

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Steve Morris at 10:40 a.m. on March 21, 2001 in Room 123-S of the Capitol.

All members were present except: All Present

Committee staff present:

Alan Conroy, Chief Fiscal Analyst, Kansas Legislative Research Department
Debra Hollon, Kansas Legislative Research Department
Amory Lovin, Kansas Legislative Research Department
Leah Robinson, Kansas Legislative Research Department
Paul West, Kansas Legislative Research Department
Stuart Little, Kansas Legislative Research Department
Amy Kramer, Kansas Legislative Research Department
Rae Anne Davis, Kansas Legislative Research Department
Julian Efird, Kansas Legislative Research Department
Kathie Sparks, Kansas Legislative Research Department
Tom Severn, Kansas Legislative Research Department
Robert Chapman, Kansas Legislative Research Department
Norman Furse, Revisor of Statutes
Mike Corrigan, Assistant Revisor, Revisor of Statutes Office
Gordon Self, Revisor of Statutes Office
Julie Weber, Administrative Assistant to the Chairman
Mary Shaw, Committee Secretary

Conferees appearing before the committee: None

Others attending: See attached guest list

Subcommittee budget report on:

Kansas Public Employees Retirement System (KPERs) Issues (Attachment 1)

Senator Kerr explained that the pensions and benefits provided or administrated by KPERs Issues Subcommittee primarily looks at bills that have been introduced on the issue of KPERs, often times requested by the Board of KPERs.

Senator Kerr reported that the Subcommittee on KPERs issues reviewed six Senate bills assigned for study and also heard from KPERs staff about specific requests for legislation. Conferees appeared in support of four Senate bills assigned: **SB 12**, **SB 17**, **SB 46** and **SB 340**. No one appeared in support of **SB 267** and **SB 268** during public hearings on KPERs Issues.

Senator Kerr reported that the Subcommittee recommendations generally do not include bills (**SB 17**, **SB 267**, **SB 268** or **HB 2536**) with a fiscal impact on the State General Fund. The Subcommittee recommends proposals for favorable consideration by the Senate Ways and Means Committee as listed in the Subcommittee report beginning on page 2 (**SB 12**, **SB 46**, **SB 340**, **HB 2538**, and **HB 2542**). Senator Kerr reported details regarding each bill.

Senator Kerr explained that the most efficient way to move these issues rapidly through the legislative system is to amend them into a Senate substitute for a House bill (refer to Item 6). Chairman Morris expressed his thanks to Senator Kerr and the Subcommittee for their work in hearing the bills that were assigned to them. Committee questions and discussion followed.

Senator Feleciano moved, with a second by Senator Kerr, to adopt the Subcommittee budget report on KPERs Issues. Motion carried by a voice vote.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS on March 21, 2001 in Room 123-S of the Capitol.

Senator Feleciano moved, with a second by Senator Kerr, to strike the contents in **HB 2040** and move the provisions of the Subcommittee budget report on KPERS Issues which recommends bills assigned to the subcommittee favorably into a **Senate Substitute for HB 2040**. Motion carried by a roll call vote.

Senator Barone moved, with a second by Senator Kerr, to re-consider action on the Subcommittee budget report on the Department of Education. Motion carried by a voice vote.

Senator Kerr explained that when the Committee adopted the Subcommittee report on the Department of Education the day before, the committee proposed \$1 million dollars for the mentor teachers program, but the change was not made reducing eligibility to only first year teachers.

Senator Kerr moved, with a second by Senator Schodorf, to add a proviso with language to reflect that the \$1 million dollar appropriation that, notwithstanding the provisions of KSA 2000 72-1412 et. sec., expenditures shall be made from this account with the grants for beginning teachers in their first year of teaching and that it is not permanent in Kansas to make it eligible only to first year teachers. Motion carried by a voice vote.

Senator Kerr moved, with a second by Senator Downey, to amend in a proviso to the Subcommittee budget report on the Department of Education for a Proposed Amendment to **SB 348** and technically correct the amendment in two places where second grade should be listed and not third grade (Attachment 2). Motion carried by a voice vote.

Senator Kerr moved, with a second by Senator Downey, to approve the Subcommittee budget committee report on the Department of Education as amended.

Chairman Morris called the Committee's attention to discussion of:

SB 342--Appropriations for FY 2001 and FY 2002, supplemental appropriations for various state agencies and FY 2002 for department of administration

SB 348--Appropriations for FY 2002 and FY 2003 for state agencies and for biennially-budgeted state agencies

Chairman Morris asked Alan Conroy, Chief Fiscal Analyst, Kansas Legislative Research Department to give the Committee a status on all funds.

Staff distributed and spoke regarding the following information:

- FY 2001 and FY 2002 Children's Initiative Fund (Tobacco) (Attachment 3)
- Economic Development Initiatives Fund FY 2001 and FY 2002 (Attachment 4)
- State Water Plan Fund, FY 2001 (Attachment 5)
- Recommended Expenditures By Function of Government FY 2001 and FY 2002, Reflects Committee Action as of March 20, 2001 (Attachment 6)
- Senate Adjustments to Governor's Recommendation (Reflects Senate Committee Adjustments for FY 2001, 2002 and FY 2003) (Attachment 7)
- Items for Omnibus Consideration (Senate Committee Recommendations) (Attachment 8)
- House Adjustments to Governor's Recommendation (Reflects House Committee Adjustments for FY 2001, FY 2002 and FY 2003) (Attachment 9)
- Items Noted or Deferred for Omnibus Consideration by House Committee Action (Attachment 10)
- State General Fund Profile, FY 2000 - FY 2005 (Senate Ways and Means Recommendations with KLRD Adjustment to FY 2000 Receipts - Downward Adjustment of \$14.9 million (Attachment 11))
- State General Fund Profile, FY 2000 - FY 2005 (House Appropriations Committee Recommendation with KLRD Adjustment to FY 2000 Receipts - Downward Adjustment of \$14.9 million (Attachment 12))

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS on March 21, 2001 in Room 123-S of the Capitol.

Committee questions and discussion followed in regard to the Children's Initiatives Fund and the House Education Plan:

Senator Adkins mentioned that the full impact of the House Education Plan, if enacted, is not reflected on the FY 2001 and FY 2002 Children's Initiatives Fund (Tobacco) report at this point in time.

Senator Kerr called the committee's attention to the fact that the House is not nearly as committed to the Children's Cabinet and the Governor's recommendations as the Senate has been. He noted that it puts the Senate at a great disadvantage because the Senate has no position on spending that money. The Senate is trying to carry out what it thought the legislative intent was regarding those funds. If the House spends the funds, it has the only position at conference. The Committee needs to give it some thought before the Senate Conference committee is sent forth with no position.

Senator Adkins mentioned that he would like to explore in Committee what options are available given the House's plan to fund their Education Program which he sees as directly contrary to the intent of the original legislation. He is willing to protect the Senate position to consider perhaps removing all children's Initiative Funds from this until education finance education finance issues have been resolved. He feels that there is some merit to consider all Children's Initiative Fund money as a separate item and he is very concerned about where the House is headed on education in regards to the use of that money.

Senator Barone asked if staff could provide a list to see the source of all State General Funds.

The meeting was adjourned at 11:50 a.m. The next meeting is scheduled for March 22, 2001.

**SENATE WAYS AND MEANS COMMITTEE
GUEST LIST**

DATE March 21, 2001

NAME	REPRESENTING
Glenn Deck	KPERS
Jack	KPERS
Jan Josseland	UM
Dabby [unclear]	Texas Title
Doug Bowman	Ks Coordinating Council on ^{Early} Childhood
Nally Finney	Ks. Public Health Assn.
Donald Schneider	KDHR
Edie Suetton	KALHD
Chuck Breckahl	Adjutant General's Dept
Jim Conant	KDOR
Betty Joss	Bd of Tech. Professions
Sherry Brown	KDOC & H
Lindsey de la Torre	KDOA
Sheli Sweeney	KDOA
Lisa Weeks	SRS
Jerry Sloan	Judicial Branch
Roni Rost	KTEC
Josie Torres	KCDP
Sherry C. Driel	KREC
Bob McDonald	KWO
JAMES FRAZIER	JJA
Jan Bracke	ICSC

**SENATE WAYS AND MEANS COMMITTEE
GUEST LIST**

DATE March 21, 2001

NAME	REPRESENTING
Jim Ludwick	KSC
Jf Shively	KLS
Candace Mathon	DofA
Hebra Trideaux	FHSU
Mark Tallman	KASB
Julie Thomas	DOB
Dick Koerth	KIDWP
Cindy Deaton	DOB
Craig Grant	KNEA
Warren L. Sule	KOOT
E. Dean Carlson	KDOT
Nancy Bogina	KDOT
Bill Watts	KDOT
ERIC Sexton	WSU
Dick Carter, Jr	KBOR

2001 KPERS ISSUES SUBCOMMITTEE

March 19, 2001



Senator Dave Kerr, Chairman



Senator David Adkins



Senator Christine Downey

Senate Ways and Means
3-21-01
Attachment 1

SENATE WAYS AND MEANS SUBCOMMITTEE REPORT ON KPERS ISSUES

The Senate Subcommittee on KPERS issues reviewed six Senate bills assigned for study and also heard from KPERS staff about specific requests for legislation from the Board of Trustees that were introduced in three House bills that have not passed that chamber as of this date. Conferees appeared in support of four Senate bills assigned: SB 12, SB 17, SB 46, and SB 340. No one appeared in support of SB 267 or SB 268 during public hearings on KPERS issues.

Senate Bills Reviewed, But Not Recommended

Senate Bill 17, as recommended by the Joint Committee on Pensions, Investments and Benefits, would raise the current death benefit for retired KPERS members from \$4,000 to \$5,000. The Joint Committee held hearings during the 2000 interim and recommended a bill be considered by the 2001 Legislature. The fiscal impact would be reflected first in the employer contribution rates in FY 2002. The actuarial liability increase would be \$33.5 million. The annual contribution increase for the first year would be \$1,895,000, of which \$1,420,000 would be paid by the state. Approximately \$1,207,000 would be financed from the State General Fund in FY 2002.

	Increase in Liability		Increase in Cont. Rate	Additional First Year Cost
Judges	\$ 100,000		0.04	\$ 8,000
KP&F	1,000,000			
State			0.03	9,000
Local			0.03	74,000
State/School	24,900,000		0.04	1,300,000
Local	7,100,000		0.04	401,000
TIAA	400,000		0.03	103,000

Conferees. Appearing in support of SB 17 were a representatives of the State Employees Association of Kansas and the Kansas Retired Teachers Association, in addition to two KPERS retired members.

Senate Bill 267 would provide that effective July 1, 2001, the maximum retirement benefit for members of the Retirement System for Judges would be increased from 70 percent to 80 percent for future retirees. The bill also would provide that judges hired after June 30, 1987, would receive the first ten years service at 5.0 percent, and subsequent years at 3.5 percent, to a maximum of 80 percent. SB 267 would have an actuarial cost of \$2.3 million. The annual increase in employer contributions would be paid from the State General Fund, beginning in FY 2002, at an annual rate of \$720,000.

Increase in actuarial liability	\$	2,300,000
Increase in employer contribution rate		3.52 percent
Increase in annual employer contributions	\$	720,000

Conferees. No one appeared on SB 267 during public hearings.

Senate Bill 268 would provide that effective July 1, 2001, the maximum retirement benefit for members of the Retirement System for Judges would be increased from 70 percent to 80 percent for future retirees. The bill also would provide that for judges hired between July 1, 1987 and July 1, 2001, service credit will start on July 1, 2001, accruing at 5.0 percent per year for ten years, and any service previously credited or credit after ten years will be valued at 3.5 percent. New members after June 30, 2001, would receive the first ten years at 5.0 percent, and subsequent years at 3.5 percent, to a maximum of 80 percent. SB 268 would have an actuarial cost of \$0 since provisions in the bill are prospective only. The first-year cost in FY 2002 is estimated at \$473,000 financed from the State General Fund.

Increase in actuarial liability	\$	0
Increase in employer contribution rate		2.31 percent
Increase in annual employer contributions	\$	473,000

Conferees. No one appeared on SB 268 during public hearings.

KPERS Board of Trustees' Item Reviewed, But Not Recommended

House Bill 2536 would direct that any interest earned on KPERS money deposited in the State Treasury to be credited to the KPERS Fund. Currently, interest earnings are credited to the State General Fund while KPERS monies remain in the State Treasury. The fiscal note estimated by KPERS would be a loss of approximately \$580,000 annually to the State General Fund and a gain of that amount to the KPERS Fund.

Senate Subcommittee Recommendations

The Subcommittee recommendations generally do not include bills (SB 17, SB 267, SB 268, or HB 2536) with a fiscal impact on the State General Fund. The Subcommittee recommends the following proposals for favorable consideration by the Senate Ways and Means Committee:

1. **SB 12** would assist retirees of Washburn University by removing state income tax from retirement benefits. It is noted that this action would make tax treatment for Washburn retirees' pension benefits consistent with the state tax treatment of pension payments for retirees who had been in the unclassified service at Regents institutions and participated in a similar 403(b) defined contribution plan commonly referred to as TIAA-CREF. The annual impact would be minimal, estimated between \$45,517 and \$83,335 in lost revenue to the State General Fund. The Subcommittee recommends delaying implementation of this legislation until FY 2003 by making the change effective January 1, 2003.

Background for Senate Bill 12. The bill would exempt from Kansas income tax the retirement benefits of retirees from Washburn University who are covered by the Teachers Insurance Annuity Association-College Retirement Equities Fund (TIAA-CREF) retirement plan. Currently, retirement benefits are exempt from Kansas income tax for retired unclassified staff, including faculty, of Regents institutions who made contributions under TIAA-CREF and similar defined contribution plans authorized by section 403(b) of the Internal Revenue Code. In addition, retirement benefit for retirees from the Kansas Public Employees Retirement System (KPERs) also are exempt. However, in the case of KPERs, members' contributions made while active employees are taxed by the state as an add-back to net income when computing state income tax liability. Contributions to other public retirement plans, such as the Regents plan, are made on a pretax basis and therefore are not subjected to state income taxes. The Budget Director estimates a fiscal note for SB 12 would range between \$45,517 and \$83,335 as an annual loss of revenue to the State General Fund.

Conferees. The President of Washburn University appeared in support of SB 12.

2. **SB 46** would fix the retirement age for judges at age 75.

Background for Senate Bill 46. The bill would provide that members of the Retirement System for Judges must retire upon attaining age 75. Under current law, a judge can continue as an active judge through the term in which age 70 is reached. The retirement age can range from 70 to 74 based on present statutory language. There would be no fiscal impact.

Conferees. A spokesperson for the Office of Judicial Administration spoke in favor of SB 46.

3. **SB 340** would give the City of Wichita flexibility in annual budgeting for an actuarially fully funded (113 percent) local Police and Fire pension plan. The bill would impact only local pension plans, and would not impact the Kansas Police and Firemen's Retirement System.

Background for Senate Bill 340 The bill would change the minimum contribution rate for cities that maintain local police/fire pension plans, such as the City of Wichita. It would provide that the minimum contribution rate shall be the sum of the normal cost rate plus the amortization of any unfunded actuarial liability over a rolling 20 year period. It also would eliminate the current requirement that until the plan has no unfunded actuarial liability, the local unit of government must contribute an amount not less than the total amount of pension payments paid in the prior plan year. There would be no actuarial or administrative cost for KPERs. The City of Wichita could realize cost savings in its annual budgeting for retirement contributions.

Conferees. The pension administrator for the City of Wichita appeared in support of SB 340.

4. **KPERs legislation in HB 2538 requested** by the Board of Trustees. HB 2538 should be amended to clarify that the participating employer in the case of educational institutions would be the local authority, not the state. Under current

law, KPERS must seek recovery of over payments from the retired member. For under payments, KPERS recalculates the corrected retirement benefit. The fiscal impact would be shifted to the participating employer since the change in law would require payments to KPERS after errors are detected in the amount of contributions certified.

Background for House Bill 2538. The bill would provide that after a KPERS participating employer certifies final contribution information of a retiring member, upon which results KPERS makes a retirement benefit calculation, KPERS could take certain actions after discovery of errors in the final report. The bill lists two responses that would be followed by KPERS if errors were found, with different actions relative to situations involving either an overpayment or an underpayment of retirement benefits.

First, if the final amount certified results in an overpayment to a retired member, then the participating employer would be held responsible for making the correct contribution based upon the amount previously certified. The retirement benefit would not be reduced by KPERS even though incorrect contribution information might have inflated the final average salary in such a case. Second, if the final amount certified results in an underpayment to a retired member, then the participating employer would be responsible for reporting the correct amount and remitting the correct contribution. In such a case, the retirement benefit would be adjusted by KPERS, which would recalculate the corrected final average salary of the retired member to determine a higher monthly benefit.

Conferees. The KPERS Executive Secretary spoke in favor of this proposal that was requested by the Board of Trustees.

5. **KPERS legislation in HB 2542 requested** by the Board of Trustees.

Background for House Bill 2542. The bill contains a number of provisions that would:

- a. Change the title of Executive Secretary to Executive Director to conform with the title of most other public pension plan chief executive officers and with the title of many state agency heads.
- b. Allow KPERS members flexibility to prearrange funerals by allowing assignment to funeral homes of the current \$4,000 death benefit paid after a retired member dies.
- c. Change with respect to the new lump sum option, in which a retiring member may take up to 50 percent of a benefit as a single payment, to require spousal consent ratifying the selection of this option.
- d. Amend current law by providing that if a member chooses a lump sum payment and a survivor option, and if the joint annuitant dies first, then the retired member's benefit would pop up to the maximum monthly benefit had not the survivor option been selected.
- e. Make technical amendments to current law, treating certain lump sum payments like life insurance. The amendments would clarify that lump sum

payments are to be treated like life insurance in order to gain favorable tax treatment.

- f. Allow the Board to waive the current two-year requirement time period allowed for filing applications to receive KP&F disability benefits. The Board would be given authority to waive this requirement if evidence indicated that the time limit for applications should be extended.
- g. Limit the minor-children benefits to children born, conceived or adopted prior to the commencement of a disability for KP&F Tier I members, effective for disabilities that commence on or after July 1, 2001.
- h. Provide that a designated KPERS beneficiary can receive a deceased member's last check if there is no surviving spouse. Current law provides that only the surviving spouse may receive the last month's retirement check. If there is no surviving spouse, KPERS is required to use the statutory line of descendency even though the member may have selected a beneficiary who is not in that line.
- i. Delete references to KSA 74-4911(b) which has been repealed.

Conferees. The KPERS Executive Secretary spoke in favor of these proposals that were requested by the Board of Trustees.

- 6. Amend the previous recommended items 1 to 5 into a Senate Substitute for a House bill that will become the Senate's KPERS Omnibus bill.

Proposed Amendment to SB 348

Department of Education

Be amended by inserting a proviso to read as follows:

“Provided, That except as otherwise specified in this proviso, of the amount a district receives from the at-risk pupil weighting, an amount produced by a pupil weighting of .01 shall be used by the district for achieving mastery of basic reading skills by completion of the third grade in accordance with standards established by the state board of education under K.S.A. 72-7534 and amendments thereto: Provided further, That a district shall include such information in its at-risk pupil assistance plan as the state board of education may require regarding the district’s remediation strategies and the results thereof in achieving the third grade reading mastery standards specified by the state board. The reporting requirements shall include information documenting remediation strategies and improvement made by pupils who performed below the expected standard on the second grade diagnostic reading test prescribed by the state board: And provided further, A school district whose third grade pupils substantially meet the state board of education standards for mastery of third grade reading skills, upon request, may be released by the state board from the requirements of this

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Attachment 2

**FY 2001
Children's Initiatives Fund
(Tobacco)**

Agency/Program	Gov. Rec. FY 2001	House Committee Adjustments FY 2001	Senate Committee Adjustments FY 2001
State Library			
Enhance Community Access Network Catalog	70,000		
Subtotal - Misc.	\$ 70,000		
Department of Health and Environment			
Healthy Start/Home Visitor	250,000		
Infants and Toddlers Program	500,000		
Smoking Cessation/Prevention Program Grants	500,000		
Subtotal - KDHE	\$ 1,250,000		
Juvenile Justice Authority			
Juvenile Prevention Program Grants	5,000,000		
Juvenile Graduated Sanctions Grants	2,000,000		
Subtotal - JJA	\$ 7,000,000		
Department of Social and Rehabilitation Services			
Children's Mental Health Initiative	1,800,000		
Family Centered System of Care	5,000,000		
Therapeutic Preschool	1,000,000		
Community Services - Child Welfare	2,600,000		
Child Care Services	1,400,000		
Children's Cabinet Accountability Fund	250,000		
Smart Start Kansas - Children's Cabinet	2,750,000		
HealthWave	1,000,000		
Subtotal - SRS	\$ 15,800,000		
Department of Education			
Parent Education	1,500,000		
Four-Year -Old At-Risk Programs	1,000,000		
School Violence Prevention	500,000		
Vision Research	250,000		
Communities in Schools	125,000		
Structured Mentoring	500,000		
Subtotal - Dept. of Ed.	\$ 3,875,000		
University of Kansas Medical Center			
Tele-Kid Health Care Link	250,000		
Pediatric Biomedical Research	1,000,000		
Subtotal - KU Medical Center	\$ 1,250,000		
TOTAL	\$ 29,245,000		

Resource Estimate	Gov. Rec. FY 2001	House Committee Adjustments FY 2001	Senate Committee Adjustments FY 2001
Beginning Balance	-		
KEY Fund Transfer	30,000,000		
Total Available	\$ 30,000,000		
Less: Expenditures and Transfers	29,245,000		
ENDING BALANCE	\$ 755,000		

**FY 2002
Children's Initiatives Fund
(Tobacco)**

<u>Agency/Program</u>	<u>Gov. Rec. FY 2002</u>	<u>House Committee Adjustments FY 2002</u>	<u>Senate Committee Adjustments FY 2002</u>
State Library			
Enhance Community Access Network catalog	70,000		
Subtotal - Misc.	\$ 70,000		
Department of Health and Environment			
Healthy Start/Home Visitor	250,000		
Infants and Toddlers Program	500,000		
Smoking Cessation/Prevention Program Grants	-		875,000 ⁽¹⁾
Immunizations			264,901 ⁽¹⁾
Subtotal - KDHE	\$ 750,000		\$ 1,139,901
Juvenile Justice Authority			
Juvenile Prevention Program Grants	6,000,000		
Juvenile Graduated Sanctions Grants	2,000,000		
Subtotal - JJA	\$ 8,000,000		
Department of Social and Rehabilitation Services			
Children's Mental Health Initiative	1,800,000		
Family Centered System of Care	5,000,000		
Therapeutic Preschool	1,000,000		
Community Services - Child Welfare	2,600,000		
Child Care Services	1,400,000		
Children's Cabinet Accountability Fund	250,000		
HealthWave	1,000,000		
Smart Start Kansas - Children's Cabinet ⁽¹⁾⁽²⁾	11,260,000		
Kinship Services Support and Training		437,479	
Subtotal - SRS	\$ 24,310,000	\$ 437,479	
Department of Education			
Parent Education	3,500,000	(2,000,000)	(2,000,000)
Four-Year -Old At-Risk Programs	2,000,000	50,000	
School Violence Prevention	500,000		
Vision Research	250,000		
Communities in Schools	125,000		
Structured Mentoring	500,000		(500,000)
Accountability Services to Children	-	1,950,000	
Subtotal - Dept. of Ed.	\$ 6,875,000	\$ -	\$ (2,500,000)
University of Kansas Medical Center			
Tele-Kid Health Care Link	250,000		
Pediatric Biomedical Research	-		
Subtotal - KU Medical Center	\$ 250,000		
TOTAL	\$ 40,255,000	\$ 437,479	\$ (1,360,099)

<u>Resource Estimate</u>	<u>Gov. Rec. FY 2002</u>	<u>House Committee Adjustments FY 2002</u>	<u>Senate Committee Adjustments FY 2002</u>
Beginning Balance	755,000		
KEY Fund Transfer	40,000,000		
Total Available	\$ 40,755,000		
Less: Expenditures and Transfers	40,255,000		(1,360,099)
ENDING BALANCE	\$ 500,000	\$ 62,521	\$ 1,860,099

- 1) The Senate Committee recommends that this funding be shifted from Smart Start Kansas before the bill leaves Committee.
2) The House Committee recommends a proviso to allow up to \$212,000 of Smart Start Kansas dollars to be used for state match to draw down federal funds.

Economic Development Initiatives Fund

<u>Agency/Program</u>	<u>Governor's Recommendation FY 2001</u>	<u>House Committee Adjustments FY 2001</u>	<u>Senate Committee Adjustments FY 2001</u>
Department of Commerce and Housing ⁽¹⁾			
Agency Operations	\$ 8,609,757	(25,842)	(25,842)
Small Business Development Centers	485,000		
Certified Development Companies	400,000		
Kansas Industrial Training/Retraining	3,600,000		
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	1,052,100		
Mid-America World Trade Center	42,000		
Mainstreet Grant and Development Prog.	216,800		
Agriculture Product Development	540,000		
Training Equipment Grants	277,500		
Travel Information Centers	15,000		
Motion Picture and Television Rebate	75,000		
Eisenhower Museum Grant	300,000		
National Teachers Hall of Fame	100,000		
HOME Program	533,022		
Subtotal - KDCH	<u>\$ 20,593,179</u>	<u>\$ (25,842)</u>	<u>\$ (25,842)</u>
Kansas Technology Enterprise Corporation ⁽¹⁾			
Agency Operations	\$ 1,308,863		
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	1,156,664		
Mid-America Manufact. Tech. Center	950,931		
EPSCoR	3,200,000		
Subtotal - KTEC	<u>12,782,761</u>		
Kansas, Inc. ⁽¹⁾	\$ 336,949		
Board of Regents ⁽¹⁾			
Matching Grants - AVTS	\$ 200,000		
Post-secondary Aid - AVTS	6,882,981		
Capital Outlay Aid - AVTS	2,700,000		
Comprehensive Grant Program	250,000		
Subtotal - Regents	<u>\$ 10,032,981</u>		
Department of Education			
Ag in the Classroom	\$ 30,000		
Challenger Learning Center	50,000		
Subtotal - Dept. of Education	<u>\$ 80,000</u>		
Historical Society	\$ 95,000		
Department of Administration			
Public Television Grants	\$ 350,000		
State Water Plan Fund	\$ 2,000,000		
Wildlife and Parks - Local Gov. Outdoor Recreation	\$ 500,000		
State Fair			
Capital Improvements	\$ 100,000		
Operating Expenses	134,000		
Subtotal - State Fair	<u>\$ 234,000</u>		
Adjutant General - Kansas National Guard Educational Asst.	\$ 50,000		
Arts Commission - Operating Expenses	\$ 119,110		
State Library - Grants to Local Libraries	\$ 170,000		
TOTAL TRANSFERS AND EXPENDITURES	\$ 47,343,980	\$ (25,842)	\$ (25,842)

EDIF Resource Estimate

	Revised Gov. Rec. FY 2001	House Committee Adjustments FY 2001	Senate Committee Adjustments FY 2001
Beginning Balance	\$ 3,779,114	--	0
Gaming Revenues	42,500,000	--	0
Other Income ⁽²⁾	1,150,000	--	0
Total Available	<u>\$ 47,429,114</u>		<u>\$ -</u>
Less: Expenditures and Transfers	47,343,980	\$ (25,842)	\$ (25,842)
ENDING BALANCE	\$ 85,134	\$ 110,976	\$ 110,976

1) Does not include expenditures from prior year EDIF allocations.
 2) Other Income includes \$400,000 transferred from the Partnership Fund and \$750,000 of interest earnings.

*Senate Ways and Means
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 Attachment 4*

Economic Development Initiatives Fund

<u>Agency/Program</u>	<u>Governor's Recommendation 2002</u>	<u>House Committee Adjustments FY 2002</u>	<u>Senate Committee Adjustments FY 2002</u>
Department of Commerce and Housing⁽¹⁾			
Agency Operations	\$ 8,729,936		
Small Business Development Centers	485,000		
Certified Development Companies	400,000	75,000	
Kansas Industrial Training/Retraining	3,600,000		
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	1,052,100		
Mid-America World Trade Center	0	50,000	
Mainstreet Grant and Development Prog.	216,800		
Agriculture Product Development	540,000		
Training Equipment Grants	277,500		
Travel Information Centers	115,000		
Motion Picture and Television Rebate	75,000		
Eisenhower Museum Grant	0		
National Teachers Hall of Fame	0		
HOME Program	530,000		
State Teachers Hall of Fame	0	25,000	
Subtotal - KDCH	<u>\$ 20,368,336</u>	<u>\$ 150,000</u>	
Kansas Technology Enterprise Corporation⁽¹⁾			
Agency Operations	\$ 1,431,781		
Centers of Excellence	4,350,000		
Research Matching Grants	1,216,000		
Business Innovative Research Grants	76,000		
State Small Business Innovation Research	440,000		
Special Projects	79,303		
Commercialization Grants	1,450,000		
Mid-America Manufact. Tech. Center	1,000,059		
EPSCoR	3,000,000		
Subtotal - KTEC	<u>\$ 13,043,143</u>		
Kansas, Inc.⁽¹⁾			
	\$ 343,267		
Board of Regents⁽¹⁾			
Matching Grants - AVTS	\$ 200,000		
Post-secondary Aid - AVTS	6,882,965		
Capital Outlay Aid - AVTS	2,700,000		
Comprehensive Grant Program	250,000		
Subtotal - Regents	<u>\$ 10,032,965</u>		
Department of Education			
Ag in the Classroom	\$ -		
Challenger Learning Center	-		
Subtotal - Dept. of Education	<u>\$ -</u>		
Historical Society			
	\$ -		
Department of Administration			
Public Television Grants	\$ -		
State Water Plan Fund			
	\$ 2,000,000		
Wildlife and Parks - Local Gov. Outdoor Recreation			
	\$ 500,000	\$ 330,000	
State Fair			
Capital Improvements			
Operating Expenses			
Subtotal - State Fair	<u>\$ -</u>		
Adjutant General - Kansas National Guard Educational Asst.			
	\$ -	\$ 250,000	
Arts Commission - Operating Expenses			
	\$ -		
State Library - Grants to Local Libraries			
	\$ -	\$ 170,000	
TOTAL TRANSFERS AND EXPENDITURES	<u>\$ 46,287,711</u>	<u>\$ 900,000</u>	
EDIF Resource Estimate			
	Governor's Recommendation FY 2002	House Committee Adjustments FY 2002	Senate Committee Adjustments FY 2002
Beginning Balance	\$ 85,134	\$ 25,842	\$ 25,842
Gaming Revenues	42,500,000	-	-
Other Income ⁽²⁾	844,000	-	-
Total Available	<u>\$ 43,429,134</u>	<u>\$ 25,842</u>	<u>\$ 25,842</u>
Less: Expenditures and Transfers	46,287,711	900,000	-
ENDING BALANCE	<u>\$ (2,858,577)</u>	<u>\$ (3,732,735)</u>	<u>\$ (2,832,735)</u>

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

2) Includes \$94,000 lapsed from the Department of Commerce and Housing's rehabilitation and repair account which is not accounted for in the Governor's Budget Recommendation.

State Water Plan Fund, FY 2001

Agency/Program	Governor's Rec. FY 2001	House Cmte. Adj. FY 2001	Senate Cmte. Adj. FY 2001
State Conservation Commission			
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
Total--State Conservation Commission	9,800,500	0	0
Kansas Water Office			
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.	70,000	0	0
High Plains Aquifer Stakeholder Meetings	0	8,500	16,740
Kansas Water Resource Research Institute	0	0	0
MOU Operation and Maintenance	429,787	0	0
PMIB Loan Payment for Storage	270,413	0	0
Public Information	30,000	0	0
Kansas River Study	150,000	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
Total--Kansas Water Office	3,046,500	8,500	16,740
Department of Wildlife and Parks			
River Recreation	0	0	0
Stream Monitoring	50,000	0	0
Total--Wildlife and Parks	50,000	0	0
Department of Agriculture			
Best Management Practices	46,792	0	0
Floodplain Management	126,409	0	0
Interstate Water Issues	226,048	0	0
Subbasin Management Plan	634,540	0	0
Total--Department of Agriculture	1,033,789	0	0
Health and Environment			
Assessment of Sediment Quality	50,000	0	0
Contamination Remediation	1,397,023	0	0
Local Environmental Protection Program	1,800,000	0	0
Nonpoint Source Program	482,529	0	0
TMDL Initiatives	406,900	0	0
Use Attainability Analysis	0	0	0
Total--Health and Environment	4,136,452	0	0
KCC--Well Plugging	400,000	0	0
University of Kansas Geological Survey	0	0	0
Total Water Plan Expenditures	18,467,241	8,500	16,740

State Water Plan Resource Estimate	Governor's Rec. FY 2001	House Cmte. Adj. FY 2001	Senate Cmte. Adj. FY 2001
Beginning Balance	2,431,325	0	0
Revenues			
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	2,997,618	0	0
Pollution Fines and Penalties	70,000	0	0
Sand Royalty Receipts	375,000	0	0
Returned Funds/Transfers In	860,086	0	0
Total Receipts	16,997,704	0	0
Total Available	19,429,029	0	0
Less Expenditures	18,467,241	8,500	16,740
Ending Balance	961,788	(8,500)	(16,740)
Remaining Balance		953,288	945,048

**RECOMMENDED EXPENDITURES BY FUNCTION OF GOVERNMENT
FY 2001
REFLECTS COMMITTEE ACTION AS OF MARCH 20, 2001**

STATE GENERAL FUND

	Governor's Recommendation	House Committee Recommendation	Change From Governor	Senate Committee Recommendation	Change From Governor
Operating Expenditures:					
General Government	271,234,872	271,374,277	139,405	271,442,009	207,137
Human Resources	788,878,308	787,559,075	(1,319,233)	788,878,308	0
Education	2,965,142,623	2,965,142,623	0	2,965,172,623	30,000
Public Safety	305,677,481	305,533,103	(144,378)	305,533,103	(144,378)
Agriculture and Natural Resources	30,214,369	30,214,369	0	30,214,369	0
Transportation	10,343,189	10,343,189	0	10,343,189	0
Subtotal - Operating Expenditures	4,371,490,842	4,370,166,636	(1,324,206)	4,371,583,601	92,759
Capital Improvements	62,952,702	62,952,702	0	62,952,702	0
TOTAL	4,434,443,544	4,433,119,338	(1,324,206)	4,434,536,303	92,759

ALL FUNDS

	Governor's Recommendation	House Committee Recommendation	Change From Governor	Senate Committee Recommendation	Change From Governor
Operating Expenditures:					
General Government	739,528,289	737,213,213	(2,315,076)	736,131,243	(3,397,046)
Human Resources	2,552,946,680	2,552,127,447	(819,233)	2,553,523,680	577,000
Education	4,061,886,528	4,061,886,528	0	4,061,816,528	(70,000)
Public Safety	421,966,147	422,949,874	983,727	422,949,874	983,727
Agriculture and Natural Resources	139,135,683	139,194,183	58,500	139,202,423	66,740
Transportation	494,492,094	494,492,094	0	494,492,094	0
Subtotal - Operating Expenditures	8,409,955,421	8,407,863,339	(2,092,082)	8,408,115,842	(1,839,579)
Capital Improvements	747,613,170	747,613,170	0	748,214,241	601,071
TOTAL	9,157,568,591	9,155,476,509	(2,092,082)	9,156,330,083	(1,238,508)

FTE POSITIONS

	Governor's Recommendation	House Committee Recommendation	Change From Governor	Senate Committee Recommendation	Change From Governor
General Government	5,466.9	5,466.9	0.0	5,466.9	0.0
Human Resources	8,422.2	8,422.2	0.0	8,425.2	3.0
Education	16,300.2	16,300.2	0.0	16,300.2	0.0
Public Safety	4,986.3	4,986.3	0.0	4,986.3	0.0
Agriculture and Natural Resources	1,201.7	1,201.7	0.0	1,201.7	0.0
Transportation	3,247.5	3,247.5	0.0	3,247.5	0.0
TOTAL	39,624.8	39,624.8	0.0	39,627.8	3.0

*Senate Ways and Means
3-21-01
Attachment 6*

**RECOMMENDED EXPENDITURES BY FUNCTION OF GOVERNMENT
FY 2002
REFLECTS COMMITTEE ACTION AS OF MARCH 20, 2001**

STATE GENERAL FUND

	Governor's Recommendation	House Committee Recommendation	Change From Governor	Senate Committee Rec. Excluding Pay Plan Reduction	Change From Governor
Operating Expenditures:					
General Government	281,242,502	281,216,635	(25,867)	277,364,185	(3,878,317)
Human Resources	833,473,954	833,661,954	188,000	833,784,954	311,000
Education	3,061,677,972	3,061,707,972	30,000	3,061,687,972	10,000
Public Safety	313,280,656	313,687,571	406,915	313,742,531	461,875
Agriculture and Natural Resources	33,104,135	32,904,135	(200,000)	33,159,364	55,229
Transportation	11,181,826	11,181,826	0	11,181,826	0
Subtotal - Operating Expenditures	4,533,961,045	4,534,360,093	399,048	4,530,920,832	(3,040,213)
Capital Improvements	130,278,094	130,278,094	0	130,278,094	0
TOTAL	4,664,239,139	4,664,638,187	399,048	4,661,198,926	(3,040,213)

ALL FUNDS

	Governor's Recommendation	House Committee Recommendation	Change From Governor	Senate Committee Rec. Excluding Pay Plan Reduction	Change From Governor
Operating Expenditures:					
General Government	754,266,403	788,962,070	34,695,667	785,163,544	30,897,141
Human Resources	2,644,848,062	2,646,402,557	1,554,495	2,647,009,063	2,161,001
Education	4,163,787,354	4,163,987,354	200,000	4,161,297,354	(2,490,000)
Public Safety	406,265,359	409,301,687	3,036,328	407,744,145	1,478,786
Agriculture and Natural Resources	142,041,284	142,452,284	411,000	142,222,836	181,552
Transportation	519,783,207	519,783,207	0	519,783,207	0
Subtotal - Operating Expenditures	8,630,991,669	8,670,889,159	39,897,490	8,663,220,149	32,228,480
Capital Improvements	521,331,531	521,281,531	(50,000)	524,269,749	2,938,218
TOTAL	9,152,323,200	9,192,170,690	39,847,490	9,187,489,898	35,166,698

FTE POSITIONS

	Governor's Recommendation	House Committee Recommendation	Change From Governor	Senate Committee Rec. Excluding Pay Plan Reduction	Change From Governor
General Government	5,487.6	5,506.6	19.0	5,510.6	23.0
Human Resources	8,524.2	8,518.2	(6.0)	8,527.2	3.0
Education	16,302.2	16,302.2	0.0	16,303.2	1.0
Public Safety	5,058.8	5,061.8	3.0	5,061.8	3.0
Agriculture and Natural Resources	1,225.0	1,219.0	(6.0)	1,223.0	(2.0)
Transportation	3,247.5	3,247.5	0.0	3,247.5	0.0
TOTAL	39,845.3	39,855.3	10.0	39,873.3	28.0

SENATE ADJUSTMENTS TO GOVERNOR'S RECOMMENDATION
(Reflects Senate Committee Adjustments for FY 2001, FY 2002 and FY 2003)

Agency/Item	State General Fund	All Funds	FTE Positions
FY 2001:			
Behavioral Sciences Regulatory Board			
Add funding to cover costs incurred for accepting credit cards	0	8,168	0.0
Add funding to cover elimination of first three pay grade steps	0	1,200	0.0
Legislative Coordinating Council			
KPERS actuarial audit	150,000	150,000	0.0
State Treasurer			
Reduce Shrinkage Savings	52,137	78,966	0.0
Unclaimed property OOE	0	20,000	0.0
Insurance Commissioner			
Reduce Shrinkage in Regulation program from 4.0 percent to 3.5 percent	0	29,376	0.0
Authorize \$2,000 for official hospitality by proviso	0	0	0.0
Judicial Council			
Add funding for study requested by Legislature	5,000	5,000	0.0
KPERS			
Technology Project shift	0	(1,200,000)	0.0
KPERS manager fees	0	(2,155,032)	0.0
Non-KPERS manager fees	0	(430,964)	0.0
State Corporation Commission			
Expend federal grant for Brine Spill Remediation	0	96,240	0.0
Department of Commerce and Housing			
Shift \$25,842 from the EDIF to KSIP	0	0	0.0
Department of Human Resources			
Add funding for private sector consultations and public sector inspections	0	77,000	0.0
Kansas Commission on Veterans' Affairs			
Additional Kansas Soldiers' Home nursing positions (no funding)	0	0	3.0

Agency/Item	State General Fund	All Funds	FTE Positions
Restore funding (SIBF) for Facilities Conservation Improvement Project	0	601,071	0.0
Department Of Social & Rehabilitation Services			
Add federal funds for Medicaid Buy In planning	0	500,000	0.0
Add proviso allowing savings of \$870,000SGF for Medicaid Buy In Program under the Regular Medical Program	0	0	0.0
Department of Education			
Delete funds for Dodge City Train Depot renovation in preparation for relocation of Cultural Heritage Center	0	(100,000)	0.0
Add funding for operations of the Cultural Heritage Center	30,000	30,000	0.0
University of Kansas Medical Center			
Authorize an increase of \$500,000 in bonding authority for the research support building addition	0	0	0.0
Department of Corrections			
Day reporting center and community corrections	(169,378)	(169,378)	0.0
Juvenile Justice Authority			
Add funding to restore Intake and Assessment to current services level	0	1,000,000	0.0
Adjutant General			
Operating funds (for McConnell) contingent on availability of federal funds	25,000	100,000	0.0
Sentencing Commission			
Adding funding for CJIS expenses	0	53,105	0.0
Department of Agriculture			
Increase the expenditure limitation on the Feed Fee Fund to increase surveillance of feed products	0	50,000	0.0
Kansas Water Office			
Add \$16,740 from the State Water Plan Fund for 30 High Plains Aquifer stakeholder meetings in western Kansas	0	16,740	0.0
TOTAL CHANGE - FY 2001	92,759	(1,238,508)	3.0

Agency/Item	State General Fund	All Funds	FTE Positions
FY 2002:			
Bank Commissioner			
Add examiner and support staff positions in the Div. Of Consumer and Mortgage Lending	0	211,496	4.0
Legislative Coordinating Council			
Delete KPERS actuarial audit funding in FY 2002 since audit funded in FY 2001	(100,000)	(100,000)	0.0
Legislative Post Audit			
Delete savings for less than estimated contracted financial compliance audits	(48,000)	(48,000)	0.0
Attorney General			
Add funding for Colorado water litigation	100,000	100,000	0.0
Add funding for Nebraska water litigation	400,000	400,000	0.0
Delete position and funding for Criminal Justice Information System Coordinator and move position to DISC	(112,542)	(112,542)	(1.0)
State Treasurer			
Postsecondary education savings program	0	1,806	0.0
Unclaimed property OOE	0	15,500	0.0
Limit LAVTRF growth to 2.0%	(2,680,907)	(2,680,907)	0.0
Limit CCRSF growth to 2.0%	(1,709,938)	(1,709,938)	0.0
Insurance Commissioner			
Reduce Shrinkage in Regulation program from 4.0 percent to 3.5 percent	0	31,193	0.0
Authorize \$2,000 for official hospitality by proviso	0	0	0.0
Judicial Council			
Shift funding from Publications Fee Fund to the State General Fund	29,080	0	0.0
Board of Indigents' Defense Services			
Restore funding for Legal Services for Prisoners, Inc	211,213	211,213	0.0
Judicial Branch			
Add funding for district magistrate judges in 8th and 9th judicial districts	120,235	120,235	2.0
KPERS			
Technology Project shift	0	1,200,000	0.0
KPERS manager fees	0	(3,078,682)	0.0

Agency/Item	State General Fund	All Funds	FTE Positions
Non-KPERS manager fees	0	(968,815)	0.0
Agency non-KPERS management fees	0	(200,000)	0.0
Add funding for new member services staff	0	147,246	4.0
Add telephone consultant fees	0	50,000	0.0
Remove FTE limitation	0	0	0.0
Remove limitation on agency operations	0	0	0.0
Remove limitation on investment related expenses	0	0	0.0
State Corporation Commission			
Expend federal grant for Brine Spill Remediation	0	94,760	0.0
Department of Administration			
Transfer the Criminal Justice Information System Coordinator position (funding and 1.0 FTE position) from the Attorney General's budget to the Division of Information Systems and Communications (DISC) budget	112,542	112,542	1.0
Department of Commerce and Housing			
Delete half of funding for grant to Eisenhower Center to fund over two years rather than one	(200,000)	(200,000)	0.0
Add funding to administer Section 8 contracts (includes \$35.5 million for other assistance grants)	0	37,300,034	13.0
Department of Human Resources			
Increase Workers Comp Fee Fund to pay for 2.0 FTE at KDHE	0	102,100	0.0
Authorize bonds for purchase of building at 14th and Topeka Blvd.	0	0	0.0
Commission on Veterans' Affairs			
Continue Nursing positions at KSH	0	0	3.0
Department of Health and Environment			
Add funding for State Dental Officer	96,000	204,000	0.0
Add funding from the Children's Initiatives Fund to mandate chicken pox and hepatitis B immunizations for school entry	0	264,901	0.0
Add funding from the Children's Initiatives Fund for smoking prevention grants; to be matched dollar for dollar by American Legacy Foundation grant	0	875,000	0.0

Agency/Item	State General Fund	All Funds	FTE Positions
Department on Aging			
Add funding for Senior Legal Hotline	15,000	15,000	0.0
Add Proviso which adds an additional \$15,000 from agency's existing budget for a total state contribution of \$30,000 for Senior Legal Hotline	0	0	0.0
Department Of Social & Rehabilitation Services			
Add proviso eliminating \$40 pass-through on Child Support Enforcement	0	0	0.0
Add proviso adding foster care & adoption to consensus caseload estimating	0	0	0.0
Shifts \$90,000 of Community Funding to a contract for mediation pilot project in Wichita for 100 cases.	0	0	0.0
Add federal funds for Medicaid Buy In planning	0	500,000	0.0
Add proviso allowing savings of \$870,000SGF for Medicaid Buy In Program under the Regular Medical Program	0	0	0.0
Add \$200,000 SGF for Social Security Advocacy Project	200,000	200,000	0.0
Department of Education			
Add funds for student assessment parental reports	225,000	225,000	0.0
Appropriate special education funding as a separate line item	0	0	0.0
Add proviso to special education appropriation authorizing school districts to count fully-trained Reading Recovery Teacher Leaders as special teachers for purposes of special education reimbursement, up to an aggregate limit of \$180,000	0	0	0.0
Use Governor's recommended \$4.0 million for at-risk weight expansion for early grade reading programs (SB 220)	0	0	0.0
Delete funding for Parent Education program	0	(2,000,000)	0.0
Delete all funding for Structured Mentoring program	0	(500,000)	0.0
State intention to fully fund mentor teacher program in subsequent years, to the extent possible	0	0	0.0
Add funding for National Board Certification Teaching Excellence Awards and combine funding for awards and stipends into single line item	10,000	10,000	0.0

Agency/Item	State General Fund	All Funds	FTE Positions
Add funding to Kansas Optometric Vision Study	110,000	110,000	0.0
Delete funding for Environmental Education	(5,000)	(5,000)	0.0
Delete funding for Agriculture in the Classroom	(5,000)	(5,000)	0.0
Delete all funding for the Sports of Fame	(50,000)	(50,000)	0.0
Delete all funding for the Challenger Project	(50,000)	(50,000)	0.0
Delete funding for a study of school finance	(225,000)	(225,000)	0.0
Recommend Legislative Post Audit of Individualized Education Programs to determine extent to which school districts may be held accountable for results	0	0	0.0
Delete funding for technology infrastructure study	(155,000)	(155,000)	0.0
Recommend two grants to Emporia State University-- one for the National Board Certification Program (\$90,000) and the other for the Future Teacher Academy (\$65,000) and take the money from the \$500,000 for the technology infrastructure study, leaving \$345,000 for the study	155,000	155,000	0.0
Wichita State University			
Authorize bonding of \$15,000,000 for renovation of Levitt Arena	0	0	0.0
Board of Regents			
Systemwide Rehabilitation and Repair (Education Building Fund)	0	2,000,000	0.0
School for the Blind			
Add 1.0 FTE for mobility and orientation teacher with no additional funding	0	0	1.0
School for the Deaf			
Add funding for asbestos abatement (SIBF)	0	26,532	0.0
Add funding for dorm renovation (SIBF)	0	384,686	0.0
Department of Corrections			
Shift funding and spend carry-forward of SGF to add \$1.8 million for education and substance abuse treatment programs	169,378	1,048,380	0.0
Topeka Correctional Facility			
Capital improvement. Recommend funding for prison industry building at Topeka	0	527,000	0.0

Agency/Item	State General Fund	All Funds	FTE Positions
Larned Juvenile Correctional Facility			
Add funding for Residential Substance Abuse Treatment Program	35,971	143,884	0.0
Adjutant General			
Add funding for debt service payment on armory bonds	195,000	195,000	0.0
Board of Emergency Medical Services			
Restore reduced operating expenses	5,735	5,735	0.0
Restore full funding for Regional Councils	1,508	1,508	0.0
Add funding for 400 MHz communication system	10,000	10,000	0.0
Expenditure authority for Rural Health Options Fund	0	0	0.0
Sentencing Commission			
Add funding for Research Analyst position	34,283	34,283	1.0
Add funding for Grant Specialist position	10,000	39,996	0.0
Fire Marshal			
Establish a Hazardous Materials Emergency Fund	0	0	0.0
Reclassify 2.0 other unclassified positions to FTE positions	0	0	2.0
Department of Agriculture			
Increase the expenditure limitation on the Feed Fee Fund to increase surveillance of feed products	0	31,000	0.0
Delete 2.0 FTE positions that are no longer funded	0	0	(2.0)
Proviso to establish a new civil litigation fee fund, as a no-limit fund to be used to receive moneys from the Attorney General's office to deal with fees and costs associated with litigation over fraudulent meat sales	0	0	0.0
State Conservation Commission			
Proviso to capture lapsed State Water Plan Funds from the Water Resources Cost Share program and the Non-Point Source Pollution program, and utilize those funds for enhancements to the Water Resources Cost Share program	0	0	0.0
Add \$50,000 from the State Water Plan Fund for the Riparian and Wetland program	0	50,000	0.0
Kansas Water Office			
Add \$55,552 to support the water planning process	0	55,552	0.0
Add \$45,000 from State Water Plan Fund to support the Ogallala Aquifer Institute	0	45,000	0.0

Agency/Item	State General Fund	All Funds	FTE Positions
Transfer \$55,229 from the Water Marketing Fund to the State General Fund to finance existing Civil Engineer position	55,229	0	0.0
Proviso to create the Water Assurance Fund and authorize expenditures from the fund	0	0	0.0
Proviso to authorize the Water Office to borrow money from the Pooled Money Investment Board for a temporary shortage in the Water Marketing Fund	0	0	0.0
Proviso to create a fund for receiving and passing through local match funds for federal cost-share programs	0	0	0.0
All Agencies			
Delete funding for the Governor's pay plan adjustments	(30,054,955)	(48,270,425)	0.0
TOTAL CHANGE - FY 2002	(33,095,168)	(13,103,727)	28.0
FY 2003:			
Bank Commissioner			
Continuation of FTE positions in Div. Of Consumer and Mortgage Lending	0	200,834	4.0
Board of Regents			
Systemwide Rehabilitation and Repair (Education Building Fund)	0	10,000,000	0.0
All Agencies			
Delete funding for the Governor's pay plan adjustments	(12,172)	(300,372)	0.0
TOTAL CHANGE - FY 2003	(12,172)	9,900,462	4.0

**Items for Omnibus Consideration
(Senate Committee Recommendations)**

Agency/Item	State General Fund	All Funds	FTE Positions
FY 2001			
Board of Indigents' Defense Services			
Consider additional funding for Wichita capital murder cases			
Commission on Veterans Affairs			
Review pay increases at the Soldiers' Home	18,000	18,000	0.0
Review per diem reimbursement rate at the Veterans' Home	82,000	82,000	0.0
Consider the addition of Deputy Director position	42,900	42,900	1.0
Juvenile Correctional Facilities			
Report on potential savings gained in the short term due to decreased population resulting from the Placement Matrix			
Adjutant General			
Review increases in utility expenses for armories	174,000	174,000	0.0
Fire Marshal			
Review recommended salary and wage reduction (Note: The agency states that the reduction will have no adverse effects.)	0	47,000	0.0
FY 2002			
State Treasurer			
Review level of funding for Local Ad Valorem Tax Reduction Fund and the City County Revenue Sharing Fund			
Department of Revenue			
Explore the possible shifting of funds to decrease SGF administrative costs	(32,700,000)	0	0.0
Review the status of the Electronic Databases Fee Fund	0	1,000,000	0.0
Kansas Lottery			
Review sales figures and estimated transfers to the State Gaming Revenues Fund. A shortfall in projected sales of \$200 million will impact the SGF. For each \$10 million shortfall in sales, a loss of \$3.34 million SGF will occur.	0	0	0.0
Department of Commerce and Housing			
Review EDIF funding	0	16,276,336	0.0
Kansas, Inc.			
Review EDIF funding	0	343,267	0.0

Agency/Item	State General Fund	All Funds	FTE Positions
KTEC			
Review EDIF funding	0	13,046,887	0.0
Department of Human Resources			
Review funding source for remodeling property at 4th and Topeka Blvd.	0	392,642	0.0
Department of Health and Environment			
Review status of dedicated revenue stream for local health departments through cigarette tax increase	0	1,965,000	0.0
Review issue of center-based programs eligibility for Infant Toddler funding	0	0	0.0
Department of Social and Rehabilitation Services			
Review state-funded AgrAbility for the rehabilitation of farmers	140,000	140,000	0.0
Review funding Domestic Violence Prevention Services in the Salina and Garden City SRS Area Offices	125,000	125,000	0.0
Review the status of the federal Traumatic Brain Injury Grant	35,000	110,000	0.0
Review requirements of covering adults under HealthWave and the fiscal impact of such coverage	13,800,000	49,300,000	0.0
Report on February meeting between the agency and the CMHCs regarding mental health services for foster care and adoption children	0	0	0.0
Report the findings of agency meeting with Children's Alliance and children's emergency shelters regarding the per day rate of reimbursement	330,000	330,000	0.0
Consider additional funding for training of child welfare staff and foster care recruitment	202,500	305,000	0.0
Consider proviso to continue the central child support payment center			
Mental Health Institutions			
Review enhancement request for psychotropic medications	247,472	247,472	0.0
State Library			
Review reduction in aid to local libraries	249,285	249,285	0.0
State Historical Society			
Review of alternative funding options for repair and rehabilitation of the Shawnee Mission	67,000	167,000	0.0
Regents Institutions Systemwide			
Review current service budget reductions	6,100,000	6,100,000	0.0

Agency/Item	State General Fund	All Funds	FTE Positions
Review increased utility costs	3,000,000	3,000,000	0.0
Review 2 for 1 state/tuition equipment funding	3,900,000	5,800,000	0.0
Review annualization of the elimination of the first three steps of the pay plan			
Review state match for the library enhancement	1,900,000	1,900,000	0.0
Review servicing new buildings	655,243	655,243	9.8
Board of Regents			
Review Adult Basic Education funding	126,000	126,000	0.0
Emporia State University			
Review adding funds for Future Teacher Academy and National Board Certification and possible placement of line item funding in Board of Regents' budget	175,000	175,000	0.0
Review new building support at Student Recreation Facility	102,373	102,373	1.4
Pittsburg State University			
Review new building support at Carney Smith Stadium	158,583	158,583	1.9
Review new armory/student building	410,000	545,000	0.0
Juvenile Justice Authority			
Report with SRS on available resources to fund Juvenile Intake and Assessment at the Current Services level (including Children in Need of Care)	0	1,000,000	0.0
Report with SRS, KDHE, the Dept. of Education, and the Children's Cabinet plans to develop standards for evaluating the effectiveness of prevention programs	0	0	0.0
Adjutant General			
Review increases in utility expenses for armories	190,000	190,000	0.0
Fire Marshal			
Review the distribution of funds from the Hazardous Materials Emergency Fund	0	0	0.0
Kansas Bureau of Investigation			
Review the establishment of a DNA collection database	0	23,000	0.0
Review salary increases for KBI agents	200,000	200,000	0.0
Review alternatives whereby enhancements could be funded within the current budget	0	0	0.0

<u>Agency/Item</u>	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
Review addition of funding for renovation of the second floor of the Great Bend laboratory	293,329	293,329	0.0
Review proposals to reduce the backlog of cases in Laboratory Division	0	0	0.0
Board of Emergency Medical Services			
Review the establishment of a Trauma System Development Fund	0	0	0.0
Department of Agriculture			
Review continuation of funding for the study of sericea lespediza	40,000	40,000	0.0
Animal Health Department			
Examine agency's request for animal facility positions	87,742	87,742	2.0
State Conservation Commission			
Review fiscal impact of SB 237			
Department of Transportation			
Examine inclusion of a proviso requiring the agency to use reinforced concrete pipe in place of corrugated metal pipe	0	0	0.0

**Items for Omnibus Consideration
(Senate Committee Recommendations)**

Agency/Item	State General Fund	All Funds	FTE Positions
FY 2001			
Board of Indigents' Defense Services			
Consider additional funding for Wichita capital murder cases			
Commission on Veterans Affairs			
Review pay increases at the Soldiers' Home	18,000	18,000	0.0
Review per diem reimbursement rate at the Veterans' Home	82,000	82,000	0.0
Consider the addition of Deputy Director position	42,900	42,900	1.0
Juvenile Correctional Facilities			
Report on potential savings gained in the short term due to decreased population resulting from the Placement Matrix			
Adjutant General			
Review increases in utility expenses for armories	174,000	174,000	0.0
Fire Marshal			
Review recommended salary and wage reduction (Note: The agency states that the reduction will have no adverse effects.)	0	47,000	0.0
FY 2002			
State Treasurer			
Review level of funding for Local Ad Valorem Tax Reduction Fund and the City County Revenue Sharing Fund			
Department of Revenue			
Explore the possible shifting of funds to decrease SGF administrative costs	(32,700,000)	0	0.0
Review the status of the Electronic Databases Fee Fund	0	1,000,000	0.0
Kansas Lottery			
Review sales figures and estimated transfers to the State Gaming Revenues Fund. A shortfall in projected sales of \$200 million will impact the SGF. For each \$10 million shortfall in sales, a loss of \$3.34 million SGF will occur.	0	0	0.0
Department of Commerce and Housing			
Review EDIF funding	0	16,276,336	0.0
Kansas, Inc.			
Review EDIF funding	0	343,267	0.0

Agency/Item	State General Fund	All Funds	FTE Positions
KTEC			
Review EDIF funding	0	13,046,887	0.0
Department of Human Resources			
Review funding source for remodeling property at 4th and Topeka Blvd.	0	392,642	0.0
Department of Health and Environment			
Review status of dedicated revenue stream for local health departments through cigarette tax increase	0	1,965,000	0.0
Review issue of center-based programs eligibility for Infant Toddler funding	0	0	0.0
Department of Social and Rehabilitation Services			
Review state-funded AgrAbility for the rehabilitation of farmers	140,000	140,000	0.0
Review funding Domestic Violence Prevention Services in the Salina and Garden City SRS Area Offices	125,000	125,000	0.0
Review the status of the federal Traumatic Brain Injury Grant	35,000	110,000	0.0
Review requirements of covering adults under HealthWave and the fiscal impact of such coverage	13,800,000	49,300,000	0.0
Report on February meeting between the agency and the CMHCs regarding mental health services for foster care and adoption children	0	0	0.0
Report the findings of agency meeting with Children's Alliance and children's emergency shelters regarding the per day rate of reimbursement	330,000	330,000	0.0
Consider additional funding for training of child welfare staff and foster care recruitment	202,500	305,000	0.0
Consider proviso to continue the central child support payment center			
Mental Health Institutions			
Review enhancement request for psychotropic medications	247,472	247,472	0.0
State Library			
Review reduction in aid to local libraries	249,285	249,285	0.0
State Historical Society			
Review of alternative funding options for repair and rehabilitation of the Shawnee Mission	67,000	167,000	0.0
Regents Institutions Systemwide			
Review current service budget reductions	6,100,000	6,100,000	0.0

Agency/Item	State General Fund	All Funds	FTE Positions
Review increased utility costs	3,000,000	3,000,000	0.0
Review 2 for 1 state/tuition equipment funding	3,900,000	5,800,000	0.0
Review annualization of the elimination of the first three steps of the pay plan			
Review state match for the library enhancement	1,900,000	1,900,000	0.0
Review servicing new buildings	655,243	655,243	9.8
Board of Regents			
Review Adult Basic Education funding	126,000	126,000	0.0
Emporia State University			
Review adding funds for Future Teacher Academy and National Board Certification and possible placement of line item funding in Board of Regents' budget	175,000	175,000	0.0
Review new building support at Student Recreation Facility	102,373	102,373	1.4
Pittsburg State University			
Review new building support at Carney Smith Stadium	158,583	158,583	1.9
Review new armory/student building	410,000	545,000	0.0
Juvenile Justice Authority			
Report with SRS on available resources to fund Juvenile Intake and Assessment at the Current Services level (including Children in Need of Care)	0	1,000,000	0.0
Report with SRS, KDHE, the Dept. of Education, and the Children's Cabinet plans to develop standards for evaluating the effectiveness of prevention programs	0	0	0.0
Adjutant General			
Review increases in utility expenses for armories	190,000	190,000	0.0
Fire Marshal			
Review the distribution of funds from the Hazardous Materials Emergency Fund	0	0	0.0
Kansas Bureau of Investigation			
Review the establishment of a DNA collection database	0	23,000	0.0
Review salary increases for KBI agents	200,000	200,000	0.0
Review alternatives whereby enhancements could be funded within the current budget	0	0	0.0

<u>Agency/Item</u>	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
Review addition of funding for renovation of the second floor of the Great Bend laboratory	293,329	293,329	0.0
Review proposals to reduce the backlog of cases in Laboratory Division	0	0	0.0
Board of Emergency Medical Services			
Review the establishment of a Trauma System Development Fund	0	0	0.0
Department of Agriculture			
Review continuation of funding for the study of sericea lespediza	40,000	40,000	0.0
Animal Health Department			
Examine agency's request for animal facility positions	87,742	87,742	2.0
State Conservation Commission			
Review fiscal impact of SB 237			
Department of Transportation			
Examine inclusion of a proviso requiring the agency to use reinforced concrete pipe in place of corrugated metal pipe	0	0	0.0

HOUSE ADJUSTMENTS TO THE GOVERNOR'S RECOMMENDATION

(Reflects House Committee Adjustments for FY 2001, FY 2002 and FY 2003)

Agency/Item	State General Fund	All Funds	FTE Positions
FY 2001:			
Behavioral Sciences Regulatory Board			
Add funding for equipment and software for acceptance of credit cards	0	650	0.0
Board of Nursing			
Add a proviso reappropriating any of the \$123,934 the Governor added to the agency's budget for 5.5 additional FTE positions that is not expended to employ temporary workers in those positions in the interim or fill them with full time employees	0	0	0.0
Legislative Coordinating Council			
KPERS actuarial audit	150,000	150,000	0.0
State Treasurer			
Add funding for Unclaimed Property operations	0	22,500	0.0
Shrinkage reduction	0	65,486	0.0
Judicial Council			
Add funding for study requested by Legislature	5,000	5,000	0.0
Insurance Department			
Reduce shrinkage in Insurance Company Regulation program from 4.0 percent to 3.5 percent	0	29,376	0.0
Kansas Human Rights Commission			
Reappropriate \$15,595 SGF to FY 2002 for computer purchases requested by the agency and not funded by the Governor	(15,595)	(15,595)	0.0
State Corporation Commission			
Expend federal grant for brine spill remediation	0	96,240	0.0
Citizens' Utility Ratepayer Board			
Create no-limit fund for contractual services to receive \$75,000 transfer ineligible for KSIP	0	0	0.0

HOUSE ADJUSTMENTS TO THE GOVERNOR'S RECOMMENDATION

(Reflects House Committee Adjustments for FY 2001, FY 2002 and FY 2003)

Agency/Item	State General Fund	All Funds	FTE Positions
Kansas Public Employee Retirement System			
Technology project shift to FY 2002	0	(1,200,000)	0
Reduce estimated KPERS payments for investment management fees.	0	(2,155,032)	0
Reduce estimated non-KPERS payments for investment management fees.	0	(430,964)	0
Department of Revenue			
Add fee fund financing for technology project	0	1,117,263	0.0
Add proviso to not make final Project 2000 payment until FY 2003, with a positive impact on SGF ending balances of \$4.0 million in FY 2001 and \$6.0 million in FY 2002 (cumulative \$10.0 million in FY 2002).	0	0	0.0
Department of Commerce and Housing			
Shift \$25,842 from the EDIF to KSIP	0	0	0.0
Homestead Property Tax Refunds			
Delete \$1,319,233 SGF to remove the Governor's supplemental appropriation in anticipation of the passage of SB 44	(1,319,233)	(1,319,233)	0.0
Department of Health and Environment			
Delete transfer of \$131,250 from the Trauma Fund to the SGF	0	0	0.0
Add proviso requiring the Department to certify ADAP expenditures will not create a state maintenance of effort	0	0	0.0
Department of Social and Rehabilitation Services			
Add federal funds for Medicaid Buy In planning	0	500,000	0.0
Add proviso allowing savings of \$870,000SGF for Medicaid Buy In Program from the Regular Medical Program and/or the MHRS Assistance Program	0	0	0.0

HOUSE ADJUSTMENTS TO THE GOVERNOR'S RECOMMENDATION

(Reflects House Committee Adjustments for FY 2001, FY 2002 and FY 2003)

Agency/Item	State General Fund	All Funds	FTE Positions
Department of Corrections			
Reduce current year savings, carry forward to FY 2002	(169,378)	(169,378)	0.0
Adjutant General			
Add operating funds (for McConnell) contingent on availability of federal funds	25,000	100,000	0.0
Sentencing Commission			
Add funding for CJIS expenses	0	53,105	0.0
Juvenile Justice Authority			
Add funding to restore Intake and Assessment to current services level	0	1,000,000	0.0
Department of Agriculture			
Increase the expenditure limitation on the Feed Fee Fund to increase surveillance of feed products	0	50,000	0.0
Kansas Water Office			
Add \$8,500 from the State Water Plan Fund for 30 High Plains Aquifer stakeholder meetings in western Kansas	0	8,500	0.0
Total Change - FY 2001	\$ (1,324,206)	\$ (2,092,082)	0.0
FY 2002:			
Board of Cosmetology			
Transfer \$87,000 from KSIP account to the fee fund account	0	0	0.0
Board of Veterinary Examiners			
Add for increased travel and subsistence that would allow the agency to increase efforts in conducting regular inspections of veterinary premises	0	10,000	0.0
Add for professional litigation services to meet the need for more legal assistance	0	16,000	0.0

HOUSE ADJUSTMENTS TO THE GOVERNOR'S RECOMMENDATION
(Reflects House Committee Adjustments for FY 2001, FY 2002 and FY 2003)

Agency/Item	State General Fund	All Funds	FTE Positions
Legislature			
Establish a full-time legislator secretarial pool	90,000	90,000	5.0
Division of Post Audit			
Delete funding as a result of savings from a lower than anticipated financial compliance audit contracted services	(48,000)	(48,000)	0.0
Attorney General			
Delete Criminal Justice Information System Coordinator and keep position in Sentencing Commission	(112,542)	(112,542)	(1.0)
Use unbudgeted drug forfeiture funds for grants to 11 counties for meth lab law enforcement	0	50,000	0.0
State Treasurer			
Add funding for Unclaimed Property operations	0	22,500	0.0
Insurance Department			
Reduce shrinkage in Insurance Company Regulation program from 4.0 percent to 3.5 percent	0	31,193	0.0
Judicial Council			
Shift funding to State General Fund and use fee fund only for publications activities	29,080	0	0.0
Kansas Public Employees Retirement System			
Add funding for technology project	0	1,200,000	0.0
Reduce estimated KPERS payments of investment managers	0	(3,078,682)	0.0
Reduce estimated non-KPERS payments for investment managers	0	(968,815)	0.0
Reduce agency expenses to be funded from non-KPERS money	0	(200,000)	0.0
Add funding for two new staff	0	73,624	2.0
Add funding for telephony consultant	0	50,000	0.0

HOUSE ADJUSTMENTS TO THE GOVERNOR'S RECOMMENDATION
(Reflects House Committee Adjustments for FY 2001, FY 2002 and FY 2003)

Agency/Item	State General Fund	All Funds	FTE Positions
Make line item for investment manager fees a no limit account	0	0	0.0
Delete FTE limitation in bill	0	0	0.0
Human Rights Commission			
Reappropriate \$15,595 SGF to FY 2002 for computer purchases requested by the agency but not funded by the Governor.	15,595	15,595	0.0
State Corporation Commission			
Expend federal grant for brine spill remediation	0	94,760	0.0
Citizens' Utility Ratepayers Board			
Authorize expenditure of any unencumbered professional consulting fees remaining from FY 2001	0	0	0.0
Department of Revenue			
Add proviso to not make final Project 2000 payment until FY 2003, with a positive impact on SGF ending balances of \$4.0 million in FY 2001 and \$6.0 million in FY 2002 (cumulative \$10.0 million in FY 2002).	0	0	0.0
Department of Commerce and Housing			
Add funding to administer Section 8 contracts (includes \$35.5 million for other assistance grants) with proviso requiring FTE be unclassified	0	37,300,034	13.0
Add EDIF for Mid-America World Trade Center	0	50,000	0.0
Add EDIF for State Teachers Hall of Fame	0	25,000	0.0
Add EDIF for CDCs	0	75,000	0.0
Department of Human Resources			
Add funding from Workers Compensation Fee Fund for 2.0 FTE (off-budget) in KDHE for data collection	0	102,100	0.0
Department of Health and Environment			
Shift SGF to fee funds in the Bureau of Air and Radiation	(200,000)	0	0.0
Add funding to create an Oral Health Office	200,000	200,000	0.0

HOUSE ADJUSTMENTS TO THE GOVERNOR'S RECOMMENDATION (Reflects House Committee Adjustments for FY 2001, FY 2002 and FY 2003)

Agency/Item	State General Fund	All Funds	FTE Positions
Create a State Loan Repayment Program for dentist and hygienists to be administered by KDHE	0	0	0.0
Add funding for Stroke Prevention Program from the Trauma Fund (including \$56,000 carry-forward from FY 2001)	0	156,000	0.0
Shift \$300,000 SGF from agency operations to the Pregnancy Maintenance Initiative	0	0	0.0
Add proviso to allow nurse practitioners and registered nurses to examine ill, injured or impaired juveniles prior to detention	0	0	0.0
Add proviso requiring combined immunizations to be offered separately	0	0	0.0
Shift 6.0 new FTE added for public water supply oversight to other unclassified positions	0	0	(6.0)
Delete 6.0 FTE added for nursing home surveys and related federal funding - leave \$42,517 SGF added for the positions to offset other cuts	0	(319,333)	(6.0)
Department on Aging			
Delete from agency operations	(30,000)	(30,000)	0.0
Add funding for the Senior Legal Hotline as a line item	30,000	30,000	0.0
Combine Income Eligible, Senior Care Act, Case Management Custom Care and Environmental Modification programs into one program	0	0	0.0
Department of Social and Rehabilitation Services			
Add proviso eliminating \$40 pass-through on Child Support Enforcement	0	0	0.0
Add proviso adding foster care & adoption to consensus caseload estimating	0	0	0.0

HOUSE ADJUSTMENTS TO THE GOVERNOR'S RECOMMENDATION (Reflects House Committee Adjustments for FY 2001, FY 2002 and FY 2003)

Agency/Item	State General Fund	All Funds	FTE Positions
Shifts \$90,000 of Community Funding to a contract for mediation pilot project in Wichita for 100 cases.	0	0	0.0
Add federal funds for Medicaid Buy In planning	0	500,000	0.0
Add proviso allowing savings of \$870,000 SGF for Medicaid Buy In Program from the Regular Medical Program and/or the MHRS Assistance Program	0	0	0.0
Add \$200,000 SGF for Social Security Advocacy Project	200,000	200,000	0.0
Add proviso allowing for central payment center	0	0	0.0
Add funding for medication reimbursement for inpatient hospitalization crisis stabilization including \$17,224 from the SRS Fee Fund	0	42,900	0.0
Add \$250,000 from the Other SRS Fee Fund funding for medications for clients in treatment for substance abuse	0	250,000	0.0
Add \$15,000 from the Other SRS Fee Fund for a pilot project for Fetal Alcohol Syndrome screening, treatment and prevention	0	15,000	0.0
A proviso is added requiring a dollar for dollar match for local sources on the Fetal Alcohol Syndrome Project	0	0	0.0
Delete \$212,000 SGF from the Children's Cabinet	(212,000)	(212,000)	0.0
A proviso is added to the Kansas Smart Start Children's Initiative Fund which allows up to \$212,000 of the funding to be used for state match to draw federal funds in the Children's Cabinet	0	0	0.0
Directs SRS to contract with Youthville for a Sexual Aggression Treatment Program which is to be a carve out of foster care funding not to exceed \$1,174,988	0	0	0.0
Add \$437,479 from the Children's Initiatives Fund for Kinship Services Support and Training	0	437,479	0.0

HOUSE ADJUSTMENTS TO THE GOVERNOR'S RECOMMENDATION (Reflects House Committee Adjustments for FY 2001, FY 2002 and FY 2003)

Agency/Item	State General Fund	All Funds	FTE Positions
Add \$92,349 from the SRS Fee Fund for payment of the last day of stay in an emergency shelter for law enforcement placements at the current rate of \$72.32 per day. An additional \$92,349 of funding is to be found by the Department for a total of \$184,698	0	92,349	0.0
Add \$90,000 from the SRS Fee Fund for a GAL pilot project.	0	90,000	0.0
Department of Education			
Increase number of four-year-old at-risk children by 218 (total 2,884)	450,000	500,000	0.0
Delete funding for study of school finance formula	(450,000)	(450,000)	0.0
Delete additional funding for Parent Education Program	0	(2,000,000)	0.0
Add proviso to mentor teacher program stating that grants are for mentoring first-year teachers only	0	0	0.0
Earmark funding for services to children recommended by House Education Subcommittee on Accountability (HB 2546 - Kansas Skills for Success in School Act)	0	1,950,000	0.0
State Library			
Add EDIF to increase aid to local libraries	0	170,000	0.0
State Historical Society			
Add funding for the Kansas Heritage Center (shifted from the Department of Education)	30,000	30,000	0.0
Department of Corrections			
Shift funding and spend carry-forward FY 01 SGF to add \$1.7 million; \$1.0 million for education programs and \$745,998 for substance abuse treatment	169,378	1,669,378	0.0
Juvenile Justice Authority			
Increase official hospitality limitation to \$4,000	0	0	0.0

HOUSE ADJUSTMENTS TO THE GOVERNOR'S RECOMMENDATION
(Reflects House Committee Adjustments for FY 2001, FY 2002 and FY 2003)

Agency/Item	State General Fund	All Funds	FTE Positions
Larned Juvenile Correctional Facility			
Add funding for Residential Substance Abuse Treatment Program	35,971	143,884	0.0
Adjutant General			
Add EDIF for Educational Assistance	0	250,000	0.0
Add operating funds (for McConnell) contingent on availability of federal funds	25,000	100,000	0.0
Fire Marshal			
Establish a Hazardous Materials Emergency Fund	0	0	0.0
Shift 2.0 other unclassified positions to FTE positions	0	0	2.0
Highway Patrol			
Additional 5.0 percent salary increase for sworn officers	0	0	0.0
Kansas Bureau of Investigation			
Add 13.0 other unclassified laboratory and investigation positions	0	666,504	0.0
Board of Emergency Medical Services			
Restore reduced operating expenses	5,735	5,735	0.0
Restore full funding for Regional Councils	1,508	1,508	0.0
Add funding for 400 MHz communication system	10,000	10,000	0.0
Expenditure authority for Rural Health Options Fund	0	0	0.0
Sentencing Commission			
Add funding for Research Analyst position	34,283	34,283	0.0
Add funding for Grant Specialist position	10,000	39,996	0.0
Transfer Criminal Justice Information System Project Manager position, including funding and 1.0 FTE, from Attorney General to Sentencing Commission	112,542	112,542	1.0
Ombudsman of Corrections			
Add funding for ombudsman travel to correctional facilities	2,498	2,498	0.0

HOUSE ADJUSTMENTS TO THE GOVERNOR'S RECOMMENDATION (Reflects House Committee Adjustments for FY 2001, FY 2002 and FY 2003)

Agency/Item	State General Fund	All Funds	FTE Positions
Department of Agriculture			
Increase the expenditure limitation on the Feed Fee Fund to increase surveillance of feed products	0	31,000	0.0
Add proviso to establish a new Civil Litigation Fee Fund, as a no-limit fund to be used to receive moneys from the Attorney General's office to deal with fees and costs associated with litigation over fraudulent meat sales	0	0	0.0
State Conservation Commission			
Add proviso to capture lapsed State Water Plan Funds from the Water Resources Cost Share program and the Non-Point Source Pollution program, and utilize those funds for enhancements to the Water Resources Cost Share program	0	0	0.0
Add \$50,000 from the State Water Plan Fund for the Riparian and Wetland program	0	50,000	0.0
Kansas Water Office			
Add proviso to prohibit purchasing more water storage	0	0	0.0
Add proviso to authorize the Water Office to transfer money from the sub-accounts of the Water Supply Storage Assurance District Fund to the Water Marketing Fund	0	0	0.0
Add proviso to authorize the Water Office to borrow money from the Pooled Money Investment Board for a temporary shortage in the Water Marketing Fund	0	0	0.0
Add proviso to create a fund for receiving and passing through local match funds for federal cost-share programs	0	0	0.0
Department of Wildlife and Parks			
Add \$200,000 Boating Fee Fund for Kansas and Missouri River Access	0	200,000	0.0
Add \$330,000 EDIF for the Local Government Outdoor Recreation Grant Program	0	330,000	0.0

HOUSE ADJUSTMENTS TO THE GOVERNOR'S RECOMMENDATION
(Reflects House Committee Adjustments for FY 2001, FY 2002 and FY 2003)

Agency/Item	State General Fund	All Funds	FTE Positions
Delete \$250,000 Wildlife Conservation Fund for general land acquisition	0	(250,000)	0.0
Add proviso regarding approval of river access on the Kansas and Missouri rivers	0	0	0.0
Add proviso limiting wetlands acquisition to wetlands within 1.1 mile of agency owned property	0	0	0.0
Add proviso limiting Playa Lake land acquisition to land within 1.1 mile of agency owned property	0	0	0.0
Total Change - FY 2002	\$ 399,048	\$ 39,847,490	10.0
FY 2003:			
Board of Veterinary Examiners			
Add for increased travel and subsistence to would allow the agency to increase efforts in conducting regular inspections of veterinary premises	0	10,000	0.0
Add for professional litigation services to meet the need for more legal assistance	0	16,000	0.0
Total Change - FY 2003	\$ -	\$ 26,000	0.0

**Items Noted or Deferred for Omnibus Consideration
by House Committee Action**

Item	Dollar Amount (if known)		FTE
	SGF	AF	
FY 2001			
Board of Indigents Defense Services			
Consider additional funding for Wichita capital murder cases - cost unknown	0	0	0.0
Judicial Branch			
Consider additional funding to decrease shrinkage	300,000	300,000	0.0
Consider amending KSA 2000 Supp. 20-1a14 to allow docket fees to be used for base salaries, not just upgrades - cost unknown	0	0	0.0
Commission on Veterans Affairs			
Review federal VA reimbursements at KVH; possible supplemental appropriation	82,000	82,000	0.0
Department of Social and Rehabilitation Services			
Woodward, on the grounds of the former Topeka State Hospital is recommended for Blind Services	0	0	0.0
Mental Health Insitutions			
Review direct care staff wage increases	195,000	195,000	0.0
Review utility costs - cost unknown	0	0	0.0
Developmental Diability Insitutions			
Review direct care staff wage increases	130,000	130,000	0.0
Review utility costs - cost unknown	0	0	0.0
Kansas State Historical Society			
Review agency request for \$57,500 for roof repair at the Kansas Museum of History.	57,500	57,500	0.0
Adjutant General			
Review increases in utility expenses for armories	174,000	174,000	0.0
Total FY 2001	938,500	938,500	0

Items Noted or Deferred for Omnibus Consideration by House Committee Action

Item	Dollar Amount (if known)		FTE
	SGF	AF	
FY 2002			
Behavioral Science Regulatory Board			
Look at costs associated with accepting credit cards - all Fee Boards			
Judicial Branch			
Consider all enhancements of the Judicial Branch	3,719,472	3,810,070	42.8
Consider additional funding for shrinkage for judges and other operating	1,212,197	1,212,197	0.0
Department of Administration			
Review plan to upgrade or replace executive aircraft - cost is unknown, if project is bonded there may be no expenditure required in FY 2001 or FY 2002			
	0	0	0.0
Review plan to keep Motor Pool Dispatch open longer hours (within existing resources)			
	0	0	0.0
Department of Revenue			
Review methods to enhance collection of moneys due the State.			
	0	0	0.0
Review ABC funding and status of SB 13 that would add fee funds for ABC.			
	0	0	0.0
Review impact of accelerated sales tax filings on taxpayers with \$32,000 annual liability.			
	0	0	0.0
Kansas Lottery			
Review sales figures and estimated transfers to the State Gaming Revenues Fund.			
	0	0	0.0
Kansas Racing and Gaming Commission			
Review payment of arbitration costs from the SGF and status of a GBA addressing this expenses from the SGF.			
	0	0	0.0
Department of Commerce and Housing			
Review EDIF funding			
	0	0	0.0
Kansas, Inc.			
Review EDIF funding			
	0	0	0.0
Kansas Technology Enterprise Corporation			
Review EDIF funding			
	0	0	0.0

**Items Noted or Deferred for Omnibus Consideration
by House Committee Action**

Item	Dollar Amount (if known)		FTE
	SGF	AF	
Commission on Veterans Affairs			
Consider reducing shrinkage rates at KVH and KSH	0	0	0.0
Review planning costs for State Veterans Cemeteries			
Consider safety and security officer at KSH	24,445	24,445	0.0
Department of Health and Environment			
Receive report from KDHE and the Children's Cabinet on eligibility for American Legacy Foundation grant for smoking prevention	0	0	0.0
Receive report from KDHE on public water system compliance	0	0	0.0
Review status of bill to charge inspection fees to grocery stores to determine if SGF funding can be reduced - amount of reduction unknown	0	0	0.0
Department on Aging			
Agency is to prepare a plan including financial data to increase the minimum threshold score to 26 for the Income Eligible Program and present it during the Omnibus Session.			
Agency is to undertake a study of services to determine whether they are being duplicated & report back to the Committee prior to the Omnibus Session.			
Agency is to calculate the cost of changing the 85% rule and present the findings to the Committee prior to the Omnibus Session.			
Agency is to update the Committee on the effects of the loss of funding for the Custom Care & Environmental Modifications programs on service providers prior to the Omnibus Session.			
Department of Social and Rehabilitation Services			
Agency is to report prior to the Omnibus Session about the results of the meetings between SRS & CMHC's with regard to mental health services for foster and adoption children.	0	0	0.0
Prior to Omnibus SRS & Aging are to report back on increasing the PASARR score to 30, 35 or 39.	0	0	0.0
During the Omnibus Session it is recommended that consideration be given for additional funding for training of child welfare staff and foster care recruitment.	202,500	305,000	0.0

Items Noted or Deferred for Omnibus Consideration by House Committee Action

Item	Dollar Amount (if known)		FTE
	SGF	AF	
Report on the potential cost savings in changing the maintenance drugs to a 60 or 90 day refill program and utilizing Maximum Allowable Cost Pricing for any drugs being removed from patent protection.	0		
Review funding for the HCBS/HI waiver to possibly fund waiting list	2,007,500	5,000,000	0.0
Mental Health Insitutions			
Review direct care staff wage increases	1,003,167	1,003,167	0.0
Review utility costs - cost unknown	0	0	0.0
Developmental Diability Insitutions			
Review direct care staff wage increases	760,783	760,783	0.0
Review utility cos's - cost unknown	0	0	0.0
Kansas Guardianship Program			
Enhancement request for 2.0 new recruiter/facilitator positions	90,097	90,097	2.0
Department of Education			
Transfer Infant and Toddler Program from Department of Health and Environment to State Department of Education			
State Library			
Consider restoring aid to local libraries	79,285	79,285	0.0
Kansas Arts Commission			
Review agency request for \$18,920 SGF to match \$18,920 in federal dollars for a statewide meeting and training session on the arts.	18,920	18,920	0.0
Review agency request for \$40,000 SGF to match \$40,000 in federal money for Youth in Arts programs	40,000	40,000	0.0
School for the Blind			
Consider addressing salary disparity between the School for the Blind and surrounding school districts	0	0	0.0
School for the Deaf			
Consider addressing salary disparity between the School for the Deaf and surrounding school districts	0	0	0.0
Consider decreasing shrinkage rate to 4.0 percent	78,182	78,182	0.0

**Items Noted or Deferred for Omnibus Consideration
by House Committee Action**

Item	Dollar Amount (if known)		FTE
	SGF	AF	
State Historical Society			
Review agency request for \$67,000 SGF to match \$100,000 in federal preservation money for repairs at the Shawnee Mission	67,000	167,000	0.0
Review the agency request for \$50,000 EDIF for the Smithsonian traveling exhibit "Yesterday's Tomorrows: Past Visions of the American Future"	0	50,000	0.0
Board of Regents			
Municipal Operating Grant adjustment	0	0	0.0
Comprehensive Grant Program funding (probably 250k, but could be upwards of \$1.5 mil)	250,000	250,000	0.0
Kansas State University Extension			
Farm Analyst Program enhancement	69,372	69,372	1.0
Regents Systemwide			
Servicing new buildings	655,243	655,243	9.6
Current service budget reductions \$6.1 million	6,100,000	6,100,000	0.0
Review status of possible recovery of possible FICA overpayments	0	0	0.0
Review implications of changing the general fees funds to "no limit" expenditure limitations	0	0	0.0
Review 2 for 1 technology funding	3,900,000	5,800,000	0.0
Library Funding	1,900,000	1,900,000	0.0
Utility Costs	3,000,000	3,000,000	0.0
Annualization of pay matrix adjustments - cost unknown	0	0	0.0
Department of Corrections			
Review funding for Correctional Officer salary enhancements	0	0	0.0
Adjutant General			
Review increases in utility expenses for armories (FY 2001: \$174,000 and FY 2002: \$190,000)	190,000	190,000	0.0
Review the addition of 2.0 other unclassified positions (1.0 Office specialist and 1.0 facility maintenance mechanic) to be stationed at Forbes Field	14,424	43,272	0.0
Kansas Legislative Research Department	5		

Items Noted or Deferred for Omnibus Consideration by House Committee Action

Item	Dollar Amount (if known)		FTE
	SGF	AF	
Review additional funding for operations	1,541	1,541	0.0
Review funding for emergency management program training within the Division of Emergency Management	4,990	9,980	0.0
State Fire Marshal			
Review regulations and policies on how funds from Hazardous Materials Emergency Fund would be distributed during emergency situations	0	0	0.0
Review granting expenditure authority to access the Hazardous Materials Emergency Fund for amounts less than \$25,000 without State Finance Council approval	0	0	0.0
Highway Patrol			
Review the inclusion of Capital Area Security Police Officers within an additional 5.0 percent salary increase above the Governor's recommended 5.0 percent increase for all sworn officers of the Highway Patrol and the recommended 3.0 percent annualized base salary increase for all state employees	56,560	56,560	0.0
Kansas Bureau of Investigation			
Review providing a salary increase for agents	200,000	200,000	0.0
Review restoring operational costs for the Investigation Division	130,000	130,000	0.0
Review funding for DNA analysis technology	250,000	250,000	0.0
Board of Emergency Medical Services			
Review the establishment of a Trauma System Development Fund	0	0	0.0
Review adding 2.0 FTE Staff Development Specialists positions	85,698	85,698	2.0
Lansing Correctional Facility			
Receive report from KDOC regarding pilot project hiring correctional officers under 21 years of age.	0	0	0.0
Review results of Post Audit on overtime expenditures and potential benefit of salary enhancements versus continued overtime.	0	0	0.0
Kansas Legislative Research Department	6		

**Items Noted or Deferred for Omnibus Consideration
by House Committee Action**

Item	Dollar Amount (if known)		FTE
	SGF	AF	
Review KDOC report on regional salary comparison of public safety officers in the Kansas City metro area including federal, private, and local government employers.	0	0	0.0
Department of Agriculture			
Review fiscal impact of HB 2102, which addresses statutory inspection and metering of fuels	0	0	0.0
State Fair			
Consider , given a positive EDIF balance, shifting \$134,000 from SGF to EDIF	(134,000)	0	0.0
Total FY 2002	25,977,376	31,380,812	57.4

**Senate Ways and Means Recommendations
with KLRD Adjustment to FY 2000 Receipts --
Downward Adjustment of \$14.9 million**

**State General Fund Profile
FY 2000 - FY 2005**

November 3, 2000 Consensus Revenue Estimates As Adjusted by Governor
Senate Ways & Means Recommendations for Expenditures in FY 2001 and FY 2002
Demand Transfers Reflect Current Law Beginning in FY 2003
Actual FY 2000 Receipts (Adjusted Downward by \$14.9 million) and Expenditures

	Actual FY 2000	Increase	Gov. Rev. FY 2001	Increase	Gov. Rec. FY 2002	Increase	Projected FY 2003	Increase	Projected FY 2004	Increase	Projected FY 2005	Increase
Beginning Balance(a)	\$542.4		\$363.0		\$414.8		\$350.0		\$357.8		\$372.1	
RECEIPTS:(b)	4,203.1	224.5	4,486.3	283.2	4,583.4	97.1	4,771.7	188.3	4,958.9	187.2	5,153.7	194.8
FY 2000 Adjustment for Local Sales Tax Correction	(14.9)	(14.9)	0.0	14.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RECEIPTS:(b)	4,188.2	209.6	4,486.3	298.1	4,583.4	97.1	4,771.7	188.3	4,958.9	187.2	5,153.7	194.8
		5.3%		7.1%		2.2%		4.1%		3.9%		3.9%
EXPENDITURES:												
General and Supplemental School Aid (c)	1,850.2	102.1	1,886.4	36.2	1,876.8	(9.6)	1,862.6	(14.2)	1,844.7	(17.9)	1,832.4	(12.3)
Base State Aid Per Pupil Increase in FY 2002 (\$50)	0.0	0.0	0.0	0.0	29.9	29.9	30.0	0.1	30.0	0.0	30.1	0.1
General and Supplemental School Aid (c)	1,850.2	102.1	1,886.4	36.2	1,906.7	20.3	1,892.6	(14.1)	1,874.7	(17.9)	1,862.5	(12.2)
		5.8%		2.0%		1.1%		-0.7%		-0.9%		-0.7%
Out-Year Additional KPERS Employer Contributions(d)	0.0	0.0	0.0	0.0	0.0	0.0	10.8	10.8	22.3	11.5	34.4	12.1
Higher Education Restructuring - S.B. 345(e)	0.0	0.0	21.8	21.8	42.6	20.8	54.1	11.5	71.3	17.2	71.3	0.0
Annualization of FY 2002 State Employee Salary Increase (1.5%)(f)	0.0	0.0	0.0	0.0	0.0	0.0	9.7	9.7	9.7	0.0	9.7	0.0
Demand Transfers: (g)	201.2	(18.4)	186.4	(14.8)	267.3	80.9	356.1	88.8	376.0	19.9	405.9	29.9
All Other Expenditures(h)	2,316.2	87.7	2,339.9	23.7	2,444.6	104.7	2,431.6	(13.0)	2,440.6	9.0	2,590.6	150.0
		3.9%		1.0%		4.5%		-0.5%		0.4%		6.1%
Available for Other Purposes(i)	0.0	0.0	0.0	0.0	(13.0)	(13.0)	9.0	22.0	150.0	141.0	165.0	15.0
TOTAL Expenditures	4,367.6	171.4	4,434.5	66.9	4,648.2	213.7	4,763.9	115.7	4,944.6	180.7	5,139.4	194.8
Percent Increase		4.1%		1.5%		4.8%		2.5%		3.8%		3.9%
Ending Balance(j)	363.0		414.8		350.0		357.8		372.1		386.4	
Percent of Expenditures	8.3%		9.4%		7.5%		7.5%		7.5%		7.5%	
Receipts in Excess of Expenditures	(179.4)		51.8		(64.8)		7.8		14.3		14.3	

Senate Ways and Means
3-21-01
Attachment 11

FOOTNOTES:

i) Includes released encumbrances in FY 2000.

b) Receipts are actual for FY 2000, with a downward adjustment of \$14.9 million to correct an oversight in the Department of Revenue related to local sales tax collections. Receipts for FY 2001 and FY 2002 reflect the November 3, 2000 consensus revenue estimates. For FY 2001 the Governor increases receipts by \$0.2 million to reflect a recommended transfer from the Trauma Fund (Health and Environment) to the State General Fund. For FY 2002 the Governor decreases State General Fund revenues by \$12.4 million. The Governor recommends that Homestead Property Tax Refunds be changed from an expenditure to a revenue transaction. The Governor also recommends that \$1.0 million from the Juvenile Detention Facilities Fund and \$1.0 million from the Workers' Compensation Self Insurance Fund of the Department of Administration be transferred to the State General Fund.

c) Base estimate of general and supplemental school aid payments in FY 2000 are actual, and FY 2001 - FY 2003 were made by the Department of Education, Division of the Budget, and the Legislative Research Department were revised November 13, 2000. The FY 2005 estimate is made by the Legislative Research Department. The FY 2001 - FY 2005 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 in FY 2001 and a base aid per pupil amount of \$3,870 for FY 2002 - FY 2005.

d) Beginning in FY 2003 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).

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 - FY 2002 operating expenditures for S.B. 345 are reflected in the all other expenditure amount.

f) The amount needed to annualize the Governor's FY 2002 recommended state employee pay plan. The recommendation includes a 1.5 percent increase effective December 9, 2001 for all state employees. The amount also assumes the creation of a Step 16 (\$2.5 million) on the classified employee pay plan effective FY 2003.

g) Demand transfers for the School District Capital Improvement Fund and the State Fair (FY 2000 - FY 2005) all reflect current law. The amount 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 FY 2001 amount 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 for FY 2001 the amounts reflect a reduction of 17.5 percent below the FY 2000 amount. The FY 2001 amount had previously been 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. The FY 2002 amount for the State Highway Fund reflects a reduction under the Governor's recommendation of \$24.3 million below the statutory amount. All other demand transfers for FY 2002 - FY 2005 reflect current law. The Senate Ways and Means FY 2002 recommendation provides for a 2.0 percent increase above the FY 2001 amount for the Local Ad Valorem Tax Reduction Fund and the County and City Revenue Sharing Fund. The Special City and County Highway Fund is restored to the FY 2000 actual amounts.

h) FY 2000 are actual all other expenditures. The FY 2001 and FY 2002 amounts as recommended by the Senate Ways and Means Committee. For FY 2003 - FY 2005 all other expenditures generally reflect the prior year's all other expenditures, plus the prior year's amount that is available for other purposes.

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

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

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**House Appropriations Committee Rec.
with KLRD Adjustment to FY 2000 Receipts --
Downward Adjustment of \$14.9 million**

**State General Fund Profile
FY 2000 - FY 2005**

November 3, 2000 Consensus Revenue Estimates As Adjusted by Governor
House Appropriations Comm. Rec. for Expenditures in FY 2001 and FY 2002
Demand Transfers Reflect Current Law Beginning in FY 2003
Actual FY 2000 Receipts (Adjusted Downward by \$14.9 million) and Expenditures

	Actual FY 2000	Increase	Gov. Rev. FY 2001	Increase	Gov. Rec. FY 2002	Increase	Projected FY 2003	Increase	Projected FY 2004	Increase	Projected FY 2005	Increase
Beginning Balance(a)	\$542.4		\$363.0		\$416.2		\$350.0		\$357.8		\$372.1	
RECEIPTS:(b)	4,203.1	224.5	4,486.3	283.2	4,583.4	97.1	4,771.7	188.3	4,958.9	187.2	5,153.7	194.8
FY 2000 Adjustment for Local Sales Tax Correction	(14.9)	(14.9)	0.0	14.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RECEIPTS:(b)	4,188.2	209.6 5.3%	4,486.3	298.1 7.1%	4,583.4	97.1 2.2%	4,771.7	188.3 4.1%	4,958.9	187.2 3.9%	5,153.7	194.8 3.9%
EXPENDITURES:												
General and Supplemental School Aid (c)	1,850.2	102.1	1,886.4	36.2	1,876.8	(9.6)	1,862.6	(14.2)	1,844.7	(17.9)	1,832.4	(12.3)
Base State Aid Per Pupil Increase in FY 2002 (\$50)	0.0	0.0	0.0	0.0	29.9	29.9	30.0	0.1	30.0	0.0	30.1	0.1
General and Supplemental School Aid (c)	1,850.2	102.1 5.8%	1,886.4	36.2 2.0%	1,906.7	20.3 1.1%	1,892.6	(14.1) -0.7%	1,874.7	(17.9) -0.9%	1,862.5	(12.2) -0.7%
Out-Year Additional KPERs Employer Contributions(d)	0.0	0.0	0.0	0.0	0.0	0.0	10.8	10.8	22.3	11.5	34.4	12.1
Higher Education Restructuring - S.B. 345(e)	0.0	0.0	21.8	21.8	42.6	20.8	54.1	11.5	71.3	17.2	71.3	0.0
Annualization of FY 2002 State Employee Salary Increase (1.5%)(f)	0.0	0.0	0.0	0.0	0.0	0.0	9.7	9.7	9.7	0.0	9.7	0.0
Demand Transfers: (g)	201.2	(18.4)	186.4	(14.8)	271.7	85.3	356.1	84.4	376.0	19.9	405.9	29.9
All Other Expenditures(h)	2,316.2	87.7 3.9%	2,338.5	22.3 1.0%	2,443.6	105.1 4.5%	2,428.6	(15.0) -0.6%	2,440.6	12.0 0.5%	2,590.6	150.0 6.1%
Available for Other Purposes(i)	0.0	0.0	0.0	0.0	(15.0)	(15.0)	12.0	27.0	150.0	138.0	165.0	15.0
TOTAL Expenditures	4,367.6	171.4 4.1%	4,433.1	65.5 1.5%	4,649.6	216.5 4.9%	4,763.9	114.3 2.5%	4,944.6	180.7 3.8%	5,139.4	194.8 3.9%
Ending Balance(j)	363.0		416.2		350.0		357.8		372.1		386.4	
Percent of Expenditures	8.3%		9.4%		7.5%		7.5%		7.5%		7.5%	
Receipts in Excess of Expenditures	(179.4)		53.2		(66.2)		7.8		14.3		14.3	

Senate Ways and Means
3-21-01
Attachment 12

FOOTNOTES:

a) Includes released encumbrances in FY 2000.

b) Receipts are actual for FY 2000, with a downward adjustment of \$14.9 million to correct an oversight in the Department of Revenue related to local sales tax collections. Receipts for FY 2001 and FY 2002 reflect the November 3, 2000 consensus revenue estimates. For FY 2001 the Governor increases receipts by \$0.2 million to reflect a recommended transfer from the Trauma Fund (Health and Environment) to the State General Fund. For FY 2002 the Governor decreases State General Fund revenues by \$12.4 million. The Governor recommends that Homestead Property Tax Refunds be changed from an expenditure to a revenue transaction. The Governor also recommends that \$1.0 million from the Juvenile Detention Facilities Fund and \$1.0 million from the Workers' Compensation Self Insurance Fund of the Department of Administration be transferred to the State General Fund.

c) Base estimate of general and supplemental school aid payments in FY 2000 are actual, and FY 2001 - FY 2003 were made by the Department of Education, Division of the Budget, and the Legislative Research Department were revised November 13, 2000. The FY 2005 estimate is made by the Legislative Research Department. The FY 2001 - FY 2005 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 in FY 2001 and a base aid per pupil amount of \$3,870 for FY 2002 - FY 2005.

d) Beginning in FY 2003 an additional Kansas Public Employees Retirement System (KPERs) employer contribution amount necessary to meet the statutory required rate increase (0.2 percent rate increase until equilibrium is reached).

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 - FY 2002 operating expenditures for S.B. 345 are reflected in the all other expenditure amount.

f) The amount needed to annualize the Governor's FY 2002 recommended state employee pay plan. The recommendation includes a 1.5 percent increase effective December 9, 2001 for all state employees. The amount also assumes the creation of a Step 16 (\$2.5 million) on the classified employee pay plan effective FY 2003.

g) Demand transfers for the School District Capital Improvement Fund and the State Fair (FY 2000 - FY 2005) all reflect current law. The amount 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 FY 2001 amount 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 for FY 2001 the amounts reflect a reduction of 17.5 percent below the FY 2000 amount. The FY 2001 amount had previously been 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. The FY 2002 amount for the State Highway Fund reflects a reduction under the Governor's recommendation of \$24.3 million below the statutory amount. All other demand transfers for FY 2002 - FY 2005 reflect current law. The Governor's FY 2002 recommendation restores the Local Ad Valorem Tax Reduction Fund, the County and City Revenue Sharing Fund, and the Special City and County Highway Fund to the FY 2000 actual amounts.

h) FY 2000 are actual all other expenditures. The FY 2001 and FY 2002 amounts as recommended by the House Appropriations Committee. For FY 2003 - FY 2005 all other expenditures generally reflect the prior year's all other expenditures, plus the prior year's amount that is available for other purposes.

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

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

Kansas Legislative Research Department
February 23, 2001