

Approved: May 10, 2005
Date

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 11:15 A.M. on February 23, 2005 in Room 123-S of the Capitol.

All members were present except:

Senator Chris Steineger- excused
Senator David Wysong- excused

Committee staff present:

Norman Furse, Revisor of Statutes
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Leah Robinson, Kansas Legislative Research Department
Julian Efird, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Matt Spurgin, Kansas Legislative Research Department
Amy VanHouse, Kansas Legislative Research Department
Robert Waller, Kansas Legislative Research Department
Judy Bromich, Administrative Analyst
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Bill Acree, Executive Director, Helping Hands Humane Society
James Frazier, on behalf of Denise Everhart, Commissioner, Juvenile Justice Authority
Mark Stock, Real Estate Officer, Division of Facilities Management, Kansas Department of Administration

Others attending:

See attached list.

Bill Introductions

Senator Barone moved, with a second by Senator Kelly, to introduce an act concerning income taxation: relating to credits; renewable energy facilities and community wind energy facilities (5rs1043). Motion carried on a voice vote.

Information regarding the Local Government Outdoor Recreation Grant Program (LGORP) that was requested by the committee during the hearing the day before on SB 87 (Attachment 1).

Copies of the Kansas Legislative Research Department Budget Analysis Report for FY 2005 and FY 2006 were available to the committee.

Subcommittee budget reports on:

Kansas Department of Transportation (Attachment 2)

Subcommittee Chairman Dwayne Umbarger reported that the subcommittee on the Kansas Department of Transportation concurs with the Governor's recommendation in FY 2005 and concurs with the Governor's FY 2006 recommendations with adjustments and observations.

Senator Teichman moved, with a second by Senator Barone, to adopt the subcommittee budget report on the Kansas Department of Transportation in FY 2005 and FY 2006. Motion carried on a voice vote.

State Conservation Commission

Kansas Water Office (Attachment 3)

Subcommittee Chairwoman Carolyn McGinn reported that the subcommittee on the State Conservation

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on February 23, 2005 in Room 123-S of the Capitol.

Commission concurs with the Governor's recommendation in FY 2005 and concurs with the Governor's FY 2006 recommendations with adjustments and comments.

Senator Morris moved to amend the Subcommittee budget report on the State Conservation Commission regarding Item No. 5 in FY 2006, with a second by Senator Barone, to add \$1,310,000 from the State Water Plan Fund for the Irrigation Transition Assistance Program. Motion carried on a voice vote.

Subcommittee Chairwoman Carolyn McGinn reported that the subcommittee on the Kansas Water Office concurs with the Governor's recommendation in FY 2005 with comment and concurs with the Governor's FY 2006 recommendations with adjustments and comments.

Kansas Department of Wildlife and Parks (Attachment 4)

Subcommittee Chairwoman Carolyn McGinn reported that the subcommittee on the Kansas Department of Wildlife and Parks concurs with the Governor's recommendation in FY 2005 with adjustments and observations and concurs with the Governor's FY 2006 recommendations with adjustments and observations.

Senator McGinn moved, with a second by Senator Betts, to adopt the subcommittee budget report on the Kansas Department of Wildlife and Parks, Kansas Water Office, and as amended, the State Conservation Commission in FY 2005 and FY 2006. Motion carried on a voice vote.

Chairman Umbarger opened the public hearing on:

SB 266--Transfer of property by the department of administration to the Helping Hands Humane Society

Staff briefed the committee on the bill.

The Chairman welcomed the following conferees:

Bill Acree, Executive Director, Helping Hands Humane Society (HHHS), who testified in support of **SB 266 (Attachment 5)**. Mr. Acree explained that the HHHS would like to acquire 4.9 acres of ground adjacent to the west boundary of the current property for the addition of a large storage building and park setting for the shelter. He noted that the access to the additional property would be through the HHHS property only and the ground is the east boundary of ground that is currently not used but is state owned and occupied by the Juvenile Justice Authority. SB 266 allows for conveyance of this parcel of ground to HHHS.

James Frazier, on behalf of Denise Everhart, Commissioner, Juvenile Justice Authority, testified in support of the bill (**Attachment 6**). Mr. Frazier mentioned that the description of the use of the property as proposed by the Helping Hands Humane Society does not present to the Juvenile Justice Authority a significant cause for concern for potential operational problems as the result of the proposed development.

Mark Stock, Real Estate Officer, Division of Facilities Management, Kansas Department of Administration, provided testimony in support of **SB 266 (Attachment 7)**. Mr. Stock explained that the Department is pleased to support the donation of land as outlined in the bill. He submitted three technical changes as described in his written testimony and he offered a balloon amendment that clarifies that all costs associated with the conveyance of the land are at the expense of the Helping Hands Humane Society, including technical changes.

Senator Schmidt moved, with a second by Senator Kelly, to amend **SB 266** to adopt the balloon amendment proposed by Mr. Stock that clarifies that all costs associated with the conveyance of land are at the expense of the Helping Hands Humane Society, including technical amendments (Attachment 8). Motion carried on a voice vote.

Senator Betts moved, with a second by Senator Kelly, to recommend **SB 266** favorable for passage as amended. Motion carried on a roll call vote.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on February 23, 2005 in Room 123-S of the Capitol.

The meeting adjourned at 12:05 p.m. The next meeting is scheduled for February 24, 2005.

SENATE WAYS AND MEANS
GUEST LIST

Date February 23, 2005

NAME	REPRESENTING
Ethan Erickson	DOB
Udilyn Hessel	Budget
Richard Emmings	Member of Dist. 11
Joe Fand	KWO
Capt. Dean Lewis, II, P.E.	KWO
Rob Menly	Men Law Firm
Doug A. Foley	SCC
Mark Heim	SCC
Mark Stock	DofA
BILL MISKELL	JJA
JAMES FRAZIER	JJA
Bob Totten	Ko Contractors Assoc.
Tom Whitaker	Ks Motor Carriers Assn
Kenneth Laffler	DOB
Dick Koerth	KIDWP
Bill Acree	Helping Hands Humane Society
Thom Statton	KWO
Ron Allen	Pawnee Watershed District
Robin Jennison	Pawnee Watershed
SID SHRIWASE	" "
Mike Huttles	KGG
Mary Jane Stankiewicz	KARA
Robert M. Helber	CMS

9

LOCAL GOVERNMENT OUTDOOR RECREATION GRANT PROGRAM (LGORP)

The LGORP was funded for three fiscal years as described below:

	FY 1999	FY 2000	FY 2001
State Appropriation - EDIF	\$ 500,000	\$ 500,000	\$ 500,000
Number of Grants Awarded	33	45	42
Average Grant	\$ 15,152	\$ 11,111	\$ 11,905

**SENATE BILL NO. 87 WILL PROVIDE FUNDING FOR THE LGORP PROGRAM
IN FY 2006 AND FY 2007 AS INDICATED BELOW:**

FY 2006	\$ 180,893
FY 2007	\$ 1,747,159

Provided by Kansas Department of
Wildlife and Parks 2-23-05

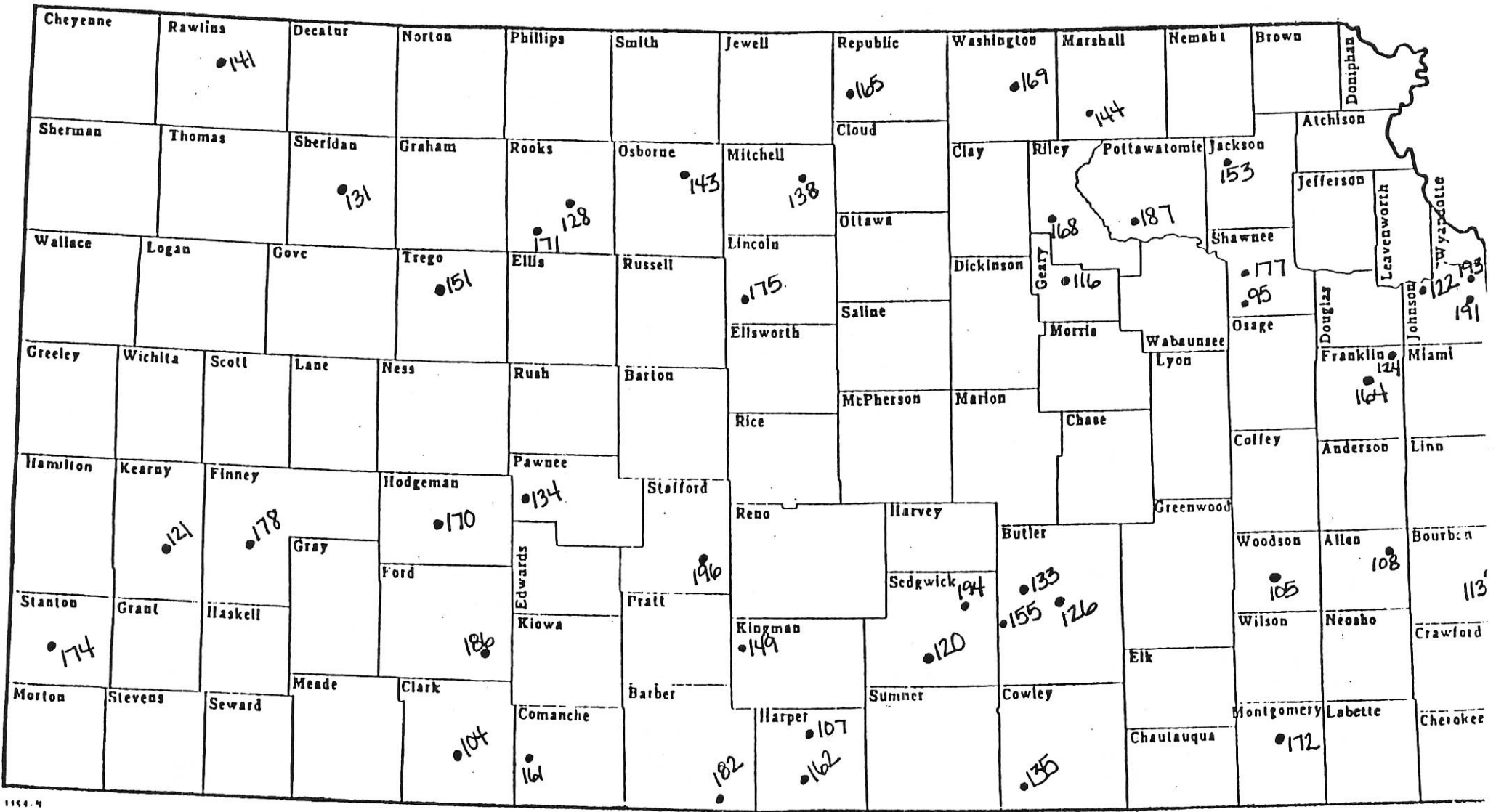
Senate Ways and Means
02-23-05
Attachment 1

LOCAL GOVERNMENT OUTDOOR RECREATION GRANT PROGRAM
Recommended by Statewide Advisory Committee FY99
LGORGP

<u>ID #</u>	<u>Government Agency</u>	<u>Project Description</u>	<u>Total Requested</u>	<u>Amount Recommended</u>
1	City of Argonia	Swimming pool currently bus children to other towns for recreation; little recreation opportunities in community	\$ 125,000.00	\$75,000.00
3	City of Goodland	Restroom enh & sidewalks ballpark restroom to ADA; sidewalk to 4 ball diamonds; will fund restroom only	\$ 20,000.00	\$6,000.00
9	City of Belle Plaine	Playground & pool improvements will fund playground & swimming pool plumbing only will not fund fence	\$ 25,812.50	\$ 22,500.00
11	City of Colby	Playground equipment will remove old equipment; community has raised \$30,000+ for this project; city budgeted \$18,000; community effort	\$ 42,000.00	\$ 42,000.00
16	City of Protection	Ballfield lighting improvements lights currently have fallen down during a game; only ball field in community	\$ 4,000.00	\$ 4,000.00
22	Chase County	Ballfield lighting improvements incls, building 1 field and lighting 2; will fund lighting existing fields only	\$ 30,000.00	\$ 15,000.00
24	City of Strong City	New park restroom currently use a porta potty	\$ 10,887.00	\$ 10,887.00
25	City of Newton	Ballfield improvements lights, irrigation, ADA path to field, ADA water fountain, parking, fencing; recommend funding ball field lights only	\$ 50,000.00	\$ 22,000.00
31	City of Clallin	Replace lights & dirt at ballfield replace lights only and dirt work on infield	\$ 7,300.00	\$ 4,333.00
ALT 34	City of Wakeeney	Ballfield improvements USD 208 Rec. Comm. replace dugouts and enclose them	\$ 1,700.00	\$ 1,700.00
35	City of Lebo	Restroom at lake currently no restroom this would be a new project	\$ 7,500.00	\$ 7,500.00
36	City of Liberal	Renov. tennis cts into skate park new obstacles for skate park for inline skating & skateboards	\$ 3,600.00	\$ 3,600.00
37	City of Liberal	Playground equipment playground equip. at the baseball fields; currently none there now	\$ 8,503.00	\$ 8,503.00
40	City of Osawatomie	New sports field 1 basoball field; 1 soccer field; backstops & goal net	\$ 7,500.00	\$ 7,500.00
44	City of Hutchinson	Replace playground equipment approx. 50,000 for each of 3 parks; will fund one park only	\$ 75,000.00	\$ 25,000.00
48	City of Tonganoxle	New park soccer fields walking path; soccer field; playground; will fund soccer field only	\$ 36,240.00	\$ 10,000.00

<u>ID #</u>	<u>Government Agency</u>	<u>Project Description</u>	<u>Total Requested</u>	<u>Amount Recommended</u>
49	City of Osborne	New ballfield 4 plex baseball field; concession/maintenance bldg; bleachers; bike racks; benches; will fund cost to install lights only	\$ 45,000.00	\$ 3,000.00
50	City of Oakley	Replace playground equipment 2 parks; will finance one park only with equipment	\$ 25,677.00	\$ 13,000.00
55	Johnson County	Playground improvements play equipment, installation, surface, border at Shawnee Mission Park	\$ 15,337.50	\$ 15,337.50
57	Johnson County	Playground improvements play equipment, installation, surface, border for two parks, Heritage Park and Stoll Park	\$ 17,141.50	\$ 17,141.50
60	Wichita Co./City of Leoli	Baseball complex improvements scoreboard, ADA sidewalk repair, backstops; roof repair; playground equipment at ball field	\$ 12,298.00	\$ 12,298.00
61	City of Bel Aire	Baseball field & walking trail woodchip path; 2 baseball fields; will fund baseball fields only	\$ 13,750.00	\$ 11,250.00
63	City of Burrton	Park & pool improvements bb court, walking path, playground, sprinkler, fencing; scoreboard, swimming pool lift recommend funding playground only	\$ 62,620.00	\$ 10,000.00
64	City of Derby	Baseball field improvement final completion of baseball field improvements; will complete ADA restroom	\$ 10,000.00	\$ 10,000.00
65	City of Manhattan	Playground improvements lower concrete sidewalk to ADA that connects shelter & parking, fence around area to keep kids from lake, surface, & playground equipment	\$ 23,800.00	\$ 23,800.00
76	City of Oswego	Park, pool, tennis ct improvements recommend funding new ADA restroom to replace one that is not ADA	\$ 68,225.00	\$ 10,000.00
77	City of Norton	Rep. lights & sprinkler system recommend funding lights at baseball field only	\$ 13,766.00	\$ 10,000.00
80	City of Louisburg	Restroom at park ADA restroom and new sidewalk; recommend funding the ADA restroom only at ballpark complex	\$ 44,500.00	\$ 20,000.00
82	City of Downs	Covered shelter house build ADA covered shelter house to replace one that is not ADA	\$ 10,000.00	\$ 10,000.00
84	City of Paola	Replace playground equip. replaces old playground equipment that is not ADA	\$ 20,650.00	\$ 20,650.00
85	City of Larned	Swimming pool improvements pool shade deck; repair roof on bathhouse, parking lot paving; recommend funding pool deck and bathhouse roof only	\$ 30,000.00	\$ 15,000.00
87	City of Goessel	New ballfields (2) only have one youth ballfield; will be build next to high school	\$ 18,000.00	\$ 18,000.00
91	City of Topeka	Restroom in park ADA restroom in Gage Park for day camp for mental & physical disabled children	\$ 15,000.00	\$ 15,000.00
33	Total projects recommended	Total Dollar Amount	\$ 900,807.50	\$500,000.00

LOCAL GOVERNMENT OUTDOOR GRANT PROGRAM 2000



LGORGP 2000 Approved Projects

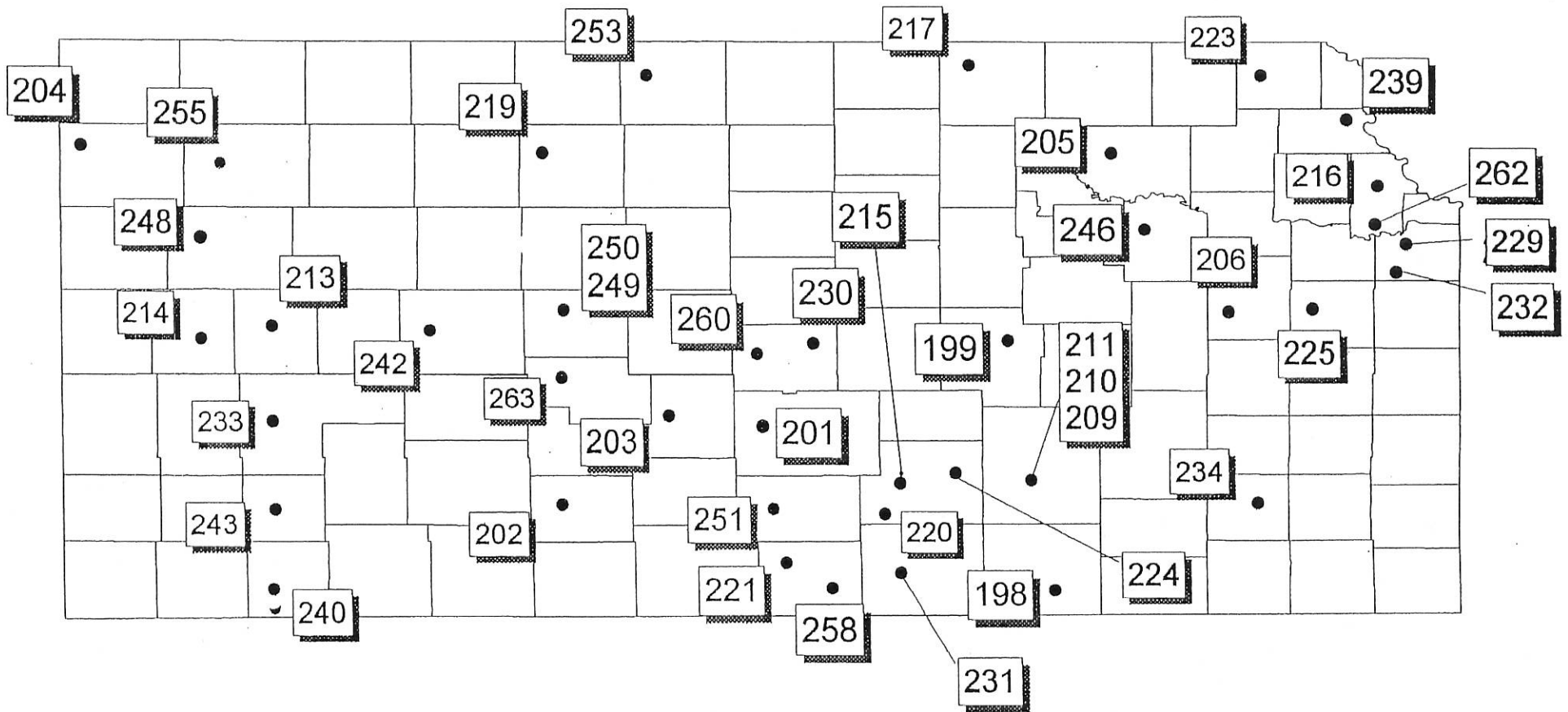
ID #	Government Agency	Project Description	County	Total Project	Amount Requested	Amount Approved
155	City of Andover	Playground Equipment	BU	\$10,000.00	\$5,000.00	\$5,000.00 ✓
162	City of Anthony	Group Shelter at Lake	HP	\$21,606.00	\$10,803.00	\$10,803.00
135	City of Arkansas City	Development of Roller Sports Park	CL	\$22,000.00	\$10,000.00	\$10,000.00
104	City of Ashland	Park Improvements	CA	\$7,522.87	\$3,622.87	\$3,622.00
141	City of Atwood	Playground Equipment	RA	\$67,041.00	\$30,000.00	\$30,000.00
95	City of Auburn	New Restroom in new park	SN	\$15,000.00	\$7,500.00	\$7,500.00
138	City of Beloit	New Restroom	MC	\$22,578.00	\$11,289.00	\$11,289.00
144	City of Blue Rapids	Ballfield Improvements	MS	\$23,650.00	\$11,825.00	\$5,000.00
186	City of Bucklin	New Playground Equipment	FO	\$19,833.00	\$9,833.00	\$9,833.00
134	City of Burdett	Resurface Tennis Courts	PN	\$22,970.00	\$11,485.00	\$11,485.00
165	City of Courtland	Swimming Pool Improvements	RP	\$2,157.00	\$1,075.00	\$1,075.00
149	City of Cunningham	Playground Equipment	KM	\$36,340.72	\$10,000.00	\$10,000.00
122	City of DeSoto	Park Improvements at Miller Park	JO	\$34,380.00	\$15,000.00	\$8,500.00

ID #	Government Agency	Project Description	County	Total Project	Amount Requested	Amount Approved
126	City of Eldorado	Aquatic Facility Renovations	BU	\$47,460.00	\$22,460.00	\$12,000.00
113	City of Fort Scott	Renovate Swimming Pool	BB	\$100,000.00	\$50,000.00	\$25,000.00
178	City of Garden City	Ballfield Improvements	FI	\$52,000.00	\$25,000.00	\$15,000.00
107	City of Harper	Wellness Path	HP	\$120,175.00	\$60,000.00	\$5,000.00
120	City of Haysville	Playground Equipment	SG	\$36,638.56	\$18,319.28	\$18,319.00
131	City of Hoxie	Swimming Pool Renovation	SD	\$39,100.00	\$19,550.00	\$19,550.00
172	City of Independence	Soccer Complex Development	MG	\$54,000.00	\$20,000.00	\$20,000.00
170	City of Jetmore	Park & Tennis Improvements	HG	\$25,462.00	\$12,731.00	\$8,025.00
116	City of Junction City	Playground equipment at 3 Parks	GE	\$135,000.00	\$67,500.00	\$19,000.00
182	City of Kiowa	New Playground Equipment	BA	\$13,092.00	\$6,000.00	\$6,000.00
121	City of Lakin	Playground/Skate Park	KE	\$13,200.00	\$6,500.00	\$6,500.00
108	City of Moran	Renovate Ballfield	AL	\$12,408.50	\$6,200.00	\$6,200.00
153	City of Netawaka	Ballfield Lights & Fixtures	JA	\$22,818.50	\$11,406.00	\$8,729.00
143	City of Osborne	New Ballfield Restroom	OB	\$26,878.94	\$13,325.00	\$13,325.00
164	City of Ottawa	Playground Improvements	FR	\$33,700.00	\$15,000.00	\$11,000.00

ID #	Government Agency	Project Description	County	Total Project	Amount Requested	Amount Approved
191	City of Overland Park	Replace Playground Equipment	JO	\$22,500.00	\$9,000.00	\$9,000.00 ✓
194	City of Park City	New Playground Equipment	SG	\$41,082.00	\$19,856.00	\$19,856.00
193	City of Prairie Village	New Playground Equipment	JO	\$63,000.00	\$31,500.00	\$4,000.00 ✓
161	City of Protection	Ballfield Improvements	CM	\$3,290.38	\$1,645.19	\$1,645.00
196	City of Stafford	Resurface Tennis Court to BB	SF	\$21,190.00	\$10,595.00	\$5,000.00
128	City of Stockton	Swimming Pool Renovations	RO	\$11,740.00	\$5,750.00	\$5,750.00
175	City of Sylvan Grove	Ballfield Improvements	LC	\$8,674.00	\$4,324.00	\$4,324.00
133	City of Towanda	Lions Park Improvements	BU	\$61,631.00	\$30,815.00	\$7,500.00
151	City of WaKeeney	Ballfield Improvements	TR	\$27,395.58	\$9,500.00	\$9,500.00
187	City of Wamego	New Playground Equipment	PT	\$54,615.00	\$25,000.00	\$10,000.00
124	City of Wellsville	New Restroom in Saddle Club Park	FR	\$49,220.50	\$20,000.00	\$20,000.00
105	City of Yates Center	New Playground Equipment	WO	\$17,488.00	\$8,744.00	\$8,744.00
171	City of Zurich	New Park Development	RO	\$4,128.70	\$2,000.00	\$2,000.00
168	Riley County	ADA Restroom	RL	\$33,718.19	\$16,184.73	\$16,184.00 ✓
177	Shawnee County	Playground Equipment	SN	\$80,000.00	\$40,000.00	\$20,000.00 ✓

ID #	Government Agency	Project Description	County	Total Project	Amount Requested	Amount Approved
174	Stanton County	New Restroom at Ball Complex	ST	\$35,485.00	\$17,742.50	\$17,742.00
169	Washington County	Recreation Improvements	WS	\$152,580.00	\$75,682.00	\$21,000.00
Total Approved Projects:		45	Total Money	\$1,724,750.44	\$819,762.57	\$500,000.00

Local Government Outdoor Recreation Grant Program 2001: Projects for Local Communities



LGORGP "2001" Projects

ID #	Government Agency	Project Description	Amount Requested	Total Project	Amount Recommended	FYXX
222	Barton County/U.S.D. 482	Soccer Field/Trail Improvements	\$7,800.00	\$15,553.68	\$0.00	2001
265	Bourbon County	Elm Creek Lake Renovations	\$23,566.70	\$47,133.40	\$0.00	2001
258	City of Anthony	Lake Improvements	\$9,517.50	\$19,035.00	\$9,517.50	2001
198	City of Arkansas City	Playground at Winton Park	\$7,000.00	\$14,000.00	\$7,000.00	2001
239	City of Atchinson	Skateboarding Court	\$30,000.00	\$60,000.00	\$22,000.00	2001
236	City of Coffeyville	Walk/Bike Trail	\$41,525.00	\$170,550.00	\$0.00	2001
231	City of Conway Springs	Restrooms in the Park	\$20,217.00	\$40,434.00	\$20,217.00	2001
234	City of Coyville	Park Improvements	\$5,000.00	\$10,000.00	\$5,000.00	2001
251	City of Cunningham	Swimming Pool Improvements	\$7,100.00	\$14,251.60	\$7,100.00	2001
229	City of De Soto	Park Improvements	\$19,000.00	\$38,844.00	\$7,500.00	2001
244	City of Derby	Ballfield Improvements	\$9,400.00	\$18,800.00	\$0.00	2001
224	City of Derby	Playground Equipment	\$49,110.00	\$98,220.00	\$15,000.00	2001
246	City of Eskridge	Swimming Pool	\$85,000.00	\$229,350.00	\$73,000.00	2001
232	City of Fairway	Playground Equipment	\$37,249.00	\$74,498.00	\$37,249.00	2001
218	City of Ft. Scott	Concession/Restrooms Fisher P	\$16,000.00	\$32,000.00	\$0.00	2001
233	City of Garden City	Ballfield Improvements	\$18,000.00	\$50,000.00	\$15,000.00	2001
199	City of Goessel	Ballfield Improvements	\$3,500.00	\$7,000.00	\$3,500.00	2001
204	City of Goodland	Picnic shelter	\$10,000.00	\$24,500.00	\$10,000.00	2001

ID #	Government Agency	Project Description	Amount Requested	Total Project	Amount Recommended	FYXX
221	City of Harper	New Swimming Pool	\$50,000.00	\$750,000.00	\$0.00	2001
200	City of Haven	New Ballfield Complex	\$73,000.00	\$146,000.00	\$0.00	2001
201	City of Haven	Land Purchase for Complex	\$25,316.00	\$50,633.33	\$0.00	2001
223	City of Horton	Playground Equipment	\$5,500.00	\$11,000.00	\$5,500.00	2001
207	City of Hutchinson	Playground Equipment	\$75,000.00	\$150,000.00	\$0.00	2001
238	City of Junction City	Skate Park	\$15,500.00	\$31,000.00	\$0.00	2001
250	City of LaCrosse	Restroom in Park	\$8,875.00	\$17,750.00	\$8,875.00	2001
249	City of LaCrosse	Outfield Fence	\$900.00	\$1,800.00	\$900.00	2001
263	City of Larned	Playground Equipment	\$14,000.00	\$29,100.00	\$14,000.00	2001
254	City of Larned	Resurfacing of tennis courts	\$6,000.00	\$12,000.00	\$0.00	2001
216	City of Leavenworth	Renovation of tennis courts	\$22,000.00	\$44,000.00	\$20,000.00	2001
240	City of Liberal	Playground Equipment	\$6,100.00	\$12,200.00	\$6,100.00	2001
206	City of Lyndon	Renovate tennis courts	\$3,715.00	\$7,430.00	\$3,715.00	2001
260	City of Lyons	Capital Improvement Projects	\$57,190.00	\$114,380.00	\$0.00	2001
241	City of Manhattan	Skate Park	\$24,236.00	\$87,633.00	\$0.00	2001
245	City of Moran	Concrete Walkway	\$4,499.00	\$9,000.00	\$0.00	2001
256	City of Mound City	Ballfield Improvements	\$40,000.00	\$80,500.00	\$0.00	2001
202	City of Mullinville	Walking path	\$8,000.00	\$16,000.00	\$8,000.70	2001
220	City of Mulvane	Ballfield Improvements	\$22,000.00	\$50,750.00	\$15,000.00	2001
248	City of Oakley	Trail	\$19,251.00	\$39,304.00	\$10,000.00	2001

ID #	Government Agency	Project Description	Amount Requested	Total Project	Amount Recommended	FYXX
259	City of Osborne	Ballfield Improvements	\$13,960.00	\$27,960.00	\$0.00	2001
219	City of Palco	Courts (basketball/volleyball)	\$4,881.00	\$9,881.00	\$4,881.00	2001
264	City of Pleasanton	Lake Renovations	\$15,654.00	\$31,308.00	\$0.00	2001
235	City of Prairie Village	Playground Equipment	\$30,050.00	\$60,100.00	\$0.00	2001
247	City of Pratt	Miniature Train Track	\$14,250.00	\$28,500.00	\$0.00	2001
255	City of Rexford	Playground Equipment	\$4,400.00	\$8,800.00	\$4,400.00	2001
225	City of Richmond	Ballfield Improvements	\$33,809.00	\$67,618.00	\$14,000.00	2001
213	City of Scott City	Rollerblade Park	\$12,500.00	\$25,000.00	\$10,500.00	2001
228	City of Shawnee	Playground Equipment	\$32,364.75	\$64,729.50	\$0.00	2001
227	City of Shawnee	Park Shelter	\$17,535.00	\$35,070.00	\$0.00	2001
253	City of Smith Center	Bleachers at Higley Field	\$4,150.00	\$8,300.00	\$4,150.00	2001
203	City of St. John	Slide at Brown Park	\$4,500.00	\$9,000.00	\$4,500.00	2001
205	City of St. Marys	Tennis and Basketball Courts	\$21,040.00	\$42,080.00	\$21,040.00	2001
230	City of Sterling	Playground Equipment	\$8,500.00	\$18,000.00	\$8,500.00	2001
237	City of Stockton	Restroom/Concession in Park	\$14,000.00	\$31,000.00	\$14,000.00	2001
243	City of Sublette	Gazebo	\$18,570.00	\$37,147.00	\$14,250.00	2001
262	City of Tonganoxie	Soccer Field Improvements	\$8,662.00	\$17,325.00	\$4,100.00	2001
261	City of Topeka	Playground Equipment	\$18,000.00	\$36,000.00	\$0.00	2001
209	City of Towanda	ADA Drinking fountain	\$367.50	\$735.00	\$367.50	2001
210	City of Towanda	Ballfield Improvements	\$2,133.50	\$4,267.00	\$2,133.50	2001

ID #	Government Agency	Project Description	Amount Requested	Total Project	Amount Recommended	FYXX
211	City of Towanda	Ballfield lights	\$12,900.00	\$25,800.00	\$12,900.00	2001
212	City of Towanda	Irrigation system for ballfield	\$6,552.50	\$13,105.00	\$0.00	2001
208	City of Towanda	New storage shed	\$1,367.00	\$2,734.00	\$0.00	2001
257	City of Wakeeney	Ballfield Improvements	\$6,300.00	\$13,193.00	\$4,000.00	2001
217	City of Washington	Walking Path	\$16,000.00	\$33,675.00	\$6,000.00	2001
215	City of Wichita	Playground Equipment	\$34,904.80	\$83,406.30	\$34,904.80	2001
226	Morton County/ USD 218	Restroom/Concession at football	\$64,000.00	\$128,000.00	\$0.00	2001
242	Ransom Recreation Com	Playground Equipment	\$1,750.00	\$3,500.00	\$1,750.00	2001
252	Shawnee County	"Kiddie" Attractions at Park	\$25,000.00	\$50,000.00	\$0.00	2001
214	Wichita County	Playground Equipment	\$9,449.00	\$18,859.00	\$9,449.00	2001
Totals:			\$1,337,617.25	\$3,559,742.81	\$500,000.00	

grant approved 42
no grant \$11,903

SENATE WAYS AND MEANS SUBCOMMITTEE

FY 2005 and FY 2006

on

Department of Transportation



Senator Dwayne Umbarger, Chairperson



Senator Ruth Teichman



Senator Chris Steineger

Senate Subcommittee Report

Agency: Kansas Department of Transportation

Bill No. 272

Bill Sec. YY

Analyst: Waller

Analysis Pg. No. Vol. 2 - 755

Budget Page No. 405

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2005</u>	<u>Gov. Rec. FY 2005</u>	<u>Senate Subcommittee Adjustments</u>
Agency Operations	\$ 242,178,295	\$ 241,681,617	\$ 0
Debt Service	111,869,795	111,869,795	0
Aid to Local Units	163,717,138	163,717,138	0
Other Assistance	10,466,685	10,466,685	0
Other Operations	668,115,870	664,593,147	0
Subtotal - Reportable	<u>\$ 1,196,347,783</u>	<u>\$ 1,192,328,382</u>	<u>\$ 0</u>
Nonreportable Expenses	386,161,679	386,161,679	0
Total - Operations	<u><u>\$ 1,582,509,462</u></u>	<u><u>\$ 1,578,490,061</u></u>	<u><u>\$ 0</u></u>

Financing Summary

State General Fund	\$ 0	\$ 0	\$ 0
State Highway Fund	812,803,198	808,633,797	0
All Other Funds	383,544,585	383,694,585	0
Subtotal - Reportable	<u>\$ 1,196,347,783</u>	<u>\$ 1,192,328,382</u>	<u>\$ 0</u>
Nonreportable Funds	386,161,679	386,161,679	0
Total - All Funds	<u><u>\$ 1,582,509,462</u></u>	<u><u>\$ 1,578,490,061</u></u>	<u><u>\$ 0</u></u>

FTE Positions	3,251.5	3,251.5	0.0
Unclassified Temp. Positions	15.0	15.0	0.0
TOTAL	<u><u>3,266.5</u></u>	<u><u>3,266.5</u></u>	<u><u>0.0</u></u>

Agency Estimate/Governor's Recommendation

The **agency's** revised FY 2005 reportable budget reflects an increase of \$313,877,492 or 35.6 percent above the approved amount. The agency estimate contains no State General Fund expenditures which is consistent with its approved budget.

- For agency operations, the following changes in the revised budget are noted:
 - Salaries and wages decrease by \$48,371;

- Other operating expenses decrease by \$3,233,990 due mostly to a reduction in commodity and capital outlay expenditures;
- Within the Substantial Maintenance program, \$210,348,000 is estimated to be expended. This is an increase of \$102,744,000 above the \$107,604,000 approved amount due to increases in pavement resurfacing, bridge and culvert painting and repair, and contract maintenance projects.
- In the Construction, Program Design Right of Way contract expenses increase from \$22,828,691 to \$30,250,950 (32.5 percent), and Local Construction estimates are expected to increase by \$55,046,698 above the current year figure of \$143,143,165.
- Local Aid is increases by \$4,099,616 above the approved amount (\$169,684,207).
- State Projects are estimated to increase by \$136,638,000 above the approved amount of \$65,537,000 due to an increase in system enhancements, rail grade separation, and priority bridge expenditures (the increase does not take into account the non-reportable amount of \$347,000,000 in bonds approved by the 2004 Legislature, but not included in the reportable amount.)
- Debt Service payments are estimated to decrease from \$112,396,439 to \$111,869,795 (0.5 percent).
- Building expenditures increase from \$4,635,671 to \$10,002,057 due to the utilization of carry over balances to finance expenditures.

The **Governor's recommendation** is an expenditure reduction of \$4,019,401 from the agency's FY 2005 estimate. However, the Governor transfers \$4,194,134 to the State General Fund by making the following adjustments:

- Reduces \$174,733 from the agency's operating expenditure account (which was not budgeted in its revised request);
- Reduces \$107,794 in savings from contractual services provided to the agency by the Division of Information Services;
- Reduces \$388,884 in capital outlay for information technology equipment; and
- Reduces \$3,522,723 from the Buildings Program.

The **Governor's recommendation** also establishes the Federal Fund to account for all federal funds received by the agency that are not utilized for construction purposes.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

SENATE SUBCOMMITTEE REPORT

Agency: Kansas Department of Transportation

Bill No. 270

Bill Sec. 87

Analyst: Waller

Analysis Pg. No. Vol. 2 - 755

Budget Page No. 405

<u>Expenditure Summary</u>	<u>Agency Request FY 2006</u>	<u>Gov. Rec. FY 2006</u>	<u>Senate Subcommittee Adjustments</u>
Agency Operations	\$ 250,456,416	\$ 251,955,775	\$ (8,739,289)
Debt Service	129,423,305	129,423,305	0
Aid to Local Units	177,242,035	177,242,035	0
Other Assistance	7,585,156	7,585,156	0
Other Operations	812,420,845	806,448,300	0
Subtotal - Reportable	\$ 1,377,127,757	\$ 1,372,654,571	\$ (8,739,289)
Nonreportable Expenses	68,403,273	68,415,934	(12,661)
Total - Operations	<u>\$ 1,445,531,030</u>	<u>\$ 1,441,070,505</u>	<u>\$ (8,751,950)</u>
 <u>Financing Summary</u>			
State General Fund	\$ 0	\$ 0	\$ 0
State Highway Fund	937,903,761	930,945,575	(8,739,289)
All Other Funds	439,223,996	441,708,996	0
Subtotal - Reportable	\$ 1,377,127,757	\$ 1,372,654,571	\$ (8,739,289)
Nonreportable Funds	68,403,273	68,415,934	(12,661)
Total - All Funds	<u>\$ 1,445,531,030</u>	<u>\$ 1,441,070,505</u>	<u>\$ (8,751,950)</u>
FTE Positions	3,239.5	3,237.5	0.0
Unclassified Temp. Positions	15.0	15.0	0.0
TOTAL	<u>3,254.5</u>	<u>3,252.5</u>	<u>0.0</u>

* The entire adjustment reflects deletion of the Governor's recommended salary plan adjustments.

Agency Request/Governor's Recommendation

The **agency's** FY 2006 reportable budget request totals \$1,377,127,757 and reflects an increase of \$180,779,974 (15.1 percent) above the current year. Included within the agency's request are increases of \$8,278,121 (3.4 percent) in agency operating expenditures, \$17,553,510 (15.7 percent) in debt service expenditures, \$13,524,897 (15.7 percent) in aid to local units, and \$144,304,975 in other operations, which are partially offset by a decrease of \$2,881,529 (27.5 percent) in other assistance.

Under the request, State Highway Funds expenditures decrease by \$132,651,063 from the current year due to a decrease in non-reportable expenditures related to bond issuances.

- For state operations, the following requested FY 2006 items are noted when compared with the current fiscal year:
 - an increase in salaries and wages expenditures by 2.2 percent from \$144,986,215 to \$148,148,505;
 - a reduction of 12.0 FTE positions (which are vacant) is requested;
 - an increase in other operating expenditures from \$97,192,080 to \$102,307,911 (5.3 percent); and
 - an increase in debt service interest payments of \$9,258,510 from the FY 2005 amount of \$82,668,305.
- For other operations, the following items in the budget request are noted as changing from the current fiscal year:
 - an increase in state construction projects from \$202,175,000 to \$446,485,000 (\$244,310,000 or 120.8 percent). However, the increase is offset by \$347,000,000 in non-reportable bonds issued in FY 2005. If non-reportable amounts are included, state construction expenditures decrease by \$102,690,000 from FY 2005 to FY 2006.
 - an increase in regular maintenance from \$121,858,490 to \$136,454,289 (12.0 percent) due to an increase in contractual services (repair and services) and commodities (maintenance construction material and motor vehicle part) expenditures. Connecting link expenditures (\$3,360,000) remain the same as in the current year.
 - Additionally, the 2004 Legislature added 4.0 FTE positions, and transferred \$345,184 from the State Highway Fund to the newly established Radio Communications Revolving Fund to finance the provisions of HB 2756 (the KDOT communications bill) in FY 2005. However, the state portion (\$205,253) has been taken off the budget in FY 2006. The agency estimates \$7,400,500 in federal funds to finance the purchase of radio communication equipment. That amount is accounted for "on budget".
 - an increase of \$13,971,568 (9.4 percent) in Special City/County Highway aid payments above the current year. The amount includes \$10,063,664 in Motor Carrier Property tax revenue dedicated to local units of government.
 - a decrease in Substantial Maintenance from \$210,348,000 to \$184,998,000 (\$25,350,000 or 12.1 percent) due to reductions in pavement resurfacing, bridge and culvert painting and repair, and highway lighting.

- a decrease of 4.2 percent below the current year estimate of \$54,104,674 within the Management program (\$400,000 in claims expenses remain the same).
- a decrease in Local Construction expenses of \$63,202,859 (31.9 percent) below the FY 2005 amount of \$198,189,863 because of a reduction in federal and state aid projects.
- an increase in Building projects from \$10,002,057 to \$12,240,341 (22.4 percent).
- a decrease in Categorical Aid expenditures of \$3,328,200 (14.8 percent) below the current year estimate of \$22,471,727. Additionally, non-reportable expenditures deposited into the Transportation Revolving Program Fund increased by \$29,570,000 from the current year amount of \$33,374,000.

The Governor recommends \$1,372,654,571, which is \$4,473,186 (0.3 percent) below the agency's request. From the current fiscal year, the recommendation reflects an increase of \$180,326,189 or 15.1 percent in reportable expenditures. The Governor increases non-reportable expenditures by \$12,661 above the agency's request of \$68,403,273 due to additional salary and wage expenditures from the communications funds.

- For agency operations, the Governor recommends the following adjustments to the agency's request:
 - an increase of \$7,300,142 in salary expenditures, partially offset by a decrease in other operating expenditures in the amount of \$5,800,783
 - an agency operations expenditure limitation of \$251,955,775, an increase of \$1,499,359 or 0.6 percent above the agency's request.
 - a reduction of an additional 2.0 FTE positions, which are transferred to the State Corporation Commission (KCC)
- For other operations, the Governor recommends the following adjustments to the agency's request:
 - Reduces \$8,686,607 from the Building Program
- The Governor recommends the transfer of \$33,664,900 from the State Highway Fund in FY 2006 to the State General Fund to finance operating expenditures in the Kansas Highway Patrol.

Senate Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendations, with the following adjustments and observations:

1. **Pay Plan Adjustment.** Delete \$3,340,020 from special revenue funds (reportable and non-reportable) to remove pay plan funding recommended by the Governor (a 2.5 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. **Other Salary and Wage Adjustments.** Delete \$5,411,930 from special revenue funds (reportable and non-reportable) to remove funding recommended by the Governor for the 27th payroll period (44,949,421), and for the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$462,509) for later Committee consideration.
3. The Senate Subcommittee notes that there are various proposals related to the funding needs of elementary and secondary (K-12) education. The Subcommittee understands the need for funding to support education in Kansas. However, the Subcommittee would caution against the use of State Highway Fund monies to assist in resolving the issue of education funding. The 2004 Legislature made several provisions to ensure the financial integrity of the Comprehensive Transportation Program (CTP), and any reductions in funding providing to KDOT would directly affect projects to be completed by the agency. The Subcommittee provides the following table to illustrate the impact of removing the increase in the sales and compensating use tax (the quarter cent sales tax) from the CTP:

(figures in millions)	Original 1/4 cent Sales Tax*	Current Law**	Possible Reduction in funding to CTP
FY 2006	\$ 95.891	\$ 95.891	\$ 0.0
FY 2007	99.247	150.856	51.609
FY 2008	102.720	267.074	164.354
FY 2009	106.315	276.422	170.107
FY 2010	110.036	286.097	176.061
	\$ 515.209	\$ 1,076.340	\$ 562.131

* Original 1/4 cent tax assumes a 3.5 percent growth beginning in FY 2007

** Increases quarter cent sales tax (FY 2007 increases to 0.38, FY 2008 to FY 2011 increases to 0.65)

4. The Senate Subcommittee strongly encourages the Kansas Department of Transportation to continue its efforts in establishing a statewide interoperable radio communication system. The Subcommittee directs the agency to continue its efforts in communicating with the Kansas Congressional delegation in earmarking federal funding to finance the purchase of equipment for the System. Additionally, the Subcommittee notes that the agency is currently developing rules and regulations related to the operation of the system, establishing rental fees for local units of government to acquire the necessary equipment to connect to the system, and developing charges that would be placed upon private companies desiring to utilize tower space. Therefore, the Subcommittee requests the agency

appear before Omnibus to provide an update on its efforts relating to the statewide communications system.

5. During the 2004 Legislative session, a proviso was added which allowed subarea shops waivers from existing purchasing contracts in those cases when vendors prescribed in the existing contracts are not located within the five-digit zip code of the shop. The Subcommittee recommends adding the proviso in FY 2006, and encourages the Senate Subcommittee on the Kansas Highway Patrol to add the same language. The Subcommittee believes this would provide both agencies with some relief relating to the purchase of equipment and the available proximity of such equipment.
6. The Senate Subcommittee commends the Secretary of Transportation and her staff for their efforts in streamlining the operations of the Department. Additionally, the Subcommittee appreciates the Secretary's efforts in providing sound financial decisions in managing the Comprehensive Transportation Program (LTP), and ensuring that projects outlined in the so-called "red map" are completed.

Summary of Operating Budget FY 2005

Expenditure Summary	Agency Request FY 2006	Governor Recommend FY 2006	Governor's Adjustments to Agency Request
Management	\$ 51,852,414	\$ 52,969,826	\$ 1,117,412
Construction	812,700,356	805,718,555	(6,981,801)
Local Support	187,762,698	187,928,234	165,536
Maintenance	<u>324,812,289</u>	<u>326,037,956</u>	<u>1,225,667</u>
TOTAL- Reportable	<u>\$ 1,377,127,757</u>	<u>\$ 1,372,654,571</u>	<u>\$ (4,473,186)</u>
Management	\$ 453,065	\$ 453,065	\$ 0
Construction	3,176,495	3,176,495	0
Local Support	63,583,000	63,583,000	0
Maintenance	<u>1,190,713</u>	<u>1,203,374</u>	<u>12,661</u>
TOTAL- Non-Reportable	<u>\$ 68,403,273</u>	<u>\$ 68,415,934</u>	<u>\$ 12,661</u>
GRAND TOTAL	<u>\$ 1,445,531,030</u>	<u>\$ 1,441,070,505</u>	<u>\$ (4,460,525)</u>
By Major Object of Expenditure:			
Salaries and Wages	\$ 148,148,505	\$ 155,448,647	\$ 7,300,142
Contractual Services	41,747,309	41,458,458	(288,851)
Commodities	23,679,668	20,965,606	(2,714,062)
Capital Outlay	<u>36,880,934</u>	<u>34,083,064</u>	<u>(2,797,870)</u>
Subtotal - Operations	\$ 250,456,416	\$ 251,955,775	\$ 1,499,359
Aid to Local Units	177,242,035	177,242,035	0
Other Assistance	7,585,156	7,585,156	0
Debt Service	129,423,305	129,423,305	0
Other Operations	<u>812,420,845</u>	<u>806,448,300</u>	<u>(5,972,545)</u>
TOTAL	<u>\$ 1,377,127,757</u>	<u>\$ 1,372,654,571</u>	<u>\$ (4,473,186)</u>
Non-reportable	\$ 68,403,273	\$ 68,415,934	\$ 12,661
GRAND TOTAL	<u>\$ 1,445,531,030</u>	<u>\$ 1,441,070,505</u>	<u>\$ (4,460,525)</u>
Financing:			
State General Fund	\$ 0	\$ 0	\$ 0
State Highway Fund	937,903,761	930,945,575	(6,958,186)
Other Funds	<u>439,223,996</u>	<u>441,708,996</u>	<u>2,485,000</u>
TOTAL- Reportable	<u>\$ 1,377,127,757</u>	<u>\$ 1,372,654,571</u>	<u>\$ (4,473,186)</u>
State Highway Fund	\$ 5,079,020	\$ 5,079,020	\$ 0
Other Funds	<u>63,324,253</u>	<u>63,336,914</u>	<u>12,661</u>
TOTAL- Non-Reportable	<u>\$ 68,403,273</u>	<u>\$ 68,415,934</u>	<u>\$ 12,661</u>
GRAND TOTAL	<u>\$ 1,445,531,030</u>	<u>\$ 1,441,070,505</u>	<u>\$ (4,460,525)</u>

**CTP FY 2000-2009 Revenue Summary
(In Thousands)***

	Approved 1999	Approved 2004 Legislature	Agency's Revised Sept. 2004	\$ Change from Approved	% Change from Approved	Agency's Revised Nov. 2004	Gov. Rec FY 2006	\$ Change from Approved	% Change from Approved
Cash Beginning Balance	\$ 475,189	\$ 559,875	\$ 559,875	\$ 84,686	17.8%	\$ 559,875	\$ 559,875	\$ 84,686	17.8%
Motor Fuels Taxes	3,930,400	4,235,530	4,219,815	289,415	7.4	4,107,915	4,107,915	177,515	4.5
SGF Sales Tax Transfer	1,830,010	208,237	208,237	(1,621,773)	(88.6)	208,237	208,237	(1,621,773)	(88.6)
Quarter Cent	1,071,513	1,345,849	1,345,712	274,199	25.6	1,333,256	1,333,256	261,743	24.4
Registration Fees	1,387,995	1,541,627	1,556,529	168,534	12.1	1,562,185	1,562,185	174,190	12.6
Interest	251,900	337,022	269,719	17,819	7.1	295,297	295,011	43,111	17.1
Other Sources	44,613	62,239	82,176	37,563	84.2	81,826	81,826	37,213	83.4
Transfers In	156,762	273,698	268,065	(8,973)	(5.7)	268,065	268,065	(119,814)	(76.4)
Subtotal - State	\$ 9,148,382	8,564,077	\$ 8,510,128	(\$638,254)	(7.0)%	\$ 8,416,656	\$ 8,416,370	\$ (732,012)	(8.0)%
Federal and Local Construction Reimbursement	3,012,953	3,690,752	3,608,661	595,708	19.8%	3,690,102	3,690,102	677,149	22.5%
Bonds	980,075	1,280,274	1,288,111	308,036	31.4	1,289,011	1,289,011	308,936	31.5
Net TRF Loan Transactions	0	5,085	5,085	5,085	0.0	0	0	0	0.0
TOTAL REVENUES	\$ 13,141,410	\$ 13,540,188	\$ 13,411,985	\$ 270,575	2.1%	\$ 13,395,769	\$ 13,395,483	\$ 254,073	1.9%

* **Source:** KDOT estimates for FY 2005: 2003 Legislative Approved, September and November of 2003, and the Governor's FY 2005 CTP Cash Flow recommendation (which includes the changed in statutory transfer amounts and \$465 million of State General Fund receipts).

Expenditures: The CTP budget includes expenditures for maintenance, including regular and substantial maintenance; construction and reconstruction, including major modifications and priority bridges; system enhancement projects; and a highway demonstration project to evaluate guarantees by a contractor. The CTP budget also provides for enhanced assistance to local units of government and other entities, including increased aid from the Special City and County Highway Fund, increased state payments for city connecting links, new state assistance for communities with railroad crossings not on the state highway system, a railroad loan program with new state funding, state financing for general aviation airports, and additional state aid for public transit. Revisions in the proposed 10-year expenditures are noted in the following table.

The 2002 Legislature passed HB 3011, which provided additional financing for the Comprehensive Transportation Plan with the following enhancement provisions:

- Motor Fuels taxes increased an additional two cents per gallon with two cents effective June 1, 2002, and an additional cent on July 1, 2003 in accordance with the original CTP legislation. Motor fuels tax rates when all increases were fully phased in on June 1, 2004, would be as follows: gasoline, increased from 21 to 24 cents per gallon; the special fuels tax would be increased from 23 to 26 cents per gallon; and the LP-gas tax would be increased from 20 to 23 cents per gallon.
- Motor vehicle registration taxes were increased for passenger automobiles and motorcycles by \$5; and for various trucks by amounts ranging from \$2 to \$10, effective July 1, 2002.
- Additionally, the 2002 Legislature reduced major modification and priority bridge set-aside projects (not yet identified) by \$40,000,000 from the State Highway Fund. The projects are identified on a one to three year planning horizon. Cuts were approximately one year of economic development, geometric improvement, railroad crossing surfacing, ITS, corridor management, priority bridge redeck, priority bridge, culvert-bridge, and state and local railroad grade separation funding funding for projects not yet identified.

The 2004 Legislature passed the following financial enhancements to the Comprehensive Transportation program: Eliminates the demand transfer for the remainder of the program; Increased the quarter cent sales tax to slightly less than two-thirds of a cent (FY 07-0.38, FY 08 to FY 11-0.65); authorized the issuance of \$150 million in bonds backed and financed by the State General Fund and the proceeds deposited into the State Highway Fund (bonds are issued by the State Finance Council subject to review and recommendation by both the House and Senate standing Transportation Committee); assumed \$50 in additional federal aid beginning in FY 2005; and \$60 million in bonds that "can" be issued due to a shortfall in federal funds and subject to review and recommendation by the Legislative Budget Committee.

**CTP FY 2000-2009 Expenditure Summary
(In Thousands)***

Kansas Department of Transportation

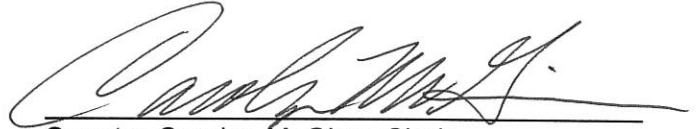
	Approved 1999	Approved 2004 Legislature	Agency's Revised Sept. 2004	\$ Change from Approved	% Change from Approved	Agency's Revised Nov. 2004	Gov. Rec FY 2006	\$ Change from Approved	% Change from Approved
Routine Maintenance	\$ 1,226,149	\$ 1,184,434	\$ 1,190,266	\$ (35,883)	(2.9)%	\$ 1,196,733	\$ 1,193,758	\$ (32,391)	(2.6)%
Substantial Maintenance	2,061,731	1,816,817	1,816,817	(244,914)	(11.9)	1,816,817	1,816,817	(244,914)	(11.9)
Major Modification and Priority Bridges	3,321,458	3,863,246	3,828,350	506,892	15.3	3,845,294	3,848,819	527,361	15.9
System Enhancements	979,993	971,036	971,036	(8,957)	(0.9)	971,036	971,036	(8,957)	(0.9)
General Aviation	30,000	29,712	29,543	(457)	(1.5)	29,543	29,543	(457)	(1.5)
Public Transit	103,823	110,638	116,122	12,299	11.8	119,557	119,557	15,734	15.2
Rail Assistance	44,410	37,326	37,326	(7,084)	(16.0)	37,512	37,512	(6,898)	(15.5)
Special City-County Highway Fund	1,599,821	1,579,849	1,575,687	(24,134)	(1.5)	1,537,367	1,537,367	(62,454)	(3.9)
Local Aid	1,041,867	971,589	971,589	(70,278)	(6.7)	959,486	959,486	(82,381)	(7.9)
KLINK Payments	33,600	32,288	31,427	(2,173)	(6.5)	31,427	31,427	(2,173)	(6.5)
Management and Other	729,604	727,861	705,983	(23,621)	(3.2)	740,682	743,585	13,981	1.9
Transfers Out	486,312	777,304	771,575	285,263	58.7	771,575	776,119	289,807	59.6
Debt Service (Existing and New)	1,198,034	1,152,628	1,184,454	112,083	9.4	1,148,454	1,148,454	145,515	12.1
TOTAL Expenditures	\$ 12,856,802	\$ 13,254,728	\$ 13,230,175	\$ 499,036	3.9%	\$13,205,483	\$13,213,480	\$ 551,773	4.3%
Ending Balance	281,607	223,220	217,809	(63,798)	(22.7)	190,284	182,002	(99,605)	(35.4)
<i>Minimum Ending Balance</i>	<i>220,237</i>	<i>201,152</i>	<i>199,912</i>	<i>(20,325)</i>	<i>(9.2)</i>	<i>203,923</i>	<i>203,923</i>	<i>(16,314)</i>	<i>(7.4)</i>
Available Ending Fund Balance	\$ 61,370	\$ 22,068	\$ 17,897	\$ (43,473)	(70.8)%	\$ (13,639)	\$ (21,921)	\$ (83,291)	(135.7)%

* Source: KDOT estimates for FY 2005: 2003 Legislative Approved, September and November of 2003, and the Governor's FY 2005 CTP Cash Flow recommendation.

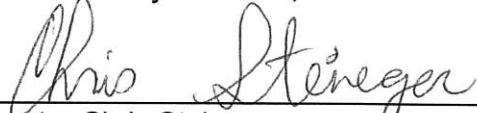
Senate Ways and Means Subcommittee

**FY 2005 and FY 2006
Subcommittee Reports**

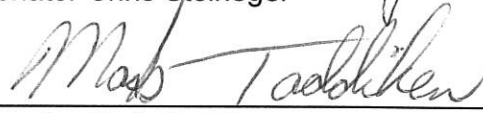
State Conservation Commission
Kansas Water Office



Senator Carolyn McGinn, Chair



Senator Chris Steineger



Senator Mark Taddiken

House Budget Committee Report

Agency: State Conservation Commission **Bill No.** HB 2480

Bill Sec. 41

Analyst: VanHouse

Analysis Pg. No. Vol. I - 57

Budget Page No. 109

<u>Expenditure Summary</u>	<u>Agency Estimate FY 05</u>	<u>Gov. Rec. FY 05</u>	<u>House Budget Committee Adjustments</u>
State General Fund	\$ 1,032,618	\$ 1,032,618	\$ 0
State Water Plan Fund	9,301,369	9,301,369	0
Other Funds	1,096,774	1,096,774	0
TOTAL	<u>\$ 11,430,761</u>	<u>\$ 11,430,761</u>	<u>\$ 0</u>
FTE Positions	14.0	14.0	0.0
Non FTE Uncl. Perm. Pos.	9.0	9.0	0.0
TOTAL	<u>23.0</u>	<u>23.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The State Conservation Commission estimates expenditures of \$11,430,761 for FY 2005, including \$1,032,618 from the State General Fund, \$9,301,369 from the State Water Plan Fund, and \$1,096,774 from all other funds. The estimate is an increase of \$1,730,822, or 17.8 percent from the amount approved by the 2004 Legislature.

The Governor recommends expenditures of \$11,430,761 for FY 2005, including \$1,032,618 from the State General Fund, \$9,301,369 from the State Water Plan Fund, and \$1,096,774 from all other funds. The recommendation is consistent with the amount estimated by the agency.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation with the following comment:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2005 revised recommendation is unchanged from the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

House Recommendation

The House has not yet considered this budget.

Senate Subcommittee Report

Agency: State Conservation Commission **Bill No.** SB 272

Bill Sec. 41

Analyst: VanHouse

Analysis Pg. No. Vol. I - 57

Budget Page No. 109

Expenditure Summary	Agency Estimate FY 05	Gov. Rec. FY 05	Senate Subcommittee Adjustments
State General Fund	\$ 1,032,618	\$ 1,032,618	\$ 0
State Water Plan Fund	9,301,369	9,301,369	0
Other Funds	1,096,774	1,096,774	0
TOTAL	<u>\$ 11,430,761</u>	<u>\$ 11,430,761</u>	<u>\$ 0</u>
FTE Positions	14.0	14.0	0.0
Non FTE Uncl. Perm. Pos.	9.0	9.0	0.0
TOTAL	<u>23.0</u>	<u>23.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The State Conservation Commission estimates expenditures of \$11,430,761 for FY 2005, including \$1,032,618 from the State General Fund, \$9,301,369 from the State Water Plan Fund, and \$1,096,774 from all other funds. The estimate is an increase of \$1,730,822, or 17.8 percent from the amount approved by the 2004 Legislature.

The Governor recommends expenditures of \$11,430,761 for FY 2005, including \$1,032,618 from the State General Fund, \$9,301,369 from the State Water Plan Fund, and \$1,096,774 from all other funds. The recommendation is consistent with the amount estimated by the agency.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following comment:

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 revised State General Fund recommendation is unchanged from the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Budget Committee Report

Agency: State Conservation Commission **Bill No.** HB 2482

Bill Sec. 84

Analyst: VanHouse

Analysis Pg. No. Vol. I - 57

Budget Page No. 109

Expenditure Summary	Agency Request FY 06	Gov. Rec. FY 06	House Budget Committee Adjustments
State General Fund	\$ 2,042,742	\$ 1,146,189	\$ (500,000)
State Water Plan Fund	8,514,176	9,558,176	(1,310,000)
Other Funds	870,318	1,178,112	(254,483)
TOTAL	\$ 11,427,236	\$ 11,882,477	\$ (2,064,483)
FTE Positions	14.0	14.0	0.0
Non FTE Uncl. Perm. Pos.	9.0	9.0	0.0
TOTAL	23.0	23.0	0.0

Agency Request/Governor's Recommendation

The State Conservation Commission requests expenditures of \$11,427,236 for FY 2006, including \$2,042,742 from the State General Fund, \$8,514,176 from the State Water Plan Fund, and \$870,318 from all other funds. The request is a decrease of \$3,525 from the FY 2005 estimate. The request includes enhancements totaling \$1,683,715, including \$367,000 from the State General Fund.

The Governor recommends expenditures of \$11,882,477 for FY 2006, including \$1,146,189 from the State General Fund, \$9,558,176 from the State Water Plan Fund, \$300,000 from the Economic Development Initiatives Fund, and \$878,112 from all other funds. The recommendation is an increase of \$451,716 or 4.0 percent from the FY 2005 recommendation. The recommendation includes enhancements totaling \$2,111,000, with \$500,000 from the State General Fund and \$300,000 from the Economic Development Initiatives Fund for Wind Energy Conservation Easements, \$1,310,000 from the State Water Plan Fund for the Irrigation Transition Assistance Program, and \$1,000 from the State Water Plan Fund for aid to conservation districts in Pawnee County.

Statutory Budget Submission

K.S.A. 75-6701 requires that the budget submitted by the Governor and the budget ultimately approved by the Legislature provide for a State General Fund ending balance of at least 7.5 percent of expenditures for FY 2006. To comply with this provision, Volume 1 of the *Governor's Budget Report* includes a "statutory budget" designed to provide for a 7.5 ending balance. In general, this requires a 8.9 percent reduction to the FY 2006 State General Fund executive branch budget recommendations submitted by the Governor. That reduction has not been applied to school finance funding in the Department of Education, to the Board of Regents and its institutions, or to the judicial or legislative branches. **For this agency, the reduction to the Governor's recommended FY 2006 State General Fund budget would total \$102,347.**

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation with the following adjustments and comments:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$1,146,189, an increase of \$113,571 above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$23,177), the 27th payroll period (\$27,248), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$1,824), the recommendation is an increase of \$61,322, or 5.9 percent above the approved amount.
2. The Budget Committee recommends that the agency's provisos be examined at Omnibus. Since the bill was not available at the time the budget was reviewed, the Budget Committee was unable to review any provisos included in the Governor's recommended bill.
3. The Budget Committee notes that the HorseThief Reservoir Benefit District is planning to include a 0.15 percent sales tax on the April 5, 2005 ballot. The Budget Committee recommends that the HorseThief Reservoir project be reviewed during Omnibus, after the election has taken place.
4. The Budget Committee recommends adding \$45,517 from the Land Reclamation Fee Fund to reallocate seven unclassified FTE positions. The agency request included an enhancement totaling \$38,802 from the State General Fund and \$6,715 from the Land Reclamation Fee Fund to reallocate the positions. The agency reported that similar positions in other state agencies are considered classified. At the agency's request, the Division of Personnel Services conducted a study indicating that a salary reclassification would be necessary to provide a competitive salary with comparable positions in the classified service in other state agencies. The Budget Committee recommends that the entire enhancement, totaling \$45,517 be funded from the Land Reclamation Fee Fund, and that subsequent base budgets for the State Conservation Commission include this funding from the State General Fund.
5. The Budget Committee recommends deleting \$500,000 from the State General Fund and \$300,000 from the Economic Development Initiatives Fund for the Wind Energy Conservation Easements recommended by the Governor. The Budget Committee notes that some individuals have already signed contracts for wind energy development, and due to those contracts would be unable to sign up for this program. The individuals opposed to wind energy development would still be able to benefit from this program, even though they would not allow wind energy development on their property, with or without the easement program. The Budget Committee also notes that the Legislature has not considered legislation creating this program. The Budget Committee encourages the Education Budget Committee to consider adding the \$300,000 from the Economic Development Initiatives Fund to the Kansas State University Agricultural Extension budget.

6. The Budget Committee recommends deleting \$1,310,000 from the State Water Plan Fund for the Irrigation Transition Assistance Program. The Budget Committee notes that this program was created by proviso in the 2004 appropriations bill and will sunset at the end of FY 2005. The House Environment Committee is currently considering legislation to make this a permanent program. The Budget Committee recommends further consideration of this item at Omnibus, allowing time for the Legislature to consider the policy implications of this program.
7. The Budget Committee notes that the Kansas Water Authority recommended that the aid to conservation districts funding be financed from the State General Fund rather than the State Water Plan Fund. The Governor recommends that the funding remain in the State Water Plan Fund. The Budget Committee acknowledges that, due to the state's financial condition, placing additional strains on the State General Fund is difficult, however, the Budget Committee is concerned about utilizing the State Water Plan Fund for its originally intended use.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

House Recommendation

The House has not yet considered this budget.

Senate Subcommittee Report

Agency: State Conservation Commission **Bill No.** SB 270

Bill Sec. 84

Analyst: VanHouse

Analysis Pg. No. Vol. I - 57 **Budget Page No.** 109

<u>Expenditure Summary</u>	<u>Agency Request FY 06</u>	<u>Gov. Rec. FY 06</u>	<u>Senate Subcommittee Adjustments*</u>
State General Fund	\$ 2,042,742	\$ 1,146,189	\$ (52,249)
State Water Plan Fund	8,514,176	9,558,176	(1,310,000)
Other Funds	870,318	1,178,112	31,008
TOTAL	\$ 11,427,236	\$ 11,882,477	\$ (1,331,241)
FTE Positions	14.0	14.0	0.0
Non FTE Uncl. Perm. Pos.	9.0	9.0	0.0
TOTAL	23.0	23.0	0.0

* The Subcommittee adjustments include a reduction of \$66,758, including \$14,509 from the State General Fund, to delete amounts recommended by the Governor for the 2.5 percent base salary increase, the 27th payroll period, and the KPERS death and disability increase.

Agency Request/Governor's Recommendation

The State Conservation Commission requests expenditures of \$11,427,236 for FY 2006, including \$2,042,742 from the State General Fund, \$8,514,176 from the State Water Plan Fund, and \$870,318 from all other funds. The request is a decrease of \$3,525 from the FY 2005 estimate. The request includes enhancements totaling \$1,683,715, including \$367,000 from the State General Fund.

The Governor recommends expenditures of \$11,882,477 for FY 2006, including \$1,146,189 from the State General Fund, \$9,558,176 from the State Water Plan Fund, \$300,000 from the Economic Development Initiatives Fund, and \$878,112 from all other funds. The recommendation is an increase of \$451,716 or 4.0 percent from the FY 2005 recommendation. The recommendation includes enhancements totaling \$2,111,000, with \$500,000 from the State General Fund and \$300,000 from the Economic Development Initiatives Fund for Wind Energy Conservation Easements, \$1,310,000 from the State Water Plan Fund for the Irrigation Transition Assistance Program, and \$1,000 from the State Water Plan Fund for aid to conservation districts in Pawnee County.

Statutory Budget Submission

K.S.A. 75-6701 requires that the budget submitted by the Governor and the budget ultimately approved by the Legislature provide for a State General Fund ending balance of at least 7.5 percent of expenditures for FY 2006. To comply with this provision, Volume 1 of the *Governor's Budget*

Report includes a "statutory budget" designed to provide for a 7.5 ending balance. In general, this requires a 8.9 percent reduction to the FY 2006 State General Fund executive branch budget recommendations submitted by the Governor. That reduction has not been applied to school finance funding in the Department of Education, to the Board of Regents and its institutions, or to the judicial or legislative branches. **For this agency, the reduction to the Governor's recommended FY 2006 State General Fund budget would total \$102,347.**

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following adjustments and comments:

1. **Pay Plan Adjustment.** Delete \$25,542, including \$23,177 from the State General Fund, to remove pay plan funding recommended by the Governor (a 2.5 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. **Other Salary and Wage Adjustments.** Delete \$41,216, including \$29,072 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$37,783), and for the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$3,433) for later Committee consideration.
3. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2006 recommendation is a State General Fund increase of \$113,571 or 11.0 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent the above pay plan and salary and wage adjustments, the recommendation is an increase of \$61,322, or 5.9 percent above the approved amount.
4. The Subcommittee recommends adding \$45,517 from the Land Reclamation Fee Fund to reallocate seven unclassified FTE positions. The agency request included an enhancement totaling \$38,802 from the State General Fund and \$6,715 from the Land Reclamation Fee Fund to reallocate the positions. The agency reported that similar positions in other state agencies are considered classified. At the agency's request, the Division of Personnel Services conducted a study indicating that a salary reclassification would be necessary to provide a competitive salary with comparable positions in the classified service in other state agencies. The Subcommittee recommends that the entire enhancement, totaling \$45,517 be funded from the Land Reclamation Fee Fund, and that subsequent base budgets for the State Conservation Commission include this funding from the State General Fund.
5. The Subcommittee recommends deleting \$1,310,000 from the State Water Plan Fund for the Irrigation Transition Assistance Program. The Budget Committee notes that this program was created by proviso in the 2004 appropriations bill and will sunset at the end of FY 2005. The House Environment Committee is currently considering legislation to make this a permanent program. The Budget Committee recommends further consideration of this item at Omnibus, allowing time for the Legislature to consider the policy implications of this program.

6. The Subcommittee notes that the HorseThief Reservoir Benefit District is planning to include a 0.15 percent sales tax on the April 5, 2005 ballot, and also notes that the agency requested funding of \$366,000 for this project. The Subcommittee recommends that the HorseThief Reservoir project be reviewed during Omnibus, after the election has taken place.
7. The Subcommittee recommends adding language specifying that expenditures for the Multipurpose Small Lakes Program be for the construction of HorseThief Reservoir.

House Budget Committee Report

Agency: Kansas Water Office

Bill No. HB 2480

Bill Sec. 42

Analyst: VanHouse

Analysis Pg. No. Vol. I - 72

Budget Page No. 445

Expenditure Summary	Agency Estimate FY 05	Gov. Rec. FY 05	House Budget Committee Adjustments
State General Fund	\$ 1,402,523	\$ 1,402,523	\$ 0
All Other Funds	4,614,155	4,614,155	0
TOTAL	<u>\$ 6,016,678</u>	<u>\$ 6,016,678</u>	<u>\$ 0</u>
FTE Positions	22.5	22.5	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	<u>23.5</u>	<u>23.5</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The Kansas Water Office estimates expenditures of \$6,016,678, including \$1,402,523 from the State General Fund, \$2,310,470 from the State Water Plan Fund, \$10,000 from the Economic Development Initiatives Fund, and \$2,293,685 from all other funds for FY 2005. The estimate is an increase of \$396,524, or 7.1 percent, from the amount approved by the 2004 Legislature.

The Governor recommends expenditures of \$6,016,678, including \$1,402,523 from the State General Fund, \$2,310,470 from the State Water Plan Fund, \$10,000 from the Economic Development Initiatives Fund, and \$2,293,685 from all other funds for FY 2005. The recommendation is an increase of \$396,524, or 7.1 percent, from the amount approved by the 2004 Legislature. The Governor's recommendation is consistent with the agency's FY 2005 estimate.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation with the following comment:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2005 revised recommendation is a State General Fund increase of \$24,945 or 1.8 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. The expenditure increase is attributed to expenditures from the agency's Kansas Savings Incentive Program (KSIP) account.
2. The Budget Committee notes that the agency transferred \$13,418 from the assessment and evaluation line item of the State Water Plan Fund to the stream gauging line item. The agency reported that this funding was transferred to cover an increase in the cost of operating the state-wide gauging network, as well as the cost to install an additional gauge and three monitoring wells according to agreements with the cities of Hays and Russell. The agency reported that while the additional gauge and monitoring wells have not been purchased, they are under contract.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

House Recommendation

The House has not yet considered this budget.

Senate Subcommittee Report

Agency: Kansas Water Office

Bill No. SB 272

Bill Sec. 42

Analyst: VanHouse

Analysis Pg. No. Vol. I - 72

Budget Page No. 445

<u>Expenditure Summary</u>	<u>Agency Estimate FY 05</u>	<u>Gov. Rec. FY 05</u>	<u>Senate Subcommittee Adjustments</u>
State General Fund	\$ 1,402,523	\$ 1,402,523	\$ 0
All Other Funds	4,614,155	4,614,155	0
TOTAL	<u>\$ 6,016,678</u>	<u>\$ 6,016,678</u>	<u>\$ 0</u>
FTE Positions	22.5	22.5	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	<u>23.5</u>	<u>23.5</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The Kansas Water Office estimates expenditures of \$6,016,678, including \$1,402,523 from the State General Fund, \$2,310,470 from the State Water Plan Fund, \$10,000 from the Economic Development Initiatives Fund, and \$2,293,685 from all other funds for FY 2005. The estimate is an increase of \$396,524, or 7.1 percent, from the amount approved by the 2004 Legislature.

The Governor recommends expenditures of \$6,016,678, including \$1,402,523 from the State General Fund, \$2,310,470 from the State Water Plan Fund, \$10,000 from the Economic Development Initiatives Fund, and \$2,293,685 from all other funds for FY 2005. The recommendation is an increase of \$396,524, or 7.1 percent, from the amount approved by the 2004 Legislature. The Governor's recommendation is consistent with the agency's FY 2005 estimate.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following comment:

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 revised recommendation is a State General Fund increase of \$24,945 or 1.8 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. The expenditure increase is attributed to expenditures from the agency's Kansas Savings Incentive Program (KSIP) account.

House Budget Committee Report

Agency: Kansas Water Office

Bill No. HB 2482

Bill Sec. 85

Analyst: VanHouse

Analysis Pg. No. Vol. I - 72 **Budget Page No.** 445

Expenditure Summary	Agency Request FY 06	Gov. Rec. FY 06	House Budget Committee Adjustments
State General Fund	\$ 1,760,481	\$ 1,450,692	\$ 0
All Other Funds	4,496,431	4,897,171	0
TOTAL	\$ 6,256,912	\$ 6,347,863	\$ 0
FTE Positions	22.5	22.5	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	23.5	23.5	0.0

Agency Request/Governor's Recommendation

The Kansas Water Office requests expenditures of \$6,256,912, including \$1,760,481 from the State General Fund, \$2,321,823 from the State Water Plan Fund, and \$2,174,608 from all other funds for FY 2006. The request is an increase of \$240,234, or 4.0 percent, from the agency's FY 2005 estimate.

The Governor recommends expenditures of \$6,347,863, including \$1,450,692 from the State General Fund, \$2,714,119 from the State Water Plan Fund, and \$2,183,052 from all other funds. The recommendation is an increase of \$331,185, or 5.5 percent, from the FY 2005 recommendation.

Statutory Budget Submission

K.S.A. 75-6701 requires that the budget submitted by the Governor and the budget ultimately approved by the Legislature provide for a State General Fund ending balance of at least 7.5 percent of expenditures for FY 2006. To comply with this provision, Volume 1 of the *Governor's Budget Report* includes a "statutory budget" designed to provide for a 7.5 ending balance. In general, this requires a 8.9 percent reduction to the FY 2006 State General Fund executive branch budget recommendations submitted by the Governor. That reduction has not been applied to school finance funding in the Department of Education, to the Board of Regents and its institutions, or to the judicial or legislative branches. **For this agency, the reduction to the Governor's recommended FY 2006 State General Fund budget would total \$129,537.**

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation with the following adjustments and comments:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$1,450,692, an increase of \$73,114 above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$31,544), the 27th payroll period (\$46,732), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$4,231), the recommendation is a decrease of \$9,393, or 0.7 percent below the approved amount.
2. The Budget Committee recommends deleting an account the Governor recommends be created to deposit any unspent balance in the State Water Plan Fund be deposited into to save funds for unfunded liability the state has with the Corps of Engineers for water storage that currently has no committed user.
3. The Budget Committee notes that the Kansas Water Authority recommended that the stream gauging funding be financed from the State General Fund rather than the State Water Plan Fund. The Governor recommends that the funding remain in the State Water Plan Fund. The Budget Committee acknowledges that, due to the state's financial condition, placing additional strains on the State General Fund is difficult, however, the Budget Committee is concerned about utilizing the State Water Plan Fund for its originally intended use.
4. The Budget Committee recommends inclusion of a proviso prohibiting the purchase of water storage space at Milford, Perry, Big Hill, and Hillsdale Reservoirs unless a contract is signed for the use of uncommitted water not in service in the reservoir.
5. The Budget Committee recommends deleting the proviso pertaining to the release of water from Cedar Bluff Reservoir for environmental, municipal, industrial, irrigation, or domestic purposes. The Budget Committee notes that 2005 HB 2393 (currently in the House Environment Committee) and 2005 SB 228 (currently in the Senate Natural Resources Committee) both transfer ownership and management of the state's portion of water controlled by the Kansas Water Office to the Kansas Department of Wildlife and Parks. The Budget Committee recommends that this issue be further reviewed during Omnibus.
6. The Budget Committee notes that a draft Memorandum of Understanding (MOU) has been developed to clarify the roles of several state agencies and the City of Hays regarding water supply in the Hays area. The MOU includes language stating that after various outlined actions have been taken, the Chief Engineer of the Division of Water Resources may review the hydrologic conditions in the Smoky Hill River Intensive Groundwater Use Control Area (IGUCA), and may consider possible modification to the IGUCA. The Budget Committee questions the need for modification of the IGUCA.

House Committee Recommendation

The House Committee concurs with the Budget Committee recommendation.

House Recommendation

The House has not yet considered this budget.

Senate Subcommittee Report

Agency: Kansas Water Office

Bill No. SB 270

Bill Sec. 85

Analyst: VanHouse

Analysis Pg. No. Vol. I - 72

Budget Page No. 445

<u>Expenditure Summary</u>	<u>Agency Request FY 06</u>	<u>Gov. Rec. FY 06</u>	<u>Senate Subcommittee Adjustments*</u>
State General Fund	\$ 1,760,481	\$ 1,450,692	\$ (82,507)
All Other Funds	4,496,431	4,897,171	(8,444)
TOTAL	<u>\$ 6,256,912</u>	<u>\$ 6,347,863</u>	<u>\$ (90,951)</u>
 FTE Positions	 22.5	 22.5	 0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	<u>23.5</u>	<u>23.5</u>	<u>0.0</u>

* The entire adjustment reflects deletion of the Governor's recommended salary plan adjustments.

Agency Request/Governor's Recommendation

The Kansas Water Office requests expenditures of \$6,256,912, including \$1,760,481 from the State General Fund, \$2,321,823 from the State Water Plan Fund, and \$2,174,608 from all other funds for FY 2006. The request is an increase of \$240,234, or 4.0 percent, from the agency's FY 2005 estimate.

The Governor recommends expenditures of \$6,347,863, including \$1,450,692 from the State General Fund, \$2,714,119 from the State Water Plan Fund, and \$2,183,052 from all other funds. The recommendation is an increase of \$331,185, or 5.5 percent, from the FY 2005 recommendation.

Statutory Budget Submission

K.S.A. 75-6701 requires that the budget submitted by the Governor and the budget ultimately approved by the Legislature provide for a State General Fund ending balance of at least 7.5 percent of expenditures for FY 2006. To comply with this provision, Volume 1 of the *Governor's Budget Report* includes a "statutory budget" designed to provide for a 7.5 ending balance. In general, this requires a 8.9 percent reduction to the FY 2006 State General Fund executive branch budget recommendations submitted by the Governor. That reduction has not been applied to school finance

funding in the Department of Education, to the Board of Regents and its institutions, or to the judicial or legislative branches. **For this agency, the reduction to the Governor's recommended FY 2006 State General Fund budget would total \$129,537.**

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following adjustments and comments:

1. **Pay Plan Adjustment.** Delete \$34,781, including \$31,544 from the State General Fund, to remove pay plan funding recommended by the Governor (a 2.5 percent base salary adjustment for all state employees) for consideration in a separate bill.
2. **Other Salary and Wage Adjustments.** Delete \$56,170, including \$50,963 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$51,526), and for the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$4,644) for later Committee consideration.
3. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2006 recommendation is a State General Fund increase of \$73,114 or 5.3 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent the above pay plan and salary and wage adjustments, the recommendation is a decrease of \$9,393, or 0.7 percent below the approved amount.
4. The Budget Committee recommends inclusion of a proviso prohibiting the purchase of water storage space at Milford, Perry, Big Hill, and Hillsdale Reservoirs unless a contract is signed for the use of uncommitted water not in service in the reservoir.

SENATE SUBCOMMITTEE REPORT

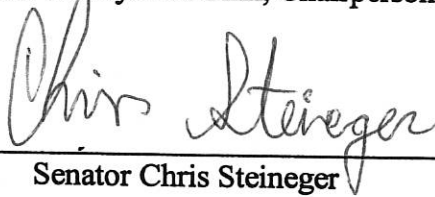
Department of Wildlife and Parks

FY 2005 and FY 2006

February 21, 2005



Senator Carolyn McGinn, Chairperson



Senator Chris Steineger



Senator Mark W. Taddiken

House Budget Committee Report

Agency: Department of Wildlife and Parks

Bill No. 2480; 2481

Bill Sec. 43; 45

Analyst: Efird

Analysis Pg. No. Vol. I – 87 **Budget Page No.** 449

Expenditure	Agency Est. FY 05	Governor Rec. FY 05	Budget Committee Adjustments
Operating Expenditures:			
State Operations	\$ 38,228,932	\$ 38,074,820	\$ (300,000)
State Aid	1,418,302	1,418,302	0
State Assistance	141,986	141,986	0
Subtotal	<u>\$ 39,789,220</u>	<u>\$ 39,635,108</u>	<u>\$ (300,000)</u>
Capital Improvements	16,812,722	13,563,833	0
TOTAL	<u><u>\$ 56,601,942</u></u>	<u><u>\$ 53,198,941</u></u>	<u><u>\$ (300,000)</u></u>
Financing:			
State General Fund	\$ 3,399,386	\$ 3,347,366	\$ (300,000)
Other Funds	53,202,556	49,851,575	0
TOTAL	<u><u>\$ 56,601,942</u></u>	<u><u>\$ 53,198,941</u></u>	<u><u>\$ (300,000)</u></u>
FTE Positions	406.5	406.5	0.0

Agency Estimate/Governor's Recommendation

The agency requests operating expenditures of \$39,789,220, a 5.7 percent increase over the actual FY 2004 expenses. The agency's revised operating budget includes a supplemental State General Fund request of \$1,118,782 for the State Parks operating budget and an increase of \$800,000 from the Wildlife Fee Fund that was approved previously by the State Finance Council for the Community Lakes Leasing Program to expand public fishing opportunities in Kansas. The supplemental State General Fund appropriation for \$1,118,782 is for two fiscal years, with the agency budgeting \$366,195 for expenditure in FY 2005 and \$752,587 for reappropriation to spend in FY 2006. The Governor's recommendation for operating expenditures is \$39,635,108, an increase of 5.2 percent over actual FY 2004 expenses. The Governor recommends a supplemental State General Fund appropriation of \$300,000 for the State Parks operating expenditures. The Governor concurs with \$800,000 for the Community Lakes Leasing Program expenditure.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendations and makes the following adjustments or observations:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2005 revised recommendation is a State General Fund increase of \$349,047 or 11.6 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature.

2. **Omnibus Review of State Parks Funding.** The Budget Committee recommends deleting \$300,000 from the State General Fund recommended by the Governor as a supplemental appropriation pending legislative consideration of SB 87 and the issue of funding for the State Parks. The Budget Committee recommends a further review during Omnibus of the Parks Fee Fund, with the agency directed to prepare revised estimates of receipts for FY 2005 and FY 2006 in order to evaluate the Governor's recommendations for expenditures from the Parks Fee Fund and the need for supplemental appropriations from the State General Fund to help finance any shortfalls in fee revenues.

The agency reports a serious cash flow problem is developing this fiscal year, and there may not be a sufficient balance in the Parks Fee Fund to meet two payrolls in April, 2005. The Budget Committee requests a monthly cash flow report from the agency for Omnibus review and will consider an amendment after additional information is provided. The agency mentioned the possibility of having the Pooled Money Investment Board loan the money for April's payrolls since revenues may increase in May and June 2005, thus allowing repayment. No authority exists for such a loan, however, and legislation would have to pass and be effective in the *Kansas Register* for a loan to take place this fiscal year.

3. **Motor Vehicle Purchases.** The Budget Committee notes the November, 13, 2003, Governor's moratorium on the purchase of new vehicles for two years included an exception for certain law enforcement vehicles. This agency requests and the Governor recommends capital outlay of \$185,860 in FY 2005 for replacement law enforcement motor vehicles. The Budget Committee was informed that no money has been spent this fiscal year for such acquisitions even though 10 vehicles were included for purchase.

House Committee Recommendation

The Committee concurs with the Budget Committee report and recommends an additional adjustment:

1. Provide authority for the agency to borrow up to \$485,000 from the Pooled Money Investment Board for the purpose of paying its legally obligated payrolls of April 8, 2005 and April 22, 2005, for employees normally paid from the Parks Fee Fund. This action adds \$485,000 to FY 2005 expenditures.
-

Senate Subcommittee Report

Agency: Department of Wildlife and Parks

Bill No. 272; 273 **Bill Sec.** 43; 25

Analyst: Efird

Analysis Pg. No. Vol. I – 87 **Budget Page No.** 449

Expenditure	Agency Est. FY 05	Governor Rec. FY 05	Senate Subcommittee Adjustments
Operating Expenditures:			
State Operations	\$ 38,228,932	\$ 38,074,820	\$ 185,000
State Aid	1,418,302	1,418,302	0
State Assistance	141,986	141,986	0
Subtotal	<u>\$ 39,789,220</u>	<u>\$ 39,635,108</u>	<u>\$ 185,000</u>
Capital Improvements	16,812,722	13,563,833	(485,000)
TOTAL	<u><u>\$ 56,601,942</u></u>	<u><u>\$ 53,198,941</u></u>	<u><u>\$ (300,000)</u></u>
Financing:			
State General Fund	\$ 3,399,386	\$ 3,347,366	\$ (300,000)
Other Funds	53,202,556	49,851,575	0
TOTAL	<u><u>\$ 56,601,942</u></u>	<u><u>\$ 53,198,941</u></u>	<u><u>\$ (300,000)</u></u>
FTE Positions	406.5	406.5	0.0

Agency Estimate/Governor's Recommendation

The agency requests operating expenditures of \$39,789,220, a 5.7 percent increase over the actual FY 2004 expenses. The agency's revised operating budget includes a supplemental State General Fund request of \$1,118,782 for the State Parks operating budget and an increase of \$800,000 from the Wildlife Fee Fund that was approved previously by the State Finance Council for the Community Lakes Leasing Program to expand public fishing opportunities in Kansas. The supplemental State General Fund appropriation for \$1,118,782 is for two fiscal years, with the agency budgeting \$366,195 for expenditure in FY 2005 and \$752,587 for reappropriation to spend in FY 2006. The Governor's recommendation for operating expenditures is \$39,635,108, an increase of 5.2 percent over actual FY 2004 expenses. The Governor recommends a supplemental State General Fund appropriation of \$300,000 for the State Parks operating expenditures. The Governor concurs with \$800,000 for the Community Lakes Leasing Program expenditure.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendations and makes the following adjustments or observations:

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 revised recommendation is a State General Fund increase of \$349,047 or 11.6 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature.

2. **Delete SGF Supplemental.** The Subcommittee recommends deleting \$300,000 from the State General Fund recommended by the Governor for state parks funding. The Subcommittee does not believe that this supplemental will provide relief in time for the April payrolls and recommends that this supplemental funding be reviewed at Omnibus in the context of long-term state park funding which is addressed in the Subcommittee's FY 2006 recommendations.
3. **Use Existing Budget Authority to Meet Payrolls.** The Subcommittee reviewed several alternatives considered by the House Appropriations Committee in order to address the issue of paying two payrolls in April 2005 and of not having a sufficient balance in the Parks Fee Fund to meet either payroll. The Secretary of Wildlife and Parks indicates that the shortfall is \$485,000 for the two payrolls. The House Appropriations Committee rejected the use of the Wildlife Fee Fund because it would involve the diversion of federal funds. Instead, the House Appropriations Committee recommends borrowing from the Pooled Money Investment Board and includes authorization for a loan not to exceed \$485,000 in its recommendations of February 17, 2005.

The Subcommittee recommends an alternative solution and directs the agency to verify with the Division of Accounts and Reports that moneys may be expended from the Department Access Road Fund in an amount not to exceed \$485,000 for the purpose of meeting two payrolls in April 2005 and that as soon as sufficient funds are deposited into the Parks Fee Fund, but not later than June 30, 2005, a journal voucher correction shall be executed in order to reimburse the Department Access Road Fund for the \$485,000 used to meet the April 2005 payrolls. The Subcommittee notes that money in the Department Access Road Fund is used exclusively in the state parks and that the FY 2005 appropriation would allow expenditure of these funds for salaries and benefits. As of February 18, 2005, the fund cash balance was \$1,869,169 which is more than sufficient to finance the April 2005 payrolls. Federal funds are not involved since this is considered state money that was transferred from the State Highway Fund.

The net change in the agency's expenditures recommended by the Governor would be a shift of \$485,000 from capital improvements to state operations, with a reduction in capital improvements and an increase in state operations.

House Budget Committee Report

Agency: Department of Wildlife and Parks

Bill No. 2481; 2482

Bill Sec. 25; 86

Analyst: Efird

Analysis Pg. No. 87

Budget Page No. 449

Expenditure	Agency Req. FY 06	Governor Rec. FY 06	Budget Committee Adjustments
Operating Expenditures:			
State Operations	\$ 39,483,114	\$ 39,311,830	\$ 0
State Aid	1,440,765	1,440,765	0
State Assistance	144,235	144,235	0
Subtotal	<u>\$ 41,068,114</u>	<u>\$ 40,896,830</u>	<u>\$ 0</u>
Capital Improvements	5,492,238	5,249,097	(615,000)
TOTAL	<u><u>\$ 46,560,352</u></u>	<u><u>\$ 46,145,927</u></u>	<u><u>\$ (615,000)</u></u>
Financing:			
State General Fund	\$ 3,501,460	\$ 2,857,538	\$ 0
Other Funds	43,058,892	43,288,389	(615,000)
TOTAL	<u><u>\$ 46,560,352</u></u>	<u><u>\$ 46,145,927</u></u>	<u><u>\$ (615,000)</u></u>
FTE Positions	406.5	406.5	0.0

Agency Request/Governor's Recommendation

The agency requests operating expenditures of \$41,068,114, a 3.2 percent increase over the current revised fiscal year budget. State General Fund financing of \$3,501,460 is requested for operating expenditures, an increase of 3.0 percent, or \$102,074 more than FY 2005. Included in the increased State General Fund operations financing is \$261,005 for enhancements and \$389,964 for ongoing programs. The agency includes enhancements totaling \$1,310,505 in its FY 2006 operating budget. Among the items are funding of \$957,000 for trucks, \$250,000 for managing the Circle K Ranch, and \$103,505 for managing State Park No. 24.

The Governor's recommendation for operating expenditures is \$40,896,830, an increase of 3.2 percent over the FY 2005 recommendation. State General Fund financing of \$2,857,538 is recommended by the Governor, a reduction of \$489,828 from the FY 2005 recommendation. The Governor's FY 2006 State General Fund recommendation includes a reduction of \$955,728 in the agency's request for base salaries. No FTE reductions are associated with the Governor's recommended base salaries reduction. The Governor recommends enhancement funding of \$799,500 for trucks, none for the Circle K Ranch, and none for State Park No. 24.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendations and makes the following adjustments or observations:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$2,857,538, a decrease of \$140,781 below the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$22,645), the 27th payroll period (\$33,760), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$2,383), the recommendation is a decrease of \$199,569, or 6.7 percent below the approved amount.
2. **Omnibus Review.** The Budget Committee deletes capital improvement funding of \$615,000 for State Park No. 24 in order to be consistent with the Governor's recommendation that deleted FY 2006 operating expenditures of \$103,505 and 1.0 FTE for the new park operation. The Budget Committee recommends review of this issue during Omnibus to determine if any transfer of property has taken place and if the agency has received title to the land. In addition, the Budget Committee will consider the issue of whether it is appropriate to use State Water Plan Fund financing for capital improvements at State Park No. 24. The Budget Committee believes that a self-pay mechanism should be used to fund this park rather than for it to be used as a free park.
3. **Motor Vehicle Purchases.** The agency requests \$957,000 to purchase 48 pickup trucks in FY 2006. Financing is requested from the SGF, \$157,500; Boating Fee Fund, \$20,000; and Wildlife Fee Fund, \$790,500. The Governor recommends funding of \$779,500 from the Wildlife Fee Fund and \$20,000 from the Boating Fee Fund for trucks.

The Budget Committee notes that due to the deletion of State General Fund financing, the state parks will receive no new trucks. Vehicles purchased with financing from the Wildlife Fee Fund and the Boating Fee Fund generally can not be used in the state parks.

The Budget Committee notes capital outlay of \$185,860 in FY 2005 for replacement law enforcement motor vehicles has not been spent this fiscal year for such acquisitions even though 10 vehicles were included for purchase. The agency indicates this funding from the Wildlife Fee Fund could be carried over to FY 2006 if not expended in FY 2005.

4. **Capital Outlay Equipment Acquisition.** The Budget Committee believes that the agency should explore leasing rather than buying expensive equipment. The Budget Committee directs the agency to prepare a cost-benefit analysis to justify any purchases of equipment costing \$5,000 or more during the period from May 2005 to December 2005 and to present that report to the Budget Committee at the beginning of the 2006 Session.
5. **Proviso for Certification.** The Budget Committee recommends that all seed, forage and mulch purchased by any state agency shall be inspected and certified in accordance with standards consistent with the North American Weed Management Association.

During the fiscal year ending June 30, 2006, no moneys appropriated from the state general fund or any special revenue fund shall be expended by any state agency for the purchase or other acquisition of any seed, forage or mulch that is not certified by the Kansas department of agriculture in accordance with a

memorandum of understanding entered into by the Kansas department of agriculture and the North American weed management association that such seed, forage or mulch meets the standards set forth in the North American weed management forage program: Provided, That, in addition to the other purposes for which expenditures may be made, expenditures shall be made by the Kansas department of agriculture to provide for staff members of the Kansas department of agriculture, who are qualified to certify seed, forage and mulch to meet any additional or supplemental certification requirements of state agencies, to assist any such additional or supplemental certifications as may be required by any other state agency.

6. **Bill Introduction.** The Budget Committee recommends a bill be introduced to require that all meetings of the Governor's Subcabinet on Natural Resources be subject to the Open Meetings Law.
7. **Circle K Ranch.** The Governor did not recommend funding for the acquisition or operating costs in FY 2006. The Budget Committee heard from the Secretary of Wildlife and Parks about the current proposal to borrow money from the Pooled Money Investment Board and to repay with 75.0 percent federal funds and 25.0 percent from the State Water Plan Fund as the water rights are retired. No purchase price has been agreed to, but the appraisal has been set at \$3.2 million. If an agreed to price is reached, the Secretary plans to ask the Governor to resubmit the proposed acquisition, plan for financing and operating, and alternatives to State Water Plan financing.
8. **New Strategic Plan.** The agency is currently in the process of preparing a new strategic plan for the department and the estimated date of completion is July 1, 2005. The Budget Committee would like copies of the new plan provided at the earliest opportunity.

House Committee Recommendation

The House Committee concurs with the House Budget Committee's recommendation.

Senate Subcommittee Report

Agency: Department of Wildlife and Parks

Bill No. 270; 273 **Bill Sec.** 86; 25

Analyst: Efird

Analysis Pg. No. Vol. I – 87 **Budget Page No.** 449

Expenditure	Agency Req. FY 06	Governor Rec. FY 06	Senate Subcommittee Adjustments*
Operating Expenditures:			
State Operations	\$ 39,483,114	\$ 39,311,830	\$ (1,345,449)
State Aid	1,440,765	1,440,765	0
State Assistance	144,235	144,235	0
Subtotal	<u>\$ 41,068,114</u>	<u>\$ 40,896,830</u>	<u>\$ (1,345,449)</u>
Capital Improvements	5,492,238	5,249,097	0
TOTAL	<u><u>\$ 46,560,352</u></u>	<u><u>\$ 46,145,927</u></u>	<u><u>\$ (1,345,449)</u></u>
Financing:			
State General Fund	\$ 3,501,460	\$ 2,857,538	\$ (58,788)
Other Funds	43,058,892	43,288,389	(1,286,661)
TOTAL	<u><u>\$ 46,560,352</u></u>	<u><u>\$ 46,145,927</u></u>	<u><u>\$ (1,345,449)</u></u>
FTE Positions	408.5	406.5	0.0

*The entire adjustment reflects deletion of the Governor's recommended salary plan adjustments.

Agency Request/Governor's Recommendation

The agency requests operating expenditures of \$41,068,114, a 3.2 percent increase over the current revised fiscal year budget. State General Fund financing of \$3,501,460 is requested for operating expenditures, an increase of 3.0 percent, or \$102,074 more than FY 2005. Included in the increased State General Fund operations financing is \$261,005 for enhancements and \$389,964 for ongoing programs. The agency includes enhancements totaling \$1,310,505 in its FY 2006 operating budget. Among the items are funding of \$957,000 for trucks, \$250,000 for managing the Circle K Ranch, and \$103,505 for managing State Park No. 24.

The Governor's recommendation for operating expenditures is \$40,896,830, an increase of 3.2 percent over the FY 2005 recommendation. State General Fund financing of \$2,857,538 is recommended by the Governor, a reduction of \$489,828 from the FY 2005 recommendation. The Governor's FY 2006 State General Fund recommendation includes a reduction of \$955,728 in the agency's request for base salaries. No FTE reductions are associated with the Governor's recommended base salaries reduction. The Governor recommends enhancement funding of \$799,500 for trucks, none for the Circle K Ranch, and none for State Park No. 24.

Statutory Budget Submission

K.S.A. 75-6701 requires that the budget submitted by the Governor and the budget ultimately approved by the Legislature provide for a State General Fund ending balance of at least 7.5 percent of expenditures for FY 2005. To comply with this provision, Volume 1 of the Governor's Budget Report includes a "statutory budget" designed to provide for a 7.5 percent ending balance. In general, this requires a 14.8 percent reduction to the FY 2005 State General Fund budget recommendations submitted by the Governor. That reduction has not been applied to school finance funding in the Department of Education or to the Board of Regents and its institutions. **For this agency, the reduction to the Governor's recommended FY 2006 State General Fund budget would total \$255,159.**

Fee Fund Analysis

Parks Fee Fund Resource Estimate	Actual FY 2004	Agency Estimate FY 2005	Gov. Rec. FY 2005	Agency Request FY 2006	Gov. Rec. FY 2006
Beginning Balance	\$ 1,480,484	\$ 1,121,368	\$ 1,121,368	\$ 268,882	\$ 268,882
Net Receipts	5,622,944	5,832,321	5,832,321	6,404,000	6,404,000
Total Funds Available	\$ 7,103,428	\$ 6,953,689	\$ 6,953,689	\$ 6,672,882	\$ 6,672,882
Less: Expenditures	5,982,060	6,684,807	6,684,807	6,191,000	6,465,950
Ending Balance	<u>\$ 1,121,368</u>	<u>\$ 268,882</u>	<u>\$ 268,882</u>	<u>\$ 481,882</u>	<u>\$ 206,932</u>

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendations and makes the following adjustments or observations:

- 1. Pay Plan Adjustment.** Delete \$517,240, including \$22,645 from the State General Fund, to remove pay plan funding recommended by the Governor (a 2.5 percent base salary adjustment for all state employees) for consideration in a separate bill.
- 2. Other Salary and Wage Adjustments.** Delete \$828,209, including \$36,143 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$766,806, including \$33,760 State General Fund), and for the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$61,403, including \$2,383 State General Fund) for later Committee consideration.
- 3. Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$2,857,538, a decrease of \$140,781 below the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$22,645), the 27th payroll period (\$33,760), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$2,383), the recommendation is a decrease of \$199,569, or 6.7 percent below the approved amount.

4. **State Parks Financing.** As was noted in the FY 2005 Subcommittee report, the issue of funding for state parks includes a revenue shortfall this fiscal year that the agency needs to operate the state parks. The FY 2005 and FY 2006 budgets recommended by the Governor for the state parks assume that a third fee increase in five years would go into effect on January 1, 2005. The Kansas Wildlife and Parks Commission did **NOT** adopt the proposed fee increase and therefore the revenue to the Parks Fee Fund will be less than estimated for FY 2005 and FY 2006 in the *Governor's Budget Report*. Park revenues already were less than projected through December 2004 and that was before the fee increase was to have gone into effect half way through the current fiscal year. For FY 2006, the projected shortfall in revenues for the Parks Fee Fund could be \$1.0 million or greater. The fee fund table (in the first section of this report) shows the Governor's recommendations for revenues and expenditures relative to the Parks Fee Fund. A thorough review during the Omnibus period is recommended by the Subcommittee to address state park financing. The Subcommittee directs for Omnibus that the agency provide monthly park fee receipts from 2000 to the present in order to evaluate the impact of fee increases in 2001 and 2003.

5. **State Park No. 24.** The Subcommittee notes that the Governor did not recommend operating costs and staff that the agency requested in FY 2006. The Subcommittee notes that the House Appropriations Committee approved deleting \$615,000 for capital improvements at the proposed new park and suggests the Senate Subcommittee on Capital Improvements review this matter. The Subcommittee believes that State Park No. 24 should be self-paid and that the agency should collect a fee from users of the park, if the land is transferred to the state for use as a park.

6. **Circle K Ranch.** The Subcommittee heard an update from the Secretary of Wildlife and Parks on this matter. A lawsuit is holding up negotiations between the state and the city of Hays that will address a purchase price for the land. At some time in the future, the matter may be resubmitted to the Legislature.

7. **Federal Parks and Campgrounds.** The Subcommittee expresses concern about the operation of federal parks and campgrounds in the state that offer free access to those parks and lower fees for camping than charged at the state parks. The Subcommittee believes that the Secretary of Wildlife and Parks should actively engage the Corps of Engineers in the Tulsa and Kansas City district offices about the transfer of federal land and facilities to the state. The Subcommittee requests the Secretary provide the Subcommittee at Omnibus information about the operation of the federal parks and campgrounds in the state, including locations, costs of operation, staffing, facilities and fees for use at the different facilities. The Subcommittee understands that in the early 1990s an offer was extended to the state about the transfer of all federal land and facilities, along with a \$30 million grant. The Subcommittee believes that it would be in the best interest of the state to revive the dialogue with the federal government about such a transfer and compensation to assist the state in assuming operation of the federal lands and facilities.



February 23, 2005

Kansas Senate Ways and Means Committee
Re: Senate Bill 266

Mr. Chairman and members of the Committee:

Good morning. My name is Bill Acree. I am the Director of Development at Helping Hands Humane Society in Topeka, Kansas.

Helping Hands Humane Society (HHHS) has provided Topeka, Shawnee County and the surrounding area with a fiscally responsible program that has served the community for over 66 years, by addressing animal welfare issues, helping to meet the needs and providing a sanctuary for homeless animals.

The present facility was built in 1973 and was constructed to accommodate 5,000 animals a year. Last year, 10,271 animals were brought to Helping Hands. As a result of the continued growth and animal intake over the last several years, the Board of Directors of HHHS has decided to build a new shelter.

The new building will have pen space to handle upwards of 250 dogs and 150 cats, a veterinary suite for daily animal care, a special section for animals other than dogs and cats and an education/training room area. The facility will be built on the current location and will be completed in phases to allow the shelter to continue operations while construction is being done. This existing property is approximately 3 acres and it will take this entire site for the new building and parking area. The architectural estimate is that it will cost \$4 to \$5 million to build the new shelter.

As a result of using the entire present site for the new building and parking it has created a need for some additional space. HHHS would like to acquire 4.9 acres of ground adjacent to the West boundary of the current property for the addition of a large storage building and park setting for the shelter. The storage building would be used for vehicles, lawn equipment, maintenance work area, and the dog and cat food for the animals being housed in the shelter. The park setting will provide staff and volunteers with a fenced in outdoor area to exercise the animals. The access to this additional property will be through the Helping Hands property only. This ground is the East boundary of ground that is currently not used but is state owned and occupied by the Juvenile Justice Authority. SB266 allows for the conveyance of this parcel to Helping Hands Humane Society.

We submit this request to you in hopes of your support.

Thank you.




K A N S A S

DENISE L. EVERHART
COMMISSIONER

JUVENILE JUSTICE AUTHORITY

KATHLEEN SEBELIUS
GOVERNOR

TO: Senator Duane Umbarger, Chairman
Members of the Senate Committee on Ways and Means

FROM: Denise L. Everhart, Commissioner 

SUBJECT: Senate Bill 266

DATE: February 23, 2005

Mr. Chairman and members of the Committee, I appear before you today in support of Senate Bill 266. Senate Bill 266 would transfer ownership of 4.9 acres of land from the State of Kansas to the Helping Hands Humane Society. The land subject to the bill is located just to the east and adjacent to the Kansas Juvenile Correctional Complex, a juvenile correctional facility operated by the Juvenile Justice Authority.

For the past several years, JJA has been working with members of the Shawnee County legislative delegation and representatives of the Helping Hands Humane Society to provide information regarding this tract of land. The description of the use of the property as proposed by the Helping Hands Humane Society does not present to us a significant cause for concern for potential operational problems as the result of this proposed development.

JJA supports the transfer of the property described in Senate Bill 266 to the Helping Hands Humane Society. I would be happy to respond to any questions the committee may have.

JAYHAWK WALK, 714 SW JACKSON ST., STE 300, TOPEKA, KS 66603

Voice 785-296-4213 Fax 785-296-1412 <http://jja.state.ks.us/>

Senate Ways and Means
02-23-05
Attachment 6

Kansas Department of Administration

Duane Goossen, Secretary

1000 SW Jackson, Suite 500

Topeka, Kansas 66612-1268

(785) 296-3011

Senate Ways & Means Committee

S.B. 266

Mark Stock, Real Estate Officer

Division of Facilities Management

February 23, 2005

Thank you for this opportunity to provide testimony in support of SB 266. The Department of Administration has worked closely with both the Juvenile Justice Authority and the Helping Hands Humane Society on this land transfer.

Essentially, this is a donation of land to HHHS by the State of Kansas, and the Department is pleased to support that donation as outlined in SB 266. We have submitted three technical changes to clarify language in the bill.

First, I would ask the committee to clarify that all costs associated with this conveyance are at the expense of the Helping Hands Humane Society. Discussions between the Department and HHHS have anticipated them providing for these expenses in exchange for the land transfer. Additionally, we also seek clarification that this conveyance not be subject to the appraisal requirements in K.S.A. 75-3043a.

Second, I would ask for the bill to be amended to state that the conveyance of land to HHHS is to be without consideration. Again, discussions between the Department and HHHS have anticipated such language.

Finally, the Department and HHHS prefer a quitclaim deed be used for this conveyance, and would ask that the bill be amended accordingly.

I thank you for your time and would be happy to stand for questions.

Senate Ways and Means
02-23-05
Attachment 7

SENATE BILL No. 266

By Committee on Ways and Means

2-16

Senate Ways and Means
03-23-05
Attachment 8

9 AN ACT authorizing the secretary of the department of administration
10 to transfer certain land.

11

12 *Be it enacted by the Legislature of the State of Kansas:*

13 Section 1. (a) The secretary of the department of administration is
14 hereby authorized and empowered, for and on behalf of the juvenile
15 justice authority to convey to the helping hands humane society, inc., all
16 of the rights, title and interest in the following described real estate, and
17 any improvements thereon, located in Shawnee county, Kansas: Approx-
18 imately 4.9 acres of real estate located in the northeast quarter of section
19 18, township 11 south, range 16 west; such 4.9 acres of real estate being
20 located near or adjacent to the Topeka juvenile correctional facility and
21 the Kansas juvenile correctional complex and near or adjacent to the
22 property owned or used by the helping hands humane society, inc., as an
23 animal shelter.

24 (b) Conveyance of such rights, title and interest in such real estate,
25 and any improvements thereon, shall be executed in the name of the
26 department of administration executed by the secretary of administration.
27 The deed for such conveyance ~~may~~ be by ~~warranty deed~~ or by quitclaim
28 deed ~~as determined to be in the best interests of the state by the secretary~~
29 ~~in consultation with the attorney general.~~

30 (c) No exchange and conveyance of real estate and improvements
31 thereon as authorized by this section shall be made by the secretary of
32 administration until the deeds and conveyances have been reviewed and
33 approved by the attorney general ~~and, if warranty deeds are to be the~~
34 ~~instruments of conveyance, title reviews have been performed or title~~
35 ~~insurance has been obtained and the title opinions or the certificates of~~
36 ~~title insurance, as the case may be, have been approved by the attorney~~
37 ~~general.~~

38 Sec. 2. This act shall take effect and be in force from and after its
39 publication in the statute book.

[Redacted]

, without consideration,

shall

(d) All costs in any way related to the conveyance shall be paid by the helping hands humane society, inc. The conveyance of real property authorized by this section shall not be subject to the provisions of K.S.A. 75-3043a and amendments thereto.