%		7.6%		7.5%		7.5%		7.5%	
Receipts in Excess of Expenditures	228.1		(217.6)		(224.8)		21.3		0.7		13.6		11.9	

Senate Ways and Means Committee  
 Date *March 24, 2000*  
 Attachment # *10*

**FOOTNOTES:**

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

b) Receipts are actual for FY 1998 and FY 1999. Receipts for FY 2000 and FY 2001 reflect the November 3, 1999 consensus revenue estimates. The Governor adjusts FY 2000 receipts by \$1.2 million (various transfers into the State General Fund) and by \$15.7 million in FY 2001 (transfers and a one-time acceleration of sales tax receipts). The FY 2001 amount includes \$91.0 million of tobacco settlement trust fund payments to the State General Fund as set forth in Senate Sub. for H.B. 2558 (repayment of \$20.3 million "loan" in FY 2000 and \$70.7 million of new receipts). The projections for FYs 2002 - 2004 are not consensus estimates but are based on a growth rate of 1.5 percent in FY 2002; 3.7 percent in FY 2003; and 4.0 percent in FY 2004, all off the FY 2001 base amount. FY 2000 receipts increase \$0.5 million above the Governor's recommendation due to action in S.B. 39. FY 2001 receipts increased by \$4.5 million from the Kansas Lottery and \$1.9 million from the State Emergency Fund.

c) Base estimate of general and supplemental school aid payments in FY 1998 and FY 1999 are actual, estimates for FY 2000, and FY 2001 - FY 2003 were made by the Department of Education, Division of the Budget, and the Legislative Research Department were revised November 12, 1999. For FY 2000 the amount reflects an increase in the base per pupil amount of \$507 from \$3,720 to \$3,770, an additional correlation weighting adjustment from 1,750 FTE students to 1,725 FTE students, and the reduction in the uniform property tax rate from 27 to 20 mills and a homestead exemption of \$20,000. The FY 2002 - FY 2004 estimates assume a uniform school mill levy of 20 mills and a \$20,000 homestead and a base aid per pupil amount of \$3,820. FY 2004 is estimated by the Legislative Research Department. An additional base increase in FY 2001 of \$37.00 in the base aid amount, which provides a base aid per pupil of \$3,807.

d) KPERS employer contribution moratorium on the increase rate in FY 2001; Beginning in FY 2002 an additional Kansas Public Employees Retirement System (KPERS) employer contribution amount necessary to meet the statutorily required rate increase (0.2 percent rate increase until equilibrium is reached) and to finance the 1998 post-retirement benefit increase (0.19 percent increase).

e) Fiscal note on S.B. 345 - Higher Ed Restructuring Act which includes operating costs (starting in FY 2001) of the Department of Education and the Board of Regents; increased state aid to community colleges, Washburn University; salary increases for Regents institutions and \$12.0 million for annual performance grants starting in FY 2003. FY 2000 operating expenditures for S.B. 345 are reflected in the all other expenditure amount.

f) Demand transfers for the School District Capital Improvement Fund and the State Fair (FY 2000 - FY 2004) all reflect current law. The Governor's recommendation for FY 2001 includes a 6.5 percent reduction below the FY 2000 amount for the County-City Revenue Sharing Fund and the Local Ad Valorem Tax Reduction Fund. The Governor's recommendation also reduces the FY 2001 transfer to the City-County Highway Fund by 7.5 percent from the statutory amount and reduces the Water Plan demand transfer by \$1.5 million. For the State Highway Fund the FY 2000 and FY 2001 the amounts reflect a reduction in the approved transfer amount which was already capped at an increase of 1.7 percent; the rate increases to 9.5 percent in FY 2002; to 11.0 percent in FY 2003; and 11.250 percent in FY 2004 as approved by the 1999 Legislature in the comprehensive transportation legislation. All other demand transfers for FY 2002 - FY 2004 reflect current law.

g) FY 1998 FY 1999 are actual all other expenditures. The FY 2000 as adjusted by S.B. 39 and FY 2001 amounts as recommended by the Senate Ways and Means Committee as of March 23, 2000. For FY 2002 - FY 2004 all other expenditures generally reflect the prior year's all other expenditures, plus the prior year's amount that is available for other purposes.

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

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

Kansas Legislative Research Department  
March 20, 2000



**FY 2001 GOVERNOR'S BUDGET AMENDMENTS  
NOT CONSIDERED BY SENATE COMMITTEE**

	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
<b>Kansas Corporation Commission</b>			
GBA No. 1, Item 2			
Motor Carrier License Fee Fund - KSIP account	\$ 0	\$ (20,918)	0.0
<b>Department of SRS</b>			
GBA No. 1, Item 7			
Overfunded federal funds	0	(440,000)	0.0
<b>Department of Wildlife and Parks</b>			
GBA No. 1, Item 14			
Retirement Reduction Correction	0	50,953	1.0
GBA No. 1, Item 15			
Restore Wildlife Fee Fund expenditures	0	340,668	0.0
GBA No. 1, Item 16			
Boating Fee Fund - KSIP account	0	(45,657)	0.0
	<u>0</u>	<u>(114,954)</u>	<u>1.0</u>
	<u>\$ 0</u>	<u>\$ (114,954)</u>	<u>1.0</u>

Senate Ways and Means Committee

Date *March 24, 2000*

Attachment # *5*



**Senate Items for  
Omnibus Consideration**

State Department of Education

General and Supplemental General State Aid. Consideration should be given to increasing Base State Aid Per Pupil in FY 2001 above the currently-recommended level of \$3,807.

Special Education. Consideration should be given to increasing the level of excess costs funded from the 80 percent level currently recommended for FY 2001.

Structured mentoring and educational excellence. Consideration should be given to funding the structured mentoring program and the educational excellence program.

Judicial Branch

Create a new District Judge for the 18th Judicial District (Sedgwick County) (\$123,987) from within available resources, but consider at the end of the Session if other revenues become available.

Add a District Magistrate Judge position for the 9th Judicial District (McPherson County).

Consider adding \$150,000 for a contract with Kansas Legal Services, Inc., to provide training and other statewide foster care legal services.

Department of Health and Environment

Review food inspection program to see if fees will be sufficient to supplant SGF in FY 2001.

Kansas Human Rights Commission

Review the enhancement request for 1.0 FTE position to increase the information/education staff.

Behavioral Sciences Regulatory Board

Review fee structure.

Homestead Property Tax Refunds

Review budget for a better estimate on refunds.

Kansas Department of Human Resources

Review the Worker's Compensation program database project regarding user costs to access the database.

*Kansas Legislative Research Department*

*March 23, 2000*

Senate Ways and Means Committee

Date *March 24, 2000*

Attachment # *6*

## KPERS

Review investment manager fees to update payment estimate (FY 2000 and FY 2001)

## Legislature

Review for possible additional funding for legislative, congressional and State Board of Education redistricting. (The agency has requested an additional \$200,000 in FY 2001; \$415,000 in FY 2003; and \$76,000 in FY 2004). The Governor has recommended \$500,000 in FY 2001.

Further review of adding \$500,000 (State General Fund) in FY 2001 for remodeling of Room 143-North in the Statehouse from Senate offices into a committee hearing room. The Statehouse Historic Structures Report is scheduled to be done in March, 2000.

## Department of Commerce and Housing

Review adding funding for KIT/KIR if sufficient EDIF dollars are available.

Review adding state funding for the Wichita World Trade Center.

## KTEC

Review additional funding to restore all or part of the Commercialization program.

## Department of Corrections

Review community corrections funding.

## Department on Aging

Agency to report on the impact of the Nutrition Program reduction of \$450,000 SGF on the area nutrition sites including any information regarding the lack of volunteers to deliver meals.

Review funding for the Senior Companion Program.

Review funding for the Nursing Homes Program based on any changes in the consensus caseload estimates.

Review funding for the Wage Pass-through Program for nursing facilities.

Review the Retired Senior Volunteer Program.

Review the Environmental Modification Grant Program.

Department of Social and Rehabilitation Services

Review state match for federal Child Support Enforcement Fund.

Review Medicaid pharmacy budget.

Review the budget structure of the crisis stabilization center at the University of Kansas Medical Center Hospital.

Review GBA No. 1, item 7, regarding the federal Medical Assistance Fund. (FY 2000)

Review funding for Community Grants for Mental Health

Agency to present recommendations of the task force on the HCBS/DD waiver program.

Sentencing Commission

Add a proviso allowing the agency to expend monies from the Highway Forfeiture Fund for normal operating expenses (FY 2000).

Parole Board

Consider reinstatement of funding for 1.0 FTE board member due to the failure of SB 347 which would have reduced the Board's membership from 4.0 to 3.0.

Kansas Bureau of Investigation

Review funding for completion of the Kansas City, Kansas satellite laboratory due to increased square foot costs and the purchasing of equipment. (FY 2000)

Juvenile Justice Authority

Examine the use of overtime (both in terms of safety and expense) at Topeka Juvenile Correctional Facility.

Commission on Veterans' Affairs

Review Soldiers' Home budget for adequacy.

Review funding for state veterans cemeteries planning costs.



University of Kansas

Consider funding for renovation of a section of Strong Hall (\$560,000 from restricted fees) to provide space for the administrative offices of the College of Liberal Arts and Sciences.

Consider authorizing the issuance of bonds for construction of a Student Recreation Center (construction costs are estimated at \$17.1 million).

STATE WATER PLAN FUND, FY 2000

	Gov. Rec. FY 2000	H. CMTE. ADJ. FY 2000	S. CMTE. ADJ. FY 2000
Agency/Program			
State Conservation Commission			
Buffer Initiative	128,721	0	0
Conservation District Aid	1,032,750	0	0
Multipurpose Small Lakes	231,000	0	0
Nonpoint Source Pollution Asst.	3,124,846	0	0
Riparian and Wetland Program	125,000	0	0
Water Resources Cost Share	4,549,693	0	0
Water Rights Purchase	0	0	0
Watershed Dam Construction	845,426	0	0
<b>Total--State Conservation Commission</b>	<b>10,037,436</b>	<b>0</b>	<b>0</b>
Kansas Water Office			
Assessment and Evaluation	0	0	0
Basin Assessment	25,000	0	0
Cheney Agricultural Nonpoint Source	25,000	0	0
Federal Cost-Share Programs	100,000	0	0
GIS Data Access and Support Ctr.	162,800	0	0
GIS Data Base Development	250,000	0	0
Groundwater Condition Eval.	75,000	0	0
Kansas Water Resource Research Institute	0	0	0
MOU Operation and Maintenance	489,663	0	0
PMIB Loan Payment for Storage	267,394	0	0
Public Information	30,000	0	0
Public Water Supply--GIS	0	0	0
Stream Gauging Program	400,000	0	0
Stream Team	0	0	0
Tech. Assist. to Water Users	440,000	0	0
Water Resource Education	70,000	0	0
Water Quality in Upper Arkansas River	75,000	0	0
Weather Modification	360,000	0	0
<b>Total--Kansas Water Office</b>	<b>2,769,857</b>	<b>0</b>	<b>0</b>
Department of Wildlife and Parks			
River Recreation	0	0	0
Stream Monitoring	50,000	0	0
<b>Total--Wildlife and Parks</b>	<b>50,000</b>	<b>0</b>	<b>0</b>
Department of Agriculture			
Best Management Practices	0	0	0
Floodplain Management	110,619	0	0
Interstate Water Issues	193,157	0	0
Subbasin Management Plan	685,000	0	0
<b>Total--Department of Agriculture</b>	<b>988,776</b>	<b>0</b>	<b>0</b>
Health and Environment			
Assessment of Sediment	125,000	0	0
Contamination Remediation	1,390,000	0	0
Local Environmental Protection Program	1,800,000	0	0
Nonpoint Source Program	925,000	0	0
TMDL Initiatives	0	0	0
Use Attainability Analysis	0	0	0
<b>Total--Health and Environment</b>	<b>4,240,000</b>	<b>0</b>	<b>0</b>
KCC--Well Plugging	400,000	0	0
<b>Total Water Plan Expenditures</b>	<b>18,486,069</b>	<b>0</b>	<b>0</b>

	Gov. Rec. FY 2000	H. CMTE. ADJ. FY 2000	S. CMTE. ADJ. FY 2000
State Water Plan Resource Est.			
Beginning Balance	1,196,771	0	0
Revenues			
State General Fund Transfer	5,940,000	0	0
Economic Development Fund Transfer	2,000,000	0	0
Municipal Water Fees	3,650,000	0	0
Industrial Water Fees	1,300,000	0	0
Stock Water Fees	290,000	0	0
Pesticide Registration Fees	920,000	0	0
Fertilizer Registration Fees	3,010,000	0	0
Fines	70,000	0	0
Sand Royalty Receipts	358,031	0	0
Returned Funds/Transfers In	1,796,742	0	0
<b>Total Receipts</b>	<b>19,334,773</b>	<b>0</b>	<b>0</b>
Total Available	20,531,544	0	0
Less Expenditures	18,486,069	0	0
<b>Ending Balance</b>	<b>2,045,475</b>	<b>0</b>	<b>0</b>
<b>Adjusted Ending Balance</b>		<b>2,045,475</b>	<b>2,045,475</b>

Senate Ways and Means Committee

Date *March 24, 2000*

Attachment # *7*

STATE WATER PLAN FUND, FY 2001

Agency/Program	Gov. Rec. FY 2001	H. CMTE. ADJ. FY 2001	S. CMTE. ADJ. FY 2001
<b>State Conservation Commission</b>			
Buffer Initiative	80,000	0	0
Conservation District Aid	1,035,500	0	0
Multipurpose Small Lakes	230,000	0	0
Nonpoint Source Pollution Asst.	3,000,000	0	0
Riparian and Wetland Program	200,000	0	0
Water Resources Cost Share	4,450,000	0	0
Water Rights Purchase	0	0	0
Watershed Dam Construction	805,000	0	0
<b>Total--State Conservation Commission</b>	<b>9,800,500</b>	<b>0</b>	<b>0</b>
<b>Kansas Water Office</b>			
Assessment and Evaluation	200,000	0	0
Basin Assessment	0	0	0
Cheney Agricultural Nonpoint Source	0	0	0
Federal Cost-Share Programs	250,000	0	0
GIS Data Access and Support Ctr.	177,300	0	0
GIS Data Base Development	250,000	0	0
Groundwater Condition Eval.	0	0	0
Kansas Water Resource Research Institute	0	0	0
MOU Operation and Maintenance	429,787	0	0
PMB Loan Payment for Storage	270,387	0	0
Public Information	30,000	0	0
Public Water Supply--GIS	0	0	0
Stream Gauging Program	370,000	0	0
Stream Team	0	0	0
Tech. Assist. to Water Users	440,000	0	0
Water Resource Education	60,000	0	0
Water Quality in Upper Arkansas River	0	0	0
Weather Modification	349,000	0	0
<b>Total--Kansas Water Office</b>	<b>2,826,474</b>	<b>0</b>	<b>0</b>
<b>Department of Wildlife and Parks</b>			
River Recreation	0	0	0
Stream Monitoring	50,000	0	0
<b>Total--Wildlife and Parks</b>	<b>50,000</b>	<b>0</b>	<b>0</b>
<b>Department of Agriculture</b>			
Best Management Practices	50,000	0	0
Floodplain Management	131,849	0	0
Interstate Water Issues	202,795	0	0
Subbasin Management Plan	647,291	0	0
<b>Total--Department of Agriculture</b>	<b>1,031,935</b>	<b>0</b>	<b>0</b>
<b>Health and Environment</b>			
Assessment of Sediment	50,000	0	0
Contamination Remediation	1,397,022	0	0
Local Environmental Protection Program	1,800,000	0	0
Nonpoint Source Program	469,430	0	0
TMDL Initiatives	220,000	0	0
Use Attainability Analysis	200,000	0	0
<b>Total--Health and Environment</b>	<b>4,136,452</b>	<b>0</b>	<b>0</b>
KCC--Well Plugging	400,000	0	0
<b>Total Water Plan Expenditures</b>	<b>18,245,361</b>	<b>0</b>	<b>0</b>

State Water Plan Resource Est.	Gov. Rec. FY 2001	H. CMTE. ADJ. FY 2001	S. CMTE. ADJ. FY 2001
<b>Beginning Balance</b>	<b>2,045,475</b>	<b>0</b>	<b>0</b>
<b>Revenues</b>			
State General Fund Transfer	4,500,000	0	0
Economic Development Fund Transfer	2,000,000	0	0
Municipal Water Fees	3,685,000	0	0
Industrial Water Fees	1,300,000	0	0
Stock Water Fees	290,000	0	0
Pesticide Registration Fees	920,000	0	0
Fertilizer Registration Fees	3,087,000	0	0
Fines	70,000	0	0
Sand Royalty Receipts	367,837	0	0
Returned Funds/Transfers In	0	0	0
<b>Total Receipts</b>	<b>16,219,837</b>	<b>0</b>	<b>0</b>
<b>Total Available</b>	<b>18,265,312</b>	<b>0</b>	<b>0</b>
<b>Less Expenditures</b>	<b>18,245,361</b>	<b>0</b>	<b>0</b>
<b>Ending Balance</b>	<b>19,951</b>	<b>0</b>	<b>0</b>
<b>Adjusted Ending Balance</b>		<b>19,951</b>	<b>19,951</b>



## Children's Initiatives Fund (Tobacco)

Agency/Program	FY 2001 Children's Cabinet Recommendation	FY 2001 Governor's Recommendation	FY 2001 House Committee Adjustments*	FY 2001 Senate Committee Adjustments
<b>Miscellaneous Programs</b>				
Statewide Strategic Planning	\$ 350,000	\$ 0		
Enhance Community Access Network catalog	70,000	0		
Research and Planning	350,000	0		
Cabinet Costs	387,058	0		
<b>Subtotal - Misc.</b>	<b>\$ 1,157,058</b>	<b>\$ 0</b>		
<b>Department of Health and Environment</b>				
Healthy Start/Home Visitor	\$ 250,000	\$ 250,000	\$ (250,000)	
Infants and Toddlers Program	500,000	500,000	(500,000)	
Vaccine Purchases	250,000	0		
Newborn Screening Equipment Purchases	0	0		
Community Partnership Grants	6,950,000	3,000,000	(3,000,000)	(3,000,000)
Smoking Cessation/Prevention Program Grants	2,500,000	500,000	(500,000)	
Early Prevention Grants for Local Health Departments	0	0		3,000,000
<b>Subtotal - KDHE</b>	<b>\$ 10,450,000</b>	<b>\$ 4,250,000</b>	<b>\$ (4,250,000)</b>	<b>\$ 0</b>
<b>Juvenile Justice Authority</b>				
Juvenile Prevention Program Grants	\$ 4,000,000	\$ 5,000,000	\$ (5,000,000)	
Juvenile Graduated Sanctions Grants	2,000,000	2,000,000	(2,000,000)	
Community Management Information Systems Grants	85,000	0		
<b>Subtotal - JJA</b>	<b>\$ 6,085,000</b>	<b>\$ 7,000,000</b>	<b>\$ (7,000,000)</b>	
<b>Department of Social and Rehabilitation Services</b>				
Children's Mental Health Initiative	\$ 1,000,000	\$ 1,000,000	\$ (1,000,000)	
Family Centered System of Care	5,000,000	5,000,000	(5,000,000)	
HCBS Services for Mentally Retarded	3,000,000	3,000,000	(3,000,000)	
HCBS Services for Physically Disabled	1,800,000	1,800,000	(1,800,000)	
Best Children's Programs Practices Research	0	250,000	(250,000)	
<b>Subtotal - SRS</b>	<b>\$ 10,800,000</b>	<b>\$ 11,050,000</b>	<b>\$ (11,050,000)</b>	
<b>Attorney General</b>				
Statewide DARE Program	\$ 165,300	\$ 159,956	\$ (159,956)	
<b>Department of Education</b>				
Parent Education	\$ 777,833	\$ 1,277,833	\$ (1,277,833)	
Four-Year -Old At-Risk Programs	0	1,000,000	(1,000,000)	
School Violence Prevention	500,000	500,000	(500,000)	(500,000)
Kan-Ed	0	4,500,000	(4,500,000)	
Natl. Geographic Society Ed. Foundation Endowment	0	0		
School District Learning Readiness Programs	0	0		500,000
<b>Subtotal - Dept. of Ed.</b>	<b>\$ 1,277,833</b>	<b>\$ 7,277,833</b>	<b>\$ (7,277,833)</b>	<b>\$ 0</b>
<b>University of Kansas Medical Center</b>				
Tele-Kid Health Care Link	\$ 0	\$ 250,000	\$ (250,000)	
Pediatric Biomedical Research	0	0	0	
<b>Subtotal - KU Medical Center</b>	<b>\$ 0</b>	<b>\$ 250,000</b>	<b>\$ (250,000)</b>	
<b>TOTAL</b>	<b>\$ 29,935,191</b>	<b>\$ 29,987,789</b>	<b>(29,987,789)</b>	<b>\$ 0</b>

\* The House Committee recommends deleting all Children's Initiatives funding pending further consideration at Omnibus.

Senate Ways and Means Committee

Date *March 24, 2000*

Attachment # *8*

# Economic Development Initiatives Fund

Agency/Program	Governor's Recommendation FY 2000	Senate Committee Adjustments FY 2000
Department of Commerce and Housing <sup>(1)</sup>		
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	\$ 20,154,004	
Kansas Technology Enterprise Corporation <sup>(1)</sup>		
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	\$ 12,942,963	
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	\$ 8,907,144	
Historical Society	0	
Department of Administration		
Public TV Microwave Connection	0	
State Water Plan Fund	2,000,000	
KSU -- Ag Extension		
Ogalala Aquifer Study	0	
Wildlife and Parks		
Local Government Outdoor Recreation	500,000	
State Fair	35,000	
<b>TOTAL TRANSFERS AND EXPENDITURES</b>	<b>\$ 44,728,674</b>	<b>\$ 0</b>
<b>EDIF Resource Estimate</b>	<b>Gov. Rec.</b>	<b>Senate Comm. Adj.</b>
	<b>FY 2000</b>	<b>FY 2000</b>
Beginning Balance	\$ 3,672,000	-
Gaming Revenues	42,500,000	-
Other Income <sup>(2)</sup>	800,182	-
Total Available	\$ 46,972,182	\$ 46,972,182
Less: Expenditures and Transfers	44,728,674	44,728,674
<b>ENDING BALANCE</b>	<b>\$ 2,243,508</b>	<b>\$ 2,243,508</b>

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.

**Economic Development Initiatives Fund**

<u>Agency/Program</u>	<u>Governor's Recommendation FY 2001</u>	<u>Senate Committee Adjustments FY 2001</u>
Department of Commerce and Housing*		
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	
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	(200,000)
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>\$ (425,000)</u>
Kansas Technology Enterprise Corporation *		
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.	\$ 336,137	
Board of Regents		
Matching Grants - AVTS	200,000	
Post-secondary Aid - AVTS	6,882,981	
Capital Outlay Aid - AVTS	2,200,000	
Subtotal - Education	<u>\$ 9,282,981</u>	
Historical Society	0	16,000
Department of Administration		
Public TV Microwave Connection	350,000	
State Water Plan Fund	2,000,000	
Wildlife and Parks		
Local Government Outdoor Recreation	475,000	(275,000)
State Fair	100,000	25,000
Adjutant General		
Kansas National Guard Educational Assistance	0	250,000
<b>TOTAL TRANSFERS AND EXPENDITURES</b>	<b><u>\$ 44,507,308</u></b>	<b><u>354,874</u></b>

**EDIF Resource Estimate**

	<b>Gov. Rec. FY 2001</b>	<b>Senate Comm. Adj. FY 2001</b>
Beginning Balance	\$ 2,243,508	-
Gaming Revenues	42,500,000	-
Other Income	594,000	306,472
Total Available	<u>\$ 45,337,508</u>	<u>45,643,980</u>
Less: Expenditures and Transfers	44,507,308	44,862,182
<b>ENDING BALANCE</b>	<b><u>\$ 830,200</u></b>	<b><u>781,798</u></b>

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



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

**Governor's Recommendation Except:**

Senate Appropriations Committee Action

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 2001 Receipts Increased by \$6.4 million (Lottery and State Emergency Fund)

	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		\$316.1		\$337.4		\$338.1		\$351.7	
<b>RECEIPTS:(b)</b>	4,027.2	343.4 9.3%	3,978.6	(48.6) -1.2%	4,166.6	188.0 4.7%	4,447.9	281.3 6.8%	4,507.8	59.9 1.3%	4,674.6	166.8 3.7%	4,862.5	187.9 4.0%
<b>EXPENDITURES:</b>														
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	22.0	22.0	20.3	(1.7)	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%	2,329.2	100.7 4.5%	2,325.3	(3.9) -0.2%	2,329.2	3.9 0.2%	2,320.0	(9.2) -0.4%	2,420.0	100.0 4.3%
<b>Available for Other Purposes(h)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(85.0)</b>	<b>(85.0)</b>	<b>35.0</b>	<b>120.0</b>	<b>95.0</b>	<b>60.0</b>
TOTAL Expenditures	3,799.1	263.3 7.4%	4,196.2	397.1 10.5%	4,391.4	195.2 4.7%	4,426.6	35.2 0.8%	4,507.1	80.5 1.8%	4,661.0	153.9 3.4%	4,850.6	189.6 4.1%
Ending Balance(i)	756.7		540.9		316.1		337.4		338.1		351.7		363.6	
Percent of Expenditures	19.9%		12.9%		7.2%		7.6%		7.5%		7.5%		7.5%	
Receipts in Excess of Expenditures	228.1		(217.6)		(224.8)		21.3		0.7		13.6		11.9	

Senate Ways and Means Committee

Date March 24, 2000

Attachment # 10

**FOOTNOTES:**

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

b) Receipts are actual for FY 1998 and FY 1999. Receipts for FY 2000 and FY 2001 reflect the November 3, 1999 consensus revenue estimates. The Governor adjusts FY 2000 receipts by \$1.2 million (various transfers into the State General Fund) and by \$15.7 million in FY 2001 (transfers and a one-time acceleration of sales tax receipts). The FY 2001 amount includes \$91.0 million of tobacco settlement trust fund payments to the State General Fund as set forth in Senate Sub. for H.B. 2558 (repayment of \$20.3 million "loan" in FY 2000 and \$70.7 million of new receipts). The projections for FYs 2002 - 2004 are not consensus estimates but are based on a growth rate of 1.5 percent in FY 2002; 3.7 percent in FY 2003; and 4.0 percent in FY 2004, all off the FY 2001 base amount. FY 2000 receipts increase \$0.5 million above the Governor's recommendation due to action in S.B. 39. FY 2001 receipts increased by \$4.5 million from the Kansas Lottery and \$1.9 million from the State Emergency Fund.

c) Base estimate of general and supplemental school aid payments in FY 1998 and FY 1999 are actual, estimates for FY 2000, and FY 2001 - FY 2003 were made by the Department of Education, Division of the Budget, and the Legislative Research Department were revised November 12, 1999. For FY 2000 the amount reflects an increase in the base per pupil amount of \$507 from \$3,720 to \$3,770, an additional correlation weighting adjustment from 1,750 FTE students to 1,725 FTE students, and the reduction in the uniform property tax rate from 27 to 20 mills and a homestead exemption of \$20,000. The FY 2002 - FY 2004 estimates assume a uniform school mill levy of 20 mills and a \$20,000 homestead and a base aid per pupil amount of \$3,820. FY 2004 is estimated by the Legislative Research Department. An additional base increase in FY 2001 of \$37.00 in the base aid amount, which provides a base aid per pupil of \$3,807.

d) KPERS employer contribution moratorium on the increase rate in FY 2001; Beginning in FY 2002 an additional Kansas Public Employees Retirement System (KPERS) employer contribution amount necessary to meet the statutorily required rate increase (0.2 percent rate increase until equilibrium is reached) and to finance the 1998 post-retirement benefit increase (0.19 percent increase).

e) Fiscal note on S.B. 345 - Higher Ed Restructuring Act which includes operating costs (starting in FY 2001) of the Department of Education and the Board of Regents; increased state aid to community colleges, Washburn University; salary increases for Regents institutions and \$12.0 million for annual performance grants starting in FY 2003. FY 2000 operating expenditures for S.B. 345 are reflected in the all other expenditure amount.

f) Demand transfers for the School District Capital Improvement Fund and the State Fair (FY 2000 - FY 2004) all reflect current law. The Governor's recommendation for FY 2001 includes a 6.5 percent reduction below the FY 2000 amount for the County-City Revenue Sharing Fund and the Local Ad Valorem Tax Reduction Fund. The Governor's recommendation also reduces the FY 2001 transfer to the City-County Highway Fund by 7.5 percent from the statutory amount and reduces the Water Plan demand transfer by \$1.5 million. For the State Highway Fund the FY 2000 and FY 2001 the amounts reflect a reduction in the approved transfer amount which was already capped at an increase of 1.7 percent; the rate increases to 9.5 percent in FY 2002; to 11.0 percent in FY 2003; and 11.250 percent in FY 2004 as approved by the 1999 Legislature in the comprehensive transportation legislation. All other demand transfers for FY 2002 - FY 2004 reflect current law.

g) FY 1998 FY 1999 are actual all other expenditures. The FY 2000 as adjusted by S.B. 39 and FY 2001 amounts as recommended by the Senate Ways and Means Committee as of March 23, 2000. For FY 2002 - FY 2004 all other expenditures generally reflect the prior year's all other expenditures, plus the prior year's amount that is available for other purposes.

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

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

Kansas Legislative Research Department  
March 20, 2000



# Kansas Optometric Association

1266 SW Topeka Blvd., Topeka, KS 66612  
785-232-0225

March 23, 2000

TO: SENATE WAYS & MEANS COMMITTEE  
FROM: GARY L. ROBBINS, CAE  
RE: SUMMARY OF READING & VISION THERAPY RESEARCH

In 1998, the Kansas Legislature asked the Kansas Optometric Association to conduct research on the value of vision therapy on elementary school students experiencing reading problems.

Research indicates that 20% of children entering kindergarten will have some form of vision problem, with this percentage doubling to 40% by high school. Vision, not eyesight, accounts for more than 80% of our learning experiences. Vision is the all-encompassing process of two-eyed coordination allowing one to derive meaningful information from what is seen. Eyesight, on the other hand, is simply formation of images clearly on the retina.

We recently completed a state-funded vision therapy reading performance research project. In our research, we limited it to children with convergence insufficiency or a difficulty teaming the eyes. This causes an inability to turn the eyes in and aim at near objects. These children will easily pass a traditional school screening and can see a blackboard clearly, for example, but have little chance of success in reading. More importantly, these problems are not amenable to treatment with glasses or contact lenses. These difficulties require intervention and treatment aimed at re-training the visual system.

More than 500 third-grade students experiencing reading problems were screened by optometrists and their staff in cooperation with elementary principals, school nurses and teachers between the fall of 1998 and spring of 1999. Serious vision problems that could hinder learning were identified in more than half of the students screened. Unfortunately, many had conditions which weren't included in this study. Students selected for the treatment group received 4 months of vision therapy treatment. **By the end of the vision therapy treatment, the students nearly doubled their ability to converge their eyes. More importantly, reading skills for students in the treatment group improved dramatically. Reading improved one entire grade level from pre-treatment to post-treatment for those receiving treatment.** There were less than 60 students who finished the study so it is premature to extrapolate the data to a larger population, but the findings are extremely promising. We believe that these positive results justify additional research.



Affiliated with  
American Optometric Association

Senate Ways and Means Committee

Date *March 24, 2000*

Attachment # *11*



# Kansas Optometric Association

1266 SW Topeka Blvd., Topeka, KS 66612  
785-232-0225

March 23, 2000

TO: SENATE WAYS & MEANS COMMITTEE  
FROM: GARY L. ROBBINS, CAE  
RE: CONTINUATION OF READING AND VISION RESEARCH

For your consideration, I have prepared a budget proposal to extend the reading and vision therapy research. Enclosed for your review is also a list of potential research test sites for your review. If the State Board of Education would directly intercede with superintendents and cut the red tape for us, it would be appreciated in expediting future research. Because these are busy practices, they can't handle large numbers of patients on a weekly basis.

After conferring with Project Director Dr. Bill Hefner, Topeka, we propose the following approach. We are assuming that we won't have to go back through the research approval process in the Rose Hill, Salina, Topeka and Wichita school systems if we indicate that this is continuation of the initial research. My thought would be to send the results of the study from the KOA to participating school districts and announce that we believe that the study may be extended for another year. We would indicate that we need to screen and test second-grade students in late April or probably early May before the end of the current school year. This would allow treatment to start during the summer (no later than July 1, 2000) and we could have some preliminary data by late January for the Legislature and State Board of Education. We would start treatment on the control group in early December as well, so the control group children would be finished before the end of the 2000-2001 school year.

Dr. Hefner suggested that we could do the training and review protocol for the new researchers during the April KOA Convention in Topeka, which involves only minimal expense that the KOA will fund. We can devote the time necessary to review the computerized Visagraph equipment, protocol and train those ODs who will be independently confirming the diagnosis.

I have prepared a budget based on 150 students with \$1,200 to cover the cost of all vision therapy services. We would expand the number of conditions to similar conditions. Priority would be given to patients willing to start training during the summer for the treatment group. We are going to suggest that we should ask parents to sign a voluntary contract agreeing to bring their child and provide necessary support at home.

We are still discussing the transportation issue. I am to the point that I am recommending giving \$100 to the parents or the school district if the child completes and attends all sessions. This would protect the size of the sample and ensure that more children receive care. We can't have a 25- to 30-percent dropout rate again. I have budgeted for transportation for only 60 students.

## POTENTIAL RESEARCH SITES

Concordia.....Dr. Steven Bryant  
El Dorado .....Dr. Julie Oneal  
Emporia.....Dr. Gilan Cockrell  
Garden City.....Dr. Matthew Johannes  
Hill City .....Dr. Karen Aldridge  
Manhattan .....Dr. Norbert Stigge  
Olathe.....Dr. Wayne Hemphill  
Parsons.....Dr. Craig Newland  
Rose Hill\* .....Dr. Kevin Cline  
Salina\*.....Dr. Stacy Clark  
Topeka\*.....Dr. William Hefner  
Wichita\* .....Drs. Pat Pirotte and Joe Sullivan

\* Research sites for 1998-99 study

## PROPOSED BUDGET

Eye exams confirming diagnosis (300 patients at \$40)	\$ 12,000
VT Treatment (150 patients at \$1,200)	\$ 180,000
Training Researchers	\$ 500
Expense of screening in the schools	\$ 2,500
Research and data analysis	\$ 5,000
Transportation costs	\$ 6,000
Administrative Costs (telephone, correspondence, releases, etc)	\$ 1,000
Administration of the Reading tests	\$ 4,000
<b>TOTAL</b>	<b>\$ 211,000</b>





# Kansas State Department of Education

120 S.E. 10th Avenue  
Topeka, Kansas 66612-1182

March 23, 2000

TO: Senator Christine Downey

FROM: Dale M. Dennis, Deputy  
Commissioner of Education

SUBJECT: KSDE Budget

This memorandum is written in response to your inquiry concerning how \$55,000 would be spent if it was added back into the budget as currently approved by the Senate Ways and Means Committee.

The shrinkage rate for the KSDE was increased by \$118,465, COE was reduced an additional three percent or \$90,791, and technology equipment from the general fund was reduced from \$67,668 to zero. We would allocate the \$55,000 as shown on the table below.

	<u>FY 2001 REDUCTIONS</u>	<u>FY 2001 ADDITIONAL ALLOCATION OF \$55,000</u>
SHRINKAGE	\$ 118,465	\$ 30,000
OOE	90,791	10,000
TECHNOLOGY EQUIP.	67,668	15,000
TOTALS	\$ 276,924	\$ 55,000

**Division of Fiscal & Administrative Services**

785-296-3871 (phone)

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785-296-6338 (TTY)

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Senate Ways and Means Committee

Date *March 24, 2000*

Attachment # *12*

March 22, 2000

## FINAL REPORT BY THE SENATE COMMITTEE ON UTILITIES TO THE SENATE COMMITTEE ON WAYS AND MEANS<sup>1</sup>

This report responds to a recommendation by the Senate Ways and Means Committee that the Senate Committee on Utilities study:

1. impediments to more rapid oil and gas well plugging and remediation; and
2. projections of receipts and expenditures in the Abandoned Oil and Gas Well Fund, which were included in tabular form in the Senate subcommittee report on the Kansas Corporation Commission's FY 2001 budget.

### Summary of Activities of Senate Committee on Utilities

- **Background Information.** We received information on oil and gas well plugging from staff of the Kansas Legislative Research Department (Lynne Holt) and the Division of Legislative Post Audit (Cindy Lash). Ms. Holt reviewed the existing funding mechanisms (Conservation Fee Fund and Abandoned Oil and Gas Fund) and a proposed funding mechanism (Well Plugging Assurance Fund in HB 2782) for plugging oil and gas wells. Ms. Lash reviewed the Post Audit report issued in February 1998 on a K-GOAL Audit performed on the Conservation Division's activities. She focused her review on the sections of the report addressing the plugging of abandoned wells. Maurice Korphage, Director, Conservation Division, provided background information on the funding and status of abandoned well plugging and remediation operations. Mr. Korphage offered several suggestions for attracting more qualified contractors to compete for state plugging contracts. He also outlined several ideas for expediting the process of bidding on plugging and remediation projects. (See Attachment I.)
- **Contract and Bidding Procedures.** We received testimony from Terri and Keith Splane, Splane Pulling and Roustabout Service, Inc; Ed Bideau, an attorney representing Mike Wimsett, W-W Production Company; Jim Kepley, K-W Well Service; and Fran Welch, Procurement Officer, Division of Purchases, Kansas Department of Administration. Their presentations focused on the contract and bid procedures for abandoned well plugging jobs.

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<sup>1</sup> **Bold print reflects the Committee's recommendations.**

- **HB 2782.** On March 14, 2000, our Committee held a hearing on HB 2782, which would establish the Well Plugging Assurance Fund. This Fund would be used exclusively to pay the costs of investigations of abandoned oil and gas wells, as well as the plugging, replugging, and repairing of abandoned wells and remediation of sites. For all such actions, drilling had to begin on or after July 1, 1996. Any authorized activities would be financed by fees assessed operators for financial responsibility assurance. These fees are currently credited to the Conservation Fee Fund but would be redirected to the proposed fund. The fund would be interest bearing. No administrative expenses incurred by the Conservation Division may be paid from the fund. Our recommendations on this bill are outlined below.

### **Committee Definition of the Problems and Committee Recommendations**

In our review, we focused on two interrelated problems:

1. the integrity of the abandoned well plugging and remediation process, which includes the existing funding mechanisms for financing the contractual plugging and remediation jobs and the Conservation Division's administrative oversight; and
2. the existing procedures used for bidding and contracting for these jobs.

**Integrity of the Well Plugging and Remediation Process.** In the Kansas Corporation Commission's most recent status report (March 15, 2000), the Commission noted that there were 9,953 inventoried abandoned wells requiring action. Of this total, 9,292 are ranked as Priority I wells. The Priority I category is considered to contain those wells which pose either an ongoing or potential threat to the environment. A total of 638 abandoned wells are in the Level A bracket of Priority I wells. The risks specifically associated with Priority I-A wells could be one or a combination of the following:

- The well is actively discharging, posing a significant risk to surface water.
- The well creates significant ongoing or potential impacts to groundwater supplies.
- The well poses an ongoing or current threat to public safety (e.g., active gas flows with danger of explosion in urban or suburban settings).

The Kansas Corporation Commission is responsible for plugging these wells and remediating sites when no responsible party can be located.

The problem confronting the State of Kansas is that the rate of plugging is fairly slow. Although the enactment in 1996 of House Sub. for SB 755 accelerated well plugging, there has been a decrease in the total number of wells plugged from CY 1997 (633) to CY 1998



(478) and CY 1999 (471) and the number might be even lower in 2000, as only 84 wells have been plugged to date. (See Attachment II.)

The Commission has attributed this sluggish performance to several factors, including depressed oil and gas prices, limited availability of contractors to perform plugging jobs, unfavorable weather conditions, and a limited number of staff positions to oversee the plugging and remediation operations.

We note that there is a correlation between depressed oil and gas prices and Conservation Fee Fund revenues. As most of the revenues credited to the Conservation Fee Fund come from oil production fees and gas assessments, depressed oil and gas production adversely impacts the Conservation Fee Fund. That Fund pays for, among other items, the investigation, plugging, replugging, plug testing, and remediation of contamination sites involving wells drilled on or after July 1, 1996. The Fund also pays for emergency plugging and nonpriority wells, as well as administrative expenses incurred by the Commission in monitoring and overseeing the entire abandoned oil and gas well program. (Moneys from the Abandoned Oil and Gas Well Fund are not authorized to pay for administrative expenses.) In order to preserve the integrity of the Fund, the Commission proposed reducing \$450,000 from the Fund for FY 2000 and FY 2001 for well plugging. The effect of this decision is a commitment of \$50,000 from the Fund for each of those years. Expenditures from the Conservation Fee Fund were \$115,293 in FY 1998 and \$46,932 in FY 1999.

As previously noted, the other fund currently used for abandoned well plugging and remediation is the Abandoned Oil and Gas Well Fund which was established in 1996 through enactment of House Sub. for SB 755 to fund investigation, plugging, and remediation operations associated with abandoned wells drilled prior to July 1, 1996. Projected expenditures for FYs 2001 and 2002 are \$1,600,000, which would reflect a decrease from actual expenditures in FY 1999 (\$1,844,819) and estimated expenditures of \$2,000,000 in FY 2000. The combined projected expenditures from both the Conservation Fee Fund and the Abandoned Oil and Gas Well Fund for the well plugging and remediation program in FY 2001 and FY 2002 indicates less commitment and not more commitment to accelerating the state funded plugging and clean-up process. Moreover, the demand transfers totaling \$1.2 million annually to the Abandoned Oil and Gas Well Fund are scheduled to terminate on July 1, 2002. The budget estimates raise the question of the Commission's internal commitment, as well as our collective commitment, to this end. The funding mechanisms available to the Commission raise the question of whether revenues are optimally used to plug wells and remediate sites that pose the greatest environmental and safety risk.

**We believe there is a better way to use these revenues to "get the greatest bang for the buck" and therefore recommend a funding option that requires the Conservation Division to plug those wells which are potentially the greatest sources of contamination. This option would involve amending HB 2782 to transfer statutorily authorized financial assurance fees collected from operators to the Abandoned Oil and Gas Well Fund. These funds are currently credited to the Conservation Fee Fund and are used for plugging operations for wells drilled on or after July 1, 1996. We believe the date of July 1, 1996, is an artificial date that diverts some funding from**

being used for plugging and remediation on the most dangerous, highest priority sites. We do not believe that a new fund is needed, as would be established in the House version of HB 2782. Indeed, in our view, such a fund would only perpetuate the artificial juncture that we seek to eliminate. We would recommend eliminating the sunset date of July 1, 2002, for termination of the demand transfers to the Abandoned Oil and Gas Well Fund. The Conservation Division's plugging and remediation process will clearly continue for many years beyond 2002, even under the most propitious conditions which do not seem to exist. We note that since January 1, 1996, only 2,172 inventoried Priority I abandoned wells have been removed from the inventory list. As noted above, there are still 9,292 Priority I wells requiring action. Finally, the Abandoned Oil and Gas Well Fund should be a limit Fund (it is currently a no limit fund.) We also recommend that administrative and personnel expenditures from the Fund be authorized governed by line item appropriations to ensure that they receive ongoing legislative scrutiny. Moreover, the bill should clarify for which administrative purposes the Division may expend moneys from this Fund. We would note that such purposes should include activities involving the statutorily authorized investigation activities and contractual expenditures for locating potentially responsible parties.

On a related matter, we recommend all operators pay at least \$50 annually in financial assurance fees. HB 2782 should be amended to reflect this policy recommendation. The Commission collects a \$50 annual fee from operators with acceptable records of compliance and a fee equal to 3 percent of the bond amount from operators who fail to meet the conditions of acceptable compliance (other financial assurance options also are statutorily authorized). However, the Commission does not require operators who obtain performance bonds and letters of credit to remit a fee. The intent of the 1996 law seems to have been to use financial assurances to pay for plugging future abandoned wells for which no responsible party can be found. Therefore, it only seems fair to us that, as a precondition for new and renewed licenses, all operators be required to pay at least \$50 annually. If all operators had paid that fee in 1999, the Commission would have received an additional \$5,050. (A total of 101 operators provided financial assurance through surety bonds or letters of credit and did not remit any fees to the Commission.)

The integrity of the abandoned well plugging and remediation process might be affected by the funding mechanisms available to the Commission. However, the number of abandoned wells that become the Commission's responsibility could conceivably be reduced (as well as the corresponding costs) if the Commission's efforts to locate potentially responsible parties and make them pay are aggressively undertaken. In the Division of Post Audit's report (February 1998), the auditors noted insufficient documentation of the researchers' efforts to locate responsible parties. The report recommended that the Conservation Division ensure staff was making and documenting all efforts to locate those parties and determine financial viability before concluding that the Division should not pursue them further. The Commission responded to that finding and recommendation by noting that the Division was developing a procedure to do so and that the Division was working closely with the Department of Administration on collection of fines and recoupment of costs. The Commission proposed to contract for researching potentially responsible parties for both wells and remediation sites. **We concur that more serious efforts are needed to locate**

**potentially responsible parties and we would recommend that language in HB 2782 pertaining to the Division's authorized administrative expenses be clarified to explicitly include this type of activity.**

**The Bidding Process and Contractual Costs.** We focused our attention on the bidding process and existing contractual procedures for the following reasons:

1. an improperly designed and implemented bidding process could result in greater cost and less productivity to the state; and
2. contractual procedures might result in greater costs to the state, as well as more inefficiencies in work performed. Both these issues obviously impact the Conservation Division's budget, as well as the integrity of the entire abandoned well plugging and remediation process.

**Bidding Process.** Private companies are hired to plug abandoned wells. The Division of Purchases seeks formal bids for all contracts expected to exceed \$10,000. The Division is supposed to mail the Request for Quotation (RFQ) to those potential bidders the Kansas Corporation Commission has recommended as well as any that the Division of Purchases may choose to add. The RFQ is also posted on the Division of Purchases' website and in the Division's reception area. The jobs are generally awarded to the lowest responsible bidder, taking into consideration conformity with specifications, terms of delivery, and other conditions imposed in the call for bids. The Division of Purchases has authorized the Conservation Division to award contracts expected to cost \$10,000 or less. According to the Post Audit report, such contracts accounted for one-third of all the money spent for plugging abandoned wells in FY 1997. The Post Audit report identified various deficiencies with the process used by the Conservation Division in a sample of 15 smaller well-plugging projects handled by the Division's district offices. Although the Post Audit report recommended the Conservation Division work closely with the Division of Purchases to develop a standard bid procedure, there still appears to be concern about the transparency of the bid process and its inherent fairness. The Commission indicated it has posted information on both opportunities for plugging contractors and the state bid procedures on its website. **We encourage continued efforts to notify all plugging contractors licensed by the Commission (currently 220 contractors; 160 of them have active truck or rig tags) of bid opportunities. Because a notable portion of the contractual abandoned well plugging work is \$10,000 or less, we would recommend the Division of Purchases require all plugging and remediation jobs, regardless of cost, to be competitively bid using the RFQ procedures that govern contractual amounts exceeding \$10,000. We note that this recommendation would encourage bids to be awarded for entire projects rather than individual services.**

**Contractual Procedures.** The Commission compensates contractors for plugging jobs on a time and material basis and not on a cost per well/flat fee basis. **We recommend that the Conservation Division and the Division of Purchases, in developing specifications, change the formula for compensation to contractors to a cost per well/flat fee basis for at least a twelve months period.** We note that the cost per well/flat fee approach is commonly used for plugging contracts with the private sector and is the basis



for compensation in Oklahoma. It allows one to compare contractors' bids more easily and prevents equipment and materials from being used inappropriately. The average cost is currently approximately \$2,500 to plug an abandoned well. The Conservation Division should: use the cost per well/ flat fee approach for a twelve months basis; on a district-wide basis, compare the average per well costs of using that approach to the time and materials approach used in the previous twelve months (adjusting for inflation); and provide an interim report on its findings, including an analysis of those findings, to the Senate Committee on Ways and Means and the House Committee on Appropriations at the beginning of the 2001 Session and a final report to those committees by April 2001.

**On a related matter, we do not concur with an option posed by the Conservation Division Director for attracting more qualified contractors to compete for state plugging contracts. That option was to limit the number of contractors to one project at a time.** (See Attachment 1.) It might not make financial sense to do that if a contractor is working on a site in close proximity to the site of the proposed project. A contractor might be able to bid the work at a lower price simply because his or her equipment is already in the vicinity of the proposed project.

Attachment I  
Recommendations by the Conservation Division, KCC

**Speed overall process of bidding on  
projects and Plugging / Remediation  
Operations**

- Develop negotiated Bid Process for “approved plugging contractors” and “approved investigation / remediation contractors
- Contract out site surveys for identification of well locations at abandoned lease sites
- Contract out research for potentially responsible parties (PRP’s) for both wells and remediation sites
- ✓ • Contract out site supervision of plugging contractors independent of contractors

**Attract More Qualified Contractors to  
Compete for State Plugging Contracts**

- ✓ • Post information on opportunities for plugging contractors on KCC web site
- ✓ • Send information on how to bid on state contract to all licensed plugging contractors
- Offer bonus to contractors who complete work ahead of schedule
- Limit number of contractors to one project at a time

*Attachment II*

**Abandoned Wells Plugged or Scheduled for Plugging with State Funds  
By Calendar Year**

Year	Priority IA	Priority IB	Priority IC	Priority II	Total Wells
1996	167 (64.8%)	61 (23.6%)	30 (11.6%)	0	258
1997	375 (59.3%)	167 (26.4%)	89 (14.0%)	2 (0.3%)	633
1998	422 (84.8%)	46 (9.2%)	24 (4.0%)	6 (1.2%)	478
1999	463 (98.4%)	3 (0.6%)	2 (0.4%)	3 (0.6%)	471
2000	84				84
Totals	1511	277	145	11	1944

(% = Wells in each Category Plugged / Total Wells Plugged for that Calendar Year)

Conservation Division  
March 17, 2000



Senate Subcommittee on Human Resources  
Draft Amendment Language

1. The Subcommittee expresses concern about the cost of the Electronic Data Interchange (EDI) system being considered by the division of Worker's Compensation to insurers. The EDI system is a national coding and transmission standard developed by states and the insurance industry. The division is considering use of the EDI standard to comply with the database requirements set out by the 1999 Post Audit report that mandates a database with claim characteristics and costs. The division believes that use of the EDI standard would streamline data transmission from the insurers to the division and generate cost savings. In order to utilize EDI, insurers would either have to purchase software and transmit their own data or send their information to a vendor for translation to EDI and transmission to the division at their own cost. Insurers are already charged a fee based on a percentage of worker's compensation claims paid out to fund the Worker's Compensation Program. The Subcommittee recommends that the division of Worker's Compensation carefully examine the data transmission options and include all parties affected in developing a plan that can be agreed upon by both the division and the insurers.

Senate Ways and Means Committee

Date *March 24, 2000*

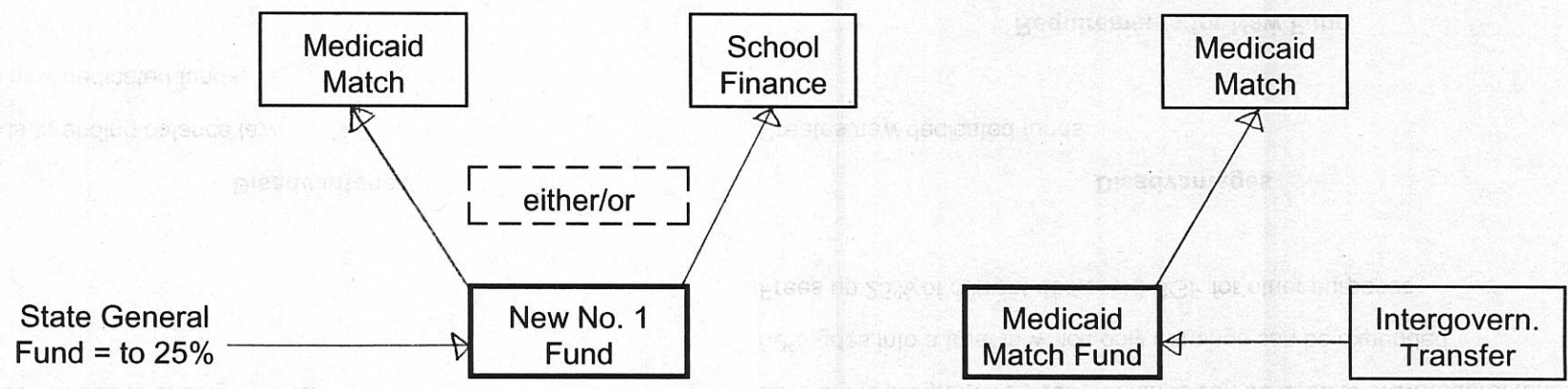
Attachment # *14*

**SB 653**

Senate Ways and Means Committee

Date **March 24, 2000**  
Attachment # **15**

Governor's Plan			Alternative Plan		
Federal Funding (back from Nursing Homes into State Treasurer)			Federal Funding (back from Nursing Homes into State Treasurer)		
25% SGF	15% Loan Fund	60% Senior Services Trust Fund	25% Flexible Spending Fund: either/or Medicaid Match School Finance	15% Loan Fund	60% Senior Services Trust Fund
<b>Advantages</b>			<b>Advantages</b>		
<p>25% has total flexibility in spending</p> <p>60% goes into a trust in which only earnings can be expended</p> <p>75% does not add to ending balance</p>			<p>100% does not add to ending balance</p> <p>Expenditure efficiency is increased by approximately \$1,875,000</p> <p>25% of the program from federal funds can be used to draw federal funds</p> <p>60% goes into a trust in which only earnings can be expended</p> <p>Frees up 25% of current dedicated SGF for other purposes</p>		
<b>Disadvantages</b>			<b>Disadvantages</b>		
<p>25% adds to ending balance law</p> <p>Creates new dedicated funds</p>			<p>Creates new dedicated funds</p>		
			<b>Requirements for New Fund</b>		
			<p>Establish the fund in the law</p> <p>Establish the uses of the fund such as:</p> <p>To be used to match any current Medicaid program and/or giving preference to senior programs, excluding nursing facilities or</p> <p>To be used for School Finance base state aid</p>		



The Flexible Spending Fund line item appropriation—release of the dollars requires Finance Council action.