

Approved: May 31, 2005 (refer to May 20 minutes)
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 March 11, 2005 in Room 123-S of the Capitol.

All members were present except:

Senator Vicki Schmidt- excused
Senator Jean Schodorf- excused

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes
Theresa Kiernan, Revisor of Statutes Office
Mary Ann Torrence, Revisor of Statutes Office
Alan Conroy, Director, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Julian Efird, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Becky Krahl, Kansas Legislative Research Department
Matt Spurgin, Kansas Legislative Research Department
Judy Bromich, Administrative Analyst
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Doug Lawrence, representing the Kansas Greyhound Association

Others attending:

See attached list.

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 Human Rights Commission (Attachment 1)

Subcommittee Chairwoman Carolyn McGinn reported that the subcommittee on the Kansas Human Rights Commission concurs with the Governor's recommendation in FY 2005 with observation and concurs with the Governor's FY 2006 recommendations with adjustments and observations. Copies of data requested by the Senate Ways and Means Subcommittee regarding the type and number of complaints received by the Kansas Human Rights Commission were distributed (Attachment 2).

Senator Teichman moved, with a second by Senator Emler, to amend the subcommittee report on the Kansas Human Rights Commission in FY 2006, to make a technical correction regarding Item No. 2. Motion carried on a voice vote.

Senator Mc Ginn moved, with a second by Senator Wysong, to adopt the subcommittee budget report as amended on the Kansas Human Rights commission in FY 2005 and FY 2006. Motion carried on a voice vote.

Kansas Department of Corrections (Attachment 3)

El Dorado Correctional Facility
Ellsworth Correctional Facility
Hutchinson Correctional Facility
Lansing Correctional Facility
Larned Correctional Facility
Norton Correctional Facility

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on March 11, 2005 in Room 123-S of the Capitol.

Topeka Correctional Facility
Winfield Correctional Facility

Subcommittee Chairman Mark Taddiken reported that the subcommittee on the Kansas Department of Corrections concurs with the Governor's recommendation in FY 2005 with observation and concurs with the Governor's FY 2006 recommendations with adjustments and observations.

Senator Emler moved, with a second by Senator Teichman, to amend the subcommittee report on the Kansas Department of Corrections to make a technical correction in FY 2006 on page 6. Motion carried on a voice vote.

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

Subcommittee Chairman Taddiken reported that all of the Correctional Facilities concurred with the Governor in FY 2005 and FY 2006, with the exception of the pay plan. Therefore, Senator Teichman moved, with a second by Senator Barone, to adopt the subcommittee budget report on the El Dorado Correctional Facility, Ellsworth Correctional Facility, Hutchinson Correctional Facility, Lansing Correctional Facility, Larned Correctional Facility, Norton Correctional Facility, Topeka Correctional Facility and the Winfield Correctional Facility in FY 2005 and FY 2006. Motion carried on a voice vote.

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

SB 243--Allowing construction and operation of private prisons

Senator Wysong moved, with a second by Senator McGinn, to adopt a proposed balloon amendment suggested by the Secretary of Corrections on SB 243 (Attachment 4). Motion carried on a voice vote.

Senator Umbarger moved, with a second by Senator Wysong, to report SB 243 favorable for passage as amended. Motion carried on a roll call vote.

Senator McGinn explained her vote in that she had concerns about private prisons and voted "Aye" so the entire body in the Senate could address the issue. Senator Wysong explained his vote that, as a county commissioner, the issue of private prisons was studied. He believed that private prisons would save dollars, but many problems still exist, but hopes in time it would save the state money and private prisons would make sense. Senator Betts explained that currently there are problems within the corrections system, and until problems are fixed regarding reintegration of ex-convicts into the community to become productive citizens and the recidivism rate is lower, he will oppose private prisons.

SB 293--Shawnee Indian mission state historic property, sale of a portion to city of Fairway, proceeds for site redevelopment

Senator Wysong requested that if the bill was passed out of committee, that it would be held below the line on the Senate Calendar in order to get better communication between the interested parties in Northeast Johnson County so everyone involved could have input regarding the bill.

Senator Barone moved, with a second by Senator Kelly, to report SB 293 favorable for passage. Motion carried on a roll call vote.

Following discussion, Chairman Umbarger called the Committee's attention to:

SB 243--Allowing construction and operation of private prisons

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on March 11, 2005 in Room 123-S of the Capitol.

Senator Steineger moved, with a second by Senator Morris, that the Committee reconsider its previous action on SB 243. Motion carried on a voice vote.

Discussion continued on the bill. Senator Steineger moved the balloon amendment proposed by the Kansas Department of Corrections concerning local units of government with the language removed on page 5 (Attachment 5). Motion died for the lack of a second.

Senator Barone moved the balloon amendment proposed by the Kansas Department of Correction as presented. Motion died for the lack of a second.

Senator Wysong moved, with a second by Senator Taddiken, to report SB 243 favorable for passage as amended (see Attachment 4). Motion carried on a roll call vote.

Senator McGinn explained her vote in that she had concerns about private prisons and voted "Aye" so the entire body in the Senate could address the issue. Senator Wysong explained his vote that, as a county commissioner, the issue of private prisons was studied. He believed that private prisons would save dollars, but many problems still exist, but hopes in time it would save the state money and private prisons would make sense. Senator Betts explained that currently there are problems within the corrections system, and until problems are fixed regarding reintegration of ex-convicts into the community to become productive citizens and the recidivism rate is lower, he will oppose private prisons.

The Chairman welcomed Doug Lawrence, representing the Kansas Greyhound Association. Mr Lawrence explained that he was not present to advocate for the various provisions of **SB 294**, but to explain key provisions and answer questions. He presented an overview, the structure of the bill, key definitions, the process and revenues (Attachment 6).

Regarding revenues, Mr. Lawrence noted that both the Lottery gaming facility and parimutuel licensees have an obligation to pay the state an accelerated payment of \$15,000 per machine. Mr. Lawrence mentioned that they believe the combination of both would generate \$150 million dollars in FY 2006.

The meeting adjourned at 12:45 p.m. The next meeting is scheduled for March 14, 2005.

SENATE WAYS AND MEANS
GUEST LIST

Date March 11, 2005

NAME	REPRESENTING
Jeff Arpin	Division of the Budget
Judith Thomas	DOB
Patrick Hurley	COA / GREEN
Dennis Williams	KDOC
Roger Werheltz	KDOC
Tim Meddion	KDOC
Doug Smith	Butler National
Amber Showerdi	Pilllet of KS
Stuart Little	Little Govt Relations
James Rutherford	Little Govt Rel.
Allen Anderson	KLRD
Sheli Sweeney	Assoc. of Comm. Mental Health Ctr
George Wenzel	Reffer Companies
Andy Shaw	Kearney + Associates
Al Mah	HEIN Law Firm
Don King	Federico Consulting
Cornie Burns	CTSS
Cheryl Kinsler	BR5
David Damm	Ellsworth / 1/2 Girl Scout of KS
Tom Palace	Assoc of Kansas
Andy Sanchez	KAPE
Susan Paxson	Crawford County
Paul Charles	Carolyn McLean

Senate Subcommittee Report
Kansas Human Rights Commission


FY 2005
FY 2006



Senator Carolyn McGinn, Chair



Senator Chris Steiner



Senator Jay Scott Emler

Senate Ways and Means
3-11-05
Attachment 1

House Budget Committee Report

Agency: Kansas Human Rights Commission **Bill No.** HB 2480

Bill Sec. 16

Analyst: Spurgin

Analysis Pg. No. Vol. 2, 1310

Budget Page No. 203

Expenditure Summary	Agency Estimate FY 2005	Governor's Recommendation FY 2005	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,413,065	\$ 1,408,829	\$ 0
Other Funds	429,341	427,821	0
TOTAL	\$ 1,842,406	\$ 1,836,650	\$ 0
FTE Positions	36.0	36.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	36.0	36.0	0.0

Agency Estimate/Governor's Recommendation

The **agency's** estimate for FY 2005 operating expenditures is \$1,842,406, an increase of \$20,341 (1.1 percent) above the approved budget. The State General Fund estimate of \$1,413,065 is an increase of \$20,341 (1.5 percent) above the approved budget. The estimate includes \$20,342 SGF that is a reappropriation of funding approved but not spent in FY 2004 and carried forward to FY 2005.

The **Governor's** recommendation for FY 2005 operating expenditures of \$1,836,650 is an increase of \$14,585 (0.8 percent) above the approved budget. The State General Fund recommendation of \$1,402,829 is an increase of \$16,105 (1.2 percent) above the approved budget. The Governor's recommendation is \$5,756(0.3 percent) less than the agency's FY 2005 revised estimate. The Governor's recommendation increases shrinkage and reduces expenditures for contractual services. The Governor recommends moving capital outlay expenditures requested for FY 2006 to the current year.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following adjustments and 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 \$16,105 or 1.2 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Committee Recommendation

The House Committee concurs with the recommendations of the Budget Committee.

House Committee of the Whole Recommendation

The House Committee of the Whole has not yet addressed this issue.

Senate Subcommittee Report

Agency: Kansas Human Rights Commission **Bill No.** SB 272

Bill Sec. 16

Analyst: Spurgin

Analysis Pg. No. Vol. 2, 1310

Budget Page No. 203

Expenditure Summary	Agency Estimate FY 2005	Governor's Recommendation FY 2005	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,413,065	\$ 1,408,829	\$ 0
Other Funds	429,341	427,821	0
TOTAL	<u>\$ 1,842,406</u>	<u>\$ 1,836,650</u>	<u>\$ 0</u>
FTE Positions	36.0	36.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>36.0</u>	<u>36.0</u>	<u>0.0</u>

Agency Estimate/Governor's Recommendation

The **agency's** estimate for FY 2005 operating expenditures is \$1,842,406, an increase of \$20,341 (1.1 percent) above the approved budget. The State General Fund estimate of \$1,413,065 is an increase of \$20,341 (1.5 percent) above the approved budget. The estimate includes \$20,341 SGF that is a reappropriation of funding approved but not spent in FY 2004 and carried forward to FY 2005.

The **Governor's** recommendation for FY 2005 operating expenditures of \$1,836,650 is an increase of \$14,585 (0.8 percent) above the approved budget. The State General Fund recommendation of \$1,402,829 is an increase of \$16,105 (1.2 percent) above the approved budget. The Governor's recommendation is \$5,756 (0.3 percent) less than the agency's FY 2005 revised estimate. The Governor's recommendation increases shrinkage and reduces expenditures for contractual services. The Governor recommends moving capital outlay expenditures requested for FY 2006 to the current year.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 revised recommendation is a State General Fund increase of \$16,105 or 1.2 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Budget Committee Report

Agency: Kansas Human Rights Commission **Bill No.** HB 2482

Bill Sec. 38

Analyst: Spurgin

Analysis Pg. No. Vol. 2, 1310

Budget Page No. 203

Expenditure Summary	Agency Request FY 2006	Governor's Recommendation FY 2006	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,527,808	\$ 1,472,125	\$ 0
Other Funds	429,341	427,821	0
TOTAL	\$ 1,957,149	\$ 1,899,946	\$ 0
FTE Positions	36.0	36.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	36.0	36.0	0.0

Agency Request/Governor's Recommendation

The **agency's** estimate for FY 2006 operating expenditures is \$1,957,149, an increase of \$114,743 (6.2 percent) above the FY 2005 estimate. The State General Fund estimate of \$1,527,808 is an increase of \$114,743 (8.1 percent) above the approved budget. The agency requests two enhancements totaling \$131,252 to reduce the shrinkage rate.

The **Governor's** recommendation for FY 2006 operating expenditures of \$1,899,946 is an increase of \$63,296 (3.4 percent) above the FY 2005 recommendation. The State General Fund recommendation of \$1,472,125 is an increase of \$63,296 (4.5 percent) above the FY 2005 recommendation. The Governor recommends \$24,352 SGF to reduce the agency's shrinkage rate. The Governor has reduced the agency's capital outlay request by \$18,366 and has moved that spending to FY 2005. The Governor reduced the agency's expenditures for contractual services in FY 2006 and recommends expenditures that are \$57,203 below the agency's request.

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 \$131,451.**

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following adjustments and 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 \$1,472,125, an increase of \$79,401 above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$32,336), the 27th payroll period (\$47,881), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$4,846), the recommendation is a decrease of \$5,662, or 0.4 percent below the approved amount.
2. The House Budget Committee notes that the agency supplied testimony requesting additional funding for FY 2006 of \$92,078 SGF. The agency testified that decreases in estimated federal fund revenues, which were not available at the time of the budget submission, result in a shortfall in the federal fund account. The agency reported that with the Governor's recommendations for FY 2006 and the Governor's estimated federal fund receipts in FY 2006, that the federal fund account balance will be short \$29,398 at the end of FY 2006.
3. The House Budget Committee also notes that the agency testified that payments from the federal government are often delayed. The agency requests additional SGF funding of \$62,680 (15.0 percent of the expenses allocated to the federal fund account) to provide a sufficient cushion in the federal fund.
4. The House Budget Committee recommends that the agency again submit a request to the Governor for the additional requested funds. The House Budget Committee notes that it would like to address the additional funding in Omnibus during the 2005 Session if a Governor's Budget Amendment is not approved.

House Committee Recommendation

The House Committee concurs with the recommendations of the Budget Committee.

House Committee of the Whole Recommendation

The House Committee of the Whole has not yet address this issue.

Senate Subcommittee Report

Agency: Kansas Human Rights Commission **Bill No.** SB 270

Bill Sec. 38

Analyst: Spurgin

Analysis Pg. No. Vol. 2, 1310

Budget Page No. 203

<u>Expenditure Summary</u>	<u>Agency Request FY 2006</u>	<u>Governor's Recommendation FY 2006</u>	<u>Senate Subcommittee Adjustments*</u>
Operating Expenditures:			
State General Fund	\$ 1,527,808	\$ 1,472,125	\$ (85,063)
Other Funds	429,341	427,821	
TOTAL	<u><u>\$ 1,957,149</u></u>	<u><u>\$ 1,899,946</u></u>	<u><u>\$ (85,063)</u></u>
FTE Positions	36.0	36.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>36.0</u></u>	<u><u>36.0</u></u>	<u><u>0.0</u></u>

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

Agency Request/Governor's Recommendation

The **agency's** estimate for FY 2006 operating expenditures is \$1,957,149, an increase of \$114,743 (6.2 percent) above the FY 2005 estimate. The State General Fund estimate of \$1,527,808 is an increase of \$114,743 (8.1 percent) above the approved budget. The agency requests two enhancements totaling \$131,252 to reduce the shrinkage rate.

The **Governor's** recommendation for FY 2006 operating expenditures of \$1,899,946 is an increase of \$63,296 (3.4 percent) above the FY 2005 recommendation. The State General Fund recommendation of \$1,472,125 is an increase of \$63,296 (4.5 percent) above the FY 2005 recommendation. The Governor recommends \$24,352 SGF to reduce the agency's shrinkage rate. The Governor has reduced the agency's capital outlay request by \$18,366 and has moved that spending to FY 2005. The Governor reduced the agency's expenditures for contractual services in FY 2006 and recommends expenditures that are \$57,203 below the agency's request.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observations:

1. **Pay Plan Adjustment.** Delete \$32,336 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 \$52,727 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$47,881), and for the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$4,846) 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 \$32,336 or 2.3 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 \$11,164, or 0.8 percent below the approved amount.
4. The Subcommittee notes that the agency testified that they will receive \$57,497 less in federal funds than what was anticipated in the budget submission. The agency testified that in recent years, funding has been more dependent on the federal fund reserves. The result is a projected shortfall of \$34,398 in the federal fund account in FY 2006, which the agency requests be funded through an additional SGF appropriation of \$34,398.
5. The agency also testified that delays in payments of federal funds have necessitated journal voucher transfers of funds to allow the agency to meet payroll obligations from the federal fund. The agency requests an additional SGF appropriation of \$62,680, which represents 15.0 percent of the expenditures attributed to the federal fund account in order to rebuild an acceptable cash balance in the federal fund account. The total of these two additional requests is \$97,078 from the State General Fund.
6. The Subcommittee notes the agency testified that a request for a Governor's Budget Amendment has been made to for the funding to maintain a positive balance and adequate reserves in the federal fund account. The Subcommittee notes that the issue of the agency's federal funds may need to be addressed at a later time.

**Kansas Human Rights Commission
Data Request from the Senate Ways and Means Subcommittee
March 2005**

FY 2004		
Area of Complaint	No. of Complaints Received	Percent
Employment	809	94.6%
Housing	7	0.8%
Public Accommodation	39	4.6%
Total Complaints Received	855	100.0%

FY 2004								
Basis of Allegation	No. of Allegations of Unlawful Employment Practices		No. of Allegations of Unlawful Housing Practices		No. of Allegations of Unlawful Discrimination in Public Accommodations		Total No. of Allegations	
		Percent		Percent		Percent		Percent
Sex	271	23.9%		0.0%	2	4.2%	273	22.9%
Race	228	20.1%	3	42.9%	25	52.1%	256	21.5%
Retaliation	231	20.4%		0.0%		0.0%	231	19.4%
Age	164	14.4%		0.0%		0.0%	164	13.8%
Disability	134	11.8%	3	42.9%	7	14.6%	144	12.1%
National Origin	76	6.7%	1	14.3%	7	14.6%	84	7.1%
Religion	23	2.0%		0.0%	1	2.1%	24	2.0%
Color	8	0.7%		0.0%	6	12.5%	14	1.2%
Ancestry		0.0%		0.0%		0.0%		0.0%
Genetic Testing (Employment Only)	-	0.0%		0.0%		0.0%	-	0.0%
Familial Status (Housing Only)		0.0%		0.0%		0.0%	-	0.0%
Total	1,135	100.0%	7	100.1%	48	100.1%	1,190	100.0%

Totals allegations exceed the actual number of complaints filed because many complaints contain multiple allegations.

Senate Ways and Means
3-11-05
Attachment 2

**Senate Subcommittee Report
FY 2005 and FY 2006**

**Department of Corrections
El Dorado Correctional Facility
Ellsworth Correctional Facility
Hutchinson Correctional Facility
Lansing Correctional Facility
Larned Correctional Mental Health Facility
Norton Correctional Facility
Topeka Correctional Facility
Winfield Correctional Facility**



Senator Mark Taddiken, Chairman



Senator Jim Barone



Senator Vicki Schmidt



Senator Ruth Teichman

Senate Ways and Means
3-11-05
Attachment 3

House Budget Committee Report

Agency: Department of Corrections

Bill No. HB 2480

Bill Sec. 34

Analyst: Krahl

Analysis Pg. No. Vol. 1, 391

Budget Page No. 123

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 81,425,955	\$ 79,325,355	\$ 0
Aid to Local Units	17,751,212	17,751,212	0
Subtotal - Operating	\$ 99,177,167	\$ 97,076,567	\$ 0
Capital Improvements	11,573,278	10,517,408	0
TOTAL	\$ 110,750,445	\$ 107,593,975	\$ 0
State General Fund:			
State Operations	\$ 61,706,704	\$ 59,932,956	\$ 0
Aid to Local Units	17,751,212	17,751,212	0
Subtotal - Operating	\$ 79,457,916	\$ 77,684,168	\$ 0
Capital Improvements	6,055,303	6,055,303	0
TOTAL	\$ 85,513,219	\$ 83,739,471	\$ 0
FTE Positions	302.2	302.2	0.0
Non FTE Uncl. Perm. Pos.	27.0	27.0	0.0
TOTAL	329.2	329.2	0.0

Agency Estimate/Governor's Recommendation

The Department of Corrections estimates FY 2005 operating expenditures of \$99,177,167, a decrease of \$1,001,315 (1.0 percent) below the FY 2005 approved amount. The revised estimate includes State General Fund expenditures of \$79,457,916, an increase of \$555,059 (0.7 percent) above the approved amount. The 2005 revised estimate includes supplemental requests totaling \$615,818 from the State General Fund.

The Governor recommends FY 2005 operating expenditures of \$97,076,567, a decrease of \$3,101,915 (3.1 percent) below the FY 2005 approved amount and a decrease of \$2,100,600 (2.1 percent) below the agency estimate. The recommendation includes State General Fund expenditures of \$77,684,168, a decrease of \$1,218,689 (1.5 percent) below the approved amount and a decrease of \$1,773,748 (2.2 percent) below the agency estimate. The recommendation includes partial funding (\$415,818 SGF) of the supplemental requests, a reduction of \$114,353 SGF to increase the salaries and wages shrinkage rate and a reduction of \$1,460,000 SGF to eliminate the bed space contract trigger.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2005 revised recommendation is a State General Fund decrease of \$1,218,689 or 1.5 percent below the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Department of Corrections **Bill No.** SB 272 **Bill Sec.** 34

Analyst: Krahl **Analysis Pg. No.** Vol. 1, 391 **Budget Page No.** 123

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 81,425,955	\$ 79,325,355	\$ 0
Aid to Local Units	17,751,212	17,751,212	0
Subtotal - Operating	\$ 99,177,167	\$ 97,076,567	\$ 0
Capital Improvements	11,573,278	10,517,408	0
TOTAL	\$ 110,750,445	\$ 107,593,975	\$ 0
State General Fund:			
State Operations	\$ 61,706,704	\$ 59,932,956	\$ 0
Aid to Local Units	17,751,212	17,751,212	0
Subtotal - Operating	\$ 79,457,916	\$ 77,684,168	\$ 0
Capital Improvements	6,055,303	6,055,303	0
TOTAL	\$ 85,513,219	\$ 83,739,471	\$ 0
FTE Positions	302.2	302.2	0.0
Non FTE Uncl. Perm. Pos.	27.0	27.0	0.0
TOTAL	329.2	329.2	0.0

Agency Estimate/Governor's Recommendation

The Department of Corrections estimates FY 2005 operating expenditures of \$99,177,167, a decrease of \$1,001,315 (1.0 percent) below the FY 2005 approved amount. The revised estimate includes State General Fund expenditures of \$79,457,916, an increase of \$555,059 (0.7 percent) above the approved amount. The 2005 revised estimate includes supplemental requests totaling \$615,818 from the State General Fund.

The Governor recommends FY 2005 operating expenditures of \$97,076,567, a decrease of \$3,101,915 (3.1 percent) below the FY 2005 approved amount and a decrease of \$2,100,600 (2.1 percent) below the agency estimate. The recommendation includes State General Fund expenditures of \$77,684,168, a decrease of \$1,218,689 (1.5 percent) below the approved amount and a decrease of \$1,773,748 (2.2 percent) below the agency estimate. The recommendation includes partial funding (\$415,818 SGF) of the supplemental requests, a reduction of \$114,353 SGF to increase the salaries and wages shrinkage rate and a reduction of \$1,460,000 SGF to eliminate the bed space contract trigger.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 revised recommendation is a State General Fund decrease of \$1,218,689 or 1.5 percent below the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Budget Committee Report

Agency: Department of Corrections

Bill No. HB 2482

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, 391

Budget Page No. 123

Expenditure Summary	Agency Request FY 06	Governor's Recommendation FY 06	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 98,788,461	\$ 96,470,811	\$ (1,490,000)
Aid to Local Units	17,751,212	17,751,212	0
Subtotal - Operating	\$ 116,539,673	\$ 114,222,023	\$ (1,490,000)
Capital Improvements	10,526,697	8,780,867	0
TOTAL	\$ 127,066,370	\$ 123,002,890	\$ (1,490,000)
State General Fund:			
State Operations	\$ 83,270,619	\$ 80,498,291	\$ (1,460,000)
Aid to Local Units	17,751,212	17,751,212	0
Subtotal - Operating	\$ 101,021,831	\$ 98,249,503	\$ (1,460,000)
Capital Improvements	5,034,697	3,345,000	0
TOTAL	\$ 106,056,528	\$ 101,594,503	\$ (1,460,000)
FTE Positions	302.2	302.2	0.0
Non FTE Uncl. Perm. Pos.	19.0	19.0	0.0
TOTAL	321.2	321.2	0.0

Agency Request/Governor's Recommendation

The Department of Corrections requests FY 2006 operating expenditures of \$116,539,673, an increase of \$17,362,506 (17.5 percent) above the FY 2005 revised estimate. The request includes State General Fund (SGF) expenditures of \$101,021,831, an increase of \$21,563,915 (27.1 percent) above the FY 2005 revised estimate. The FY 2006 request includes enhancement packages totaling \$18,386,701 (\$18,369,335 State General Fund), including \$12,400,000 SGF for additional funding for the new health care contract.

The Governor recommends FY 2006 operating expenditures of \$114,222,023, an increase of \$17,145,456 (17.7 percent) above the FY 2005 recommendation and a decrease of \$2,317,650 (2.0 percent) below the agency request. The recommendation includes State General Fund operating expenditures of \$98,249,503, an increase of \$20,565,335 (26.5 percent) above the FY 2005 recommendation and a decrease of \$2,772,328 (2.7 percent) below the agency request. The recommendation includes partial funding of the enhancement requests including \$14,442,207 SGF for the new health care contract. The Governor also recommends the bonding authority to construct a 100-bed housing unit at Ellsworth Correctional Facility to address the projected increase in inmate population.

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 \$9,071,697.**

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following adjustments and 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 \$101,594,503, an increase of \$16,636,343 above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$283,955), the 27th payroll period (\$421,403), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$37,743), the recommendation is an increase of \$15,893,242 or 18.7 percent above the approved amount.
2. Delete \$1,460,000 State General Fund from the bed space contract and review at Omnibus. The \$1,460,000 was appropriated for the lease of 100 beds at \$40 per day, and is to be used only if and when the maximum and medium custody male inmate population reaches a capacity of 6,061. The Budget Committee wishes to review at Omnibus if the funds for the bed space contract will be necessary as the current inmate population has declined in recent months. The Budget Committee notes, however, that this may only be a short term decline in inmate population.
3. Delete \$30,000 in Supervision Fee Funds recommended for the purchase of two vehicles recommended for the parole and post-release supervision and review at Omnibus the need for the two vehicles.
4. The Budget Committee wishes to review at Omnibus the *Beyond Bars* Girls Scout program for inmates at the Topeka Correctional Facility and its current funding status. Currently 110 girls and 71 incarcerated mothers from all across Kansas participate in the program designed to soften the trauma of parental separation. The program provides the girls a bi-weekly opportunity to visit their incarcerated mothers and take part in a mother/daughter Girl Scout meeting. For the first time, families are on a waiting list to join the program. The program is facing a \$90,000 shortfall and is expecting decreased funding from the United Way.
5. The Budget Committee wishes to review at Omnibus if the available beds in Larned State Hospital's new Isaac Ray building can serve the Department of Corrections inmates who need inpatient mental health services and the additional costs to expand the State Security Program (SSP) to serve those inmates. The

cost of expanding services to Department of Corrections inmates for one 30-bed unit for one calendar quarter in FY 2006 totals \$537,637. The estimated full year cost of operating one 30-bed unit is \$2,150,548.

6. The Budget Committee wishes to review at Omnibus the possibility of a inmate re-entry program in Wyandotte County. The Wyandotte County re-entry program would serve approximately 150 moderate to high-risk offenders. There would be 14.0 FTE including a supervisor, case managers, housing and workforce specialists, facility specialists and a re-entry police officer. The annual budget would total \$938,525.
7. The Budget Committee wishes to review at Omnibus the Governor's recommendation for bonding authority for the Department of Corrections to construct a 100-bed housing unit at Ellsworth Correctional Facility and examine the current inmate population and status of the Department of Corrections reclassification program to determine the impending situation for the future need of inmate bed space.
8. The Budget Committee recommends an interim study by the Joint Committee on Corrections and Juvenile Justice Oversight to review the funding of Community Corrections Adult Residential Centers in Johnson and Sedgwick counties. The centers have experienced higher incidence of serious mental illnesses and substance abuse as well as waiting lists in the recent past. However, the program's funding has remained fairly consistent, increasing from \$2,003,818 in FY 1998 to \$2,068,020 for the past four fiscal years (FY 2001 to FY 2005).

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation with the following technical adjustment:

1. In Item No. 6, add the Budget Committee also wishes to review at Omnibus the possibility of an inmate re-entry program in Sedgwick County that would serve high risk, mentally ill, and certain sex offenders selected from the approximately 1,850 offenders that are released to Sedgwick County annually. The total budget is to be shared between Sedgwick County, the City of Wichita, and the Department of Corrections with each funding one-third of the \$825,000 required for the program. The Department of Corrections obligation for one-third of the funding would be \$275,000 State General Fund.
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Senate Subcommittee Report

Agency: Department of Corrections

Bill No. SB 270

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, 391

Budget Page No. 123

Expenditure Summary	Agency Request FY 06	Governor's Recommendation FY 06	Senate Subcommittee Adjustments*
All Funds:			
State Operations	\$ 98,788,461	\$ 96,470,811	\$ (902,293)
Aid to Local Units	17,751,212	17,751,212	0
Subtotal - Operating	\$ 116,539,673	\$ 114,222,023	\$ (902,293)
Capital Improvements	10,526,697	8,780,867	0
TOTAL	\$ 127,066,370	\$ 123,002,890	\$ (902,293)
State General Fund:			
State Operations	\$ 83,270,619	\$ 80,498,291	\$ (743,101)
Aid to Local Units	17,751,212	17,751,212	0
Subtotal - Operating	\$ 101,021,831	\$ 98,249,503	\$ (743,101)
Capital Improvements	5,034,697	3,345,000	0
TOTAL	\$ 106,056,528	\$ 101,594,503	\$ (743,101)
FTE Positions	302.2	302.2	0.0
Non FTE Uncl. Perm. Pos.	19.0	19.0	0.0
TOTAL	321.2	321.2	0.0

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

Agency Request/Governor's Recommendation

The Department of Corrections requests FY 2006 operating expenditures of \$116,539,673, an increase of \$17,362,506 (17.5 percent) above the FY 2005 revised estimate. The request includes State General Fund (SGF) expenditures of \$101,021,831, an increase of \$21,563,915 (27.1 percent) above the FY 2005 revised estimate. The FY 2006 request includes enhancement packages totaling \$18,386,701 (\$18,369,335 State General Fund), including \$12,400,000 SGF for additional funding for the new health care contract.

The Governor recommends FY 2006 operating expenditures of \$114,222,023, an increase of \$17,145,456 (17.7 percent) above the FY 2005 recommendation and a decrease of \$2,317,650 (2.0 percent) below the agency request. The recommendation includes State General Fund operating expenditures of \$98,249,503, an increase of \$20,565,335 (26.5 percent) above the FY 2005 recommendation and a decrease of \$2,772,328 (2.7 percent) below the agency request. The

recommendation includes partial funding of the enhancement requests including \$14,442,207 SGF for the new health care contract.

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 \$9,071,697.**

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observations:

1. **Pay Plan Adjustment.** Delete \$346,451 including \$283,955 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 \$555,842 including \$459,146 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$508,081), and for the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$47,761) 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 \$16,636,343 or 19.6 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 \$15,893,242, or 18.7 percent above the approved amount.
4. The Subcommittee notes that at the time Executive Reorganization Order No. 33 was developed to reorganize specific state health care programs and establish a Division of Health Policy and Finance (HPF), the Kansas Department of Corrections (KDOC) was in the process of awarding a nine-year managed health care contract. KDOC inmates are a costly population due to the prevalence of chronic disease and lack of preventive treatment prior to incarceration. The cost of health care for the inmate population could have a detrimental impact on contracts the new Division of Health Policy and Finance would seek to obtain. Traditional insurance carriers are not interested in covering services for inmates due to high usage rates, high risk behaviors, and the chronic poor health conditions of the inmate population. This clientele could in fact drive up the contract pricing if part of the new Division of Health Policy and Finance. The Subcommittee also notes that as a new service of the new inmate health care

contract, the listed pharmaceuticals, Correct Care Solutions and Diamond Pharmaceuticals, have agreed to extend discount pricing to all Kansas governmental agencies allowing county and city governments to have access to the same bulk pricing as KDOC.

5. The Subcommittee requests the Criminal Justice Recodification, Rehabilitation, and Restoration Committee (3R's) review several issues concerning the Department of Corrections. The Subcommittee feels these issues deserve an independent review and study and the Criminal Justice 3R's Committee is currently examining the programs, operations and functions of the Department of Corrections and Juvenile Justice Authority (JJA). The issues the Subcommittee requests the Criminal Justice 3R's Committee to review and examine include:
 - overall prison structure - functions, operations, and programs including JJA;
 - conditions within all adult and juvenile Kansas correctional facilities;
 - use of work crews;
 - boot camps (inmate participation);
 - double and triple bunking programs;
 - comparisons with other states of:
 - Funding and operational costs;
 - Structure of department of corrections;
 - Operations of correctional system;
 - Offender programs and treatment;
 - Recidivism;
 - Health care costs;
 - Community supervision:
 - community corrections;
 - parole and post-release/interstate compact;
 - day reporting centers/re-entry programs; and
 - conservation camps.

The Subcommittee requests that the Criminal Justice 3R's Committee submit a report of its findings to the Senate Subcommittee on or before February 1, 2006.

6. The Subcommittee wishes to review at Omnibus the Girl Scouts *Beyond Bars Program* for inmates at the Topeka Correctional Facility. Currently 110 girls and 71 incarcerated mothers from all across Kansas participate in the program designed to cushion the trauma of parental separation. The program provides girls a bi-weekly opportunity to visit their incarcerated mothers and take part in a mother/daughter Girl Scout meeting. For the first time, families are on a waiting list to join the program. The program is facing a \$90,000 shortfall and is expecting decreased funding from the United Way.
7. The Subcommittee wishes to review at Omnibus the visitor centers at the correctional facilities. Currently there is only one visitor center operating in the state located at the Ellsworth Correctional Facility. In the past there has been a visitor center at the Ellsworth, Lansing, Hutchinson and Norton. Funding for the visitor centers has historically been provided from the telephone commissions from the Department of Corrections' Inmate Benefit Fund which for FY 2006 has been utilized to finance other offender programs.

8. The Senate Subcommittee recommends an interim study by the Joint Committee on Corrections and Juvenile Justice Oversight to review the funding of Community Corrections Adult Residential Centers in Johnson and Sedgwick counties. The centers have experienced higher incidence of serious mental illnesses and substance abuse as well as waiting lists in the recent past. However, the program's funding has remained fairly consistent, increasing from \$2,003,818 in FY 1998 to \$2,068,020 or 3.2 percent over the past four fiscal years (FY 2001 to FY 2005).
9. The Subcommittee wishes to encourage the state's criminal justice system to become more educated on the conservation camps. The Subcommittee feels the conservation camps are not being used to their capacity and usefulness. Inmates are sent there through a court order sentence, however, the courts are not taking advantage of the conservation camps program as the conservation camps rarely reach capacity. As of January 14, 2005, the Labette Correctional Conservation Camp for male inmates had a population of 153 offenders with a capacity of 191 offenders. The Labette Women's Correctional Camp population was 29 with a capacity of 32 offenders as of January 14, 2005.
10. The Subcommittee wishes to recognize the Department of Corrections Parole Service Interstate Compact unit. Authorized in 2002, the State of Kansas joined the Interstate Compact for Adult Offender Supervision (ICAOS). Becoming a member of ICAOS allows Kansas to transfer offenders to other member states and for those states to transfer their offenders to the State of Kansas according to rules set forth by the Interstate Commission. Prior to the advent of the ICAOS, the Interstate Compact was governed by the Probation and Parole Compact Administrator's Association. The ICAOS came about in an effort to provide greater emphasis on standardization of rules and to attempt to gain greater compliance. The only state not to join the Compact is Massachusetts. As of January 7, 2005, non-Kansas offenders supervised in Kansas totaled 1,401 and Kansas offenders supervised out-of-state totaled 938 offenders.
11. The Subcommittee wishes to review at Omnibus the possibility of inmate re-entry program in Sedgwick County. The Sedgwick County re-entry program would serve high risk, mentally ill and certain sex offenders selected from the approximately 1,850 offenders that are released to Sedgwick County annually. The Sedgwick County Commission has approved the program and the City of Wichita voted on March 8, 2005 to authorize the program. The total budget is to be shared between Sedgwick County, the City of Wichita and the Department of Corrections with each funding one-third of the \$825,000 required for the program. The Department of Corrections obligation for one-third of the funding would be \$275,000 State General Fund.

House Budget Committee Report

Agency: El Dorado Correctional Facility

Bill No. HB 2480

Bill Sec. 34

Analyst: Krahl

Analysis Pg. No. Vol. 1, 421

Budget Page No. 157

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 21,237,972	\$ 21,237,972	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 21,237,972	\$ 21,237,972	\$ 0
Capital Improvements	133,993	129,548	0
TOTAL	\$ 21,371,965	\$ 21,367,520	\$ 0
State General Fund:			
State Operations	\$ 21,101,492	\$ 21,101,492	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 21,101,492	\$ 21,101,492	\$ 0
Capital Improvements	62,310	62,310	0
TOTAL	\$ 21,163,802	\$ 21,163,802	\$ 0
FTE Positions	466.0	466.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	467.0	467.0	0.0

Agency Estimate/Governor's Recommendation

El Dorado Correctional Facility estimates FY 2005 operating expenditures of \$21,237,972 a decrease of \$62,310 (0.3 percent) below the 2005 approved amount. The estimate includes State General Fund expenditures of \$21,101,492, a decrease of \$62,310 (0.3 percent) below the approved amount. The decrease is due to a shift of funds from operating expenditures to capital improvements for debt service principal. The estimate includes funding for 466.0 FTE positions and includes a 5.8 percent salaries and wages shrinkage rate. The average daily inmate population is estimated at 1,370 for FY 2005.

The Governor recommends FY 2005 operating expenditures of \$21,367,972 and concurs with the agency's estimate.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

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

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: El Dorado Correctional Facility **Bill No.** SB 272 **Bill Sec.** 34
Analyst: Krahl **Analysis Pg. No.** Vol. 1, 421 **Budget Page No.** 157

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 21,237,972	\$ 21,237,972	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 21,237,972	\$ 21,237,972	\$ 0
Capital Improvements	133,993	129,548	0
TOTAL	\$ 21,371,965	\$ 21,367,520	\$ 0
State General Fund:			
State Operations	\$ 21,101,492	\$ 21,101,492	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 21,101,492	\$ 21,101,492	\$ 0
Capital Improvements	62,310	62,310	0
TOTAL	\$ 21,163,802	\$ 21,163,802	\$ 0
FTE Positions	466.0	466.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	467.0	467.0	0.0

Agency Estimate/Governor's Recommendation

El Dorado Correctional Facility estimates FY 2005 operating expenditures of \$21,237,972 a decrease of \$62,310 (0.3 percent) below the 2005 approved amount. The estimate includes State General Fund expenditures of \$21,101,492, a decrease of \$62,310 (0.3 percent) below the approved amount. The decrease is due to a shift of funds from operating expenditures to capital improvements for debt service principal. The estimate includes funding for 466.0 FTE positions and includes

a 5.8 percent salaries and wages shrinkage rate. The average daily inmate population is estimated at 1,370 for FY 2005.

The Governor recommends FY 2005 operating expenditures of \$21,367,972 and concurs with the agency's estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following observation:

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

House Budget Committee Report

Agency: El Dorado Correctional Facility

Bill No. HB 2482

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, pg. 421

Budget Page No. 157

Expenditure Summary	Agency Request FY 06	Governor's Recommendation FY 06	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 21,355,606	\$ 22,160,949	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 21,355,606	\$ 22,160,949	\$ 0
Capital Improvements	171,431	171,431	0
TOTAL	\$ 21,527,037	\$ 22,332,380	\$ 0
State General Fund:			
State Operations	\$ 21,233,340	\$ 22,038,378	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 21,233,340	\$ 22,038,378	\$ 0
Capital Improvements	171,431	171,431	0
TOTAL	\$ 21,404,771	\$ 22,209,809	\$ 0
FTE Positions	466.0	466.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	467.0	467.0	0.0

Agency Request/Governor's Recommendation

El Dorado Correctional Facility requests FY 2006 operating expenditures of \$21,355,606, an increase of \$117,634 (0.6 percent) above the FY 2005 estimate. The request includes State General Fund expenditures of \$21,233,340, an increase of \$131,848 (0.6 percent) above the FY 2005 estimate. The request includes funding for 466.0 FTE positions and includes a 6.1 percent salaries and wages shrinkage rate. The request includes enhancement requests of \$234,585 SGF. Without the enhancement request, the facility's request would be \$21,121,021, a decrease of \$116,951 (0.5 percent) below the FY 2005 estimate. The average daily inmate population is estimated at 1,390 for FY 2006.

The Governor recommends FY 2006 operating expenditures of \$22,160,949, an increase of \$922,977 (4.3 percent) above the FY 2005 estimate and an increase of \$805,343 (3.8 percent) above the facility's request. The recommendation includes State General Fund expenditures of \$22,038,378, an increase of \$936,886 (4.4 percent) above the FY 2005 estimate. The recommendation includes an increase of \$1,039,928 State General Fund, for a KPERS death and disability rate increase, the 27th payroll period and a 2.5 percent base salary increase.

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 \$1,983,185.**

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$22,209,809 an increase of \$1,046,007 above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$400,801), the 27th payroll period (\$593,709), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$45,113), the recommendation is an increase of \$6,384, above the approved amount.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: El Dorado Correctional Facility

Bill No. SB 270

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, pg. 421

Budget Page No. 157

<u>Expenditure Summary</u>	<u>Agency Request FY 06</u>	<u>Governor's Recommendation FY 06</u>	<u>Senate Subcommittee Adjustments*</u>
All Funds:			
State Operations	\$ 21,355,606	\$ 22,160,949	\$ (1,039,928)
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 21,355,606	\$ 22,160,949	\$ (1,039,928)
Capital Improvements	171,431	171,431	0
TOTAL	\$ 21,527,037	\$ 22,332,380	\$ (1,039,928)
State General Fund:			
State Operations	\$ 21,233,340	\$ 22,038,378	\$ (1,039,623)
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 21,233,340	\$ 22,038,378	\$ (1,039,623)
Capital Improvements	171,431	171,431	0
TOTAL	\$ 21,404,771	\$ 22,209,809	\$ (1,039,623)
FTE Positions	466.0	466.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	467.0	467.0	0.0

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

Agency Request/Governor's Recommendation

El Dorado Correctional Facility requests FY 2006 operating expenditures of \$21,355,606, an increase of \$117,634 (0.6 percent) above the FY 2005 estimate. The request includes State General Fund expenditures of \$21,233,340, an increase of \$131,848 (0.6 percent) above the FY 2005 estimate. The request includes funding for 466.0 FTE positions and includes a 6.1 percent salaries and wages shrinkage rate. The request includes enhancement requests of \$234,585 SGF. Without the enhancement request, the facility's request would be \$21,121,021, a decrease of \$116,951 (0.5 percent) below the FY 2005 estimate. The average daily inmate population is estimated at 1,390 for FY 2006.

The Governor recommends FY 2006 operating expenditures of \$22,160,949, an increase of \$922,977 (4.3 percent) above the FY 2005 estimate and an increase of \$805,343 (3.8 percent) above the facility's request. The recommendation includes State General Fund expenditures of \$22,038,378, an increase of \$936,886 (4.4 percent) above the FY 2005 estimate. The recommendation includes an increase of \$1,039,928 State General Fund, for a KPERS death and disability rate increase, the 27th payroll period and a 2.5 percent base salary increase.

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 \$1,983,185.**

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observation:

1. **Pay Plan Adjustment.** Delete \$400,801 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 \$639,127 including \$638,822 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$593,709), and for the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$45,418) 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 \$1,046,007 or 4.9 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 \$6,384 above the approved amount.

House Budget Committee Report

Agency: Ellsworth Correctional Facility

Bill No. HB 2480

Bill Sec. 34

Analyst: Krahl

Analysis Pg. No. Vol. 1, 439

Budget Page No. 159

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 10,849,786	\$ 10,849,786	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,849,786	\$ 10,849,786	\$ 0
Capital Improvements	24,784	24,784	0
TOTAL	\$ 10,874,570	\$ 10,874,570	\$ 0
State General Fund:			
State Operations	\$ 10,791,955	\$ 10,791,955	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,791,955	\$ 10,791,955	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 10,791,955	\$ 10,791,955	\$ 0
FTE Positions	223.0	223.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	224.0	224.0	0.0

Agency Estimate/Governor's Recommendation

Ellsworth Correctional Facility estimates FY 2005 operating expenditures of \$10,849,786 an increase of \$4,079 (0.0 percent) above the approved amount. The estimate includes State General Fund expenditures of \$10,791,955, an increase of \$5,616 (0.1 percent) above the approved amount. This increase is due to Kansas Savings Incentive Program (KSIP) expenditures. The decrease of \$1,537 in all other funds is due to revised General Fee Fund expenditures. The estimate includes funding for 223.0 FTE positions. The average daily population is estimated to be 830 inmates for FY 2005.

The Governor recommends FY 2005 operating expenditures of \$10,849,786 and concurs with the agency's estimate.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

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 \$5,616 or 0.1 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Ellsworth Correctional Facility

Bill No. SB 272

Bill Sec. 34

Analyst: Krahl

Analysis Pg. No. Vol. 1, 439

Budget Page No. 159

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 10,849,786	\$ 10,849,786	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,849,786	\$ 10,849,786	\$ 0
Capital Improvements	24,784	24,784	0
TOTAL	\$ 10,874,570	\$ 10,874,570	\$ 0
State General Fund:			
State Operations	\$ 10,791,955	\$ 10,791,955	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,791,955	\$ 10,791,955	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 10,791,955	\$ 10,791,955	\$ 0
FTE Positions	223.0	223.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	224.0	224.0	0.0

Agency Estimate/Governor's Recommendation

Ellsworth Correctional Facility estimates FY 2005 operating expenditures of \$10,849,786 an increase of \$4,079 (0.0 percent) above the approved amount. The estimate includes State General Fund expenditures of \$10,791,955, an increase of \$5,616 (0.1 percent) above the approved

amount. This increase is due to Kansas Savings Incentive Program (KSIP) expenditures. The decrease of \$1,537 in all other funds is due to revised General Fee Fund expenditures. The estimate includes funding for 223.0 FTE positions. The average daily population is estimated to be 830 inmates for FY 2005.

The Governor recommends FY 2005 operating expenditures of \$10,849,786 and concurs with the agency's estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 revised recommendation is a State General Fund increase of \$5,616 or 0.1 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Budget Committee Report

Agency: Ellsworth Correctional Facility

Bill No. HB 2482

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, 439

Budget Page No. 159

Expenditure Summary	Agency Request FY 06	Governor's Recommendation FY 06	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 11,069,868	\$ 11,387,824	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 11,069,868	\$ 11,387,824	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 11,069,868	\$ 11,387,824	\$ 0
State General Fund:			
State Operations	\$ 11,031,925	\$ 11,349,758	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 11,031,925	\$ 11,349,758	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 11,031,925	\$ 11,349,758	\$ 0
FTE Positions	223.0	223.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	224.0	224.0	0.0

Agency Request/Governor's Recommendation

Ellsworth Correctional Facility requests FY 2006 operating expenditures of \$11,069,868, an increase of \$220,082 (2.0 percent) above the FY 2005 estimate. The request includes State General Fund expenditures of \$11,031,925, an increase of \$239,970 (2.2 percent) above the FY 2005 estimate. The request includes three enhancement requests totaling \$221,871 State General Fund. The request includes funding for 223.0 FTE positions. The average daily population is estimated to be 830 inmates for FY 2006.

The Governor recommends FY 2006 operating expenditures of \$11,387,824, an increase of \$538,038 (5.0 percent) above the FY 2005 revised estimate. The Governor's recommendation is an increase of \$317,956 (2.9 percent) above the facility's request. The recommendation includes State General Fund expenditures of \$11,349,758, an increase of \$557,803 (5.2 percent) above the FY 2005 revised estimate and an increase of \$317,833 (2.9 percent) above the facility's request. The recommendation includes adjustments of \$539,827 (\$539,704 SGF) for the KPERS death and disability rate increase, the 27th payroll period, and a 2.5 percent base salary increase. The Governor does not recommend the facility's enhancement requests. The Governor also recommends the bonding authority to construct a 100-bed housing unit at Ellsworth Correctional Facility to address the projected population increases. The estimated cost of this construction project is \$3,505,800, including \$311,000 for one-time start-up costs.

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 \$1,013,456.**

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$11,349,758, an increase of \$563,419 above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$205,593), the 27th payroll period (\$304,519), and the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$29,592), the recommendation is an increase of \$23,715 or 0.2 percent above the approved amount.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Ellsworth Correctional Facility

Bill No. SB 270

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, 439

Budget Page No. 159

Expenditure Summary	Agency Request FY 06	Governor's Recommendation FY 06	Senate Subcommittee Adjustments*
All Funds:			
State Operations	\$ 11,069,868	\$ 11,387,824	\$ (539,827)
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 11,069,868	\$ 11,387,824	\$ (539,827)
Capital Improvements	0	0	0
TOTAL	\$ 11,069,868	\$ 11,387,824	\$ (539,827)
State General Fund:			
State Operations	\$ 11,031,925	\$ 11,349,758	\$ (539,704)
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 11,031,925	\$ 11,349,758	\$ (539,704)
Capital Improvements	0	0	0
TOTAL	\$ 11,031,925	\$ 11,349,758	\$ (539,704)
FTE Positions	223.0	223.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	224.0	224.0	0.0

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

Agency Request/Governor's Recommendation

Ellsworth Correctional Facility requests FY 2006 operating expenditures of \$11,069,868, an increase of \$220,082 (2.0 percent) above the FY 2005 estimate. The request includes State General Fund expenditures of \$11,031,925, an increase of \$239,970 (2.2 percent) above the FY 2005 estimate. The request includes three enhancement requests totaling \$221,871 State General Fund. The request includes funding for 223.0 FTE positions. The average daily population is estimated to be 830 inmates for FY 2006.

The Governor recommends FY 2006 operating expenditures of \$11,387,824, an increase of \$538,038 (5.0 percent) above the FY 2005 revised estimate. The Governor's recommendation is an increase of \$317,956 (2.9 percent) above the facility's request. The recommendation includes State General Fund expenditures of \$11,349,758, an increase of \$557,803 (5.2 percent) above the FY 2005 revised estimate and an increase of \$317,833 (2.9 percent) above the facility's request. The recommendation includes adjustments of \$539,827 (\$539,704 SGF) for the KPERS death and disability rate increase, the 27th payroll period, and a 2.5 percent base salary increase. The Governor does not recommend the facility's enhancement requests. The Governor also

recommends the bonding authority to construct a 100-bed housing unit at Ellsworth Correctional Facility to address the projected population increases. The estimated cost of this construction project is \$3,505,800, including \$311,000 for one-time start-up costs.

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 \$1,013,456.**

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observation:

1. **Pay Plan Adjustment.** Delete \$205,593 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 \$333,234 including \$334,111 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$304,519), and for the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$29,715) 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 \$563,419 or 5.2 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 \$23,715 or 0.2 percent above the approved amount.

House Budget Committee Report

Agency: Hutchinson Correctional Facility **Bill No.** HB 2480

Bill Sec. 34

Analyst: Krahl

Analysis Pg. No. Vol 1. 454

Budget Page No. 205

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 25,023,992	\$ 25,023,992	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 25,023,992	\$ 25,023,992	\$ 0
Capital Improvements	489,330	1,164,055	0
TOTAL	\$ 25,513,322	\$ 26,188,047	\$ 0
State General Fund:			
State Operations	\$ 24,761,274	\$ 24,761,274	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 24,761,274	\$ 24,761,274	\$ 0
Capital Improvements	227,874	227,874	0
TOTAL	\$ 24,989,148	\$ 24,989,148	\$ 0
FTE Positions	513.0	513.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	513.0	513.0	0.0

Agency Estimate/Governor's Recommendation

Hutchinson Correctional Facility requests FY 2005 operating expenditures of \$25,023,992, a decrease of \$61,669 (0.2 percent) below the 2005 approved amount. The estimate includes State General Fund expenditures of \$24,761,274, a decrease of \$5,184 (0.02 percent) below the approved amount. The revised estimate provides funding for 513.0 FTE positions. The average daily inmate population is estimated to be 1,835.

The Governor recommends FY 2005 operating expenditures of \$25,023,992 and concurs with the agency's estimate.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

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 \$4,308 or 0.0 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Hutchinson Correctional Facility **Bill No.** SB 272 **Bill Sec.** 34

Analyst: Krahl **Analysis Pg. No.** Vol. 1, 454 **Budget Page No.** 205

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 25,023,992	\$ 25,023,992	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 25,023,992	\$ 25,023,992	\$ 0
Capital Improvements	489,330	1,164,055	0
TOTAL	\$ 25,513,322	\$ 26,188,047	\$ 0
State General Fund:			
State Operations	\$ 24,761,274	\$ 24,761,274	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 24,761,274	\$ 24,761,274	\$ 0
Capital Improvements	227,874	227,874	0
TOTAL	\$ 24,989,148	\$ 24,989,148	\$ 0
FTE Positions	513.0	513.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	513.0	513.0	0.0

Agency Estimate/Governor's Recommendation

Hutchinson Correctional Facility estimates FY 2005 operating expenditures of \$25,023,992, a decrease of \$61,669 (0.2 percent) below the 2005 approved amount. The estimate includes State General Fund expenditures of \$24,761,274, a decrease of \$5,184 (0.02 percent) below the approved amount. The revised estimate provides funding for 513.0 FTE positions. The average daily inmate population is estimated to be 1,835.

The Governor recommends FY 2005 operating expenditures of \$25,023,992 and concurs with the agency's estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 revised recommendation is a State General Fund increase of \$4,308 or 0.0 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Budget Committee Report

Agency: Hutchinson Correctional Facility **Bill No.** HB 2482

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol 1. 454

Budget Page No. 205

Expenditure Summary	Agency Request FY 06	Governor's Recommendation FY 06	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 25,253,067	\$ 26,272,299	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 25,253,067	\$ 26,272,299	\$ 0
Capital Improvements	237,777	237,777	0
TOTAL	\$ 25,490,844	\$ 26,510,076	\$ 0
State General Fund:			
State Operations	\$ 24,990,349	\$ 25,994,276	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 24,990,349	\$ 25,994,276	\$ 0
Capital Improvements	237,777	237,777	0
TOTAL	\$ 25,228,126	\$ 26,232,053	\$ 0
FTE Positions	513.0	513.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	513.0	513.0	0.0

Agency Request/Governor's Recommendation

Hutchinson Correctional Facility requests FY 2006 operating expenditures of \$25,253,067, an increase of \$229,075 (0.9 percent) above the FY 2005 estimate. The estimate includes State General Fund expenditures of \$24,990,349, an increase of \$229,075 (0.9 percent) above the FY 2005 estimate and includes three enhancement requests totaling \$233,846. Without the enhancement requests, the facility's request would be \$25,019,221, a decrease of \$4,771 (0.02 percent) below the FY 2005 estimate. The FY 2006 request will provide funding for 513.0 FTE positions and an average daily inmate population estimated to be 1,840, an increase of 5.0 inmates above FY 2005.

The Governor recommends FY 2006 operating expenditures of \$26,272,299, an increase of \$1,248,307 (5.0 percent) above the FY 2005 recommendation and an increase of \$1,019,232 (4.0 percent) above the facility's request. The recommendation includes State General Fund expenditures of \$25,994,276, an increase of \$1,233,002 (5.0 percent) above the FY 2005 recommendation and an increase of \$1,003,927 (4.0 percent) above the facility's request. The recommendation includes \$1,253,078 (\$1,252,773 SGF) for a KPERS death and disability rate increase, the 27th payroll period and a 2.5 percent base salary increase. The recommendation does not include the enhancement requests. The Governor concurs with the facility's amount for average daily inmate population of 1,840.

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 \$2,342,343.**

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$26,232,053, an increase of \$1,247,213 above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$477,219), the 27th payroll period (\$706,843), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$68,711), the recommendation is a decrease of \$5,560 below the approved amount.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Hutchinson Correctional Facility

Bill No. SB 270

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol 1. 454

Budget Page No. 205

<u>Expenditure Summary</u>	<u>Agency Request FY 06</u>	<u>Governor's Recommendation FY 06</u>	<u>Senate Subcommittee Adjustments*</u>
All Funds:			
State Operations	\$ 25,253,067	\$ 26,272,299	\$ (1,253,078)
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 25,253,067	\$ 26,272,299	\$ (1,253,078)
Capital Improvements	237,777	237,777	0
TOTAL	\$ 25,490,844	\$ 26,510,076	\$ (1,253,078)
State General Fund:			
State Operations	\$ 24,990,349	\$ 25,994,276	\$ (1,252,773)
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 24,990,349	\$ 25,994,276	\$ (1,252,773)
Capital Improvements	237,777	237,777	0
TOTAL	\$ 25,228,126	\$ 26,232,053	\$ (1,252,773)
FTE Positions	513.0	513.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	513.0	513.0	0.0

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

Agency Request/Governor's Recommendation

Hutchinson Correctional Facility requests FY 2006 operating expenditures of \$25,253,067, an increase of \$229,075 (0.9 percent) above the FY 2005 estimate. The estimate includes State General Fund expenditures of \$24,990,349, an increase of \$229,075 (0.9 percent) above the FY 2005 estimate and includes three enhancement requests totaling \$233,846. Without the enhancement requests, the facility's request would be \$25,019,221, a decrease of \$4,771 (0.02 percent) below the FY 2005 estimate. The FY 2006 request will provide funding for 513.0 FTE positions and an average daily inmate population estimated to be 1,840, an increase of 5.0 inmates above FY 2005.

The Governor recommends FY 2006 operating expenditures of \$26,272,299, an increase of \$1,248,307 (5.0 percent) above the FY 2005 recommendation and an increase of \$1,019,232 (4.0 percent) above the facility's request. The recommendation includes State General Fund expenditures of \$25,994,276, an increase of \$1,233,002 (5.0 percent) above the FY 2005 recommendation and an increase of \$1,003,927 (4.0 percent) above the facility's request. The

recommendation includes \$1,253,078 (\$1,252,773 SGF) for a KPERS death and disability rate increase, the 27th payroll period and a 2.5 percent base salary increase. The recommendation does not include the enhancement requests. The Governor concurs with the facility's amount for average daily inmate population of 1,840.

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 \$2,342,343.**

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observation:

1. **Pay Plan Adjustment.** Delete \$477,219 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 \$775,659, including \$775,554 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$706,843), and for the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$69,016) 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 \$1,247,213 or 5.0 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 \$5,560 above the approved amount.

House Budget Committee Report

Agency: Lansing Correctional Facility

Bill No. HB 2480

Bill Sec. 34

Analyst: Krahl

Analysis Pg. No. Vol. 1, 470

Budget Page No. 297

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 32,767,925	\$ 32,699,457	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 32,767,925	\$ 32,699,457	\$ 0
Capital Improvements	1,691,524	1,696,911	0
TOTAL	\$ 34,459,449	\$ 34,396,368	\$ 0
State General Fund:			
State Operations	\$ 32,607,925	\$ 32,539,457	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 32,607,925	\$ 32,539,457	\$ 0
Capital Improvements	306,253	306,253	0
TOTAL	\$ 32,914,178	\$ 32,845,170	\$ 0
FTE Positions	699.0	699.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	700.0	700.0	0.0

Agency Estimate/Governor's Recommendation

Lansing Correctional Facility estimates FY 2005 operating expenditures of \$32,767,925, a decrease of \$266,781 (0.8 percent) below the approved amount. The FY 2005 estimate provided funding for 699.0 FTE positions. The estimate includes State General Fund (SGF) expenditures of \$32,607,925 a decrease of \$304,752 (0.9 percent) below the approved amount. The revised estimate includes a shift of \$306,253 SGF from operating expenditures to capital improvements for debt service principal, a KSIP expenditure of \$1,501 SGF and \$37,971 of additional General Fees Funds. The average daily inmate population is estimated at 2,484 for FY 2005.

The Governor recommends FY 2005 operating expenditures of \$32,699,457 a decrease of \$335,249 (1.0 percent) below the approved amount. The recommendation includes State General Fund expenditures of \$32,539,457, a decrease of \$373,200 (1.1 percent) below the approved amount. The recommendation includes a shift of \$306,253 SGF from operating expenditures to capital improvements, an increase of \$1,501 SGF for KSIP expenditures and a lapse of \$68,468 SGF in salary savings.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2005 revised recommendation is a State General Fund decrease of \$66,967 or 0.2 percent below the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Lansing Correctional Facility **Bill No.** SB 272 **Bill Sec.** 34

Analyst: Krahl **Analysis Pg. No.** Vol. 1, 470 **Budget Page No.** 297

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 32,767,925	\$ 32,699,457	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 32,767,925	\$ 32,699,457	\$ 0
Capital Improvements	1,691,524	1,696,911	0
TOTAL	\$ 34,459,449	\$ 34,396,368	\$ 0
State General Fund:			
State Operations	\$ 32,607,925	\$ 32,539,457	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 32,607,925	\$ 32,539,457	\$ 0
Capital Improvements	306,253	306,253	0
TOTAL	\$ 32,914,178	\$ 32,845,170	\$ 0
FTE Positions	699.0	699.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	700.0	700.0	0.0

Agency Estimate/Governor's Recommendation

Lansing Correctional Facility estimates FY 2005 operating expenditures of \$32,767,925, a decrease of \$266,781 (0.8 percent) below the approved amount. The FY 2005 estimate provided funding for 699.0 FTE positions. The estimate includes State General Fund (SGF) expenditures of \$32,607,925 a decrease of \$304,752 (0.9 percent) below the approved amount. The revised estimate includes a shift of \$306,253 SGF from operating expenditures to capital improvements for debt service principal, a KSIP expenditure of \$1,501 SGF and \$37,971 of additional General Fees Funds. The average daily inmate population is estimated at 2,484 for FY 2005.

The Governor recommends FY 2005 operating expenditures of \$32,699,457 a decrease of \$335,249 (1.0 percent) below the approved amount. The recommendation includes State General Fund expenditures of \$32,539,457, a decrease of \$373,200 (1.1 percent) below the approved amount. The recommendation includes a shift of \$306,253 SGF from operating expenditures to capital improvements, an increase of \$1,501 SGF for KSIP expenditures and a lapse of \$68,468 SGF in salary savings.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 revised recommendation is a State General Fund decrease of \$66,967 or 0.2 percent below the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Budget Committee Report

Agency: Lansing Correctional Facility

Bill No. HB 2482

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, 470

Budget Page No. 297

Expenditure Summary	Agency Request FY 06	Governor's Recommendation FY 06	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 32,924,045	\$ 34,454,714	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 32,924,045	\$ 34,454,714	\$ 0
Capital Improvements	317,348	317,348	0
TOTAL	\$ 33,241,393	\$ 34,772,062	\$ 0
State General Fund:			
State Operations	\$ 32,764,045	\$ 34,294,714	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 32,764,045	\$ 34,294,714	\$ 0
Capital Improvements	317,348	317,348	0
TOTAL	\$ 33,081,393	\$ 34,612,062	\$ 0
FTE Positions	699.0	699.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	700.0	700.0	0.0

Agency Request/Governor Recommendation

Lansing Correctional Facility requests FY 2006 operating expenditures of \$32,924,045, an increase of \$156,120 (0.5 percent), all State General Fund, above the FY 2005 estimate. The request includes funding for 699.0 FTE positions with a salaries and wages shrinkage rate of 6.0 percent. The facility requests two enhancements totaling \$159,463 State General Fund. The average daily inmate population is estimated at 2,489 for FY 2006, an increase of 5.0 inmates above FY 2005.

The Governor recommends FY 2006 operating expenditures of \$34,454,714, an increase of \$1,755,257 (5.4 percent) above the FY 2005 recommendation and an increase of \$1,530,669 (4.6 percent) above the facility's request. The recommendation includes State General Fund expenditures of \$34,294,714, an increase of \$1,755,257 (5.4 percent) above the FY 2005 recommendation. The recommendation includes \$1,690,132 SGF for the KPERS death and disability rate increase, the 27th payroll period and a 2.5 percent base salary increase.

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 \$3,090,621.**

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$34,612,062, an increase of \$1,699,385 above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$643,623), the 27th payroll period (\$953,307), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$93,202), the recommendation is an increase of \$9,253 above the approved amount.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Lansing Correctional Facility

Bill No. SB 270

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, 470

Budget Page No. 297

Expenditure Summary	Agency Request FY 06	Governor's Recommendation FY 06	Senate Subcommittee Adjustments*
All Funds:			
State Operations	\$ 32,924,045	\$ 34,454,714	\$ (1,690,132)
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 32,924,045	\$ 34,454,714	\$ (1,690,132)
Capital Improvements	317,348	317,348	0
TOTAL	\$ 33,241,393	\$ 34,772,062	\$ (1,690,132)
State General Fund:			
State Operations	\$ 32,764,045	\$ 34,294,714	\$ (1,690,132)
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 32,764,045	\$ 34,294,714	\$ (1,690,132)
Capital Improvements	317,348	317,348	0
TOTAL	\$ 33,081,393	\$ 34,612,062	\$ (1,690,132)
FTE Positions	699.0	699.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	700.0	700.0	0.0

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

Agency Request/Governor Recommendation

Lansing Correctional Facility requests FY 2006 operating expenditures of \$32,924,045, an increase of \$156,120 (0.5 percent), all State General Fund, above the FY 2005 estimate. The request includes funding for 699.0 FTE positions with a salaries and wages shrinkage rate of 6.0 percent. The facility requests two enhancements totaling \$159,463 State General Fund. The average daily inmate population is estimated at 2,489 for FY 2006, an increase of 5.0 inmates above FY 2005.

The Governor recommends FY 2006 operating expenditures of \$34,454,714, an increase of \$1,755,257 (5.4 percent) above the FY 2005 recommendation and an increase of \$1,530,669 (4.6 percent) above the facility's request. The recommendation includes State General Fund expenditures of \$34,294,714, an increase of \$1,755,257 (5.4 percent) above the FY 2005 recommendation. The recommendation includes \$1,690,132 SGF for the KPERS death and disability rate increase, the 27th payroll period and a 2.5 percent base salary increase.

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 \$3,090,621.**

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observation:

1. **Pay Plan Adjustment.** Delete \$643,623 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 \$1,046,509 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$953,307), and for the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$93,202) 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 \$1,699,385 or 5.2 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 \$9,253 above the approved amount.

House Budget Committee Report

Agency: Larned Correctional Mental Health Facility **Bill No.** HB 2480

Bill Sec. 34

Analyst: Krahl

Analysis Pg. No. Vol. 1, 487

Budget Page No. 299

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 8,308,828	\$ 8,308,828	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 8,308,828	\$ 8,308,828	\$ 0
Capital Improvements	38,000	53,500	0
TOTAL	\$ 8,346,828	\$ 8,362,328	\$ 0
State General Fund:			
State Operations	\$ 8,308,828	\$ 8,308,828	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 8,308,828	\$ 8,308,828	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 8,308,828	\$ 8,308,828	\$ 0
FTE Positions	186.0	186.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	186.0	186.0	0.0

Agency Estimate/Governor's Recommendation

Larned Correctional Mental Health Facility estimates FY 2005 operating expenditures of \$8,308,828, a decrease of \$3,807 (0.0 percent) below the FY 2005 Legislative approved amount. The reduction is due to revised General Fee Fund expenditures. State General Fund estimates of \$8,308,828 are the same as the approved amount. The estimate includes funding for 186.0 FTE positions. The average daily population is estimated to be 350 inmates for FY 2005.

The Governor recommends FY 2005 operating expenditures of \$8,308,828 and concurs with the agency's estimate.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

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

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Larned Correctional Mental Health Facility **Bill No.** SB 272

Bill Sec. 34

Analyst: Krahl

Analysis Pg. No. Vol. 1, 487

Budget Page No. 299

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 8,308,828	\$ 8,308,828	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 8,308,828	\$ 8,308,828	\$ 0
Capital Improvements	38,000	53,500	0
TOTAL	\$ 8,346,828	\$ 8,362,328	\$ 0
State General Fund:			
State Operations	\$ 8,308,828	\$ 8,308,828	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 8,308,828	\$ 8,308,828	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 8,308,828	\$ 8,308,828	\$ 0
FTE Positions	186.0	186.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	186.0	186.0	0.0

Agency Estimate/Governor's Recommendation

Larned Correctional Mental Health Facility estimates FY 2005 operating expenditures of \$8,308,828, a decrease of \$3,807 (0.0 percent) below the FY 2005 Legislative approved amount. The reduction is due to revised General Fee Fund expenditures. State General Fund estimates of

\$8,308,828 are the same as the approved amount. The estimate includes funding for 186.0 FTE positions. The average daily population is estimated to be 350 inmates for FY 2005.

The Governor recommends FY 2005 operating expenditures of \$8,308,828 and concurs with the agency's estimate.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following observation:

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

House Budget Committee Report

Agency: Larned Correctional Mental Health Facility **Bill No.** HB 2482

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, 487

Budget Page No. 299

Expenditure Summary	Agency Request FY 06	Governor's Recommendation FY 06	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 8,427,790	\$ 8,757,419	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 8,427,790	\$ 8,757,419	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 8,427,790	\$ 8,757,419	\$ 0
State General Fund:			
State Operations	\$ 8,423,290	\$ 8,752,919	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 8,423,290	\$ 8,752,919	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 8,423,290	\$ 8,752,919	\$ 0
FTE Positions	186.0	186.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	186.0	186.0	0.0

Agency Request/Governor's Recommendation

Larned Correctional Mental Health Facility requests FY 2006 operating expenditures of \$8,427,790, an increase of \$118,962 (1.4 percent) above the FY 2005 estimate. The request includes funding for 186.0 FTE positions and State General Fund expenditures of \$8,423,290, an increase of \$114,462 (1.4 percent) above the FY 2005 estimate. The FY 2006 request includes three enhancement requests totaling \$111,043 State General Fund. The average daily population is 360 inmates for FY 2006.

The Governor recommends FY 2006 operating expenditures of \$8,757,419, an increase of \$448,591 (5.4 percent) above the FY 2005 recommendation and an increase of \$329,629 (3.9 percent) above the facility's request. The recommendation does not include the facility's enhancement requests. The State General Fund recommendation totals \$8,752,919, an increase of \$444,091 (5.3 percent) above the FY 2005 recommendation and an increase of \$329,629 (3.9 percent) above the facility's request. The FY 2006 recommendation includes \$440,672 SGF for a KPERS death and disability rate increase, the 27th payroll period and a 2.5 percent base salary increase.

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 \$781,576.**

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$8,752,919, an increase of \$444,091 above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$167,884), the 27th payroll period (\$248,668), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$24,120), the recommendation is an increase of \$3,419 above the approved amount.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Larned Correctional Mental Health Facility **Bill No.** SB 270

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, 487

Budget Page No. 299

Expenditure Summary	Agency Request FY 06	Governor's Recommendation FY 06	Senate Subcommittee Adjustments*
All Funds:			
State Operations	\$ 8,427,790	\$ 8,757,419	\$ (440,672)
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 8,427,790	\$ 8,757,419	\$ (440,672)
Capital Improvements	0	0	0
TOTAL	\$ 8,427,790	\$ 8,757,419	\$ (440,672)
State General Fund:			
State Operations	\$ 8,423,290	\$ 8,752,919	\$ (440,672)
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 8,423,290	\$ 8,752,919	\$ (440,672)
Capital Improvements	0	0	0
TOTAL	\$ 8,423,290	\$ 8,752,919	\$ (440,672)
FTE Positions	186.0	186.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	186.0	186.0	0.0

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

Agency Request/Governor's Recommendation

Larned Correctional Mental Health Facility requests FY 2006 operating expenditures of \$8,427,790, an increase of \$118,962 (1.4 percent) above the FY 2005 estimate. The request includes funding for 186.0 FTE positions and State General Fund expenditures of \$8,423,290, an increase of \$114,462 (1.4 percent) above the FY 2005 estimate. The FY 2006 request includes three enhancement requests totaling \$111,043 State General Fund. The average daily population is 360 inmates for FY 2006.

The Governor recommends FY 2006 operating expenditures of \$8,757,419, an increase of \$448,591 (5.4 percent) above the FY 2005 recommendation and an increase of \$329,629 (3.9 percent) above the facility's request. The recommendation does not include the facility's enhancement requests. The State General Fund recommendation totals \$8,752,919, an increase of \$444,091 (5.3 percent) above the FY 2005 recommendation and an increase of \$329,629 (3.9 percent) above the facility's request. The FY 2006 recommendation includes \$440,672 SGF for a KPERS death and disability rate increase, the 27th payroll period and a 2.5 percent base salary increase.

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 \$781,576.**

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observation:

1. **Pay Plan Adjustment.** Delete \$167,884 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 \$272,788 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$248,668), and for the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$24,120) 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 \$444,091 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 an increase of \$3,419 above the approved amount.

House Budget Committee Report

Agency: Norton Correctional Facility

Bill No. HB 2480

Bill Sec. 34

Analyst: Krahl

Analysis Pg. No. Vol. 1, 502

Budget Page No. 319

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 12,603,052	\$ 12,603,052	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 12,603,052	\$ 12,603,052	\$ 0
Capital Improvements	320,304	304,575	0
TOTAL	\$ 12,923,356	\$ 12,907,627	\$ 0
State General Fund:			
State Operations	\$ 12,439,501	\$ 12,407,501	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 12,439,501	\$ 12,407,501	\$ 0
Capital Improvements	138,039	138,039	0
TOTAL	\$ 12,577,540	\$ 12,545,540	\$ 0
FTE Positions	265.0	265.0	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	267.0	267.0	0.0

Agency Estimate/Governor's Recommendation

Norton Correctional Facility estimates FY 2005 operating expenditures of \$12,603,052, a decrease of \$73,624 (0.6 percent) below the approved amount. State General Fund expenditures total \$12,439,501, is a decrease of \$73,624 (0.6 percent) below the approved amount. The net decrease includes a KSIP expenditure of \$64,415 and a shift of \$138,039 from operating expenditures to capital improvements. The FY 2005 estimate funds 233.0 FTE positions at Norton Correctional Facility and 33.0 FTE positions at Stockton Correctional Facility with a salaries and wages shrinkage rate of 6.0 percent. The average daily inmate population is estimated to be 815 for FY 2005 an increase of 22.0 inmates above FY 2004.

The Governor recommends for FY 2005 operating expenditures of \$12,603,052, a decrease of \$73,624 (0.6 percent) below the approved amount. The recommendation includes State General Fund expenditures of \$12,407,501, a decrease of \$105,624 (0.8 percent) below the approved amount. The net decrease includes a KSIP expenditure of \$64,415; a shift of \$138,039 from operating expenditures to capital improvements, and a reduction of \$32,000 for the utilization of General Fee Funds instead of State General Funds.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

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 \$32,415 or 0.3 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Norton Correctional Facility

Bill No. SB 272

Bill Sec. 34

Analyst: Krahl

Analysis Pg. No. Vol. 1, 502

Budget Page No. 319

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 12,603,052	\$ 12,603,052	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 12,603,052	\$ 12,603,052	\$ 0
Capital Improvements	320,304	304,575	0
TOTAL	\$ 12,923,356	\$ 12,907,627	\$ 0
State General Fund:			
State Operations	\$ 12,439,501	\$ 12,407,501	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 12,439,501	\$ 12,407,501	\$ 0
Capital Improvements	138,039	138,039	0
TOTAL	\$ 12,577,540	\$ 12,545,540	\$ 0
FTE Positions	265.0	265.0	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	267.0	267.0	0.0

Agency Estimate/Governor's Recommendation

Norton Correctional Facility estimates FY 2005 operating expenditures of \$12,603,052, a decrease of \$73,624 (0.6 percent) below the approved amount. State General Fund expenditures total \$12,439,501, is a decrease of \$73,624 (0.6 percent) below the approved amount. The net decrease includes a KSIP expenditure of \$64,415 and a shift of \$138,039 from operating expenditures to capital improvements. The FY 2005 estimate funds 233.0 FTE positions at Norton Correctional Facility and 33.0 FTE positions at Stockton Correctional Facility with a salaries and wages shrinkage rate of 6.0 percent. The average daily inmate population is estimated to be 815 for FY 2005 an increase of 22.0 inmates above FY 2004.

The Governor recommends for FY 2005 operating expenditures of \$12,603,052, a decrease of \$73,624 (0.6 percent) below the approved amount. The recommendation includes State General Fund expenditures of \$12,407,501, a decrease of \$105,624 (0.8 percent) below the approved amount. The net decrease includes a KSIP expenditure of \$64,415; a shift of \$138,039 from operating expenditures to capital improvements. and a reduction of \$32,000 for the utilization of General Fee Funds instead of State General Funds.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 revised recommendation is a State General Fund increase of \$32,415 or 0.3 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Budget Committee Report

Agency: Norton Correctional Facility

Bill No. HB 2482

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, 502

Budget Page No. 319

Expenditure Summary	Agency Request FY 06	Governor's Recommendation FY 06	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 12,686,617	\$ 13,192,932	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 12,686,617	\$ 13,192,932	\$ 0
Capital Improvements	143,672	143,672	0
TOTAL	\$ 12,830,289	\$ 13,336,604	\$ 0
State General Fund:			
State Operations	\$ 12,505,941	\$ 13,011,850	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 12,505,941	\$ 13,011,850	\$ 0
Capital Improvements	143,672	143,672	0
TOTAL	\$ 12,649,613	\$ 13,155,522	\$ 0
FTE Positions	265.0	265.0	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	267.0	267.0	0.0

Agency Request/Governor's Recommendation

Norton Correctional Facility requests for FY 2006 operating expenditures of \$12,686,617, an increase of \$83,565 (0.7 percent) above the FY 2005 estimate. The request includes State General Fund expenditures of \$12,505,941, an increase of \$66,440 (0.5 percent) above the FY 2005 estimate. The FY 2006 request includes three enhancement requests totaling \$132,259 State General Fund. The request includes funding for 233.0 FTE positions at the Norton Correctional Facility and 33.0 FTE positions at Stockton Correctional Facility with a salaries and wages shrinkage rate of 6.0 percent. The average daily inmate population is estimated to be 835 for FY 2006 an increase of 20.0 inmates above FY 2005.

The Governor recommends for FY 2006 operating expenditures of \$13,192,932, an increase of \$589,880 (4.7 percent) above the FY 2005 recommendation and an increase of \$506,315 (4.0 percent) above the facility's request. The recommendation includes State General Fund expenditures of \$13,011,850, an increase of \$604,349 (4.9 percent) above the FY 2005 recommendation and an increase of \$505,909 (4.0 percent) above the facility's request. The recommendation does not include the facility's enhancement requests. The recommendation does include \$638,574 (\$638,168 SGF) for a KPERs death and disability rate increase, a 27th payroll period in FY 2006 and a 2.5 percent base salary increase.

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 \$1,174,698.**

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$13,155,522, an increase of \$642,397 above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$243,225), the 27th payroll period (\$359,911), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$35,032), the recommendation is an increase of \$4,229 above the approved amount.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Norton Correctional Facility

Bill No. SB 270

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, 502

Budget Page No. 319

<u>Expenditure Summary</u>	<u>Agency Request FY 06</u>	<u>Governor's Recommendation FY 06</u>	<u>Senate Subcommittee Adjustments*</u>
All Funds:			
State Operations	\$ 12,686,617	\$ 13,192,932	\$ (638,574)
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 12,686,617	\$ 13,192,932	\$ (638,574)
Capital Improvements	143,672	143,672	0
TOTAL	\$ 12,830,289	\$ 13,336,604	\$ (638,574)
State General Fund:			
State Operations	\$ 12,505,941	\$ 13,011,850	\$ (638,168)
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 12,505,941	\$ 13,011,850	\$ (638,168)
Capital Improvements	143,672	143,672	0
TOTAL	\$ 12,649,613	\$ 13,155,522	\$ (638,168)
FTE Positions	265.0	265.0	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	267.0	267.0	0.0

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

Agency Request/Governor's Recommendation

Norton Correctional Facility requests for FY 2006 operating expenditures of \$12,686,617, an increase of \$83,565 (0.7 percent) above the FY 2005 estimate. The request includes State General Fund expenditures of \$12,505,941, an increase of \$66,440 (0.5 percent) above the FY 2005 estimate. The FY 2006 request includes three enhancement requests totaling \$132,259 State General Fund. The request includes funding for 233.0 FTE positions at the Norton Correctional Facility and 33.0 FTE positions at Stockton Correctional Facility with a salaries and wages shrinkage rate of 6.0 percent. The average daily inmate population is estimated to be 835 for FY 2006 an increase of 20.0 inmates above FY 2005.

The Governor recommends for FY 2006 operating expenditures of \$13,192,932, an increase of \$589,880 (4.7 percent) above the FY 2005 recommendation and an increase of \$506,315 (4.0 percent) above the facility's request. The recommendation includes State General Fund expenditures of \$13,011,850, an increase of \$604,349 (4.9 percent) above the FY 2005 recommendation and an increase of \$505,909 (4.0 percent) above the facility's request. The

recommendation does not include the facility's enhancement requests. The recommendation does include \$638,574 (\$638,168 SGF) for a KPERS death and disability rate increase, a 27th payroll period in FY 2006 and a 2.5 percent base salary increase.

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 \$1,174,698.**

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observation:

1. **Pay Plan Adjustment.** Delete \$243,225 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 \$395,349, including \$394,943 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$359,911), and for the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$35,348) 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 \$642,397 or 5.1 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 \$4,229 above the approved amount.

House Budget Committee Report

Agency: Topeka Correctional Facility

Bill No. HB 2480

Bill Sec. 34

Analyst: Krahl

Analysis Pg. No. Vol. 1, 518

Budget Page No. 401

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 11,740,111	\$ 11,740,111	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 11,740,111	\$ 11,740,111	\$ 0
Capital Improvements	37,780	181,058	0
TOTAL	\$ 11,777,891	\$ 11,921,169	\$ 0
State General Fund:			
State Operations	\$ 10,345,727	\$ 10,345,727	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,345,727	\$ 10,345,727	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 10,345,727	\$ 10,345,727	\$ 0
FTE Positions	248.0	248.0	0.0
Non FTE Uncl. Perm. Pos.	3.0	3.0	0.0
TOTAL	251.0	251.0	0.0

Agency Estimate/Governor's Recommendation

Topeka Correctional Facility estimates FY 2005 operating expenditures of \$11,740,111, a decrease of \$34,202 (0.3 percent) below the 2005 approved amount. This funds 248.0 FTE positions with a salaries and wages shrinkage rate of 6.0 percent and 18.0 FTE positions are funded by the federal grant money received from the housing of federal inmates. The estimate includes State General Fund expenditures of \$10,345,727, an increase of \$56,880 (0.6 percent) above the 2005 approved amount. The State General Fund increase is due to KSIP expenditures. The average daily inmate population is estimated to be 670 for FY 2005, an increase of 34 inmates above FY 2004.

The Governor recommends FY 2005 operating expenditures of \$11,740,111 and concurs with the agency's request.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

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 \$56,880 or 0.6 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Topeka Correctional Facility **Bill No.** SB 272 **Bill Sec.** 34

Analyst: Krahl **Analysis Pg. No.** Vol. 1, 518 **Budget Page No.** 401

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 11,740,111	\$ 11,740,111	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 11,740,111	\$ 11,740,111	\$ 0
Capital Improvements	37,780	181,058	0
TOTAL	\$ 11,777,891	\$ 11,921,169	\$ 0
State General Fund:			
State Operations	\$ 10,345,727	\$ 10,345,727	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,345,727	\$ 10,345,727	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 10,345,727	\$ 10,345,727	\$ 0
FTE Positions	248.0	248.0	0.0
Non FTE Uncl. Perm. Pos.	3.0	3.0	0.0
TOTAL	251.0	251.0	0.0

Agency Estimate/Governor's Recommendation

Topeka Correctional Facility estimates FY 2005 operating expenditures of \$11,740,111, a decrease of \$34,202 (0.3 percent) below the 2005 approved amount. This funds 248.0 FTE positions with a salaries and wages shrinkage rate of 6.0 percent and 18.0 FTE positions are funded

by the federal grant money received from the housing of federal inmates. The estimate includes State General Fund expenditures of \$10,345,727, an increase of \$56,880 (0.6 percent) above the 2005 approved amount. The State General Fund increase is due to KSIP expenditures. The average daily inmate population is estimated to be 670 for FY 2005, an increase of 34 inmates above FY 2004.

The Governor recommends FY 2005 operating expenditures of \$11,740,111 and concurs with the agency's request.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 revised recommendation is a State General Fund increase of \$56,880 or 0.6 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Budget Committee Report

Agency: Topeka Correctional Facility

Bill No. HB 2482

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, 518

Budget Page No. 401

Expenditure Summary	Agency Request FY 06	Governor's Recommendation FY 06	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 11,778,791	\$ 12,295,513	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 11,778,791	\$ 12,295,513	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 11,778,791	\$ 12,955,513	\$ 0
State General Fund:			
State Operations	\$ 10,643,298	\$ 11,160,020	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,643,298	\$ 11,160,020	\$ 0
Capital Improvements	0	0	0
TOTAL	\$ 10,643,298	\$ 11,160,020	\$ 0
FTE Positions	248.0	248.0	0.0
Non FTE Uncl. Perm. Pos.	3.0	3.0	0.0
TOTAL	251.0	251.0	0.0

Agency Request/Governor's Recommendation

Topeka Correctional Facility requests FY 2006 operating expenditures of \$11,778,791, an increase of \$38,680 (0.3 percent) above the FY 2005 estimate. The request funds 248.0 FTE positions with a salaries and wages shrinkage rate for of 6.0 percent and 18.0 FTE positions are funded with federal grant money. Requested State General Fund expenditures total \$10,643,298, an increase of \$297,571 (2.9 percent) above the FY 2005 estimate. The request includes enhancement packages of \$79,260 SGF. The average daily inmate population is estimated to be 680 for FY 2006, an increase of 10.0 inmates above FY 2005.

The Governor recommends FY 2006 operating expenditures of \$12,295,513, an increase of \$555,402 (4.7 percent) above the FY 2005 recommendation and an increase of \$516,722 (4.4 percent) above the facility's request. The recommendation includes State General Fund expenditures of \$11,160,020, an increase of \$814,293 (7.9 percent) above the FY 2005 recommendation. The recommendation does not include the facility's enhancement requests. The recommendation does include \$595,982 SGF for the KPERS death and disability rate increase, the 27th payroll period and a 2.5 percent base salary.

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 an 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 \$996,514.**

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$11,160,020, an increase of \$871,173 above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$227,642), the 27th payroll period (\$335,543), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$32,797), the recommendation is an increase of \$275,191, or 2.7 percent above the approved amount.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Topeka Correctional Facility

Bill No. SB 270

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, 518

Budget Page No. 401

<u>Expenditure Summary</u>	<u>Agency Request FY 06</u>	<u>Governor's Recommendation FY 06</u>	<u>Senate Subcommittee Adjustments*</u>
All Funds:			
State Operations	\$ 11,778,791	\$ 12,295,513	\$ (595,982)
Aid to Local Units	0	0	0
Subtotal - Operating	<u>\$ 11,778,791</u>	<u>\$ 12,295,513</u>	<u>\$ (595,982)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 11,778,791</u></u>	<u><u>\$ 12,955,513</u></u>	<u><u>\$ (595,982)</u></u>
State General Fund:			
State Operations	\$ 10,643,298	\$ 11,160,020	\$ (595,982)
Aid to Local Units	0	0	0
Subtotal - Operating	<u>\$ 10,643,298</u>	<u>\$ 11,160,020</u>	<u>\$ (595,982)</u>
Capital Improvements	0	0	0
TOTAL	<u><u>\$ 10,643,298</u></u>	<u><u>\$ 11,160,020</u></u>	<u><u>\$ (595,982)</u></u>
FTE Positions	248.0	248.0	0.0
Non FTE Uncl. Perm. Pos.	3.0	3.0	0.0
TOTAL	<u><u>251.0</u></u>	<u><u>251.0</u></u>	<u><u>0.0</u></u>

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

Agency Request/Governor's Recommendation

Topeka Correctional Facility requests FY 2006 operating expenditures of \$11,778,791, an increase of \$38,680 (0.3 percent) above the FY 2005 estimate. The request funds 248.0 FTE positions with a salaries and wages shrinkage rate for of 6.0 percent and 18.0 FTE positions are funded with federal grant money. Requested State General Fund expenditures total \$10,643,298, an increase of \$297,571 (2.9 percent) above the FY 2005 estimate. The request includes enhancement packages of \$79,260 SGF. The average daily inmate population is estimated to be 680 for FY 2006, an increase of 10.0 inmates above FY 2005.

The Governor recommends FY 2006 operating expenditures of \$12,295,513, an increase of \$555,402 (4.7 percent) above the FY 2005 recommendation and an increase of \$516,722 (4.4 percent) above the facility's request. The recommendation includes State General Fund expenditures of \$11,160,020, an increase of \$814,293 (7.9 percent) above the FY 2005 recommendation. The recommendation does not include the facility's enhancement requests. The

recommendation does include \$595,982 SGF for the KPERS death and disability rate increase, the 27th payroll period and a 2.5 percent base salary.

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 an 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 \$996,514.**

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observation:

1. **Pay Plan Adjustment.** Delete \$227,642 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 \$368,340 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$335,543), and for the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$32,797) 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 \$871,173 or 8.5 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 \$275,191, or 2.7 percent above the approved amount.

House Budget Committee Report

Agency: Winfield Correctional Facility

Bill No. HB 2480

Bill Sec. 34

Analyst: Krahl

Analysis Pg. No. Vol. 1, 532

Budget Page No. 463

<u>Expenditure Summary</u>	<u>Agency Estimate FY 05</u>	<u>Governor's Recommendation FY 05</u>	<u>House Budget Committee Adjustments</u>
All Funds:			
State Operations	\$ 10,475,113	\$ 10,393,890	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,475,113	\$ 10,393,890	\$ 0
Capital Improvements	207,715	445,215	0
TOTAL	\$ 10,682,828	\$ 10,839,105	\$ 0
State General Fund:			
State Operations	\$ 10,267,338	\$ 10,157,115	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,267,338	\$ 10,157,115	\$ 0
Capital Improvements	115,576	115,576	0
TOTAL	\$ 10,382,914	\$ 10,272,691	\$ 0
FTE Positions	201.0	201.0	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	203.0	203.0	0.0

Agency Estimate/Governor's Recommendation

Winfield Correctional Facility estimates FY 2005 operating expenditures of \$10,475,113, an increase of \$200,870 (2.0 percent) above the approved amount and funds 201.0 FTE positions. The revised estimate includes State General Fund expenditures of \$10,267,338, an increase of \$195,197 (1.9 percent) above the approved amount. The revised estimate includes supplement requests of \$210,691 State General Fund and an \$82 KSIP expenditure. The average daily inmate population is estimated at 795.

The Governor recommends FY 2005 operating expenditures of \$10,393,890, an increase of \$119,647 (1.2 percent) above the approved amount. The recommendation includes State General Fund expenditures of \$10,157,115, an increase of \$84,974 (0.8 percent) above the approved amount. The recommendation includes a portion of the supplemental request. The recommendation includes \$100,468 SGF in supplemental appropriations, a \$100,000 SGF operating transfer from the Department of Corrections, and \$29,000 in increased utilization of General Fee Funds.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

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 \$200,550 or 2.0 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Winfield Correctional Facility **Bill No.** SB 272 **Bill Sec.** 34

Analyst: Krahl **Analysis Pg. No.** Vol. 1, 532 **Budget Page No.** 463

Expenditure Summary	Agency Estimate FY 05	Governor's Recommendation FY 05	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 10,475,113	\$ 10,393,890	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,475,113	\$ 10,393,890	\$ 0
Capital Improvements	207,715	445,215	0
TOTAL	\$ 10,682,828	\$ 10,839,105	\$ 0
State General Fund:			
State Operations	\$ 10,267,338	\$ 10,157,115	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,267,338	\$ 10,157,115	\$ 0
Capital Improvements	115,576	115,576	0
TOTAL	\$ 10,382,914	\$ 10,272,691	\$ 0
FTE Positions	201.0	201.0	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	203.0	203.0	0.0

Agency Estimate/Governor's Recommendation

Winfield Correctional Facility estimates FY 2005 operating expenditures of \$10,475,113, an increase of \$200,870 (2.0 percent) above the approved amount and funds 201.0 FTE positions. The revised estimate includes State General Fund expenditures of \$10,267,338, an increase of

\$195,197 (1.9 percent) above the approved amount. The revised estimate includes supplement requests of \$210,691 State General Fund and an \$82 KSIP expenditure. The average daily inmate population is estimated at 795.

The Governor recommends FY 2005 operating expenditures of \$10,393,890, an increase of \$119,647 (1.2 percent) above the approved amount. The recommendation includes State General Fund expenditures of \$10,157,115, an increase of \$84,974 (0.8 percent) above the approved amount. The recommendation includes a portion of the supplemental request. The recommendation includes \$100,468 SGF in supplemental appropriations, a \$100,000 SGF operating transfer from the Department of Corrections, and \$29,000 in increased utilization of General Fee Funds.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Subcommittee notes that the Governor's FY 2005 revised recommendation is a State General Fund increase of \$200,550 or 2.0 percent above the FY 2005 State General Fund amount approved by the 2004 Legislature.

House Budget Committee Report

Agency: Winfield Correctional Facility

Bill No. HB 2482

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, 532

Budget Page No. 463

Expenditure Summary	Agency Request FY 06	Governor's Recommendation FY 06	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 10,645,265	\$ 10,789,985	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,645,265	\$ 10,789,985	\$ 0
Capital Improvements	120,293	120,293	0
TOTAL	\$ 10,765,558	\$ 10,910,278	\$ 0
State General Fund:			
State Operations	\$ 10,436,684	\$ 10,581,404	\$ 0
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,436,684	\$ 10,581,404	\$ 0
Capital Improvements	120,293	120,293	0
TOTAL	\$ 10,556,977	\$ 10,701,697	\$ 0
FTE Positions	201.0	201.0	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	203.0	203.0	0.0

Agency Request/Governor's Recommendation

Winfield Correctional Facility requests FY 2006 operating expenditures of \$10,645,265, an increase of \$170,152 (1.6 percent) above the FY 2005 revised amount and funds 201.0 FTE positions. The request includes State General Fund expenditures of \$10,436,684, an increase of \$169,346 (1.6 percent) above the FY 2005 revised amount. The FY 2006 request includes enhancement requests of \$354,195 State General Fund. The average daily FY 2006 inmate population is estimated at 800, an increase of 5.0 above the current year.

The Governor recommends FY 2006 operating expenditures of \$10,789,985, an increase of \$396,095 (3.8 percent) above the FY 2005 recommendation and an increase of \$144,720 (1.4 percent) above the facility's request. The recommendation includes State General Fund expenditures of \$10,581,404, an increase of \$424,289 (4.2 percent) above the FY 2005 recommendation and an increase of \$144,720 (1.4 percent) above the facility's request. The recommendation does not include the enhancement requests. The recommendation includes \$498,915 SGF for the KPERS death and disability rate increase, the 27th payroll period and a 2.5 percent base salary increase.

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 \$955,589.**

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following observation:

1. **Change from FY 2005 Approved.** The Budget Committee notes that the Governor's FY 2006 State General Fund recommendation for the agency totals \$10,701,697, an increase of \$629,556 above the FY 2005 State General Fund amount approved by the 2004 Legislature. Absent amounts recommended for the 2.5 percent base salary adjustment (\$190,407), the 27th payroll period (\$281,816), and the Kansas Public Employees Retirement System (KPERs) death and disability increase (\$26,692), the recommendation is an increase of \$130,641 or 1.3 percent above the approved amount.

House Committee Recommendation

The House Committee concurs with the House Budget Committee recommendation.

Senate Subcommittee Report

Agency: Winfield Correctional Facility

Bill No. SB 270

Bill Sec. 72

Analyst: Krahl

Analysis Pg. No. Vol. 1, 532

Budget Page No. 463

Expenditure Summary	Agency Request FY 06	Governor's Recommendation FY 06	Senate Subcommittee Adjustments*
All Funds:			
State Operations	\$ 10,645,265	\$ 10,789,985	\$ (498,915)
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,645,265	\$ 10,789,985	\$ (498,915)
Capital Improvements	120,293	120,293	0
TOTAL	\$ 10,765,558	\$ 10,910,278	\$ (498,915)
State General Fund:			
State Operations	\$ 10,436,684	\$ 10,581,404	\$ (498,915)
Aid to Local Units	0	0	0
Subtotal - Operating	\$ 10,436,684	\$ 10,581,404	\$ (498,915)
Capital Improvements	120,293	120,293	0
TOTAL	\$ 10,556,977	\$ 10,701,697	\$ (498,915)
FTE Positions	201.0	201.0	0.0
Non FTE Uncl. Perm. Pos.	2.0	2.0	0.0
TOTAL	203.0	203.0	0.0

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

Agency Request/Governor's Recommendation

Winfield Correctional Facility requests FY 2006 operating expenditures of \$10,645,265, an increase of \$170,152 (1.6 percent) above the FY 2005 revised amount and funds 201.0 FTE positions. The request includes State General Fund expenditures of \$10,436,684, an increase of \$169,346 (1.6 percent) above the FY 2005 revised amount. The FY 2006 request includes enhancement requests of \$354,195 State General Fund. The average daily FY 2006 inmate population is estimated at 800, an increase of 5.0 above the current year.

The Governor recommends FY 2006 operating expenditures of \$10,789,985, an increase of \$396,095 (3.8 percent) above the FY 2005 recommendation and an increase of \$144,720 (1.4 percent) above the facility's request. The recommendation includes State General Fund expenditures of \$10,581,404, an increase of \$424,289 (4.2 percent) above the FY 2005 recommendation and an increase of \$144,720 (1.4 percent) above the facility's request. The recommendation does not include the enhancement requests. The recommendation includes \$498,915 SGF for the KPERS death and disability rate increase, the 27th payroll period and a 2.5 percent base salary increase.

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 \$955,589.**

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor, with the following adjustments and observation:

1. **Pay Plan Adjustment.** Delete \$190,407 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 \$308,508 from the State General Fund, to remove funding recommended by the Governor for the 27th payroll period (\$281,816), and for the Kansas Public Employees Retirement System (KPERS) death and disability increase (\$26,692) 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 \$629,556 or 6.3 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 an increase of \$130,641, or 1.3 percent above the approved amount.

SENATE BILL No. 243

By Committee on Ways and Means

2-9

9 AN ACT concerning correctional facilities; relating to construction by
10 private companies; amending K.S.A. 2004 Supp. 75-52,129 and re-
11 pealing the existing section.

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

14 New Section 1. This act may be referred to as the private contract
15 prison act.

16 New Sec. 2. Definitions. As used in the private contract prison act:

17 (a) "Private contract prison" means a correctional facility situated in
18 this state that is not owned by the state of Kansas or any subdivision
19 thereof or by the federal government or any subdivision thereof.

20 (b) "Private owner" means any corporation, partnership, limited li-
21 ability company, trust, person or other legal entity that engages in, or
22 proposes to engage in, the construction or ownership or both of a private
23 contract prison in this state.

24 (c) "Private operator" means any corporation, partnership, limited
25 liability company, person or other legal entity that engages in, or proposes
26 to engage in, the operation of a private contract prison in this state.

27 (d) "Private contractor" means a private owner or a private operator
28 or both.

29 (e) "Secretary" means the secretary of corrections.

30 (f) "Department" means the department of corrections.

31 (g) "Applicant" means a private contractor making application to the
32 department of corrections for a license as provided by this act.

33 (h) "Licensee" means a private contractor to which a valid license has
34 been issued by the department of corrections as provided by this act.

35 (i) "Private correctional officer" means a correctional officer as de-
36 fined by subsection (f) of K.S.A. 75-5202, and amendments thereto, ex-
37 cept that such officer is not an employee of the state of Kansas or any
38 subdivision thereof.

39 (j) "Non-Kansas inmate" means any inmate in the custody of any
40 jurisdiction other than the state of Kansas or any of its political
41 subdivisions.

42 (k) "Kansas inmate" means any inmate in the custody of the secretary
43 of corrections.

Senate Ways and Means
3-11-05
Attachment 4

1 tent with industry standards;

2 (f) the licensee shall seek, obtain and maintain accreditation by the _____ and the national commission on correctional health care
3 American correctional association. In addition, the licensee shall comply
4 with ~~the association's~~ amendments to the accreditation standards upon _____ those associations'
5 approval of such amendments by the secretary. The secretary shall not
6 unreasonably withhold approval so as to facilitate compliance with re-
7 quired standards by the licensee;

8 (g) the licensee shall agree to abide by operations standards for cor-
9 rectional facilities as ~~identified by the American correctional association~~ _____ adopted by the secretary

10 (h) if Kansas inmates are being housed in the private contract prison,
11 the licensee shall be responsible for the range of dental, medical and
12 psychological services and diet, education and work programs at least
13 equal to those services and programs provided by the secretary at com-
14 parable state correctional facilities. The work and education programs
15 shall be designed to reduce recidivism;

16 (i) the secretary shall monitor all private contract prisons and the
17 secretary and the department shall have unrestricted access to all private
18 contract prisons for that purpose. The licensee shall bear the costs of
19 monitoring the facility through the administration of the licensing fee
20 pursuant to section 21, and amendments thereto;

21 (j) if the department contracts to house Kansas inmates at the li-
22 censee's private contract prison, the licensee shall incarcerate all inmates
23 assigned to the private contract prison by the department and as specified
24 by the contract and may not reject inmates assigned to it by the depart-
25 ment. The department shall have the right of first refusal to any space in
26 the licensee's private contract prison, whether or not such space is oc-
27 cupied by non-Kansas inmates. The department may not exceed the max-
28 imum occupancy designated in the contract for the private contract
29 prison;

30 (k) the licensee may not benefit financially from the labor of inmates
31 except that inmates housed in any private contract prison operated by the
32 licensee in this state may be given job assignments that assist in the op-
33 eration and maintenance of the facility, including but not limited to jan-
34 itorial or food service, or constitute work crews for the state or nearby
35 communities if the inmates have the appropriate custody designation;

36 (l) if the licensee enters into a contract to house non-Kansas inmates,
37 the licensee must require as a condition of that contract that each such
38 inmate to be released from custody must be released in the sending state;

39 (m) whenever any non-Kansas inmate is proposed to be brought into
40 this state for the purpose of being incarcerated at a private contract
41 prison, all records regarding each such inmate, including, but not limited
42 to, custody records, facility history records, disciplinary records and med-
43 ical and mental health records, shall be reviewed by the department prior

1 and operation of the private contract prison in the event the private op-
 2 erator becomes unable to meet the requirements of this act;

3 (2) each private contractor, whether a private owner or a private op-
 4 erator, or both, involved in the private contract prison has submitted to
 5 the secretary, and the secretary has approved, a plan for the temporary
 6 assumption of operations and purchase of the private contract prison by
 7 the secretary in the event of bankruptcy or the financial insolvency of any
 8 such private contractor; and

9 (3) the private operator has submitted to the secretary, and the sec-
 10 retary has approved, a plan to address emergencies including, but not
 11 limited to, inmate disturbances, employee work stoppages, employee
 12 strikes, escapes, natural disaster threats, bomb threats, riots, hunger
 13 strikes, taking of hostages, fires, explosions, evacuations, hazardous ma-
 14 terial spills or other serious events. The plan shall comply with applicable
 15 national correctional standards. The plan shall identify how the state shall
 16 recover its costs for such assumptions of operation or other interventions
 17 ~~and the general cost parameter.~~

18 (b) The secretary may from time to time require the private contrac-
 19 tor to review, revise or update any plan required by this section. The
 20 private contractor shall comply promptly with any request by the secretary
 21 pursuant to this subsection, and failure by any private contractor to do so
 22 within a reasonable period of time shall constitute cause for suspension
 23 of such private contractor's license.

24 (c) Nothing in this section shall be construed to require the state to
 25 purchase or lease any private contract prison or to assume responsibility
 26 for the operation of any private contract prison or to assume costs asso-
 27 ciated with events described in this section.

28 New Sec. 9. The secretary may suspend or revoke a license for cause,
 29 including, but not limited to, failure to obtain or maintain facility accred-
 30 itation or failure to comply with any requirement of this act, after written
 31 notice of material deficiencies and after 60 workdays have been provided
 32 to the contractor to submit a plan of action to correct the material
 33 deficiencies.

34 New Sec. 10. If, as determined by the secretary, an emergency oc-
 35 curs involving the noncompliance with or violation of the requirements
 36 of this act and presents a serious threat to the safety, health or security
 37 of the inmates, employees or the public, the secretary may require im-
 38 mediate or timely corrective action or may, without prior notice, tem-
 39 porarily assume operation and control of the private contract prison.
 40 Nothing in this section shall be construed to require the state to assume
 41 responsibility for the operation of private contract prisons or for costs
 42 associated with events described in this section. If the state chooses, it
 43 may assume responsibility upon approval by the legislature through the

The private operator shall be liable for all expenses incurred by the state and
 its subdivisions in responding to any emergency or serious event. Such
 expenses shall be consistent with the department's policies and procedures
 concerning such emergency or serious event.

Session of 2005

SENATE BILL No. 243

By Committee on Ways and Means

2-9

9 AN ACT concerning correctional facilities; relating to construction by
10 private companies; amending K.S.A. 2004 Supp. 75-52,129 and re-
11 pealing the existing section.

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

14 New Section 1. This act may be referred to as the private contract
15 prison act.

16 New Sec. 2. Definitions. As used in the private contract prison act:

17 (a) "Private contract prison" means a correctional facility situated in
18 this state that is not owned by the state of Kansas or any subdivision
19 thereof or by the federal government or any subdivision thereof.

20 (b) "Private owner" means any corporation, partnership, limited lia-
21 bility company, trust, person or other legal entity that engages in, or
22 proposes to engage in, the construction or ownership or both of a private
23 contract prison in this state.

24 (c) "Private operator" means any corporation, partnership, limited
25 liability company, person or other legal entity that engages in, or proposes
26 to engage in, the operation of a private contract prison in this state.

27 (d) "Private contractor" means a private owner or a private operator
28 or both.

29 (e) "Secretary" means the secretary of corrections.

30 (f) "Department" means the department of corrections.

31 (g) "Applicant" means a private contractor making application to the
32 department of corrections for a license as provided by this act.

33 (h) "Licensee" means a private contractor to which a valid license has
34 been issued by the department of corrections as provided by this act.

35 (i) "Private correctional officer" means a correctional officer as de-
36 fined by subsection (f) of K.S.A. 75-5202, and amendments thereto, ex-
37 cept that such officer is not an employee of the state of Kansas or any
38 subdivision thereof.

39 (j) "Non-Kansas inmate" means any inmate in the custody of any
40 jurisdiction other than the state of Kansas or any of its political
41 subdivisions.

42 (k) "Kansas inmate" means any inmate in the custody of the secretary
43 of corrections.

Senate Ways and Means
3-11-05
Attachment 5

1 New Sec. 3. Except as authorized by K.S.A. 75-52,127 or 75-52,133,
2 and amendments thereto, no private contractor shall authorize, construct,
3 own or operate any private contract prison in this state for the placement
4 or confinement of inmates unless such private contractor possesses a valid
5 license as provided by this act.

6 New Sec. 4. The secretary is hereby authorized to license, monitor
7 and regulate one or more private contractors meeting the requirements
8 of this act to construct, own or operate one or more private contract
9 prisons in this state.

10 New Sec. 5. The secretary shall not approve any application for a
11 license pursuant to this act unless the secretary has, after due diligence,
12 made the following findings:

13 (a) The applicant has the qualifications, experience and management
14 personnel necessary to design, construct, own or operate a private con-
15 tract prison in a manner that satisfies the requirements of this act;

16 (b) the applicant has the ability, if circumstances warrant, to expedite
17 the siting, design and construction of a private contract prison;

18 (c) the applicant has the ability to comply with applicable laws, court
19 orders and state and national correctional standards; and

20 (d) if Kansas inmates are being housed in the private contract prison,
21 the private operator has the ability to provide correctional services to the
22 state of Kansas at a cost that is no more than 90% of the department's
23 average per capita operating cost for the previous fiscal year for compa-
24 rable state correctional facilities and services.

25 New Sec. 6. Any license issued pursuant to this act shall require as
26 conditions of such license all of the following:

27 (a) All private correctional officers employed by the licensee must be
28 certified, at the licensee's expense, as having met the minimum qualifi-
29 cations and training requirements established for correctional officers by
30 the secretary and as are required of state correctional officers;

31 (b) the design for any private contract prison constructed, owned or
32 operated by the licensee shall meet or exceed all requirements of the
33 association responsible for adopting national correctional standards con-
34 sistent with the American correctional association standards;

35 (c) the design for any private contract prison, including, but not lim-
36 ited to, siting, shall meet or exceed any standard established by the Amer-
37 ican correctional association;

38 (d) the licensee shall at all times consult the secretary during the
39 design and construction of the private contract prison;

40 (e) the licensee shall indemnify the state and the secretary, including
41 their subdivisions, officials and agents, against any and all liability includ-
42 ing, but not limited to, any civil rights claims. The secretary shall require
43 proof of satisfactory insurance. ~~The amount of insurance shall be consi-~~

as determined by the
secretary;

secretary;

, the amount to be determined
by the secretary;

~~tent with industry standards.~~

(f) the licensee shall seek, obtain and maintain accreditation by the American correctional association. In addition, the licensee shall comply with the association's amendments to the accreditation standards upon approval of such amendments by the secretary. The secretary shall not unreasonably withhold approval so as to facilitate compliance with required standards by the licensee;

(g) the licensee shall agree to abide by operations standards for correctional facilities, ~~as identified by the American correctional association;~~

(h) if Kansas inmates are being housed in the private contract prison, the licensee shall be responsible for the range of dental, medical and psychological services and diet, education and work programs at least equal to those services and programs provided by the secretary at comparable state correctional facilities. The work and education programs shall be designed to reduce recidivism;

(i) the secretary shall monitor all private contract prisons and the secretary and the department shall have unrestricted access to all private contract prisons for that purpose. The licensee shall bear the costs of monitoring the facility ~~through the administration of the licensing fee pursuant to section 21, and amendments thereto;~~

(j) if the department contracts to house Kansas inmates at the licensee's private contract prison, the licensee shall incarcerate all inmates assigned to the private contract prison by the department and as specified by the contract and may not reject inmates assigned to it by the department. The department shall have the right of first refusal to any space in the licensee's private contract prison, whether or not such space is occupied by non-Kansas inmates. The department may not exceed the maximum occupancy designated in the contract for the private contract prison;

(k) the licensee may not benefit financially from the labor of inmates except that inmates housed in any private contract prison operated by the licensee in this state may be given job assignments that assist in the operation and maintenance of the facility, including but not limited to janitorial or food service, or constitute work crews for the state or nearby communities if the inmates have the appropriate custody designation;

(l) if the licensee enters into a contract to house non-Kansas inmates, the licensee must require as a condition of that contract that each such inmate to be released from custody must be released in the sending state;

(m) whenever any non-Kansas inmate is proposed to be brought into this state for the purpose of being incarcerated at a private contract prison, all records regarding each such inmate, including, but not limited to, custody records, facility history records, disciplinary records and medical and mental health records, shall be reviewed by the department prior

and the National Commission on Correctional Health Care.

those associations'

adopted by the secretary;

1 to such inmate being transported into this state. The cost of such review
2 shall be borne by the licensee through the administration of the licensing
3 fee pursuant to section 21, and amendments thereto. The secretary shall
4 have authority to refuse to allow any non-Kansas inmate to be transported
5 to or incarcerated in any private contract prison;

6 (n) the licensee shall be subject to review by the legislative division
7 of post audit; and

8 (o) any other provision the secretary considers necessary and appro-
9 priate for carrying out the purpose of this act ~~consistent with the con-~~
10 ~~tractual agreement with the private contractor.~~

11 New Sec. 7. No license issued pursuant to this act shall be construed
12 as authorizing, allowing or delegating authority to the licensee to:

13 (a) With regard to Kansas inmates being housed at a private contract
14 prison, reject any inmate appropriately classified by the Kansas custody
15 classification system for the custody level or levels of the private facility;

16 (b) with regard to Kansas inmates who are being housed at a private
17 contract prison, develop or adopt disciplinary rules or penalties that differ
18 from the disciplinary rules and penalties that apply to inmates housed in
19 correctional facilities operated by the secretary. With regard to non-Kan-
20 sas inmates, the licensee may develop or adopt disciplinary rules or pen-
21 alties consistent with the requirements of the sending entity provided that
22 the secretary shall retain authority to review any such rules or penalties;

and approve or reject

23 (c) make a final determination on a disciplinary action that affects the
24 liberty of an inmate. The licensee may remove an inmate from the general
25 prison population during an emergency, before final resolution of a dis-
26 ciplinary hearing in response to an inmate's request for assigned housing
27 in protective custody or when otherwise necessary to maintain order and
28 security of the private contract prison;

29 (d) make a decision that affects the sentence imposed upon or the
30 time served by an inmate, including a decision to award, deny or forfeit
31 earned time;

32 (e) make recommendations to the Kansas parole board with respect
33 to the denial or granting of parole or release except the licensee may
34 submit written reports to the Kansas parole board and shall respond to
35 any written request for information by the Kansas parole board;

36 (f) develop and implement requirements that inmates engage in any
37 type of work not previously authorized in this act, except to the extent
38 that those requirements are accepted by the department; and

39 (g) determine inmate eligibility for any form of release from a cor-
40 rectional facility including any private contract prison.

41 New Sec. 8. (a) No private contract prison shall house inmates until:

42 (1) The private operator has submitted to the secretary, and the sec-
43 retary has approved, a plan for the secretary to assume temporary control

1 and operation of the private contract prison in the event the private op-
2 erator becomes unable to meet the requirements of this act;

3 (2) each private contractor, whether a private owner or a private op-
4 erator, or both, involved in the private contract prison has submitted to
5 the secretary, and the secretary has approved, a plan for the temporary
6 assumption of operations and purchase of the private contract prison by
7 the secretary in the event of bankruptcy or the financial insolvency of any
8 such private contractor; and

9 (3) the private operator has submitted to the secretary, and the sec-
10 retary has approved, a plan to address emergencies including, but not
11 limited to, inmate disturbances, employee work stoppages, employee
12 strikes, escapes, natural disaster threats, bomb threats, riots, hunger
13 strikes, taking of hostages, fires, explosions, evacuations, hazardous ma-
14 terial spills or other serious events. The plan shall comply with applicable
15 national correctional standards. The plan shall identify how the state shall
16 recover its costs for such assumptions of operation or other interventions
17 ~~and the general cost parameters.~~

18 (b) The secretary may from time to time require the private contrac-
19 tor to review, revise or update any plan required by this section. The
20 private contractor shall comply promptly with any request by the secretary
21 pursuant to this subsection, and failure by any private contractor to do so
22 within a reasonable period of time shall constitute cause for suspension
23 of such private contractor's license.

24 (c) Nothing in this section shall be construed to require the state to
25 purchase or lease any private contract prison or to assume responsibility
26 for the operation of any private contract prison or to assume costs asso-
27 ciated with events described in this section.

28 New Sec. 9. The secretary may suspend or revoke a license for cause,
29 including, but not limited to, failure to obtain or maintain facility accred-
30 itation or failure to comply with any requirement of this act, after written
31 notice of material deficiencies and after 60 workdays have been provided
32 to the contractor to submit a plan of action to correct the material
33 deficiencies.

34 New Sec. 10. If, as determined by the secretary, an emergency oc-
35 curs involving the noncompliance with or violation of the requirements
36 of this act and presents a serious threat to the safety, health or security
37 of the inmates, employees or the public, the secretary may require im-
38 mediate or timely corrective action or may, without prior notice, tem-
39 porarily assume operation and control of the private contract prison.
40 Nothing in this section shall be construed to require the state to assume
41 responsibility for the operation of private contract prisons or for costs
42 associated with events described in this section. If the state chooses, it
43 may assume responsibility upon approval by the legislature through the

The private operator shall be liable for all expenses incurred by the state and its subdivisions in responding to any emergency or serious event. The local unit of government in which the private contract prison is located shall be secondarily liable for expenses incurred by the state and its subdivision in responding to any emergency or serious event.

1 enactment of legislation.

2 New Sec. 11. If a private owner intends to sell, convey, transfer, do-
3 nate, trade, barter or otherwise alienate title to a private contract prison,
4 the private owner shall first give notice of such intent to the secretary.
5 The state shall have the right of first refusal to lease or purchase such
6 private contract prison at fair market value, although the state shall not
7 be required to do so. Except as provided in this section, a private contract
8 prison may be transferred only to an entity that is licensed as required by
9 this act.

10 New Sec. 12. Each private operator shall require applicants for em-
11 ployment at a private contract prison to submit a set of fingerprints to
12 the Kansas bureau of investigation for a criminal background check. The
13 Kansas bureau of investigation may accept fingerprints of individuals who
14 apply for employment at a private contract prison and who shall be subject
15 to background checks. For the purpose of conducting background checks,
16 to the extent provided for by federal law, the Kansas bureau of investi-
17 gation may exchange with the secretary criminal history records, whether
18 state, multi-state or federal, of individuals who apply for employment at
19 a private contract prison.

20 New Sec. 13. This act shall not apply to the contracts between cities
21 and counties and the secretary under which the city or county agrees to
22 house the backlog of inmates as provided by K.S.A. 75-52,128 and 75-
23 52,129, and amendments thereto, which contracts shall be governed by
24 such.

25 New Sec. 14. Any private operator licensed under this act shall col-
26 lect and maintain data with respect to all Kansas and non-Kansas inmates
27 housed by the private contractor, in a fashion compatible with Kansas
28 department of corrections practices and procedures for inmate data col-
29 lection and maintenance, as specified by the secretary.

30 New Sec. 15. (a) Any county that meets the requirements of this
31 section may contract with a private contractor to develop and construct,
32 own or operate a private contract prison in such county.

33 (b) No private contract prison shall be constructed, owned or oper-
34 ated pursuant to this act in any county unless the county commission has
35 received written notice of approval from the sheriff of such county and
36 the secretary of corrections. Upon receipt of such notice, the board shall
37 adopt a resolution placing on the ballot the question in subsection (c).
38 No private prison shall be constructed pursuant to this section until the
39 question has been submitted to and approved by a majority of the qual-
40 ified voters of the county voting at an election thereon. Such election
41 shall be called and held in the manner provided by the general bond law.

42 (c) The form of the question described in subsection (b) shall be:
43 "Shall construction and operation of a private contract prison, pursuant

1 to the Private Contract Prison Act, be allowed in _____ County?"

2 (d) Except for land donation, no direct incentives, such as property
3 tax abatement, industrial revenue bonds, tax increment financing or utility
4 cost reductions, shall be offered by the county to the private contractor
5 wishing to construct, own or operate a private contract prison in such
6 county.

7 (e) At the discretion of the parties, the contract may allow for the
8 leasing of the private contract prison by the private owner to the county
9 or to the state.

10 New Sec. 16. No contract for site construction between the county
11 and the private contractor authorized by this act shall enter into force
12 until reviewed and approved by the attorney general, as to form and legal
13 sufficiency.

14 New Sec. 17. A contract entered into under this act does not accord
15 third-party beneficiary status to any inmate or to any member of the
16 general public.

17 New Sec. 18. In the event any provision of any contract authorized
18 by this act conflicts with any provision of any license issued pursuant to
19 this act, the provision of the license shall supersede the provision of the
20 contract. In the event any provision of any contract authorized by this act
21 conflicts with any provision of this act, the provision of this act shall su-
22 persede the provision of the contract.

23 New Sec. 19. Nothing in this act shall be construed as requiring the
24 department of corrections to place Kansas inmates in any private facility
25 constructed, owned or operated pursuant to this act. Placement of Kansas
26 inmates in such private facility shall be at the discretion of the secretary
27 based on department needs and the best interest of the state and shall
28 only be pursuant to contract between the secretary and the private
29 operator.

30 New Sec. 20. Not later than December 1 of each year, beginning
31 with the 2006 fiscal year, the secretary shall submit a report to the speaker
32 of the house of representatives and the president of the senate concerning
33 the status of contracts in effect and licenses issued, and with respect to
34 completed prisons, the effectiveness of each private contract prison op-
35 erated pursuant to this act.

36 New Sec. 21. There is hereby created in the state treasury the cor-
37 rections licensing fee fund. All moneys collected by the secretary from
38 licensing application fees, shall be remitted to the state treasurer in ac-
39 cordance with the provisions of K.S.A. 75-4215, and amendments thereto.

40 Upon receipt of each such remittance, the state treasurer shall deposit
41 the entire amount in the state treasury to the credit of the corrections
42 licensing fee fund. All the moneys collected and deposited pursuant to
43 this subsection shall be used solely for payment of reasonable inspection

, and the secretary, as to
determination of the best
interests of the state of
Kansas. In determining
whether to approve or
disapprove any such contract,
the secretary shall consider
whether the addition of the
proposed prison space,
including the proposed
custody designations for the
proposed private contract
prison, would be beneficial to
the management of the state
corrections system.

, monitoring fees, and any
other fees authorized by the
Act

of the costs associated with
the implementation and
enforcement of this Act. The
secretary shall establish rules
and regulations prescribing
the fees necessary for the
implementation and
enforcement of this Act.

1 ~~costs associated with licensing and the costs of inmate record review pur-~~
2 ~~suant to subsection (m) of section 6, and amendments thereto.~~

3 Sec. 22. K.S.A. 2004 Supp. 75-52,129 is hereby amended to read as
4 follows: 75-52,129. (a) The secretary of corrections is hereby authorized
5 to negotiate and enter into contracts with Kansas cities and counties for
6 the placement of inmates, who are classified as medium custody or any
7 higher custody or security classification, in facilities owned and operated
8 by the cities and counties. If the secretary of corrections proposes to place
9 any inmates classified as medium custody or any higher custody classifi-
10 cation for confinement in facilities other than correctional or other insti-
11 tutions or facilities owned and operated by the department of corrections
12 or any other state agency, the secretary of corrections shall give first con-
13 sideration to entering into contracts with Kansas cities and counties under
14 this section before attempting to place any such inmate for confinement
15 at any *private contract prison, as defined in section 2, and amendments*
16 *thereto, or any* location outside the state of Kansas if the facilities to be
17 provided under such contracts are substantially equal to *private contract*
18 *prisons or* facilities at locations outside the state of Kansas and if arrange-
19 ments can be made in a timely manner. Except as provided in subsection
20 (b), the provisions of this section and any contract or preliminary letter
21 of commitment entered into pursuant to this section shall not apply to
22 any minimum custody or community custody status inmates, or any other
23 custody or security classification lower than medium custody, or to any
24 inmate who may be placed in a work release or prerelease program, cen-
25 ter or facility by the secretary of corrections, who is eligible for parole or
26 who is placed pursuant to the interstate corrections compact. Contracts
27 entered into pursuant to this section shall not be subject to competitive
28 bid requirements under K.S.A. 75-3739 and amendments thereto.

29 (b) The secretary shall not enter into any contract as provided in
30 subsection (a) with any city or county of this state for the placement of
31 inmates that does not provide that such city or county shall provide and
32 maintain appropriate and recognized standards of safety, health and
33 security.

34 Sec. 23. K.S.A. 2004 Supp. 75-52,129 is hereby repealed.

35 Sec. 24. This act shall take effect and be in force from and after its
36 publication in the statute book.

Doug Lawrence
800 Sw Jackson
Topeka, KS 66612
(785) 235-2555
Representing
Kansas Greyhound Association

Briefing on SB 294
Senate Ways and Means

Purpose of Briefing:

I am not here to advocate for the various provisions in this bill. I am here to explain key provisions, and answer questions you may have. When the hearing is held on this legislation the various parties who have an interest will engage in the advocacy process.

Overview

SB 294 represents an attempt to craft a compromise. It draws as a basis for its language provisions from both SB 168 and SB 170, and attempts to clarify constitutionality issues and create a framework that meets several important public policy guidelines.

1. Maximizing revenues to the state both immediately and in the out years
2. Dedicating a revenue stream to provide supplemental funding for education as an alternative to tax increases
3. Encouraging development of relatively large destination casino developments that broaden the state's ability to expand tourism activity in the state.

Structure

There are two major sections in the Bill.

1. Pages 1 through 20, which include sections 1-23, encompasses the provisions related to lottery gaming facilities, which we commonly refer to as destination casinos.
2. Pages 20 through 38, which includes sections 24-43 encompasses the provisions related to video lottery terminals and the placement of those terminals at parimutuel racing facilities. (Horse and Greyhound tracks)
3. The balance of the bill generally incorporates common language required for implementation or technical language to protect the integrity of the structure of this legislation.

Senate Ways and Means
3-11-05
Attachment 6

How it works: Lottery gaming facilities

Key Definitions:

1. Lottery gaming facility (Page 3 lines 35-38)
2. Lottery gaming enterprises (Page 3, beginning line 39)
3. Lottery gaming facility manager (page 4, beginning line 2)
4. Accelerated lottery gaming facility net payment (page 4 line 7)
5. Lottery gaming facility revenues (line 13)
6. Residual lottery gaming facility revenues (line 16) (split pg 14 line 19-20)
7. Lottery gaming facility expenses (line 23)
8. Lottery facility games (line 28)
9. Ancillary lottery gaming facility operations (line 33)
10. Destination development zone (pg 5 line 20)

The Process

- 1.) Lottery decides which developers qualify for development of Destination Resorts (certificate of authorization section 3, page 8)
 - a. Financial Capability to build such facilities
 - b. Experience necessary to operate such facilities
 - c. Background checks
- 2.) Community decides if it wants a facility built
 - a. Vote of the people (Section 5 page 11)
 - b. Local endorsements of City or County (section 4 page 9)
 - c. Agreements for services and development costs, and compensation to city and county (section 4 page 9)
- 3.) Developer puts together plan (section 4)
 - a. Acquires land
 - b. Firm financing commitment
 - c. Construction contracts
 - d. All agreements including business structures and partnerships
- 4.) Lottery Commission reviews proposed development (section 4 (b) page 7-8)
 - a. Meets statutory requirements
 - b. Meets minimum investment requirements
 - c. Is financially feasible
- 5.) Lottery Director Negotiates Management Contract
 - a. All details spelled out
 - b. Accelerator payment terms and details
- 6.) Construction begins

- a. Two year construction period
Video Lottery terminals

Key Definitions:

1. Accelerated video lottery net payment (pg 20 line 41)
2. Net Video Lottery income (pg 21 line 21)
3. Video Lottery parimutuel sales agent (pg 21 line 43)
4. Video Lottery terminal management contract (page 22 line 21)
5. Vote requirement (pg 23 line 6)
6. Executive director responsibilities (pg 24)
 - a. Number of machines and locations (pg 25 line 34)
7. Accelerator (page 33 line 15)
8. Days of racing requirement (page 30)
9. Distribution of revenues (section 33 page 32, and page 34 line 42)
10. Distribution of purse supplements (section 38 page 35)

Process

1. Lottery director establishes Video Lottery terminal program
2. Negotiates management contract with parimutuel sales agent
 - a. Accelerator
 - b. Distribution of expenses
 - c. Location of machines in facility
 - d. Central computer connections
3. Placement of machines (120 day ordering and delivery)
4. Accelerator payment due May 31st, 2006

Revenues:

Both Lottery gaming facility and Parimutuel licensees have an obligation to pay the state an accelerated payment of \$15,000 per machine. We believe the combination of both will generate \$150 million dollars in FY 2006.

Out year revenues based on the Fiscal Note provided for SB 168 would likely be in the range of \$290 million per year in the years of full operation.