

Approved: May 10, 2005
Date

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:30 A.M. on February 25, 2005 in Room 123-S of the Capitol.

All members were present except:

Senator Donald Betts- excused
Senator Mark Taddiken- excused
Senator David Wysong- excused

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Carolyn Rampey, Kansas Legislative Research Department
Matt Spurgin, Kansas Legislative Research Department
Judy Bromich, Administrative Analyst
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

None

Others attending:

See attached list.

Bill Introductions

Senator Kelly moved to introduce two bills requested by Senator Roger Reitz, with a second by Senator Teichman, regarding an act concerning counties; relating to the office of county administrator (5rs0570) and an act concerning counties; relating to the county commissioners (5rs0597). Motion carried on a voice vote.

Chairman Umbarger referred the following bills to the KPERS Issues Subcommittee:

SB 279--Death and disability benefits for certain employees of educational institutions under management of state board of regents

SB 281--KPERS, retirement plan for members first hired on and after July 1, 2007

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

SB 226--Providing for health expenditure accounts and a state match

The Committee discussed referring the bill to an interim study. Senator Schmidt moved, with a second by Senator Kelly, to refer SB 226 to an interim study. Motion carried on a voice vote. Chairman Umbarger will write a letter to the Senate President to request the interim study.

Chairman Umbarger welcomed Alan Conroy, Director, and J. G. Scott, Chief Fiscal Analyst, of the Kansas Legislative Research Department, who presented a briefings on the State General Fund Outlook.

Mr. Scott presented information regarding the Senate Appropriations Bill, Reflects Senate Adjustments for FY 2005, FY 2006 and FY 2007 (Attachment 1) and State General Fund Expenditures (Attachment 2). Mr. Conroy presented information regarding the State General Fund Outlook (Attachment 3) and the Governor's Out-Year Assumptions, Four Percent Out-Year Growth in Tax Receipts and the New KDOT Transfer Beginning in FY 2007 (Attachment 4).

The meeting adjourned at 11:30 a.m. The next meeting is scheduled for March 1, 2005.

Senate Appropriations Bill
(Reflects Senate Adjustments for FY 2005, FY 2006, and FY 2007)

| <i>Agency/Item</i> | <i>State General Fund</i> | <i>All Other Funds</i> | <i>All Funds</i> | <i>FTEs</i> |
|--|---------------------------|------------------------|--------------------|---------------|
| FY 2005 | | | | |
| <u>Insurance Department</u> | | | | |
| 1. Add a proviso to allow the agency to retain \$103,183 from a recent settlement agreement to enhance current efforts in education and outreach. Deposit the funds in the settlement fund with a no-limit expenditure limitation. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$0</i> | <i>\$0</i> | <i>0.0</i> |
| <u>Department of Revenue</u> | | | | |
| 1. Delete new FTE tax collection positions and use existing FTEs | 0 | 0 | 0 | (10.0) |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$0</i> | <i>\$0</i> | <i>(10.0)</i> |
| <u>Kansas Lottery</u> | | | | |
| 1. Change dollar amount to no limit expenditure limitation for agency operations | 0 | 0 | 0 | 0.0 |
| 2. Restore partial funding reduced for shrinkage | 0 | 143,950 | 143,950 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$143,950</i> | <i>\$143,950</i> | <i>0.0</i> |
| <u>Kansas Racing and Gaming Commission</u> | | | | |
| 1. Reduce SGRF transfer by \$75,000 and retain in State Racing Fund balance | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$0</i> | <i>\$0</i> | <i>0.0</i> |
| <u>Kansas Technology Enterprise Corp.</u> | | | | |
| 1. Add \$125,000 EDIF to reduce the 7.0 percent shrinkage rate. | 0 | 125,000 | 125,000 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$125,000</i> | <i>\$125,000</i> | <i>0.0</i> |
| <u>Board of Veterinary Examiners</u> | | | | |
| 1. Add a proviso allowing the agency to expend funds for contracted legal services if a case arises that warrants the use of a contract attorney | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$0</i> | <i>\$0</i> | <i>0.0</i> |
| <u>State Library</u> | | | | |
| 1. Delete amount of State General Fund expenditures overstated in the Governor's recommendation. | (3,133) | 0 | (3,133) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$3,133)</i> | <i>\$0</i> | <i>(\$3,133)</i> | <i>0.0</i> |
| <u>School for the Blind</u> | | | | |
| 1. Add \$58,547 to partially restore \$100,000 reduction in Instructional Services program salaries and wages. | 58,547 | 0 | 58,547 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$58,547</i> | <i>\$0</i> | <i>\$58,547</i> | <i>0.0</i> |
| <u>Department of Wildlife and Parks</u> | | | | |
| 1. Delete supplemental | (300,000) | 0 | (300,000) | 0.0 |
| 2. Shift capital improvement funding to salaries and wages | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$300,000)</i> | <i>\$0</i> | <i>(\$300,000)</i> | <i>0.0</i> |
| TOTAL | (\$244,586) | \$268,950 | \$24,364 | (10.0) |
| FY 2006 | | | | |
| <u>Office of the Governor</u> | | | | |
| 1. Delete pay plan | (41,674) | (13,148) | (54,822) | 0.0 |
| 2. Delete 27th payroll period | (61,745) | (19,479) | (81,224) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (4,804) | (1,513) | (6,317) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$108,223)</i> | <i>(\$34,140)</i> | <i>(\$142,363)</i> | <i>0.0</i> |
| <u>Lieutenant Governor</u> | | | | |
| 1. Delete pay plan | (3,190) | 0 | (3,190) | 0.0 |
| 2. Delete 27th payroll period | (4,726) | 0 | (4,726) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (382) | 0 | (382) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$8,298)</i> | <i>\$0</i> | <i>(\$8,298)</i> | <i>0.0</i> |

| <i>Agency</i> | <i>State General Fund</i> | <i>All Other Funds</i> | <i>All Funds</i> | <i>FTE</i> |
|---|---------------------------|------------------------|----------------------|---------------|
| <u>Attorney General</u> | | | | |
| 1. Delete pay plan | (87,302) | (37,637) | (124,939) | 0.0 |
| 2. Delete 27th payroll period | (129,333) | (55,759) | (185,092) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (11,201) | (4,797) | (15,998) | 0.0 |
| 4. First year of four-year plan to shift salaries of Consumer Protection Division staff entirely to State General Fund. | 124,277 | (124,277) | 0 | 0.0 |
| 5. Funding to complete implementation of White Collar Crime Unit begun in FY 2005. | 186,965 | 0 | 186,965 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$83,406</i> | <i>(\$222,470)</i> | <i>(\$139,064)</i> | <i>0.0</i> |
| <u>Secretary of State</u> | | | | |
| 1. Delete pay plan | 0 | (59,192) | (59,192) | 0.0 |
| 2. Delete 27th payroll period | 0 | (87,694) | (87,694) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (7,494) | (7,494) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$154,380)</i> | <i>(\$154,380)</i> | <i>0.0</i> |
| <u>State Treasurer</u> | | | | |
| 1. Delete pay plan | 0 | (55,599) | (55,599) | 0.0 |
| 2. Delete 27th payroll period | 0 | (81,192) | (81,192) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (7,573) | (7,573) | 0.0 |
| 4. Delete funding of operations through fee on unclaimed property. Fund through Services Reimbursement Fund and change to the non-reportable budget | 0 | (1,529,890) | (1,529,890) | 0.0 |
| 5. Add a proviso to fund operations through service fees charged to other state agencies. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$1,674,254)</i> | <i>(\$1,674,254)</i> | <i>0.0</i> |
| <u>Insurance Department</u> | | | | |
| 1. Delete pay plan | 0 | (174,733) | (174,733) | 0.0 |
| 2. Delete 27th payroll period | 0 | (258,827) | (258,827) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (22,550) | (22,550) | 0.0 |
| 4. Add a proviso that allows the agency to carry forward into FY 2006 any remaining amount of the settlement funds not expended in FY 2005, with a no-limit expenditure limitation. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$456,110)</i> | <i>(\$456,110)</i> | <i>0.0</i> |
| <u>Health Care Stabilization Fund Board</u> | | | | |
| 1. Delete pay plan | 0 | (19,838) | (19,838) | 0.0 |
| 2. Delete 27th payroll period | 0 | (29,389) | (29,389) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (2,658) | (2,658) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$51,885)</i> | <i>(\$51,885)</i> | <i>0.0</i> |
| <u>Board of Tax Appeals</u> | | | | |
| 1. Delete pay plan | (28,497) | 0 | (28,497) | 0.0 |
| 2. Delete 27th payroll period | (42,218) | 0 | (42,218) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (3,604) | 0 | (3,604) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$74,319)</i> | <i>\$0</i> | <i>(\$74,319)</i> | <i>0.0</i> |
| <u>Department of Revenue</u> | | | | |
| 1. Delete new FTE tax collection positions and use existing FTEs | 0 | 0 | 0 | (18.0) |
| 2. Remove pay plan adjustment | (342,681) | (779,202) | (1,121,883) | 0.0 |
| 3. Remove 27th payroll | (506,906) | (1,154,734) | (1,661,640) | 0.0 |
| 4. Remove KPERS death and disability increase | (52,389) | (116,527) | (168,916) | 0.0 |
| 5. Add funding for 4.0 field auditors and use existing FTE | 0 | 295,000 | 295,000 | 0.0 |
| 6. Delete 50 vacant positions to reduce shrinkage in future budgets | 0 | 0 | 0 | (50.0) |
| <i>Agency Subtotal</i> | <i>(\$901,976)</i> | <i>(\$1,755,463)</i> | <i>(\$2,657,439)</i> | <i>(68.0)</i> |

| <i>Item</i> | <i>State General Fund</i> | <i>All Other Funds</i> | <i>All Funds</i> | |
|--|---------------------------|------------------------|----------------------|------------|
| <u>Kansas Lottery</u> | | | | |
| 1. Pay plan adjustment | 0 | (94,711) | (94,711) | 0.0 |
| 2. Remove 27th payroll | 0 | (140,282) | (140,282) | 0.0 |
| 3. Remove death and disability funding increase | 0 | (13,290) | (13,290) | 0.0 |
| 4. Change dollar amount to no limit expenditure limitation for agency operations | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$248,283)</i> | <i>(\$248,283)</i> | <i>0.0</i> |
| <u>Kansas Racing and Gaming Commission</u> | | | | |
| 1. Pay plan adjustment | 0 | (80,352) | (80,352) | 0.0 |
| 2. Remove 27th payroll | 0 | (129,220) | (129,220) | 0.0 |
| 3. Remove death and disability rate increase | 0 | (10,198) | (10,198) | 0.0 |
| 4. Provide new financing of \$200,000 from SGF transfer | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$219,770)</i> | <i>(\$219,770)</i> | <i>0.0</i> |
| <u>Department of Commerce</u> | | | | |
| 1. Delete pay plan | (4,151) | (436,060) | (440,211) | 0.0 |
| 2. Delete 27th payroll period | (6,149) | (645,949) | (652,098) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (575) | (57,596) | (58,171) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$10,875)</i> | <i>(\$1,139,605)</i> | <i>(\$1,150,480)</i> | <i>0.0</i> |
| <u>Kansas Inc.</u> | | | | |
| 1. Delete pay plan | 0 | (9,579) | (9,579) | 0.0 |
| 2. Delete 27th payroll period | 0 | (14,191) | (14,191) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (1,227) | (1,227) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$24,997)</i> | <i>(\$24,997)</i> | <i>0.0</i> |
| <u>Kansas Technology Enterprise Corp.</u> | | | | |
| 1. Delete pay plan | 0 | (44,064) | (44,064) | 0.0 |
| 2. Delete 27th payroll period | 0 | (65,267) | (65,267) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (5,935) | (5,935) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$115,266)</i> | <i>(\$115,266)</i> | <i>0.0</i> |
| <u>Abstracters Board of Examiners</u> | | | | |
| 1. Delete pay plan | 0 | (421) | (421) | 0.0 |
| 2. Delete 27th payroll period | 0 | (622) | (622) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$1,043)</i> | <i>(\$1,043)</i> | <i>0.0</i> |
| <u>Board of Accountancy</u> | | | | |
| 1. Delete pay plan | 0 | (421) | (421) | 0.0 |
| 2. Delete 27th payroll period | 0 | (4,930) | (4,930) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (437) | (437) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$5,788)</i> | <i>(\$5,788)</i> | <i>0.0</i> |
| <u>State Bank Commissioner</u> | | | | |
| 1. Delete pay plan | 0 | (126,426) | (126,426) | 0.0 |
| 2. Delete 27th payroll period | 0 | (185,381) | (185,381) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (16,165) | (16,165) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$327,972)</i> | <i>(\$327,972)</i> | <i>0.0</i> |
| <u>Board of Barbering</u> | | | | |
| 1. Delete pay plan | 0 | (1,978) | (1,978) | 0.0 |
| 2. Delete 27th payroll period | 0 | (2,932) | (2,932) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (260) | (260) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$5,170)</i> | <i>(\$5,170)</i> | <i>0.0</i> |

| <i>Agency</i> | <i>State General Fund</i> | <i>All Other Funds</i> | <i>All Funds</i> | <i>F.</i> |
|---|---------------------------|------------------------|-------------------|------------|
| <u>Behavioral Sciences Regulatory Board</u> | | | | |
| 1. Delete pay plan | 0 | (8,259) | (8,259) | 0.0 |
| 2. Delete 27th payroll period | 0 | (12,238) | (12,238) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (985) | (985) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$21,482)</i> | <i>(\$21,482)</i> | <i>0.0</i> |
| <u>Board of Healing Arts</u> | | | | |
| 1. Delete pay plan | 0 | (36,512) | (36,512) | 0.0 |
| 2. Delete 27th payroll period | 0 | (54,089) | (54,089) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (4,619) | (4,619) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$95,220)</i> | <i>(\$95,220)</i> | <i>0.0</i> |
| <u>Board of Cosmetology</u> | | | | |
| 1. Delete pay plan | 0 | (10,085) | (10,085) | 0.0 |
| 2. Delete 27th payroll period | 0 | (14,940) | (14,940) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (1,270) | (1,270) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$26,295)</i> | <i>(\$26,295)</i> | <i>0.0</i> |
| <u>Department of Credit Unions</u> | | | | |
| 1. Delete pay plan | 0 | (17,551) | (17,551) | 0.0 |
| 2. Delete 27th payroll period | 0 | (26,001) | (26,001) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (2,353) | (2,353) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$45,905)</i> | <i>(\$45,905)</i> | <i>0.0</i> |
| <u>Kansas Dental Board</u> | | | | |
| 1. Delete pay plan | 0 | (3,251) | (3,251) | 0.0 |
| 2. Delete 27th payroll period | 0 | (4,817) | (4,817) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (347) | (347) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$8,415)</i> | <i>(\$8,415)</i> | <i>0.0</i> |
| <u>Board of Mortuary Arts</u> | | | | |
| 1. Delete pay plan | 0 | (3,713) | (3,713) | 0.0 |
| 2. Delete 27th payroll period | 0 | (5,504) | (5,504) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (492) | (492) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$9,709)</i> | <i>(\$9,709)</i> | <i>0.0</i> |
| <u>Hearing Aid Board of Examiners</u> | | | | |
| 1. Delete pay plan | 0 | (444) | (444) | 0.0 |
| 2. Delete 27th payroll period | 0 | (658) | (658) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$1,102)</i> | <i>(\$1,102)</i> | <i>0.0</i> |
| <u>Board of Nursing</u> | | | | |
| 1. Delete pay plan | 0 | (22,324) | (22,324) | 0.0 |
| 2. Delete 27th payroll period | 0 | (33,072) | (33,072) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (2,963) | (2,963) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$58,359)</i> | <i>(\$58,359)</i> | <i>0.0</i> |
| <u>Optometry Board</u> | | | | |
| 1. Delete pay plan | 0 | (1,280) | (1,280) | 0.0 |
| 2. Delete 27th payroll period | 0 | (1,895) | (1,895) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (128) | (128) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$3,303)</i> | <i>(\$3,303)</i> | <i>0.0</i> |
| <u>Board of Pharmacy</u> | | | | |
| 1. Delete pay plan | 0 | (9,611) | (9,611) | 0.0 |
| 2. Delete 27th payroll period | 0 | (14,240) | (14,240) | 0.0 |

| <i>Item</i> | <i>State General Fund</i> | <i>All Other Funds</i> | <i>All Funds</i> | |
|--|---------------------------|------------------------|----------------------|------------|
| 3. Delete KPERS death and disability adjustment | 0 | (980) | (980) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$24,831)</i> | <i>(\$24,831)</i> | <i>0.0</i> |
| <u>Real Estate Commission</u> | | | | |
| 1. Delete pay plan | 0 | (12,881) | (12,881) | 0.0 |
| 2. Delete 27th payroll period | 0 | (19,083) | (19,083) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (1,619) | (1,619) | 0.0 |
| 4. Add funding for an additional 1.0 FTE permanent legal consultant position and the reclassification of a vacant Office Assistant position to a Senior Administrative Assistant position. | 0 | 60,000 | 60,000 | 1.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$26,417</i> | <i>\$26,417</i> | <i>1.0</i> |
| <u>Real Estate Appraisal Board</u> | | | | |
| 1. Delete pay plan | 0 | (3,089) | (3,089) | 0.0 |
| 2. Delete 27th payroll period | 0 | (4,575) | (4,575) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (403) | (403) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$8,067)</i> | <i>(\$8,067)</i> | <i>0.0</i> |
| <u>Securities Commissioner</u> | | | | |
| 1. Delete pay plan | 0 | (43,113) | (43,113) | 0.0 |
| 2. Delete 27th payroll period | 0 | (63,865) | (63,865) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (5,800) | (5,800) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$112,778)</i> | <i>(\$112,778)</i> | <i>0.0</i> |
| <u>Board of Technical Professions</u> | | | | |
| 1. Delete pay plan | 0 | (5,931) | (5,931) | 0.0 |
| 2. Delete 27th payroll period | 0 | (8,785) | (8,785) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (778) | (778) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$15,494)</i> | <i>(\$15,494)</i> | <i>0.0</i> |
| <u>Board of Veterinary Examiners</u> | | | | |
| 1. Delete pay plan | 0 | (3,942) | (3,942) | 0.0 |
| 2. Delete 27th payroll period | 0 | (5,842) | (5,842) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (497) | (497) | 0.0 |
| 4. Add a proviso allowing the agency to expend funds for contracted legal services if a case arises that warrants the use of a contract attorney | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$10,281)</i> | <i>(\$10,281)</i> | <i>0.0</i> |
| <u>Commission on Veterans Affairs</u> | | | | |
| 1. Delete pay plan | (189,290) | (105,608) | (294,898) | 0.0 |
| 2. Delete 27th payroll period | (288,170) | (156,406) | (444,576) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (16,641) | (21,741) | (38,382) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$494,101)</i> | <i>(\$283,755)</i> | <i>(\$777,856)</i> | <i>0.0</i> |
| <u>Dept. of Health and Environment - Health</u> | | | | |
| 1. Delete pay plan | (97,374) | (498,814) | (596,188) | 0.0 |
| 2. Delete 27th payroll period | (160,965) | (759,623) | (920,588) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (14,027) | (69,745) | (83,772) | 0.0 |
| 4. Add a proviso directing \$200,000 in SmartStart grants at SRS be allocated to Infant-Toddler (Tiny K) services. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$272,366)</i> | <i>(\$1,328,182)</i> | <i>(\$1,600,548)</i> | <i>0.0</i> |
| <u>Dept. of Health and Environment - Environment</u> | | | | |
| 1. Delete pay plan | (166,978) | (432,723) | (599,701) | 0.0 |
| 2. Delete 27th payroll period | (263,481) | (665,347) | (928,828) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (23,825) | (61,119) | (84,944) | 0.0 |

| Agency Item | State General Fund | All Other Funds | All Funds | F. |
|---|-----------------------|----------------------|-----------------------|------------|
| <i>Agency Subtotal</i> | <i>(\$454,284)</i> | <i>(\$1,159,189)</i> | <i>(\$1,613,473)</i> | <i>0.0</i> |
| <u>Department of Education</u> | | | | |
| 1. Delete pay plan | (148,193) | (175,793) | (323,986) | 0.0 |
| 2. Delete 27th payroll period | (219,607) | (260,443) | (480,050) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (10,677,895) | (23,324) | (10,701,219) | 0.0 |
| 4. Add funding for Information Technology | 100,000 | 0 | 100,000 | 0.0 |
| 5. Delete \$1.5 million from Governor's recommended \$2.5 million for Professional Development. | (1,500,000) | 0 | (1,500,000) | 0.0 |
| 6. Delete funding for Parent Education Program to keep funding level with FY 2005 as approved by the 2004 Legislature. | (150,000) | 0 | (150,000) | 0.0 |
| 7. Recommend legislation to increase cap for four-year-old at-risk children from 5,500 to 6,000. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$12,595,695)</i> | <i>(\$459,560)</i> | <i>(\$13,055,255)</i> | <i>0.0</i> |
| <u>State Library</u> | | | | |
| 1. Delete pay plan | (27,606) | 0 | (27,606) | 0.0 |
| 2. Delete 27th payroll period | (3,715) | 0 | (3,715) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (40,895) | 0 | (40,895) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$72,216)</i> | <i>\$0</i> | <i>(\$72,216)</i> | <i>0.0</i> |
| <u>Kansas Arts Commission</u> | | | | |
| 1. Delete pay plan | (6,284) | (4,189) | (10,473) | 0.0 |
| 2. Delete 27th payroll period | (9,309) | (6,206) | (15,515) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (817) | (544) | (1,361) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$16,410)</i> | <i>(\$10,939)</i> | <i>(\$27,349)</i> | <i>0.0</i> |
| <u>School for the Blind</u> | | | | |
| 1. Delete pay plan | (93,407) | (2,636) | (96,043) | 0.0 |
| 2. Delete 27th payroll period | (139,379) | (3,066) | (142,445) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (12,627) | (353) | (12,980) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$245,413)</i> | <i>(\$6,055)</i> | <i>(\$251,468)</i> | <i>0.0</i> |
| <u>School for the Deaf</u> | | | | |
| 1. Delete pay plan | (152,049) | (2,439) | (154,488) | 0.0 |
| 2. Delete 27th payroll period | (225,964) | (3,614) | (229,578) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (18,394) | (290) | (18,684) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$396,407)</i> | <i>(\$6,343)</i> | <i>(\$402,750)</i> | <i>0.0</i> |
| <u>State Historical Society</u> | | | | |
| 1. Delete pay plan | (103,311) | (19,864) | (123,175) | 0.0 |
| 2. Delete 27th payroll period | (153,033) | (29,396) | (182,429) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (14,978) | (2,966) | (17,944) | 0.0 |
| 4. Add \$6,000 from the State General Fund for salaries and wages for temporary staff located at the Grinter Place State Historic Site. | 6,000 | 0 | 6,000 | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$265,322)</i> | <i>(\$52,226)</i> | <i>(\$317,548)</i> | <i>0.0</i> |
| <u>Board of Regents</u> | | | | |
| 1. Technical adjustment to more accurately reflect the Governor's recommended pay plan for the Board of Regents | 49,284 | 814 | 50,098 | 0.0 |
| 2. Delete pay plan - Board of Regents | (57,944) | (36,104) | (94,048) | 0.0 |
| 3. Delete KPERS death and disability adjustment - Board of Regents | (7,554) | (4,692) | (12,246) | 0.0 |
| 4. Delete 27th payroll period - Board of Regents | (90,727) | (52,282) | (143,009) | 0.0 |
| 5. Delete 27th payroll period - state universities | (12,972,577) | 0 | (12,972,577) | 0.0 |
| 6. Add funding for the community colleges and Washburn University to offset lost out-district tuition revenues | 3,200,000 | 0 | 3,200,000 | 0.0 |

| <i>Item</i> | <i>State General Fund</i> | <i>All Other Funds</i> | <i>All Funds</i> | |
|--|---------------------------|------------------------|----------------------|------------|
| 7. Add funding for Adult Basic Education | 100,000 | 300,000 | 400,000 | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$9,779,518)</i> | <i>\$207,736</i> | <i>(\$9,571,782)</i> | <i>0.0</i> |
| <u>Juvenile Justice Authority</u> | | | | |
| 1. Delete pay plan | (56,898) | (8,660) | (65,558) | 0.0 |
| 2. Delete 27th payroll period | (84,417) | (12,694) | (97,111) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (7,947) | (1,206) | (9,153) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$149,262)</i> | <i>(\$22,560)</i> | <i>(\$171,822)</i> | <i>0.0</i> |
| <u>Atchison Juvenile Correctional Facility</u> | | | | |
| 1. Delete pay plan | (79,861) | 0 | (79,861) | 0.0 |
| 2. Delete 27th payroll period | (118,338) | (72) | (118,410) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (11,179) | (178) | (11,357) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$209,378)</i> | <i>(\$250)</i> | <i>(\$209,628)</i> | <i>0.0</i> |
| <u>Beloit Juvenile Correctional Facility</u> | | | | |
| 1. Delete pay plan | (71,871) | (1,097) | (72,968) | 0.0 |
| 2. Delete 27th payroll period | (106,504) | (1,625) | (108,129) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (9,703) | (152) | (9,855) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$188,078)</i> | <i>(\$2,874)</i> | <i>(\$190,952)</i> | <i>0.0</i> |
| <u>Larned Juvenile Correctional Facility</u> | | | | |
| 1. Delete pay plan | (125,597) | 0 | (125,597) | 0.0 |
| 2. Delete 27th payroll period | (181,380) | 0 | (181,380) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (18,299) | (229) | (18,528) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$325,276)</i> | <i>(\$229)</i> | <i>(\$325,505)</i> | <i>0.0</i> |
| <u>Topeka Juvenile Correctional Facility</u> | | | | |
| 1. Delete pay plan | (242,428) | 0 | (242,428) | 0.0 |
| 2. Delete 27th payroll period | (359,173) | 0 | (359,173) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (25,496) | 0 | (25,496) | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$627,097)</i> | <i>\$0</i> | <i>(\$627,097)</i> | <i>0.0</i> |
| <u>State Conservation Commission</u> | | | | |
| 1. Delete pay plan | (23,177) | (2,365) | (25,542) | 0.0 |
| 2. Delete 27th payroll period | (27,248) | (10,535) | (37,783) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (1,824) | (1,609) | (3,433) | 0.0 |
| 4. Add \$45,517 from the Land Reclamation Fee Fund to reallocate seven unclassified FTE positions | 0 | 45,517 | 45,517 | 0.0 |
| 5. Add language specifying that expenditures for the Multipurpose Small Lakes Program be for the construction of HorseThief Reservoir | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$52,249)</i> | <i>\$31,008</i> | <i>(\$21,241)</i> | <i>0.0</i> |
| <u>Kansas Water Office</u> | | | | |
| 1. Delete pay plan | (31,544) | (3,237) | (34,781) | 0.0 |
| 2. Delete 27th payroll period | (46,732) | (4,794) | (51,526) | 0.0 |
| 3. Delete KPERS death and disability adjustment | (4,231) | (413) | (4,644) | 0.0 |
| 4. Include 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 | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>(\$82,507)</i> | <i>(\$8,444)</i> | <i>(\$90,951)</i> | <i>0.0</i> |
| <u>Department of Wildlife and Parks</u> | | | | |
| 1. Delete pay plan | (22,645) | (494,595) | (517,240) | 0.0 |
| 2. Delete 27th payroll | (33,760) | (733,046) | (766,806) | 0.0 |
| 3. Delete death and disability increase | (2,383) | (59,020) | (61,403) | 0.0 |

| Agency Item | State General Fund | All Other Funds | All Funds | F. |
|---|-----------------------|-----------------------|-----------------------|---------------|
| <i>Agency Subtotal</i> | (\$58,788) | (\$1,286,661) | (\$1,345,449) | 0.0 |
| <u>Kansas Department of Transportation</u> | | | | |
| 1. Delete pay plan | 0 | (3,335,175) | (3,335,175) | 0.0 |
| 2. Delete 27th payroll period | 0 | (4,942,244) | (4,942,244) | 0.0 |
| 3. Delete KPERS death and disability adjustment | 0 | (461,870) | (461,870) | 0.0 |
| 4. Add a proviso to allow 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. | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | \$0 | (\$8,739,289) | (\$8,739,289) | 0.0 |
| TOTAL | (\$27,304,652) | (\$19,979,232) | (\$47,283,884) | (67.0) |

FY 2007

Abstracters Board of Examiners

| | | | | |
|------------------------|-----|---------|---------|-----|
| 1. Delete pay plan | 0 | (404) | (404) | 0.0 |
| <i>Agency Subtotal</i> | \$0 | (\$404) | (\$404) | 0.0 |

Board of Accountancy

| | | | | |
|---|-----|-----------|-----------|-----|
| 1. Delete pay plan | 0 | (3,300) | (3,300) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (437) | (437) | 0.0 |
| <i>Agency Subtotal</i> | \$0 | (\$3,737) | (\$3,737) | 0.0 |

State Bank Commissioner

| | | | | |
|---|-----|-------------|-------------|-----|
| 1. Delete pay plan | 0 | (124,676) | (124,676) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (16,165) | (16,165) | 0.0 |
| <i>Agency Subtotal</i> | \$0 | (\$140,841) | (\$140,841) | 0.0 |

Board of Barbering

| | | | | |
|---|-----|-----------|-----------|-----|
| 1. Delete pay plan | 0 | (1,913) | (1,913) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (260) | (260) | 0.0 |
| <i>Agency Subtotal</i> | \$0 | (\$2,173) | (\$2,173) | 0.0 |

Behavioral Sciences Regulatory Board

| | | | | |
|---|-----|-----------|-----------|-----|
| 1. Delete pay plan | 0 | (8,222) | (8,222) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (985) | (985) | 0.0 |
| <i>Agency Subtotal</i> | \$0 | (\$9,207) | (\$9,207) | 0.0 |

Board of Healing Arts

| | | | | |
|---|-----|------------|------------|-----|
| 1. Delete pay plan | 0 | (31,103) | (31,103) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (4,619) | (4,619) | 0.0 |
| <i>Agency Subtotal</i> | \$0 | (\$35,722) | (\$35,722) | 0.0 |

Board of Cosmetology

| | | | | |
|---|-----|------------|------------|-----|
| 1. Delete pay plan | 0 | (9,689) | (9,689) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (1,270) | (1,270) | 0.0 |
| <i>Agency Subtotal</i> | \$0 | (\$10,959) | (\$10,959) | 0.0 |

Department of Credit Unions

| | | | | |
|---|-----|------------|------------|-----|
| 1. Delete pay plan | 0 | (16,958) | (16,958) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (2,353) | (2,353) | 0.0 |
| <i>Agency Subtotal</i> | \$0 | (\$19,311) | (\$19,311) | 0.0 |

Kansas Dental Board

| | | | | |
|---|-----|-----------|-----------|-----|
| 1. Delete pay plan | 0 | (3,168) | (3,168) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (347) | (347) | 0.0 |
| <i>Agency Subtotal</i> | \$0 | (\$3,515) | (\$3,515) | 0.0 |

| <i>Item</i> | <i>State General Fund</i> | <i>All Other Funds</i> | <i>All Funds</i> | |
|--|---------------------------|------------------------|--------------------|------------|
| <u>Board of Mortuary Arts</u> | | | | |
| 1. Delete pay plan | 0 | (3,559) | (3,559) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (492) | (492) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$4,051)</i> | <i>(\$4,051)</i> | <i>0.0</i> |
| <u>Hearing Aid Board of Examiners</u> | | | | |
| 1. Delete pay plan | 0 | (430) | (430) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$430)</i> | <i>(\$430)</i> | <i>0.0</i> |
| <u>Board of Nursing</u> | | | | |
| 1. Delete pay plan | 0 | (21,576) | (21,576) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (2,963) | (2,963) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$24,539)</i> | <i>(\$24,539)</i> | <i>0.0</i> |
| <u>Optometry Board</u> | | | | |
| 1. Delete pay plan | 0 | (1,287) | (1,287) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (128) | (128) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$1,415)</i> | <i>(\$1,415)</i> | <i>0.0</i> |
| <u>Board of Pharmacy</u> | | | | |
| 1. Delete pay plan | 0 | (9,145) | (9,145) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (980) | (980) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$10,125)</i> | <i>(\$10,125)</i> | <i>0.0</i> |
| <u>Real Estate Commission</u> | | | | |
| 1. Delete pay plan | 0 | (12,538) | (12,538) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (1,619) | (1,619) | 0.0 |
| 3. Add funding to continue the additional 1.0 FTE permanent legal consultant position and the Senior Administrative Assistant position recommended in FY 2006. | 0 | 60,000 | 60,000 | 1.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>\$45,843</i> | <i>\$45,843</i> | <i>1.0</i> |
| <u>Real Estate Appraisal Board</u> | | | | |
| 1. Delete pay plan | 0 | (2,963) | (2,963) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (403) | (403) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$3,366)</i> | <i>(\$3,366)</i> | <i>0.0</i> |
| <u>Securities Commissioner</u> | | | | |
| 1. Delete pay plan | 0 | (41,386) | (41,386) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (5,800) | (5,800) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$47,186)</i> | <i>(\$47,186)</i> | <i>0.0</i> |
| <u>Board of Technical Professions</u> | | | | |
| 1. Delete pay plan | 0 | (5,735) | (5,735) | 0.0 |
| 2. Delete 27th payroll period | 0 | (778) | (778) | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$6,513)</i> | <i>(\$6,513)</i> | <i>0.0</i> |
| <u>Board of Veterinary Examiners</u> | | | | |
| 1. Delete pay plan | 0 | (3,800) | (3,800) | 0.0 |
| 2. Delete KPERS death and disability adjustment | 0 | (497) | (497) | 0.0 |
| 3. Add a proviso allowing the agency to expend funds for contracted legal services if a case arises that warrants the use of a contract attorney | 0 | 0 | 0 | 0.0 |
| <i>Agency Subtotal</i> | <i>\$0</i> | <i>(\$4,297)</i> | <i>(\$4,297)</i> | <i>0.0</i> |
| TOTAL | \$0 | (\$281,948) | (\$281,948) | 1.0 |

STATE GENERAL FUND EXPENDITURES

| Agency | Approved FY 2005 | Gov. Rec. FY 2006 | Adjusted Other Differences** | Senate Adjustments Excluding Salary Reductions | Senate Change from FY 2005 App. |
|---------------------------------------|-----------------------|-----------------------|------------------------------------|---|---------------------------------------|
| Legislative Coordinating Council | \$ 699,867 | \$ 758,807 | \$ 14,636 | | \$ 14,636 |
| Legislative Research Department | 2,799,681 | 3,075,699 | 94,244 | | 94,244 |
| Revisor of Statutes | 2,458,941 | 2,721,134 | 129,662 | | 129,662 |
| Legislature | 13,329,215 | 15,234,836 | 1,601,896 | | 1,601,896 |
| Division of Post Audit | 1,962,893 | 2,098,936 | 30,642 | | 30,642 |
| Governor's Department | 2,112,039 | 2,325,610 | 99,894 | - | 99,894 |
| Lieutenant Governor | 114,817 | 175,737 | 52,188 | - | 52,188 |
| Attorney General | 3,806,479 | 5,235,609 | 1,188,578 | 311,242 | 1,499,820 |
| Secretary of State | 434,152 | - | - | - | - |
| State Treasurer | - | - | - | - | - |
| Insurance Department | - | - | - | - | - |
| Health Care Stabilization Fund | - | - | - | - | - |
| Judicial Council | - | - | - | - | - |
| Board of Indigents' Defense Services | 17,845,342 | 18,077,347 | - | - | - |
| Judicial Branch | 90,084,289 | 102,385,946 | 6,329,919 | - | 6,329,919 |
| KPERS | 3,212,624 | 3,211,692 | - | - | - |
| Governmental Ethics Commission | 474,169 | 496,973 | - | - | - |
| Kansas Human Rights Commission | 1,392,724 | 1,472,125 | - | - | - |
| State Corporation Commission | - | - | - | - | - |
| Citizens' Utility Ratepayer Board | - | - | - | - | - |
| Department of Administration | 20,295,151 | 30,493,416 | - | - | - |
| State Board of Tax Appeals | 1,294,199 | 1,371,092 | - | - | - |
| Department of Revenue | 20,046,408 | 20,678,285 | - | - | - |
| Kansas Lottery | - | - | - | - | - |
| Racing and Gaming Commission | - | - | - | - | - |
| Department of Commerce | 266,554 | 231,885 | - | - | - |
| Kansas, Inc. | - | - | - | - | - |
| Kansas Technology Enterprise Corp. | - | - | - | - | - |
| Abstracters Board of Examiners | - | - | - | - | - |
| Board of Accountancy | - | - | - | - | - |
| State Bank Commissioner | - | - | - | - | - |
| Board of Barbering | - | - | - | - | - |
| Behavioral Sciences Regulatory Board | - | - | - | - | - |
| State Board of Healing Arts | - | - | - | - | - |
| Board of Cosmetology | - | - | - | - | - |
| Department of Credit Unions | - | - | - | - | - |
| Kansas Dental Board | - | - | - | - | - |
| Board of Mortuary Arts | - | - | - | - | - |
| Hearing Aid Board of Examiners | - | - | - | - | - |
| Board of Nursing | - | - | - | - | - |
| Board of Examiners in Optometry | - | - | - | - | - |
| Board of Pharmacy | - | - | - | - | - |
| Real Estate Appraisal Board | - | - | - | - | - |
| Real Estate Commission | - | - | - | - | - |
| Office of the Securities Commissioner | - | - | - | - | - |
| Board of Technical Professions | - | - | - | - | - |
| Board of Veterinary Medical Examiners | - | - | - | - | - |
| Subtotal - General Government | \$ 182,629,544 | \$ 210,045,129 | \$ 9,541,659 | \$ 311,242 | 9,852,901 |
| Department of Labor | \$ 330,827 | \$ 345,330 | \$ - | - | - |
| Commission on Veterans Affairs | 5,733,245 | 7,409,535 | 1,163,296 | - | 1,163,296 |
| Health & Environment-Health | 16,958,412 | 17,230,145 | - | - | - |
| Department on Aging | 167,596,230 | 167,647,273 | - | - | - |
| Guardianship Program | 1,032,930 | 1,071,121 | 3,278 | - | 3,278 |

Senate Ways and Means
2-25-05
Attachment 2

| Agency | Approved FY 2005 | Gov. Rec. FY 2006 | Adjusted Other Differences** | Senate Adjustments Excluding Salary Reductions | Senate Change from FY 2005 App. |
|---|-------------------------|-------------------------|------------------------------------|---|---------------------------------------|
| Social & Rehabilitation Services | 792,134,163 | 872,695,709 | 12,752,833 | | 12,752,833 |
| Kansas Neurological Institute | 11,048,774 | 12,311,455 | 22,430 | | 22,430 |
| Larned State Hospital | 29,412,600 | 31,508,470 | 529,442 | | 529,442 |
| Osawatomie State Hospital | 8,035,978 | 9,086,679 | 68,545 | | 68,545 |
| Parsons State Hospital | 7,253,240 | 8,605,960 | 175,997 | | 175,997 |
| Rainbow Mental Health Facility | 3,841,426 | 3,838,339 | - | | - |
| Subtotal - Human Resources | \$ 1,043,377,825 | \$ 1,131,750,016 | \$ 14,715,821 | \$ - | 14,715,821 |
| Department of Education | \$ 2,345,085,392 | \$ 2,328,399,370 | \$ - | \$ (1,550,000) | (1,550,000) |
| State Library | 4,954,803 | 5,030,152 | - | - | - |
| Arts Commission | 1,481,857 | 1,534,154 | 34,959 | - | 34,959 |
| School for the Blind | 4,687,303 | 4,845,672 | - | - | - |
| School for the Deaf | 7,487,806 | 7,907,019 | 1,923 | - | 1,923 |
| Historical Society | 5,685,264 | 5,982,292 | 8,701 | 6,000 | 14,701 |
| Fort Hays State University | 31,238,730 | 31,879,264 | 640,534 | - | 640,534 |
| Kansas State University | 103,191,373 | 104,668,061 | 1,476,688 | - | 1,476,688 |
| KSU-Ext. Sys. And Ag. Res. Programs | 47,913,858 | 48,960,568 | 1,046,710 | - | 1,046,710 |
| KSU-Veterinary Medical Center | 9,823,702 | 9,988,928 | 165,226 | - | 165,226 |
| Emporia State University | 30,128,913 | 31,006,452 | 877,539 | - | 877,539 |
| Pittsburg State University | 32,866,166 | 33,570,974 | 704,808 | - | 704,808 |
| University of Kansas | 134,647,272 | 136,646,183 | 1,998,911 | - | 1,998,911 |
| University of Kansas Medical Center | 102,588,552 | 104,414,508 | 1,825,956 | - | 1,825,956 |
| Wichita State University | 64,535,032 | 68,810,586 | 4,275,554 | - | 4,275,554 |
| Board of Regents | 148,840,838 | 180,888,457 | 4,298,935 | 16,449,942 | 20,748,877 |
| <i>Subtotal-Regents</i> | <i>705,774,436</i> | <i>750,833,981</i> | <i>17,310,861</i> | <i>16,449,942</i> | <i>33,760,803</i> |
| Subtotal - Education | \$ 3,075,156,861 | \$ 3,104,532,640 | \$ 17,356,445 | \$ 14,905,942 | 32,262,387 |
| Department of Corrections | \$ 84,958,160 | \$ 101,594,503 | \$ 15,850,392 | | 15,850,392 |
| Topeka Correctional Facility | 10,288,847 | 11,160,020 | 237,957 | | 237,957 |
| Hutchinson Correctional Facility | 24,984,840 | 26,232,053 | - | | - |
| Lansing Correctional Facility | 32,912,677 | 34,612,062 | - | | - |
| Ellsworth Correctional Facility | 10,786,339 | 11,349,758 | - | | - |
| Winfield Correctional Facility | 10,072,141 | 10,701,697 | 100,338 | | 100,338 |
| Norton Correctional Facility | 12,513,125 | 13,155,522 | - | | - |
| El Dorado Correctional Facility | 21,163,802 | 22,209,809 | - | | - |
| Larned Correctional MH Facility | 8,308,828 | 8,752,919 | - | | - |
| <i>Subtotal-Corrections</i> | <i>215,988,759</i> | <i>239,768,343</i> | <i>16,188,687</i> | | <i>16,188,687</i> |
| Juvenile Justice Authority | 28,628,511 | 30,745,119 | 1,958,324 | - | 1,958,324 |
| Topeka Juvenile Correctional Facility | 12,506,462 | 15,236,547 | 2,074,042 | - | 2,074,042 |
| Kansas Juvenile Correctional Complex | 1,545,774 | - | - | - | - |
| Atchison Juvenile Correctional Facility | 5,855,242 | 6,075,402 | - | - | - |
| Beloit Juvenile Correctional Facility | 4,688,537 | 4,609,697 | - | - | - |
| Larned Juvenile Correctional Facility | 7,870,781 | 8,012,838 | - | - | - |
| <i>Subtotal-Juvenile Justice</i> | <i>61,095,307</i> | <i>64,679,603</i> | <i>4,032,366</i> | | <i>4,032,366</i> |
| Adjutant General | 4,960,333 | 5,773,847 | 677,671 | | 677,671 |
| State Fire Marshal | - | - | - | | - |
| Kansas Parole Board | 433,043 | 458,053 | - | | - |
| Kansas Highway Patrol | 30,688,004 | 35,647,855 | 3,146,051 | | 3,146,051 |
| Kansas Bureau of Investigation | 12,122,058 | 13,129,703 | 349,283 | | 349,283 |
| Emergency Medical Services Board | - | - | - | | - |
| Kansas Sentencing Commission | 5,835,088 | 6,606,579 | 743,825 | | 743,825 |
| Subtotal - Public Safety | \$ 331,122,592 | \$ 366,063,983 | \$ 25,137,883 | \$ - | 25,137,883 |

| Agency | Approved FY 2005 | Gov. Rec. FY 2006 | Adjusted Other Differences** | Senate Adjustments Excluding Salary Reductions | Senate Change from FY 2005 App. |
|---|-------------------------|-------------------------|------------------------------------|---|---------------------------------------|
| Department of Agriculture | \$ 9,563,094 | \$ 10,485,429 | \$ 238,073 | | 238,073 |
| Animal Health Department | 644,357 | 779,349 | 81,020 | | 81,020 |
| State Fair Board | 655,133 | 1,550,044 | 894,911 | | 894,911 |
| Health and Environment-Environ. | 9,760,328 | 9,910,933 | - | | - |
| State Conservation Commission | 1,032,618 | 1,146,189 | 59,251 | | 59,251 |
| Kansas Water Office | 1,377,578 | 1,450,692 | - | | - |
| Department of Wildlife and Parks | 2,998,319 | 2,857,538 | - | | - |
| Subtotal - Ag./Natural Resources | \$ 26,031,427 | \$ 28,180,174 | \$ 1,273,255 | \$ - | 1,273,255 |
| Kansas Department of Transportation | \$ - | \$ - | \$ - | \$ - | - |
| Subtotal - Transportation | \$ - | \$ - | \$ - | \$ - | - |
| TOTAL | \$ 4,658,318,249 | \$ 4,840,571,942 | \$ 68,025,063 | \$ 15,217,184 | 83,242,247 |

*Under the Governor's recommendation, funding for the base salary increase, the 27th payroll period, and the KPERS Death and Disability increase is appropriated to the Board of Regents as part of the Regents operating grant increase.

Amounts for the regular KPERS increase are estimated. Although funding is included in the individual university budgets, they are reflected in the Board of Regents budget for purposes of this document.

Caseloads/Other includes SRS and Aging Caseloads (\$65.6 million); debt service on the KPERS pension obligation bonds (\$10.0 million); and debt service on phase 3 of Statehouse renovation (\$2.4 million).

**Adjusted other differences reflect only those amounts which exceed the FY 2005 approved budget after factoring out the selected components above.

February 16, 2005

STATE GENERAL FUND OUTLOOK

- Ending Balance in the State General Fund:
 - FY 2004 (actual) - \$327.5 million or 7.6 percent of expenditures
 - FY 2005 (Gov. Rec.) - \$279.7 million or 6.0 percent of expenditures
 - FY 2006 (Gov. Rec.) - \$206.1 million or 4.3 percent of expenditures

- Governor's FY 2006 recommended expenditures **exceed** revenue by \$73.6 million

- Out-Year Demands on State General Fund Resources:
 - **KPERS pension obligation bonds** (\$0.5 billion in bonds issued in 2004)
 - FY 2006 - \$10.0 million, an increase of \$10.0 million
 - FY 2007 - \$15.0 million, **an increase of \$5.0 million**
 - FY 2008 - \$26.1 million, **an increase of \$11.1 million**
 - FY 2009 through FY 2034 - \$36.1 million, an increase of \$10.0 million in FY 2009)

 - **KPERS increased employer contributions** (Statutory cap for state and school employer contribution increases from 0.2 percent annually to 0.4 percent in FY 2006; 0.5 percent in FY 2007; and 0.6 percent in FY 2008 and subsequent year, plus normal growth in the covered payroll):
 - FY 2007 - **an increase of \$19.0 million**
 - FY 2008 - **an increase of \$19.0 million**

 - **KDOT Sales Tax Transfer** - Department of Transportation (Comprehensive Transportation Plan) State General Fund (Sales Tax) direct deposit to the State Highway Fund. The transfer amount is 0.25 percent in FY 2006; 0.38 percent in FY 2007; and 0.65 percent in FY 2008 thereafter:
 - FY 2006 - \$95.9 million, an increase of \$2.7 million
 - FY 2007 - \$150.9 million, **an increase of \$55.0 million**
 - FY 2008 - \$267.1 million, **an increase of \$116.2 million**

 - **KDOT Bond Payment** - Additional bonding authority granted by the 2004 Legislature to ensure the funding stream for the Comprehensive Transportation Plan:
 - FY 2007 - \$8.0 million
 - FY 2008 - \$11.0 million

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- **KDOT Loan Repayment** - A repayment to the State Highway Fund for a diversion of State General Fund resources from the old demand transfer (\$94.6 million) and for operational support of the Kansas Highway Patrol (\$31.0 million); the loan is to be repaid over a four-year period:
 - FY 2007 - \$32.5 million
 - FY 2008 - \$30.9 million
 - FY 2009 - \$31.2 million
 - FY 2010 - \$30.9 million

- **Regents Research Initiative** - Bond payments for Regents research facilities:
 - FY 2006 - \$4.9 million
 - FY 2007 - \$10.0 million
 - FY 2008 - \$10.0 million

- **Summary of Identified Out-Year Demands:**
 - **FY 2007 - \$124.6 million**
 - **FY 2008 - \$147.7 million**

- **Other Selected Potential Demands on the State Budget:**
 - SRS and Aging caseload increases - \$50 million estimated
 - Funding for K-12 education (base state aid per pupil, special education, and capital improvement aid)
 - Higher education - Funding for the Higher Education Reform Act
 - State employee health insurance
 - State employee salary increases

Actual FY 03 and FY 04 Receipts and Expenditures
 Governor's Out-Year Assumptions
 7.5 Percent Out-Year Growth in Tax Receipts
 New KDOT Transfer Beginning in FY 2007
 Actual FY 03 and FY 04 Receipts and Expenditures
 FY 05 and FY 06 Expenditures as Recommended by the Governor
 FYs 2007 - 2008 Demand Transfers - As Revenue Transfers - No LAVTRF or CCRSF
 SRS and Aging Caseload Increases in FY 2007 - FY 2008
 Base State Aid Per Pupil at \$3,863
 KPERs Death and Disability Increased to 1.0 Percent of Covered Payroll in FY 2006
 KPERs Employer Contribution Increase and KPERs Bond Payments
 Higher Ed Reform Act Funding - Frozen at FY 2007 Level
Ending Balance of 7.5 Percent is Not Maintained

Governor's Profile

| | Actual FY 2003 | Increase | Actual FY 2004 | Increase | Gov. Rev. FY 2005 | Increase | Gov. Rec. FY 2006 | Increase | Governor's Projected FY 2007 | Increase | Governor's Projected FY 2008 | Increase |
|---|-------------------|-------------------|-------------------|----------------|----------------------|---------------|----------------------|----------------|------------------------------------|-----------------|------------------------------------|-----------------|
| Beginning Balance(a) | \$12.1 | | \$122.7 | | \$327.5 | | \$279.7 | | \$206.1 | | \$172.2 | |
| RECEIPTS:(b) | 4,248.1 | 135.6 3.3% | 4,521.1 | 273.0 6.4% | 4,632.5 | 111.4 2.5% | 4,767.0 | 134.5 2.9% | 4,856.6 | 89.6 1.9% | 4,934.2 | 77.6 1.6% |
| EXPENDITURES: | | | | | | | | | | | | |
| General and Supplemental School Aid (c) | 1,727.1 | (200.2) -10.4% | 1,782.6 | 55.5 3.2% | 1,923.3 | 140.7 7.9% | 1,918.3 | (5.0) -0.3% | 1,906.9 | (11.4) -0.6% | 1,888.4 | (18.5) -1.0% |
| Out-Year Additional KPERs Employer Contributions(d) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 19.0 | 19.0 | 38.0 | 19.0 |
| Higher Education Restructuring - S.B. 345(e) | 91.0 | 49.0 | 91.1 | 0.1 | 99.9 | 8.8 | 105.5 | 5.6 | 114.4 | 8.9 | 114.4 | 0.0 |
| Kan-Ed Funding | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 10.0 | 10.0 | 10.0 | 0.0 |
| KPERs Death and Disability (12 month) | 0.0 | 0.0 | 0.0 | 0.0 | 21.6 | 21.6 | 32.1 | 10.5 | 33.1 | 1.0 | 34.2 | 1.1 |
| SRS/Aging Caseload Increases - Out Years | 0.0 | 0.0 | 0.0 | 0.0 | 40.3 | 40.3 | 100.3 | 60.0 | 150.3 | 50.0 | 200.3 | 50.0 |
| Demand Transfers: (f) | 99.6 | (41.5) | 0.0 | (99.6) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| All Other Expenditures(g) | 2,219.8 | (135.9) -5.8% | 2,442.6 | 222.8 10.0% | 2,595.2 | 152.6 6.2% | 2,674.4 | 79.2 3.1% | 2,601.3 | (73.1) -2.7% | 2,610.3 | 9.0 0.3% |
| KDOT Bond Payments/Loan Repayment | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 40.5 | 40.5 | 41.9 | 1.4 |
| KPERs Pension Obligation Bonds | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 10.0 | 10.0 | 15.0 | 5.0 | 26.1 | 11.1 |
| | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Available for Other Purposes(h) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL Expenditures Percent Increase | 4,137.5 | (328.6) -7.4% | 4,316.3 | 178.8 4.3% | 4,680.3 | 364.0 8.4% | 4,840.6 | 160.3 3.4% | 4,890.5 | 49.9 1.0% | 4,963.6 | 73.1 1.5% |
| Ending Balance(j) Percent of Expenditures | 122.7 3.0% | | 327.5 7.6% | | 279.7 6.0% | | 206.1 4.3% | | 172.2 3.5% | | 142.8 2.9% | |
| Receipts in Excess of Expenditures | 110.6 | | 204.8 | | (47.8) | | (73.6) | | (33.9) | | (29.4) | |

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FOOTNOTES:

Includes released encumbrances in FY 2003 - FY 2004.

b) Receipts are actual for FY 2003 and FY 2004. Receipts for FY 2005 and FY 2006 as recommended by the Governor.

The amounts for FY 2007 and FY 2008 are not consensus estimates, but reflect the Legislative Research Department's estimate, generally a four percent growth in tax revenues.

Reflects the statutory increase in the sales tax transfer to the State Highway Fund (an additional \$55.0 million in FY 2007 and \$116.2 million in FY 2008). The rate is 0.25 percent in FY 2006; 0.38 percent in FY 2007; and 0.65 percent in FY 2008. Repayment of certain funds from the State General Fund to selected special revenue funds begins in FY 2007 for a total of four years at approximately \$31.5 million annually.

c) Base estimate of general and supplemental school aid payment in FY 2003 and FY 2004 are actual, and FY 2005 and FY 2006 as recommended by the Governor.

The FY 2007 and FY 2008 are not consensus estimates.

The FY 2003 - FY 2008 estimates assume a uniform school mill levy of 20 mills and a \$20,000 homestead and a base aid per pupil amount of \$3,863 in FY 2003 - FY 2008.

d) Beginning in FY 2005 an additional Kansas Public Employees Retirement System (KPERs) employer contribution amount necessary to meet statutorily required rate increase.

The rate increases 0.3 percent in FY 2005 (post-retirement bond payment and general employer contribution); increases another 0.2 percent in FY 2006 and an additional 0.1 percent in FY 2007 and FY 2008.

Pension obligation bond payments begin in FY 2006 and continue until FY 2036.

e) Fiscal note on S.B. 345 - Higher Ed Restructuring Act which includes operating costs of the Board of Regents; state aid to

community colleges, Washburn University; salary increases for Regents institutions; Governor's recommendation for FY 2006 through FY 2008 (excludes funding for the annual performance grants).

f) Amount reflects the estimated State General Fund payment for the Regents research initiative passed in 2002 H.B. 2690.

f) Transfers for the School District Capital Improvement Fund (FY 2002 - FY 2006) reflect current law, but are revenue transfers for FY 2003 through FY 2006.

The FY 2005 and FY 2006 amounts for all of the demand/revenue transfers as recommended by the Governor.

Actual amounts for FY 2003 for the Local Ad Valorem Tax Reduction Fund, County and City Revenue Sharing Fund and the Special City-County Highway Fund are all

reduced to one-half of the original approved amount for FY 2003. For FY 2004 through FY 2008 the profile does not include any funding for the transfers for the three funds. However, for the Special City-County

Highway Fund the approved budget includes spending of available balances in the Fund to replace the amount of the reduction in FY 2003. For FY 2004, the approved budget also spends available balances of

\$11.2 million. The State Highway Fund demand transfer was abolished in FY 2005. The increased transfer amounts for FY 2007 (\$55.0 million) and FY 2008 (\$116.2 million) are switched to a sales tax transfer.

For the School District Capital Improvement Fund in the approved amount in FY 2004 is \$52.0 million in FY 2005 is \$57.0 million, the projected amounts are \$67 million in FY 2006; \$72 million in FY 2007 and \$77.0 million in FY 2008.

The approved amount includes \$3.8 million for the State Water Plan Fund in FY 2004 and FY 2005. The projected amount is \$6.0 million in FY 2006 through FY 2008. The approved amount does not include any transfer

for the State Fair Capital Improvement Fund in FY 2004 or FY 2005. But, the projection does include \$0.3 million for the State Fair Capital Improvement Fund in FY 2006 through FY 2008

For FY 2006 through FY 2008 all of the demand transfers are treated as expenditures, except the Regents Faculty of Distinction (\$0.4 million, annually) and the Regents Research Corporation debt service (\$3.4 million, annually), but excludes any payments to the LAVTRF and CCRSF.

g) FY 2003 and FY 2004 are actual all other expenditures. The amounts for FY 2005 and FY 2006 as recommended by the Governor. The amounts for FY 2007 and FY 2008 as available funding allows.

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

i) Minimum ending balance requirement of 7.5 percent of expenditures is not maintained in FY 2006 through FY 2008.

Kansas Legislative Research Department

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