

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 18, 2005 in Room 123-S of the Capitol.

All members were present except:

Senator Carolyn McGinn- excused

Committee staff present:

Norman Furse, Revisor of Statutes
Jill Wolters, Senior Assistant, Revisor of Statutes
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Leah Robinson, Kansas Legislative Research Department
Michelle Alishahi, Kansas Legislative Research Department
Reagan Cussimano, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Julian Efird, Kansas Legislative Research Department
Debra Hollon, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Becky Krahl, Kansas Legislative Research Department
Carolyn Rampey, Kansas Legislative Research Department
Matt Spurgin, Kansas Legislative Research Department
Amy VanHouse, Kansas Legislative Research Department
Robert Waller, Kansas Legislative Research Department
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Senator David Wysong

Others attending:

See attached list.

Bill Introductions

Senator Wysong moved, with a second by Senator Teichman, to introduce a conceptual bill requested by the Kansas Commission on Disability Concerns regarding accessibility standards for public buildings or facilities. Motion carried on a voice vote.

Senator Teichman moved, with a second by Senator Schodorf, a conceptual bill introduction requested by Senator Schodorf regarding tax levy authority for governing bodies of technical colleges and school districts, a re-write of HB 2489. Motion carried on a voice vote.

Chairman Umbarger opened the public hearing on:

SB 300--Kansas partnership for faculty of distinction program; earnings equivalent awards

Staff briefed the committee on the bill.

Senator David Wysong explained that **SB 300** would raise the interest award to be made to 2 percent above the 10-year treasury note rate, which is currently about 4 percent, meaning approximately 6 percent would be credited to the program, instead of the current 2.3 percent. He also noted that he was sure there was a fiscal note on the bill currently for approximately \$1 million, but would argue that this is merely allowing the program to do what it was intended to do to begin with and that is to stimulate private donations of endowed professorship gifts. (Attachment 1)

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on March 18, 2005 in Room 123-S of the Capitol.

There being no further conferees to come before the committee, the Chairman closed the hearing on SB 300.

Senator Wysong recommended not taking action on the bill until Omnibus. Following committee discussion, Senator Barone moved, with a second by Senator Teichman, to take no action on the bill at this time and recommended taking action on SB 300 at the Omnibus Session. Motion carried on a voice vote.

Chairman Umbarger called the committee's attention to discussion of:

SB 270--Appropriations for FY2006 and FY2007 for various state agencies

SB 272--Appropriations for FY2005 for various state agencies

SB 273--Appropriations for FY2005, FY2006 and FY2007 for capital improvements for various state agencies

Staff briefed the committee on the bills. Alan Conroy, Director, Kansas Legislative Research Department, reviewed the status of the State General Fund Receipts to-date. Total receipts from July through February of FY 2005 were \$43.5 million, or 1.5 percent above the estimate. The component of State General Fund Receipts from taxes only was \$40.3 million, or 1.4 percent above the estimate. Mr. Conroy explained that total State General Fund Receipts through February of FY 2005 were \$80.5 million, or 2.8 percent above FY 2004 receipts for the same period. Tax receipts only for the same period exceeded FY 2004 by \$116.5 million, or 4.2 percent (Attachment 2).

J. G. Scott, Chief Fiscal Analyst, Kansas Legislative Research Department, reviewed the following information that was provided to the committee:

- Comparison of FY 2005-FY 2006 Recommended Expenditures, Governor's Recommendation and Senate Committee Recommendation - Reflects Senate Committee Action as of March 17, 2005 (Attachment 3)
- Items Not Yet Resolved by the Senate Ways and Means Committee, mainly Governor's Budget Amendments (Attachment 4)
- Senate Appropriations Bill (Reflects Senate Adjustments for FY 2005, FY 2006 and FY 2007) (Attachment 5)
- Items for Omnibus Consideration (Referred by the Senate Committee) (Attachment 6)

Audrey Dunkel, Kansas Legislative Research Department, briefed the committee on the status of the Children's Initiatives Fund (CIF), FY 2005-2005 and FY 2006, Senate Committee Adjustments (Attachment 7). Amy VanHouse, Kansas Legislative Research Department, provided information regarding the status of the State Water Plan Fund (SWPF) for FY 2005 and FY 2006 (Attachment 8). Susan Kannarr, Kansas Legislative Research Department, gave a briefing on the status of the Economic Development Initiatives Fund (EDIF), Senate Committee Adjustments, Reflects Full Committee Action through March 16, 2005 (Attachment 9).

SB 270--Appropriations for FY2006 and FY2007 for various state agencies:

Senator Emler discussed recommendations regarding the Office of the Attorney General (Attachment 10). He noted that there is not enough money in the Tort Claim's Fund for this year and probably will not have enough funds next year either. Senator Emler moved, with a second by Senator Teichman, a proviso to revisit the Tort Claim's Fund in regard to the Office of the Attorney General at Omnibus in FY 2006. Motion carried on a voice vote.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on March 18, 2005 in Room 123-S of the Capitol.

In regard to the Kansas Department of Revenue, Senator Schodorf noted that when funding was added for four field auditors on the green sheet, on page 3 of Attachment 5, the revenue was not added that the auditors are anticipated to be able to collect in FY 2006 in the amount of \$250,000 each, or a total of \$1 million. The Kansas Legislative Research Department will take this amount into account on the revenue side.

Senator Taddiken explained regarding the Subcommittee on the Soil Conservation Commission finished its work, they made a recommendation based on the thought that **HB 2400** would become law and it would create the Irrigation Transition Assistance Program and that has not happened. Therefore there is a funding mechanism in place without a program to fund. Senator Taddiken moved, with a second by Senator Emler, to amend SB 270 on page 169 of SB 270, line 3, to strike \$1.31 million for the Irrigation Transition Assistance Program and eliminate the authorization of the line item on page 169, paragraph "G" and on page 170; and delete the transfer of the \$1.31 million from the State General Fund to the State Water Plan Fund. Motion carried on a voice vote.

Senator Barone moved, with a second by Senator Emler, to add the Governor's Budget Amendments into SB 270 as they relate to FY 2006. Motion carried on a voice vote.

Senator Barone moved, with a second by Senator Emler, to allow staff to make technical corrections and recommend SB 270 favorable for passage as amended. Motion carried on a roll call vote.

SB 272--Appropriations for FY2005 for various state agencies

Senator Emler moved, with a second by Senator Morris, to amend SB 272 and recommend a no limit fund for the Tort Claim's Fund in FY 2005 (see Attachment 10). Motion carried on a voice vote.

Senator Barone moved to amend SB 272, with a second by Senator Teichman, to allow staff to make technical corrections, add the Governor's Budget Amendments as they relate to FY 2005 and recommend SB 272 favorable for passage as amended. Motion carried on a roll call vote.

SB 273--Appropriations for FY2005, FY2006 and FY2007 for capital improvements for various state agencies

Senator Morris recommended an item for consideration regarding the research initiative at Kansas State University, University of Kansas and Wichita State University, and provided a written explanation (Attachment 11). Senator Barone moved, with a second by Senator Emler, to increase the bonding authority by \$5 million for the Kansas Board of Regents to enable the University Research Development and Enhancement Corporation to further leverage outside funding sources. Motion carried on a voice vote.

Senator Barone moved, with a second by Senator Emler, to allow staff to make technical corrections and recommend SB 273 favorable for passage as amended. Motion carried on a roll call vote.

The meeting adjourned at 12:00 p.m. The next meeting is scheduled for March 21, 2005.

SENATE WAYS AND MEANS
GUEST LIST

Date March 18, 2005

NAME	REPRESENTING
Liddy Dorton	Budget
Amy Salisbury	DOB
Heather Morgan	DOB
Joe Furd	KWD
Dennis Williams	KDOC
Gina Young	DofA
Doug Penner	KICK
Pat Higgins	DofA
Catherine Staab	WU
Brancky Slater	WU
Mike Brassler	KS Sec of State
Jeonkela	KGP
Jalvic Montfort Perje	KCC
KEVIN GRAHAM	A. G.
ERIC RUCKER	A. G.
BOB HAYES	HCSF
Shannon Bell	KBOR
Pat Libman	GMD 4
Mike Kuttel	KGC
Mark Burris	KBOR
Jerry Sloan	Judicial Branch
Kiri Fowler	Judicial Branch
Karen Watney	DofA

SENATE WAYS AND MEANS
GUEST LIST

Date 3-18-2005

NAME	REPRESENTING
BILL MUSKELL	JJA
Ken Gudenkauf	KDOT
Marci Fenell	KDOT
Bill Schaper	KDOL
Aaron Dunkel	KDHE
LT Wolf	HEIN LAW FIRM
Jennie Chin	Ks state Historical So
Terry Marmet	Ks St Hist Soc
Josie Torres	SILCK
Doug Bowman	CCEDS
Sheela Kahn	KACCT
Jenni Rose	KACCT
Jim Conant	KDOR
Mark Tallman	KASJ
JAT SCALIA	BIJS
MARC CARRIZOSA	SR LIBRARY
CU Cotsoradis	KDA
Mike Beam	Ks LUSTK ASSN.
Mark Heim	SCC

**Talking Points for SB 300 Amending the
Faculty of Distinction Program
2005 Legislative Session**

The legislature passed the Kansas Partnership for Faculty of Distinction Program, KSA 76-773 et seq. Under this program the State of Kansas agrees to provide an earnings equivalent award for an endowed professorship (on a paper investment made by the State) matching a hard cash investment made by donors establishing endowed professorships at community colleges, technology colleges and vocation educational schools, Washburn University and the six Regents universities. There is a limit on the amount of any single gift that can be treated as a qualified gift and an overall limit of \$30 million in any one year that can be new qualifying gifts to be certified. The statute also says that the earning equivalent awards made by the State cannot exceed \$5 million, in any year. There have been a number of problems with this program as follows:

- The amount of interest earnings that is credited by the State on an annual basis is the average net earnings rate of the pooled money investment board portfolio, an amount that has recently been less than 2.5%.
- Our surrounding states such as Missouri actually turn over a matching gift of the principal to the university or other educational institutions, so that if you raise \$1.1 million you get a \$1.1 million grant from the State. The University of Missouri at Kansas City has raised a considerable amount of money through this program.
- Our institutions are all grateful for the Kansas Economic Growth Act provisions last year that set Kansas in the forefront of agri-science and bioscience research, but clearly it is going to take gifts from private donors to supplement the amount of money the State can provide.
- Donors to a Kansas institution are often surprised to find out the “matching gift” to be made by the State is really only an annual award of the amount the State might have made from its idle fund portfolio. They know that their own investment can earn as much as 8% or more per year, and the State is only going to be putting in about 25% of that amount. Furthermore, there is no assurance the State will continue to provide money each year for the matching awards.
- This program is working but can do so much more. It currently has approximately \$40 million donated.
- In these short budget times, it is not practical to make this into a real matching gift endowed professorship program like other certain states, but we can at least raise the amount of the earnings award to something more realistic. My bill would raise the interest award to be made to 2% above the 10-year treasury note rate, which is currently about 4%, meaning we would be crediting approximately 6% to the program, instead of the current 2.3%.
- I’m sure there is a fiscal note on this bill currently for approximately \$1 million (2.5 X 40 million), but I would argue that this is merely allowing the program to do what it was intended to do to begin with, that is to stimulate private donations of endowed professorship gifts. It’s a good education funding concept, but one that needs to be tweaked and improved to instill further granting and donations.

Senate Ways and Means
3-18-05
Attachment 1

March 8, 2005

To: Legislative Budget Committee

STATE GENERAL FUND (SGF) RECEIPTS July, 2004 through February, 2005

Based on the revised estimate of SGF receipts in FY 2005 made last November, it was estimated that receipts in November through February would total \$1.412 billion. Actual receipts for those four months were \$1.456 billion, or 3.1 percent above the estimate. Remember that the figures in both the "Estimate" and "Actual" columns under FY 2005 on the following table include actual amounts received in July-October. That means this report deals mainly with the difference between estimated and actual receipts in November through February.

Total receipts from July through February of FY 2005 were \$43.5 million, or 1.5 percent above the estimate. The component of SGF receipts from taxes only was \$40.3 million, or 1.4 percent above the estimate. Total SGF taxes only, at the end of January, were \$38.7 million, or 1.5 percent above the estimate. Total receipts at the end of January were \$46.3 million, or 1.7 percent above the estimate.

Taxes that **exceeded** the estimate by more than \$1.0 million were individual income (\$21.9 million, or 1.8 percent), corporation income (\$10.2 million, or 12.1 percent), compensating use (\$9.9 million, or 6.4 percent), estate (\$3.2 million, or 8.9 percent), insurance premiums (\$2.5 million, or 5.6 percent), and motor carriers property tax (\$1.8 million, or 15.0 percent). It was noted in the January SGF Receipt Report that as much as \$16 million in individual income tax receipts were related to the impact of three bi-weekly payrolls being paid in December, and the resulting withholding tax paid in January.

Taxes that **fell below** the estimate by more than \$1.0 million were corporate franchise (\$3.3 million, or 19.4 percent), retail sales (\$1.8 million, or 0.2 percent), liquor enforcement (\$1.3 million, or 4.6 percent), and severance (\$1.1 million, or 1.6 percent).

Agency earnings and interest earnings both exceeded the estimate. The amounts above the estimates were \$3.7 million and \$0.1 million, respectively. Net transfers were \$0.7 million greater than expected.

Total SGF receipts through February of FY 2005 were \$80.5 million, or 2.8 percent above FY 2004 receipts for the same period. Tax receipts only for the same period exceeded FY 2004 by \$116.5 million, or 4.2 percent.

This report excludes the July 1 deposit to the SGF of \$450 million, pursuant to issuance of a certificate of indebtedness. This certificate will be discharged prior to the end of the fiscal year.

STATE GENERAL FUND RECEIPTS
July-February, FY 2005
 (dollar amounts in thousands)

	Actual		FY 2005		Percent increase relative to:	
	FY 2004	Estimate*	Actual	Difference	FY 2004	Estimate
Property Tax:						
Motor Carriers	\$ 13,300	\$ 12,250	\$ 14,092	\$ 1,842	6.0%	15.0%
General Property	7,835	800	485	(315)	(93.8)	(39.4)
Motor Vehicle	999	1,100	1,260	160	26.2	14.6
Total	\$ 22,134	\$ 14,150	\$ 15,838	\$ 1,688	28.4%	11.9%
Income Taxes:						
Individual	\$ 1,157,127	\$ 1,201,000	\$ 1,222,934	\$ 21,934	5.7%	1.8%
Corporation	75,410	84,300	94,503	10,203	25.3	12.1
Financial Inst.	13,833	9,650	9,540	(110)	(31.0)	(1.1)
Total	\$ 1,246,370	\$ 1,294,950	\$ 1,326,977	\$ 32,027	6.5%	2.5%
Estate Tax	\$ 34,820	\$ 35,600	\$ 38,760	\$ 3,160	11.3%	8.9%
Excise Taxes:						
Retail Sales	\$ 1,086,597	\$ 1,097,000	\$ 1,095,185	\$ (1,815)	0.8%	(0.2)%
Comp. Use	142,492	154,000	163,905	9,905	15.0	6.4
Cigarette	79,463	78,600	78,033	(567)	(1.8)	(0.7)
Tobacco Prod.	3,133	3,450	3,398	(52)	8.4	(1.5)
Cereal Malt Bev.	1,479	1,525	1,410	(115)	(4.7)	(7.5)
Liquor Gallonage	10,542	10,700	10,571	(129)	0.3	(1.2)
Liquor Enforce.	26,822	28,200	26,907	(1,293)	0.3	(4.6)
Liquor Drink	4,692	4,950	4,623	(327)	(1.5)	(6.6)
Corp. Franchise	15,699	17,000	13,708	(3,292)	(12.7)	(19.4)
Severance	54,261	69,500	68,365	(1,135)	26.0	(1.6)
Gas	42,604	52,000	50,617	(1,383)	18.8	(2.7)
Oil	11,658	17,500	17,748	248	52.2	1.4
Total	\$ 1,425,178	\$ 1,464,925	\$ 1,466,103	\$ 1,178	2.9%	0.1%
Other Taxes:						
Insurance Prem.	\$ 49,745	\$ 44,750	\$ 47,255	\$ 2,505	(5.0)%	5.6%
Miscellaneous	2,736	2,800	2,566	(234)	(6.2)	(8.4)
Total	\$ 52,480	\$ 47,550	\$ 49,821	\$ 2,271	(5.1)%	4.8%
Total Taxes	\$ 2,780,982	\$ 2,857,175	\$ 2,897,499	\$ 40,324	4.2%	1.4%
Other Revenue:						
Interest	\$ 9,082	\$ 13,300	\$ 13,426	\$ 126	47.8%	0.9%
Transfers (net)	\$ (17,426)	\$ (31,700)	\$ (32,376)	\$ (676)	85.8	-
Agency Earnings and Misc.	\$ 85,550	\$ 56,400	\$ 60,116	\$ 3,716	(29.7)	6.6
Total	\$ 77,206	\$ 38,000	\$ 41,166	\$ 3,166	(46.7)%	8.3%
TOTAL RECEIPTS	\$ 2,858,188	\$ 2,895,175	\$ 2,938,665	\$ 43,490	2.8%	1.5%

* Consensus estimate as of November 3, 2004.

Excludes \$450 million to State General Fund due to issuance of a certificate of indebtedness.

NOTES: Details may not add to totals due to rounding.

**COMPARISON OF FY 2005-FY 2006 RECOMMENDED EXPENDITURES
GOVERNOR'S RECOMMENDATION AND SENATE COMMITTEE RECOMMENDATION
(Reflects Senate Committee Action as of March 17, 2005)**

FY 2005:

	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
Governor's Amended Recommendation*	\$ 4,679,953,081	\$ 10,823,458,889	40,296.9
Senate Committee Recommendation	<u>4,672,575,002</u>	<u>10,798,641,911</u>	<u>40,296.7</u>
<i>Difference From Governor's Recommendation</i>	<u>\$ (7,378,079)</u>	<u>\$ (24,816,978)</u>	<u>(0.2)</u>

FY 2006:

	<u>State General Fund</u>	<u>All Funds</u>	<u>FTE Positions</u>
Governor's Amended Recommendation*	\$ 4,840,602,524	\$ 11,276,295,704	40,296.9
Senate Committee Recommendation	<u>4,804,076,789</u>	<u>11,204,328,211</u>	<u>40,255.0</u>
<i>Difference From Governor's Recommendation</i>	<u>\$ (36,525,735)</u>	<u>\$ (71,967,493)</u>	<u>(41.9)</u>

*Includes Governor's Budget Amendment No. 1, issued February 22, 2005

**STATE GENERAL FUND RECEIPTS, EXPENDITURES AND BALANCES
AS RECOMMENDED BY SENATE COMMITTEE
In Millions
(Reflects Senate Committee Action as of March 17, 2005)**

	<u>Actual FY 2004</u>	<u>Senate Comm. Rec. FY 2005</u>	<u>Senate Comm. Rec. FY 2006</u>
Beginning Balance	\$ 122.7	\$ 327.5	\$ 287.3
Released Encumbrances	2.4	0.0	0.0
Receipts (November 2004 Consensus)	4,518.9	4,630.9	4,840.9
Technical Adj. to November 2004 Consensus	0.0	0.0	(35.2)
Governor's Recommended Receipt Adjustments*	0.0	1.6	(38.4)
Senate Comm. Recommended Receipt Adjustments	0.0	(0.1)	(29.0)
Adjusted Receipts	<u>4,518.9</u>	<u>4,632.4</u>	<u>4,738.3</u>
Total Available	\$ <u>4,644.0</u>	\$ <u>4,959.9</u>	\$ <u>5,025.6</u>
Less Expenditures	<u>4,316.5</u>	<u>4,672.6</u>	<u>4,804.1</u>
Ending Balance	<u>\$ 327.5</u>	<u>\$ 287.3</u>	<u>\$ 221.5</u>
Ending Balance as a Percentage of Expenditures	7.6%	6.1%	4.6%

*Includes Governor's Budget Amendment No. 1, issued February 22, 2005

*Senate Ways and Means
3-18-05
Attachment 3*

**State General Fund Revenue Adjustments
As Recommended by Senate Committee
(Reflects Senate Committee Action as of March 17, 2005)**

FY 2005:

Insurance Department	
Allow the Department to retain proceeds from a settlement	\$ (103,183)

FY 2006:

27th Payroll Period	
Eliminate net transfer to SGF to cover 27th payroll period funding borrowed from the Pooled Money Investment Board	\$ (29,618,262)
Department of Administration	
Governor's Budget Amendment No. 1, Item 1 (transfer of funding from State Budget Stabilization Fund to SGF) not considered	(307,557)
Racing and Gaming Commission	
Transfer from SGF to maintain cash balance in Racing Fund	(200,000)
Department of Education	
Increase transfer from State Safety Fund	600,000
Wichita State University	
Technical adjustment-reduce Energy Conservation transfer	(52,401)
Kansas Highway Patrol	
Transfer funding from the State Highway Fund to the SGF to cover added SGF funding for increased fuel costs	<u>550,000</u>
Total - FY 2006	<u><u>\$ (29,028,220)</u></u>

Items Not Yet Resolved by the Senate Ways and Means Committee

Department of Administration

Governor's Budget Amendment No. 1, Page 2, Item 1 transfers the unencumbered balance of the Budget Stabilization Fund to the State General Fund (estimated at \$307,557) in FY 2006 to allow the abolishment of the fund.

Insurance Department

Governor's Budget Amendment No. 1, Page 2, Item 3 restores 0.2 FTE position that was inadvertently decreased for FY 2005, and 0.5 FTE position that was inadvertently decreased for FY 2006.

Board of Regents

Governor's Budget Amendment No. 1, Page 4, Item 8 shifts \$60,000 SGF to the State Scholarship Program from the Comprehensive Grant Program in FY 2005. The Governor's original recommendation shifted the funding from the State Scholarship Program to the Comprehensive Grant Program in FY 2005. An error in the calculations was made, however, and the State Scholarship Program is now underfunded requiring the shift back to this program.

Governor's Budget Amendment No. 1, Page 4, Item 7 adds \$50,098 (\$49,284 SGF) to correct the pay plan for the Board of Regents for FY 2006. The Committee has already taken this action, but the GBA needs to be officially adopted to avoid a higher level of expenditures on this item than the Governor's recommendation.

Wichita State University

Governor's Budget Amendment No. 1, Page 5, Item 9 reduces the amount of the debt service payment for equipment bonds at the National Institute for Aviation Research by \$333,268 SGF in FY 2005 based on a recalculation of the amount of new funding needed.

Department of Education

Governor's Budget Amendment No. 1, Page 3, Item 6, adds \$9,900,000 in FY 2005 and \$8,400,000 in FY 2006 to expenditures from the State School District Finance Fund. The Governor's recommendations inadvertently failed to reflect increases to the fund based on revised estimates made by the State Board of Education, the Division of the Budget and the Kansas Legislative Research Department in November 2004.

State Library

Governor's Budget Amendment No. 1, Page 5, Item 10 deletes \$3,133 SGF to remove the amount of State General Fund expenditures overstated in the Governor's recommendation in FY 2005. The Committee already recommended the deletion of the \$3,133 SGF.

Commission on Veteran's Affairs

Governor's Budget Amendment No. 1, Page 3, Item 5 deletes 0.2 FTE positions from the Commission on Veterans' Affairs in FY 2006 (technical adjustment).

Adjutant General

Governor's Budget Amendment No. 1, Page 6, Item 13 for Military Emergency Relief adds \$50,000 from special revenue funds due to the inadvertent omission of expenditures in FY 2005 (technical adjustment).

Fire Marshal

Governor's Budget Amendment No. 1, Page 5, Item 11 adds \$607,883 to federal fund expenditures in FY 2005 to reflect the expenditure of a new federal grant received too late to include in the Governor's budget recommendation. This federal grant is to purchase response equipment for weapons of mass destruction incidents. Executive Directive 05-358 provided the authority to expend these monies.

Governor's Budget Amendment No. 1, Page 6, Item 12 increases the expenditure limitation in the Fire Marshal Fee Fund by \$19,184 in FY 2006 to appropriately reflect expenditures in the agency budget. A portion of the recommended salary plan expenditures from the Fire Marshal Fee fund were inadvertently reflected non-expense portion of the agency's budget in the Governor's Budget Report and this amendment corrects the error.

Board of Pharmacy

The Governor recommended reducing the amount transferred from the agency fee fund to the State General Fund from \$1,178,600 to \$843,600 but it was inadvertently omitted from the appropriations bill for FY 2006 (technical correction).

Items to Note to the Senate Ways and Means Committee

State Fair Capital Improvements Fund

HB 2482 makes the transfer of \$300,000 from the State General Fund to the State Fair Capital Improvements Fund a revenue transfer for both fiscal years FY 2006 and FY 2007.

State Water Plan Fund

HB 2482 makes the transfer of \$6,000,000 from the State General Fund to the State Water Plan Fund a revenue transfer for both fiscal years FY 2006 and FY 2007. In prior years, only the budget year was addressed.

Abandoned Oil and Gas Well Fund

HB 2482 makes the transfer of \$400,000 from the State Water Plan Fund to the Abandoned Oil and Gas Well Fund from the State Water Plan Fund a revenue transfer for both fiscal years in FY 2006 and FY 2007. The bill also eliminates the transfer from the State General Fund to this fund for FY 2006 and FY 2007.

Local Ad Valorem Tax Reduction Fund (LAVTRF)

HB 2482 eliminates the payments to the LAVTRF for both FY 2006 and FY 2007.

County and City Revenue Sharing Fund (CCRSF)

HB 2482 eliminates the payments to the CCRSF for both FY 2006 and FY 2007.

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

Agency/Item	State General Fund	All Other Funds	All Funds	FTEs
FY 2005				
<u>Board of Veterinary Examiners</u>				
1. Add a proviso allowing the agency to expend funds for contracted legal services if a case arises that warrants the use of a contract attorney.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Insurance Department</u>				
1. Add a proviso to allow the agency to retain \$103,183 from a recent settlement agreement to enhance current efforts in education and outreach. Deposit the funds in the Settlements Fund with a no-limit expenditure limitation.	0	0	0	0.0
2. Add funds to reflect the early pay off of the debt service principal for the purchase of the Insurance Department building.	0	435,000	435,000	0.0
3. GBA No. 1, Item 3 (restoring 0.2 FTE position that was inadvertently decreased for FY 2005) not considered by Committee.	0	0	0	(.2)
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$435,000</i>	<i>\$435,000</i>	<i>(.2)</i>
<u>Board of Indigents' Defense Services</u>				
1. Add \$25,112 SGF to restore the Governor's recommended reduction to operating expenditures.	25,112	0	25,112	0.0
2. Add \$283,297 SGF to adjust the agency's shrinkage rate from 10.0 percent to 7.0 percent.	283,297	0	283,297	0.0
<i>Agency Subtotal</i>	<i>\$308,409</i>	<i>\$0</i>	<i>\$308,409</i>	<i>0.0</i>
<u>KPERS</u>				
1. Shift technology expenditures to FY 2006.	0	(385,547)	(385,547)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$385,547)</i>	<i>(\$385,547)</i>	<i>0.0</i>
<u>Kansas Lottery</u>				
1. Change dollar amount to no limit expenditure limitation for agency operations.	0	0	0	0.0
2. Restore partial funding reduced for shrinkage.	0	143,950	143,950	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$143,950</i>	<i>\$143,950</i>	<i>0.0</i>
<u>Kansas Racing and Gaming Commission</u>				
1. Reduce State Gaming Revenues Fund (SGRF) transfer by \$75,000 and retain in State Racing Fund balance.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Kansas Technology Enterprise Corp.</u>				
1. Add \$125,000 EDIF to reduce the shrinkage rate to provide funding for a consultant contract to assist with commercialization efforts.	0	125,000	125,000	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$125,000</i>	<i>\$125,000</i>	<i>0.0</i>
<u>Social and Rehabilitation Services</u>				
1. Add SRS fee fund for the Kansas Legal Services (KLS) contract to fund additional services.	0	125,000	125,000	0.0
2. Lapse capital improvement funds to reflect the expenditure level approved by the State Finance Council.	0	(1,759,394)	(1,759,394)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$1,634,394)</i>	<i>(\$1,634,394)</i>	<i>0.0</i>
<u>Department of Education</u>				
1. Did not address GBA No. 1, Item 6, to reflect a consensus estimating increase in State School District Finance Fund receipts.	0	(9,900,000)	(9,900,000)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$9,900,000)</i>	<i>(\$9,900,000)</i>	<i>0.0</i>
<u>State Library</u>				
1. GBA No. 1, Item 10 deletes \$3,133 SGF to remove the amount of State General Fund expenditures overstated in the Governor's recommendation. (The Committee has not addressed the GBA, but has taken the same action.)	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>

<u>Agency/Item</u>	<u>State General Fund</u>	<u>All Other Funds</u>	<u>All Funds</u>	<u>FTE</u>
<u>School for the Blind</u>				
1. Add \$58,547 to partially restore \$100,000 reduction in Instructional Services program salaries and wages.	58,547	0	58,547	0.0
<i>Agency Subtotal</i>	<i>\$58,547</i>	<i>\$0</i>	<i>\$58,547</i>	<i>0.0</i>
<u>Wichita State University</u>				
1. GBA No. 1, Item 9, which makes a technical adjustment to the debt service for equipment bonds for the National Institute for Aviation Research (The Committee has not yet considered this item.)	333,268	0	333,268	0.0
<i>Agency Subtotal</i>	<i>\$333,268</i>	<i>\$0</i>	<i>\$333,268</i>	<i>0.0</i>
<u>Board of Regents</u>				
1. GBA No. 1, Item 8, to shift funding of \$60,000 from the Comprehensive Grant Program to the State Scholarship Program (The Committee has not yet considered this item.)	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Department of Corrections</u>				
1. Remove the Governor's capital improvements recommendation for consideration at Omnibus.	(7,778,303)	(5,565,025)	(13,343,328)	0.0
<i>Agency Subtotal</i>	<i>(\$7,778,303)</i>	<i>(\$5,565,025)</i>	<i>(\$13,343,328)</i>	<i>0.0</i>
<u>Adjutant General</u>				
1. GBA No. 1, Page 6, Item 13. Military Emergency Relief. The Committee did not consider the GBA which adds \$50,000 from special revenue funds due to the inadvertent omission of expenditures in FY 2005 (technical adjustment).	0	(50,000)	(50,000)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$50,000)</i>	<i>(\$50,000)</i>	<i>0.0</i>
<u>State Fire Marshal</u>				
1. Remove \$607,883 in federal funds due to the non-consideration of GBA No. 1, Item 11 regarding the receipt of federal funds.	0	(607,883)	(607,883)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$607,883)</i>	<i>(\$607,883)</i>	<i>0.0</i>
<u>Department of Wildlife and Parks</u>				
1. Remove supplemental funding for parks.	(300,000)	0	(300,000)	0.0
2. Shift \$485,000 capital improvement funding to salaries and wages, then provide for repayment from Parks Fee Fund when sufficient balance is available.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>(\$300,000)</i>	<i>\$0</i>	<i>(\$300,000)</i>	<i>0.0</i>
TOTAL	(\$7,378,079)	(\$17,438,899)	(\$24,816,978)	(.2)
FY 2006				
<u>Real Estate Commission</u>				
1. Add funding for an additional 1.0 FTE permanent legal consultant position and the reclassification of a vacant Office Assistant position to a Senior Administrative Assistant position.	0	60,000	60,000	1.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$60,000</i>	<i>\$60,000</i>	<i>1.0</i>
<u>Board of Veterinary Examiners</u>				
1. Add a proviso allowing the agency to expend funds for contracted legal services if a case arises that warrants the use of a contract attorney.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Legislature</u>				
1. Add \$26,730 State General Fund to index the non-session Legislative expense allowance to the state employee salary adjustment (2.5 percent in FY 2006).	26,730	0	26,730	0.0
2. Add \$380,000 State General Fund and 2.4 FTE to provide legislators with a total of 165 leased tablet computers and computer support.	380,000	0	380,000	2.4
<i>Agency Subtotal</i>	<i>\$406,730</i>	<i>\$0</i>	<i>\$406,730</i>	<i>2.4</i>
<u>Attorney General</u>				
1. Fund first year of four-year plan to shift salaries of Consumer Protection Division staff entirely to State General Fund.	124,277	(124,277)	0	0.0
2. Add funding to complete implementation of White Collar Crime Unit begun in FY 2005.	186,965	0	186,965	0.0

	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<i>Agency Subtotal</i>	\$311,242	(\$124,277)	\$186,965	0.0
<u>State Treasurer</u>				
1. Remove operations expenditures funded through fee on unclaimed property. Fund through Services Reimbursement Fund and change to the non-reportable budget.	0	(1,573,424)	(1,573,424)	0.0
2. Add a proviso to fund operations through service fees charged to other state agencies.	0	0	0	0.0
<i>Agency Subtotal</i>	\$0	(\$1,573,424)	(\$1,573,424)	0.0
<u>Insurance Department</u>				
1. Add a proviso that allows the agency to carry forward into FY 2006 any remaining amount of the settlement funds not expended in FY 2005, with a no-limit expenditure limitation.	0	0	0	0.0
2. Remove funds that the Governor recommended for the debt service principal payment for the purchase of the Insurance Department building in FY 2006. The agency paid off the debt service principal in February 2005.	0	(160,000)	(160,000)	0.0
3. GBA No. 1, Item 3 (restoring 0.5 FTE position that was inadvertently decreased for FY 2006) not considered by Committee.	0	0	0	(.5)
<i>Agency Subtotal</i>	\$0	(\$160,000)	(\$160,000)	(.5)
<u>Board of Indigents' Defense Services</u>				
1. Add \$286,403 SGF to adjust the agency's shrinkage rate from 10.0 percent to 7.0 percent.	286,403	0	286,403	0.0
2. Add \$43,747 SGF to restore the Governor's recommended reduction to operating expenditures.	43,747	0	43,747	0.0
<i>Agency Subtotal</i>	\$330,150	\$0	\$330,150	0.0
<u>Judicial Branch</u>				
1. Add funding for the salary and benefits of a district magistrate judge for the 10th Judicial District (Johnson County).	71,153	0	71,153	1.0
2. Remove funding for the 13th judge on the Court of Appeals, including salary, 2.0 FTE associated positions, and capital outlay.	(298,306)	0	(298,306)	(3.0)
3. Remove SGF necessary to replace the Emergency Surcharge on docket fees.	(3,600,000)	0	(3,600,000)	0.0
<i>Agency Subtotal</i>	(\$3,827,153)	\$0	(\$3,827,153)	(2.0)
<u>KPERS</u>				
1. Add reappropriated technology expenses from FY 2005.	0	385,547	385,547	0.0
2. Reduce recommended FY 2006 technology expenditures.	0	(1,254,518)	(1,254,518)	0.0
<i>Agency Subtotal</i>	\$0	(\$868,971)	(\$868,971)	0.0
<u>Department of Administration</u>				
1. Governor's Budget Amendment No. 1, Item 1 (transfer of remaining balances, estimated at \$307,557, in State Budget Stabilization Fund to the SGF) not considered by Committee.	0	0	0	0.0
<i>Agency Subtotal</i>	\$0	\$0	\$0	0.0
<u>Department of Revenue</u>				
1. Add funding for 4.0 field auditors and use existing FTE.	0	295,000	295,000	0.0
2. Remove 50 vacant positions to reduce shrinkage in future budgets.	0	0	0	(50.0)
<i>Agency Subtotal</i>	\$0	\$295,000	\$295,000	(50.0)
<u>Kansas Lottery</u>				
1. Change dollar amount to no limit expenditure limitation for agency operations financed by the Lottery Operating Fund -- Agency Operations Account.	0	0	0	0.0
<i>Agency Subtotal</i>	\$0	\$0	\$0	0.0
<u>Kansas Racing and Gaming Commission</u>				
1. Provide new financing of \$200,000 from SGF transfer without an increase in expenditures since this enhances the ending balance.	0	0	0	0.0
<i>Agency Subtotal</i>	\$0	\$0	\$0	0.0
<u>Commission on Veterans Affairs</u>				
1. Did not consider GBA No. 1, page 3, item 5 - technical correction to the agency's FTE positions.	0	0	0	.2

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTE</i>
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>.2</i>
<u>Dept. of Health and Environment - Health</u>				
1. Add a proviso in the SRS section of the bill directing \$200,000 in SmartStart grants be allocated to Infant-Toddler (Tiny K) services.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<u>Social and Rehabilitation Services</u>				
1. Add SRS fee fund for the Kansas Legal Services (KLS) contract to fund additional services.	0	125,000	125,000	0.0
2. Add \$180,000 Social Welfare Fund and \$450,000 all funds to pay for breast reconstructive surgery for cancer patients in the Medicaid program.	0	450,000	450,000	0.0
3. Add \$30,000 Social Welfare Fund, and \$150,000 all funds for the Youth Leadership Forum.	0	150,000	150,000	0.0
4. Add funding for the Community Support Medication Program.	200,000	0	200,000	0.0
5. Amend the Money Follows the Person proviso to increase the cap on the number of people who may be transferred from nursing facilities to waiver services from 75 to 100 and require the agency to report back to the 2006 Legislature with expenditure data.	0	0	0	0.0
6. Add proviso language prohibiting the agency from expanding the provider pool for mental health services under the medical card.	0	0	0	0.0
7. Add a proviso directing \$200,000 in SmartStart grants be allocated to Infant-Toddler (Tiny K) services.	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$200,000</i>	<i>\$725,000</i>	<i>\$925,000</i>	<i>0.0</i>
<u>Department of Education</u>				
1. Add funding for Information Technology.	100,000	0	100,000	0.0
2. Remove \$1.5 million from Governor's recommended \$2.5 million for Professional Development.	(1,500,000)	0	(1,500,000)	0.0
3. Remove funding for Parent Education Program to keep funding level with FY 2005 as approved by the 2004 Legislature.	(150,000)	0	(150,000)	0.0
4. Did not address GBA No., 1, Item 6, to reflect a consensus estimating increase in State School District Finance Fund receipts	0	(8,400,000)	(8,400,000)	0.0
<i>Agency Subtotal</i>	<i>(\$1,550,000)</i>	<i>(\$8,400,000)</i>	<i>(\$9,950,000)</i>	<i>0.0</i>
<u>State Historical Society</u>				
1. Add \$6,000 from the State General Fund for salaries and wages for temporary staff located at the Grinter Place State Historic Site.	6,000	0	6,000	0.0
<i>Agency Subtotal</i>	<i>\$6,000</i>	<i>\$0</i>	<i>\$6,000</i>	<i>0.0</i>
<u>Board of Regents</u>				
1. Add funding for the community colleges and Washburn University to offset lost out-district tuition revenues.	3,200,000	0	3,200,000	0.0
2. Add funding for Adult Basic Education.	100,000	300,000	400,000	0.0
3. GBA No. 1, Item 7, which corrects the pay plan for the Board of Regents (The Committee has not addressed the GBA, but has taken the same action.)	0	0	0	0.0
<i>Agency Subtotal</i>	<i>\$3,300,000</i>	<i>\$300,000</i>	<i>\$3,600,000</i>	<i>0.0</i>
<u>Department of Corrections</u>				
1. Remove the Governor's capital improvements recommendation for consideration at Omnibus.	(4,719,303)	(5,435,867)	(10,155,170)	0.0
<i>Agency Subtotal</i>	<i>(\$4,719,303)</i>	<i>(\$5,435,867)</i>	<i>(\$10,155,170)</i>	<i>0.0</i>
<u>Juvenile Justice Authority</u>				
1. Remove rehabilitation and repair expenditures for review at Omnibus (Capital Improvements).	0	(1,126,000)	(1,126,000)	0.0
2. Remove debt service principal expenditures for review at Omnibus (Capital Improvements).	0	(1,795,000)	(1,795,000)	0.0
<i>Agency Subtotal</i>	<i>\$0</i>	<i>(\$2,921,000)</i>	<i>(\$2,921,000)</i>	<i>0.0</i>
<u>Adjutant General</u>				
1. Add 1.0 non-FTE Deputy Adjutant General position.	93,809	0	93,809	0.0

Agency/Item	State General Fund	All Other Funds	All Funds	FTEs
<i>Agency Subtotal</i>	\$93,809	\$0	\$93,809	0.0
<u>State Fire Marshal</u>				
1. Remove \$19,184 due to non-consideration of GBA No. 1, Item 12 regarding the shift of funds from off-budget to on-budget.	0	(19,184)	(19,184)	0.0
<i>Agency Subtotal</i>	\$0	(\$19,184)	(\$19,184)	0.0
<u>Highway Patrol</u>				
1. Add \$550,000 SGF for increase in fuel costs and provide for a transfer of \$550,000 from the State Highway Fund to the State General fund to finance the increase.	550,000	0	550,000	0.0
2. Add a proviso to allow Troop offices waivers from existing purchasing contracts (for parts and supplies) in those cases when vendors prescribed in the existing contracts are not located within the five-digit zip code of the shop.	0	0	0	0.0
<i>Agency Subtotal</i>	\$550,000	\$0	\$550,000	0.0
<u>Kansas Bureau of Investigation</u>				
1. Add funding to finance 8.0 vacant FTE agent positions.	884,259	0	884,259	0.0
2. Change expenditure authority on the Forensic Laboratory and Record Check Fee Funds to no-limit.	0	0	0	0.0
3. Convert 6.0 agent and 1.0 analyst positions to FTE positions.	0	0	0	7.0
<i>Agency Subtotal</i>	\$884,259	\$0	\$884,259	7.0
<u>Emergency Medical Services Board</u>				
1. Add \$100,000 (from special revenue fund) to provide a total of \$200,000 to finance educational opportunities.	0	100,000	100,000	0.0
<i>Agency Subtotal</i>	\$0	\$100,000	\$100,000	0.0
<u>Department of Agriculture</u>				
1. Add funding for the Grain Warehouse Program.	50,000	0	50,000	0.0
2. Create a General Fee Fund with language stating that the authorization to fix, charge, and collect fees cannot be used to set additional fees in relation to current statutory fees.	0	0	0	0.0
3. Create a Gifts and Donations Fund.	0	0	0	0.0
<i>Agency Subtotal</i>	\$50,000	\$0	\$50,000	0.0
<u>State Conservation Commission</u>				
1. Add \$45,517 from the Land Reclamation Fee Fund to reallocate seven unclassified FTE positions.	0	45,517	45,517	0.0
2. Add language specifying that expenditures for the Multipurpose Small Lakes Program be for the construction of HorseThief Reservoir.	0	0	0	0.0
<i>Agency Subtotal</i>	\$0	\$45,517	\$45,517	0.0
<u>Kansas Water Office</u>				
1. Include a proviso prohibiting the purchase of water storage space at Milford, Perry, Big Hill and Hillsdale Reservoirs unless a contract is signed for the use of uncommitted water not in service in the reservoir.	0	0	0	0.0
<i>Agency Subtotal</i>	\$0	\$0	\$0	0.0
<u>Kansas Department of Transportation</u>				
1. Add a proviso to allow subarea shops waivers from existing purchasing contracts (for parts and supplies) in those cases when vendors prescribed in the existing contracts are not located within the five-digit zip code of the shop.	0	0	0	0.0
<i>Agency Subtotal</i>	\$0	\$0	\$0	0.0
<u>27th Payroll Period</u>				
1. Remove funding recommended by the Governor for the 27th payroll period.	(32,561,469)	(17,464,552)	(50,026,021)	0.0
<i>Agency Subtotal</i>	(\$32,561,469)	(\$17,464,552)	(\$50,026,021)	0.0
TOTAL	(\$36,525,735)	(\$35,441,758)	(\$71,967,493)	(41.9)

FY 2007

<u>Real Estate Commission</u>				
1. Add funding to continue the additional 1.0 FTE permanent legal consultant position and the Senior Administrative Assistant position recommended for FY 2006.	0	60,000	60,000	1.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>F1</i>
<i>Agency Subtotal</i>	\$0	\$60,000	\$60,000	1.0
Board of Veterinary Examiners				
1. Add a proviso allowing the agency to expend funds for contracted legal services if a case arises that warrants the use of a contract attorney.	0	0	0	0.0
<i>Agency Subtotal</i>	\$0	\$0	\$0	0.0
TOTAL	\$0	\$60,000	\$60,000	1.0

Items for Omnibus Consideration
(Referred by the Senate Committee)

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
FY 2005				
<u>Board of Healing Arts</u>				
Review fee sweep before Omnibus.	0	750,000	750,000	0.0
<u>Board of Indigents' Defense Services</u>				
Review of assigned counsel expenditures.	0	0	0	0.0
<u>KPERS</u>				
Review FY 2005 investment manager fees.	0	0	0	0.0
<u>Kansas Lottery</u>				
Review FY 2005 ticket sales and State Gaming Revenue Fund transfers.	0	0	0	0.0
<u>Kansas Racing and Gaming Commission</u>				
Review FY 2005 status of State Racing Fund.	0	0	0	0.0
<u>Department on Aging</u>				
Department report back on the number of checks, amount of the checks, and the number of providers affected by the issuance of special checks needed when there are problems with EDS.	0	0	0	0.0
<u>Department of Corrections</u>				
Review at Omnibus the Governor's recommendation for capital improvements for consideration at Omnibus.	(7,778,303)	(5,565,025)	(13,343,328)	0.0
<u>Adjutant General</u>				
Add funding to finance disaster related costs.	2,793,079	20,948,092	23,741,171	0.0
<u>Department of Wildlife and Parks</u>				
Review FY 2005 State Parks financing.	0	0	0	0.0
TOTAL	(\$4,985,224)	\$16,133,067	\$11,147,843	0.0

FY 2006

Kansas Dental Board

Review restoration of funds for the attorney contract. 0 54,000 54,000 0.0

Attorney General

Consider addition of funding for first year of two-year plan to upgrade salaries of unclassified attorneys who lack parity with classified attorneys in state government. 102,162 34,200 136,362 0.0

Consider funding for Information Technology Upgrades. 81,257 67,645 148,902 0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Secretary of State</u>				
Review the inclusion of a proviso to allow the agency to retain the revenue from the sale and/or distribution of Session Laws, Kansas Administrative Regulations, and Kansas Statutes Annotated (if SB 275 is not enacted).	0	0	0	0.0
<u>Board of Indigents' Defense Services</u>				
Review of assigned counsel expenditures.	0	0	0	0.0
<u>KPERS</u>				
Review FY 2006 investment manager fees.	0	0	0	0.0
<u>Department of Administration</u>				
Consider the addition of \$1.2 million from the SGF to match \$1.4 million in federal funds to aid public radio stations in converting to digital format.	1,200,000	1,400,000	2,600,000	0.0
<u>Kansas Lottery</u>				
Review FY 2006 budget adjustments due to proposed change in ticket distribution.	0	0	0	0.0
Review FY 2006 ticket sales and SGRF transfers.	0	0	0	0.0
<u>Kansas Racing and Gaming Commission</u>				
Review developments relative to State Gaming Agency and tribal casinos.	0	0	0	0.0
Review FY 2006 status of State Racing Fund.	0	0	0	0.0
<u>Dept. of Health and Environment - Health</u>				
Review allocation of additional tobacco funds.	0	0	0	0.0
Review child care regulation planning information.	0	0	0	0.0
Review low-birth weight babies information.	0	0	0	0.0
<u>Department on Aging</u>				
Request Department report on other possible funding sources for expansion of PACE program.	0	0	0	0.0
Request Department report on status of additional federal funding for rural PACE program.	0	0	0	0.0
Request Department report on status of waiting lists for HCBS/FE waiver and Senior Care Act.	0	0	0	0.0
<u>Social and Rehabilitation Services</u>				
Review Blind Service Program funding at Omnibus.	405,413	(405,413)	0	0.0
Review funding of Florence Crittenton at Omnibus.	150,000	0	150,000	0.0
Review the Governor's reduction for the acceleration of the approval process for placing drugs on the preferred drug list and/or requiring prior authorization.	1,200,000	1,900,000	3,100,000	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>Larned State Hospital</u>				
Review agency report on its plan to address increases in mental health service needs when they exceed the maximum capacity of the state mental health hospitals at Omnibus.	0	0	0	0.0
Review staffing issues for the State Security Hospital and Sexual Predator Treatment Program at Omnibus.	0	0	0	0.0
<u>Department of Education</u>				
Consider additional funding for various elementary-secondary education programs in the Omnibus Bill.	0	0	0	0.0
<u>School for the Blind</u>				
Review reduction in salaries and wages in the Instructional Services program.	100,000	0	100,000	0.0
<u>State Historical Society</u>				
Review of \$30,000 SGF for capital improvements at Grinter Place State Historic Site.	30,000	0	30,000	0.0
Review of \$90,000 SGF for capital improvements to replacement of skylights at the State Historical Society Museum.	90,000	0	90,000	0.0
<u>Pittsburg State University</u>				
Review potential funding sources for \$4.5 million state match portion of Armory/Classroom/Recreation Center.	0	0	0	0.0
<u>Department of Corrections</u>				
Review at Omnibus the capital improvements removed including the Governor's recommendation for the bonding authority for the Department of Corrections to construct a 100-bed housing unit at Ellsworth Correctional Facility.	(4,719,303)	(5,435,867)	(10,155,170)	0.0
Review at Omnibus the Girl Scouts Beyond Bars Program for inmates at the Topeka Correctional Facility.	0	0	0	0.0
Review at Omnibus the possibility of an inmate re-entry program in Sedgwick County. The total budget is to be shared between Sedgwick County, the City of Wichita and the Department of Corrections with DOC's one-third obligation being \$275,000 SGF.	0	0	0	0.0
Review at Omnibus the visitor centers at the correctional facilities. Currently there is only one visitor center at Ellsworth Correctional Facility.	0	0	0	0.0
<u>Juvenile Justice Authority</u>				
Delete debt service principal.	0	(1,795,000)	(1,795,000)	0.0
Delete rehabilitation and repair.	0	(1,126,000)	(1,126,000)	0.0
<u>Adjutant General</u>				
Add funding to finance disaster related costs.	1,817,984	13,634,880	15,452,864	0.0
Add funding to provide additional maintenance and repair financing.	450,000	0	450,000	0.0
Review the Armory/Classroom/Recreation Center project between Pittsburg State University and the Adjutant General's Office to determine if funding for the state match of \$4.5 million is available.	0	0	0	0.0

<i>Agency/Item</i>	<i>State General Fund</i>	<i>All Other Funds</i>	<i>All Funds</i>	<i>FTEs</i>
<u>State Fire Marshal</u>				
Review agency financial position and anticipated revenues.	0	0	0	0.0
Review distribution of 1.25 percent tax levy on fire insurance premiums.	0	0	0	0.0
<u>Kansas Bureau of Investigation</u>				
Add funding for a 7.5 percent pay increase for commissioned KBI agents.	808,887	55,986	864,873	0.0
Add funding to finance 2.0 vacant FTE agent positions.	221,065	0	221,065	0.0
<u>State Conservation Commission</u>				
Review funding for HorseThief Reservoir and HorseThief Reservoir bonding issue election results.	366,000	0	366,000	0.0
Review Irrigation Transition Assistance Program.	0	1,310,000	1,310,000	0.0
<u>Department of Wildlife and Parks</u>				
Review FY 2006 State Parks financing.	0	0	0	0.0
<u>Kansas Department of Transportation</u>				
Update on its efforts relating to the establishment of the statewide communications system as authorized by 2004 HB 2756.	0	0	0	0.0
TOTAL	\$2,303,465	\$9,694,431	\$11,997,896	0.0
FY 2007				
<u>Kansas Dental Board</u>				
Review restoration of funds for the attorney contract.	0	54,000	54,000	0.0
TOTAL	\$0	\$54,000	\$54,000	0.0
GRAND TOTAL	(\$2,681,759)	\$25,881,498	\$23,199,739	0.0

Children's Initiatives Fund

FY 2004-2005

Senate Committee Adjustments

Agency/Program	Actual FY 2004	Final Legislative Approved FY 2005	Children's Cabinet Rec. FY 2005	Gov. Rec. FY 2005	House Committee Adjustments FY 2005	Senate Committee Adjustments FY 2005
State Library						
Community Access Network	\$0	\$0	\$0	\$0	\$0	\$0
Department of Health and Environment						
Healthy Start/Home Visitor	\$250,000	\$250,000	\$250,000	\$250,000	\$0	\$0
Infants and Toddlers Program (Tiny K)	800,000	800,000	800,000	800,000	0	0
Smoking Cessation/Prevention Program Grants	500,000	500,000	500,000	500,000	0	0
Immunizations	0	0	0	0	0	0
Newborn Screening	0	0	0	0	0	0
State Oral Health Program	0	0	0	0	0	0
Fetal Alcohol Syndrome Diagnostic and Prevention Network						
Pilot Program Grant Fund	0	0	0	0	0	0
Tobacco Use Prevention and Control Program	0	0	0	0	0	0
Pregnancy Maintenance Initiative	0	0	0	0	0	0
Subtotal - KDHE	\$1,550,000	\$1,550,000	\$1,550,000	\$1,550,000	\$0	\$0
Juvenile Justice Authority						
Juvenile Prevention Program Grants	\$5,265,119	\$5,414,487	\$5,563,855	\$5,563,855	\$0	\$0
Juvenile Graduated Sanctions Grants	3,585,513	3,585,513	3,436,145	3,436,145	0	0
Kansas Early Development Support	0	0	0	0	0	0
Level V Facility Reimbursement	0	0	0	0	0	0
Subtotal - JJA	\$8,850,632	\$9,000,000	\$9,000,000	\$9,000,000	\$0	\$0
Department of Social and Rehabilitation Services						
Children's Mental Health Initiative	\$1,800,000	\$3,800,000	\$3,800,000	\$3,800,000	\$0	\$0
Family Centered System of Care	5,000,000	5,000,000	5,000,000	5,000,000	0	0
Therapeutic Preschool	1,000,000	1,000,000	1,000,000	1,000,000	0	0
Community Services - Child Welfare	3,106,231	3,106,230	3,492,101	3,492,101	0	0
Child Care Services	1,399,999	1,400,000	1,400,000	1,400,000	0	0
Children's Cabinet Accountability Fund	249,682	541,802	541,802	541,802	0	0
HealthWave (SCHIP portion)	463,748	2,000,000	2,000,000	2,000,000	0	0
Smart Start Kansas - Children's Cabinet	2,891,399	8,895,491 *	8,895,491	8,895,491	0	0
Children's Medicaid Increases	1,000,000	3,000,000	3,000,000	3,000,000	0	0
Increases in CDDO Rate Reimbursement	0	0	0	0	0	0
HCBS/MR/DD Waiver Waiting Lists	0	0	0	0	0	0
HCBS/PD Waiver	0	0	0	0	0	0
Immunization outreach	500,000	500,000	500,000	500,000	0	0
Family Preservation	2,243,770	3,343,770	2,957,899	2,957,899	0	0
Grants to CMHCs to develop children's programs	2,000,000	0	0	0	0	0
School Violence Prevention	228,000	228,000	228,000	228,000	0	0
Experimental wrap-around services	0	0	0	0	0	0
Disproportionate Share Payments	0	0	0	0	0	0
Children's Cabinet Administration	227,250	0	0	0	0	0
Attendant Care for Independent Living (ACIL) program	0	50,000	50,000	50,000	0	0
Subtotal - SRS	\$22,110,079	\$32,865,293	\$32,865,293	\$32,865,293	\$0	\$0
Department of Education						
Parent Education	\$2,340,245	\$2,500,000	\$2,659,755	\$2,659,755 **	\$0	\$0
Four-Year -Old At-Risk Programs	4,500,000	4,500,000	4,500,000	4,500,000	0	0
School Violence Prevention	0	0	0	0	0	0
Vision Research	300,000	300,000	300,000	300,000	0	0
Communities in Schools	0	0	0	0	0	0
Mentoring Program Grants	0	0	0	0	0	0
National Geographic Society Education Foundation						
Endowment	0	0	0	0	0	0
Experimental Wrap-around Kansas Project	0	0	0	0	0	0
Reading Recovery	0	0	0	0	0	0
Special Education	1,225,000	1,225,000	1,225,000	1,225,000	0	0
Subtotal - Dept. of Ed.	\$8,365,245	\$8,525,000	\$8,684,755	\$8,684,755	\$0	\$0
University of Kansas Medical Center						
Tele-Kid Health Care Link	\$212,208	\$250,000	\$287,792	\$287,792 **	\$0	\$0
Pediatric Biomedical Research	0	0	0	0	0	0
Life Science Research	0	0	0	0	0	0
Subtotal - KU Medical Center	\$212,208	\$250,000	\$287,792	\$287,792	\$0	\$0
Attorney General						
DARE Coordinator	\$0	\$0	\$0	\$0	\$0	\$0
Emporia State University						
Future Teachers Academy/ National Board Certification	\$0	\$0	\$0	\$0	\$0	\$0
Regent Schools						
Alternative Teach Certification	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to State General Fund	\$1,144,144	\$500,000	\$500,000	\$500,000	\$0	\$0
TOTAL	\$42,232,308	\$52,690,293	\$52,887,840	\$52,887,840	\$0	\$0

	Actual FY 2004	Final Legislative Approved FY 2005	Children's Cabinet Rec. FY 2005	Gov. Rec. FY 2005	House Committee Adjustments FY 2005	Senate Committee Adjustments FY 2005
Beginning Balance	\$2,589,146	\$3,199,475	\$3,199,475	\$3,199,475	\$3,199,475	\$3,199,475
Released Encumbrances	253,889	0	0	0	0	0
KEY Fund Transfer	42,588,748	51,135,585	51,135,585	51,135,585	51,135,585	51,135,585
Total Available	\$45,431,783	\$54,335,060	\$54,335,060	\$54,335,060	\$54,335,060	\$54,335,060
Less: Expenditures and Transfers	42,232,308	52,690,293	52,887,840	52,887,840	52,887,840	52,887,840
ENDING BALANCE	\$3,199,475	\$1,644,767	\$1,447,220	\$1,447,220	\$1,447,220	\$1,447,220

* Section 101(c) of Chapter 123 of the 2004 Session Laws includes language which requires expenditures of \$250,000 for smoking cessation/avoidance for pregnant women and \$200,000 for the infants and toddlers program, which are both administered by the Department of Health and Environment.

** Increases reflect reappropriations from FY 2004.

Children's Initiatives Fund

FY 2006

Senate Committee Adjustments

Agency/Program	Children's Cabinet Rec. FY 2006	Gov. Rec. FY 2006	House Committee Adjustments FY 2006	Senate Committee Adjustments FY 2006
State Library				
Community Access Network	\$0	\$0	\$0	\$0
Department of Health and Environment				
Healthy Start/Home Visitor	\$250,000	\$250,000	\$0	\$0
Infants and Toddlers Program (Tiny K)	800,000	800,000	0	0
Smoking Cessation/Prevention Program Grants	500,000	500,000	0	0
Immunizations	0	0	0	0
Newborn Screening	0	0	0	0
State Oral Health Program	0	0	0	0
Fetal Alcohol Syndrome Diagnostic and Prevention Network				
Pilot Program Grant Fund	0	0	0	0
Tobacco Use Prevention and Control Program	0	0	0	0
Pregnancy Maintenance Initiative	0	0	0	0
Subtotal - KDHE	\$1,550,000	\$1,550,000	\$0	\$0
Juvenile Justice Authority				
Juvenile Prevention Program Grants	\$5,414,487	\$5,414,487	\$0	\$0
Juvenile Graduated Sanctions Grants	3,585,513	3,585,513	0	0
Kansas Early Development Support	0	0	0	0
Level V Facility Reimbursement	0	0	0	0
Subtotal - JJA	\$9,000,000	\$9,000,000	\$0	\$0
Department of Social and Rehabilitation Services				
Children's Mental Health Initiative	\$3,800,000	\$3,800,000	\$0	\$0
Family Centered System of Care	5,000,000	5,000,000	0	0
Therapeutic Preschool	1,000,000	1,000,000	0	0
Community Services - Child Welfare	3,492,101	3,492,101	0	0
Child Care Services	1,400,000	1,400,000	0	0
Children's Cabinet Accountability Fund	541,802	541,802	0	0
HealthWave (SCHIP portion)	2,000,000	2,000,000	0	0
Smart Start Kansas - Children's Cabinet	8,895,491	8,895,491	0	0
Children's Medicaid Increases	3,000,000	3,000,000	0	0
Increases in CDDO Rate Reimbursement	0	0	0	0
HCBS/MR/DD Waiver Waiting Lists	0	0	0	0
HCBS/PD Waiver	0	0	0	0
Immunization outreach	500,000	500,000	0	0
Family Preservation	2,957,899	2,957,899	0	0
Grants to CMHCs to develop children's programs	0	0	0	0
School Violence Prevention	228,000	228,000	0	0
Experimental wrap-around services	0	0	0	0
Disproportionate Share Payments	0	0	0	0
Children's Cabinet Administration	0	0	0	0
Attendant Care for Independent Living (ACIL) program	50,000	50,000	0	0
Subtotal - SRS	\$32,865,293	\$32,865,293	\$0	\$0
Department of Education				
Parent Education	\$2,500,000	\$2,500,000	\$0	\$0
Four-Year -Old At-Risk Programs	5,504,045	5,504,045	(1,004,045)	0
School Violence Prevention	0	0	0	0
Vision Research	300,000	300,000	0	0
Communities in Schools	0	0	0	0
Mentoring Program Grants	0	0	0	0
National Geographic Society Education Foundation				
Endowment	0	0	0	0
Experimental Wrap-around Kansas Project	0	0	0	0
Reading Recovery	0	0	0	0
Special Education	1,225,000	1,225,000	0	0
Subtotal - Dept. of Ed.	\$9,529,045	\$9,529,045	(\$1,004,045)	\$0
University of Kansas Medical Center				
Tele-Kid Health Care Link	\$250,000	\$250,000	\$0	\$0
Pediatric Biomedical Research	0	0	0	0
Life Science Research	0	0	0	0
Subtotal - KU Medical Center	\$250,000	\$250,000	\$0	\$0
Attorney General				
DARE Coordinator	\$0	\$0	\$0	\$0
Emporia State University				
Future Teachers Academy/ National Board Certification	\$0	\$0	\$0	\$0
Regent Schools				
Alternative Teach Certification	\$0	\$0	\$0	\$0
Transfer to State General Fund	\$0	\$0	\$0	\$0
TOTAL	\$53,194,338	\$53,194,338	(\$1,004,045)	\$0

	Children's Cabinet Rec. FY 2006	Gov. Rec. FY 2006	House Committee Adjustments FY 2006	Senate Committee Adjustments FY 2006
Beginning Balance	\$1,447,220	\$1,447,220	\$1,447,220	\$1,447,220
Released Encumbrances	0	0	0	0
KEY Fund Transfer	51,747,118	51,747,118	51,747,118	51,747,118
Total Available	\$53,194,338	\$53,194,338	\$53,194,338	\$53,194,338
Less: Expenditures and Transfers	53,194,338	53,194,338	52,190,293	53,194,338
ENDING BALANCE	\$0	\$0	\$1,004,045	\$0

* The Senate recommended language which requires expenditures of \$200,000 for the infants and toddlers program, which is administered by the Department of Health and Environment .

State Water Plan Fund: FY 2005

Agency/Program	Governor's Rec. FY 2005	House Adj. FY 2005	Senate Adj. FY 2005
Department of Health and Environment	0	0	0
Contamination Remediation	989,107	0	0
TMDL Initiatives	297,004	0	0
Local Environmental Protection Program	1,502,737	0	0
Nonpoint Source Program	403,818	0	0
WRAPs	0	0	0
Use Attainability Analysis	0	0	0
Total--Department of Health and Environment	3,192,666	0	0
University of Kansas--Geological Survey	40,000	0	0
Department of Agriculture			
Floodplain Management	66,767	0	0
Interstate Water Issues	247,995	0	0
Subbasin Water Resources Management	489,205	0	0
Water Appropriations Subprogram	181,749	0	0
Water Use	59,781	0	0
Total--Department of Agriculture	1,045,497	0	0
State Conservation Commission	0	0	0
Water Resources Cost Share	4,120,805	0	0
Nonpoint Source Pollution Asst.	3,007,653	0	0
Aid to Conservation Districts	1,043,000	0	0
Watershed Dam Construction	435,576	0	0
Water Quality Buffer Initiative	424,139	0	0
Riparian and Wetland Program	270,196	0	0
Multipurpose Small Lakes	0	0	0
Irrigation Transition/Water Rights Purchase	0	0	0
Total--Conservation Commission	9,301,369	0	0
Kansas Water Office			
Assessment and Evaluation	218,078	0	0
Federal Cost-Share Programs	72,094	0	0
GIS Data Base Development	247,405	0	0
MOU - Storage Operations and Maintenance	450,151	0	0
Ogallala Aquifer Institute	0	0	0
PMB Loan Payment for Storage	240,036	0	0
Public Information	0	0	0
Stream Gauging Program	392,296	0	0
WISP	180,131	0	0
Water Planning Process	313,205	0	0
Water Resource Education	39,690	0	0
Weather Modification	120,000	0	0
Kansas Water Authority	37,384	0	0
Water Marketing Unfunded Liability	0	0	0
Total--Kansas Water Office	2,310,470	0	0
Department of Wildlife and Parks			
Circle K Ranch Debt Service	0	0	0
State Park No. 24	0	0	0
Stream (Biological) Monitoring	0	0	0
Total--Department of Wildlife and Parks	0	0	0
Total Water Plan Expenditures	15,890,002	0	0

State Water Plan Resource Estimate	Governor's Rec. FY 2005	House Adj. FY 2005	Senate Adj. FY 2005
Beginning Balance	1,999,989	0	0
Adjustments			
Prior Year Recovery	0	0	0
Transfer to Kansas Corporation Commission	(667,000)	0	0
Revenues			
State General Fund Transfer	3,748,839	0	0
Economic Development Fund Transfer	2,000,000	0	0
Municipal Water Fees	3,500,000	0	0
Industrial Water Fees	1,200,000	0	0
Stock Water Fees	315,000	0	0
Pesticide Registration Fees	890,000	0	0
Fertilizer Registration Fees	2,940,000	0	0
Pollution Fines and Penalties	30,000	0	0
Sand Royalty Receipts	240,000	0	0
Total Receipts	14,196,839	0	0
Total Available	16,196,828	0	0
Less Expenditures	15,890,002	0	0
Ending Balance	306,826	0	0
Remaining Balance		306,826	306,826

State Water Plan Fund: FY 2006

Agency/Program	Governor's Rec. FY 2006	House Adj. FY 2006	Senate Adj. FY 2006
Department of Health and Environment			
Contamination Remediation	983,867	200,000	0
TMDL Initiatives	323,338	0	0
Local Environmental Protection Program	1,502,737	0	0
Nonpoint Source Program	385,975	0	0
WRAPs	800,000	0	0
Use Attainability Analysis	0	300,000	0
Total--Department of Health and Environment	3,995,917	500,000	0
University of Kansas--Geological Survey	40,000	0	0
Department of Agriculture			
Floodplain Management	68,773	(1,921)	(1,921)
Interstate Water Issues	254,986	(6,127)	(6,127)
Subbasin Water Resources Management	554,369	(13,687)	(13,687)
Water Appropriations Subprogram	187,925	(6,176)	(6,176)
Water Use	60,018	0	0
Total--Department of Agriculture	1,126,071	(27,911)	(27,911)
State Conservation Commission			
Water Resources Cost Share	3,495,218	0	0
Nonpoint Source Pollution Asst.	2,799,520	0	0
Aid to Conservation Districts	1,044,000	0	0
Watershed Dam Construction	352,499	0	0
Water Quality Buffer Initiative	307,157	0	0
Riparian and Wetland Program	249,782	0	0
Multipurpose Small Lakes	0	0	0
Irrigation Transition/Water Rights Purchase	1,310,000	(1,310,000)	0
Total--Conservation Commission	9,558,176	(1,310,000)	0
Kansas Water Office			
Assessment and Evaluation	650,602	0	0
Federal Cost-Share Programs	0	0	0
GIS Data Base Development	247,405	0	0
MOU - Storage Operations and Maintenance	409,132	0	0
Ogallala Aquifer Institute	0	0	0
PMIB Loan Payment for Storage	237,945	0	0
Public Information	0	0	0
Stream Gauging Program	392,296	0	0
WISP	246,150	0	0
Water Planning Process	313,205	0	0
Water Resource Education	60,000	0	0
Weather Modification	120,000	0	0
Kansas Water Authority	37,384	0	0
Water Marketing Unfunded Liability	0	0	0
Total--Kansas Water Office	2,714,119	0	0
Department of Wildlife and Parks			
Circle K Ranch Debt Service	0	0	0
State Park No. 24	115,000	(115,000)	0
Stream (Biological) Monitoring	40,000	0	0
Total--Department of Wildlife and Parks	155,000	(115,000)	0
Total Water Plan Expenditures	17,589,283	(952,911)	(27,911)

State Water Plan Resource Estimate	Governor's Rec. FY 2006	House Adj. FY 2006	Senate Adj. FY 2006
Beginning Balance	306,826	0	0
Adjustments			
Prior Year Recovery	936,879	0	0
Transfer to Kansas Corporation Commission	(400,000)	0	0
Revenues			
State General Fund Transfer	6,000,000	0	0
Economic Development Fund Transfer	2,000,000	0	0
Municipal Water Fees	3,334,000	0	0
Industrial Water Fees	1,100,000	0	0
Stock Water Fees	357,000	0	0
Pesticide Registration Fees	901,000	0	0
Fertilizer Registration Fees	2,856,000	0	0
Pollution Fines and Penalties	45,000	0	0
Sand Royalty Receipts	211,000	0	0
Total Receipts	16,804,000	0	0
Total Available	17,647,705	0	0
Less Expenditures	17,589,283	(952,911)	(27,911)
Ending Balance	58,422	952,911	27,911
Remaining Balance		1,011,333	86,333

Economic Development Initiatives Fund
Senate Committee Adjustments
Reflects Full Committee Action through March 16, 2005

Agency/Program	Governor's Recomm. FY 2005	Sen. Comm. Adjustments FY 2005	Governor's Recomm. FY 2006	Sen. Comm. Adjustments FY 2006
Department of Commerce				
Operating Grant	\$ 15,355,387	\$ -	\$ 15,665,118	\$ (178,000)
Older Kansans Employment Program	239,430	-	239,430	-
Kansas Economic Opportunity Initiative Fund	3,225,000	-	3,000,000	-
Kansas Existing Industry Expansion Program	300,000	-	-	-
	<u>\$ 19,119,817</u>	<u>\$ -</u>	<u>\$ 18,904,548</u>	<u>\$ (178,000)²</u>
Kansas Technology Enterprise Corporation				
Operations	\$ 1,656,310	\$ 125,000	\$ 1,671,984	(63,330)
University & Strategic Research	5,711,372	-	5,550,950	-
Commercialization	1,454,494	-	1,715,082	-
Mid-America Manuf. Tech. Center (MAMTC)	1,533,177	-	1,586,478	-
Product Development	1,468,030	-	1,386,562	\$ -
	<u>\$ 11,823,383</u>	<u>\$ 125,000</u>	<u>\$ 11,911,056</u>	<u>\$ (63,330)²</u>
Kansas, Inc.				
Operations	\$ 315,906	\$ -	\$ 382,615	(7,997) ²
Board of Regents				
Tech. Innovation & Internship Prog. - AVTS	\$ 183,945	\$ -	\$ 180,500	-
Post-secondary Aid - AVTS	6,957,162	-	6,957,162	-
Capital Outlay - AVTS	2,565,000	-	2,565,000	-
KSU - ESARP	300,000	-	-	-
Wichita State University - Aviation Research	2,120,835	-	-	-
	<u>\$ 12,126,942</u>	<u>\$ -</u>	<u>\$ 9,702,662</u>	<u>\$ -</u>
Kansas Arts Commission				
Other Assistance	\$ 35,000	\$ -	\$ -	\$ -
Kansas Water Office				
Project Water Education for Teachers	\$ 10,000	\$ -	\$ -	\$ -
State Conservation Commission				
Wind Energy Conservation Easements	\$ -	\$ -	\$ 300,000	\$ -
State Water Plan Fund Transfer				
	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -
Budget Efficiency & Savings Team Transfers				
	\$ 106,760	\$ -	\$ -	\$ -
Death and Disability Transfers				
	\$ -	\$ -	\$ -	\$ -
Total Expenditures, Transfers or Adjustments	\$ 45,537,808	\$ 125,000	\$ 43,200,881	\$ (249,327)

EDIF Resource Estimate	Actual FY 2004	Gov. Rec. FY 2005	Comm. Rec. FY 2005	Gov. Rec. FY 2006	Comm. Rec. FY 2006
Beginning Balance	\$ 1,403,082	\$ 2,974,689	\$ 2,974,689	\$ 168,881	\$ 43,881
Gaming Revenues ³	44,432,000	42,432,000	42,432,000	42,432,000	42,432,000
Export Loan Guarantee Fund	870,403	-	-	-	-
Other Income ¹	982,925	300,000	300,000	637,261	637,261
Total Available	<u>\$ 47,688,410</u>	<u>45,706,689</u>	<u>45,706,689</u>	<u>43,238,142</u>	<u>43,113,142</u>
Less: Expenditures and Transfers	44,713,721	45,537,808	\$ 45,662,808	43,200,881	43,200,881
ENDING BALANCE	\$ 2,974,689	\$ 168,881	\$ 43,881	\$ 37,261	\$ (87,739)

¹ Other income includes interest, transfers, reimbursements and released encumbrances.

² The entire adjustment is due to the deleting of funding for the 27th payroll period.

³ The 2004 Legislature transferred an additional \$2.0 million in lottery revenue to the EDIF in FY 2004 to support aviation research at Wichita State University in FY 2005.

Office of the Attorney General
FY 06 Budget
Recommendations from the Senate Subcommittee

1. White Collar Crime Initiative

\$186,965 - - 2 FTE positions, salaries and benefits
Funding Source - SGF

White Collar Crimes include but are not limited to: Fraud, embezzlement, identity theft, public corruption and Corporate malfeasance.

Federal resources for White Collar Crime efforts have been redirected to Homeland Security issues. State resources, specifically those within the KBI are not adequate to investigate in light of there other obligations.

The 2004 state legislature approved \$200,000; the governor chose to line-item veto this Law enforcement need. In the veto message the governor cited the work of other agencies (Banking Commission, Securities Commission, Insurance Commission) and their cooperation with the office and local prosecutors as having adequately responded to this problem. The attorney general's office researched the litigation response of these agencies and found that the Banking Commission filed no criminal cases, the securities commission prosecuted 13 cases and the Insurance Commission 7 cases. Local prosecutors typically recuse themselves on local public corruption cases and refer others to the attorney general's office. All of the afore-named agencies do great work, but as the numbers indicate, they don't have the experience or resources to prosecute key white collar criminals.

2. Consumer/SGF Shift

\$124,271 - - Funding Source - SGF

Reliance upon the Consumer Court Cost Fund for the payment of consumer division employees salary and wages has increased significantly during the past two fiscal years. Continued use of this fund is problematic as this funding source is not stable from year to year. The inability to confidently estimate revenue from the Court Cost Fund will not change in the future. There has been an extensive draw down of the Consumer Court Cost Fund to the degree that State General Fund monies are necessary in order to meet future salary and wages needs of the Consumer Division.

Other Matters:

Tort Claim's Fund

\$300,000 to \$400,000 (or return to prior 2003 designation of a "no-fund limit" fund)
State General Fund

The tort claims fund was created by the 1981 legislature and is a special revenue fund totally financed by the State General Fund to pay judgments and settlements under the Kansas Tort Claims Act. Currently it is the practice of the office to pay outside counsel and experts in civil rights cases and pay the expenditures for tort claims cases from the Tort Claims Fund. At times, it has been necessary for the fund to receive additional State General Fund transfers during the fiscal year to cover unexpected tort claims costs. K.S.A. 75-6117 allows the Attorney General to provide certifications of insufficient unencumbered funds to the Director of Accounts and Reports, who will in turn transfer funds from the State General Fund to the Tort Claims Fund to correct the insufficiency. There have been wide variations in the actual dollars spent from the Tort Claims Fund from fiscal year to fiscal year. This wide variation in total funds expended is as a result of the inability to calculate future litigation costs against the state with any degree of certainty. This fact makes obvious the need for the Tort Claims Fund to be once again designated as a "no fund limit" fund - as it was from 1981 until 2003.

Total Funds Expended/Tort Claim's Fund

The initial startup funding of \$500,000 transferred to this fund by the 1981 Legislature, was depleted in FY 1985. Since then, it has been necessary to transfer funds from the State General Fund to meet shortfalls on several occasions. The table below shows the actual dollars spend from the Tort Claims Fund since FY 1992.

FY 92	\$1,438,422
93	2,050,770
94	1,310,118
95	1,395,033
96	2,169,611
97	2,998,220
98	1,970,319
99	957,640
00	1,662,598
01	1,580,039
02	1,514,132
03	1,839,964
04	1,658,831

Contract No.	Firm/Expert	Case/Matter	Amount	Balance of available \$
A0500002	Hinkle Elkouri	Kinderknect Matter	\$5,900.00	\$154.84
A0500003	Keleher & McLeod	Kirby v. Dallas County	\$22,500.00	\$22,500.00
A0500004	Wright Henson	Hodgson	\$10,000.00	\$0.00
A0500005	Bennet & Hendrix	Klein v. State	\$10,000.00	\$8,092.00
A0500006	Bennet & Hendrix	Good v. State	\$10,000.00	\$5,859.98
A0500007	Brian Johnson	Winnebago	\$25,000.00	\$14,425.90
A0500008	Brian Johnson	Prairie Band	\$25,000.00	\$12,900.30
A0500009	Holbrook & Osborn	Griffin v. KU	\$20,000.00	\$0.00
A0500011	Malcolm Burns	Roberts v. PSU	\$25,000.00	\$24,500.00
A0500012	Fisher Patterson	Hodgson	\$10,000.00	\$0.00
A0500013	Examen	Bill Review	\$15,000.00	\$6,678.12
A0500014	Lathrop & Gage	Haynes v. State	\$35,000.00	\$0.00
A0500015	Lathrop & Gage	Montoy/Robinson	\$150,000.00	\$97,124.86
A0500016	Robert Schulman	Pruitt v. Guard	\$7,500.00	\$7,110.00
A0500017	Kris Kobach	Judge Anderson	\$25,000.00	\$23,650.00
A0500018	Wright Henson	Klein	\$5,000.00	\$36.33
A0500019	Wright Henson	Taylor	\$5,000.00	\$2,104.70
A0500021	Parker & Hay	Crumpacker	\$25,000.00	\$0.00
A0500023	Stevens & Brand	Walton Construction	\$210,000.00	\$118,876.18
A0500024	Fox Rothschild	Marten v. KU	\$5,000.00	\$624.51
A0500025	Wright Henson	Kunen	\$300.00	\$3.00
A0500026	Spencer Fane	Day v. Sebelius	\$25,000.00	\$0.00
A0500029	Stinson Morrison	Mehus v. ESU	\$295,000.00	\$37,029.53
A0500030	Willinger & Bucci	Mayer v. FHSU	\$10,000.00	\$10,000.00
A0500031	Kirk A. Johnson	Aid for Women	\$15,000.00	\$11,200.00

A0500032	William L. Albott	Pruitt v. Guard	\$3,000.00	\$3,000.00
A0500033	Dr. Stephen E. Peterson	Hodgson	\$3,500.00	\$3,500.00
A0500034	Dr. Elizabeth Shadigan	Aid for Women	\$20,000.00	\$20,000.00
A0500035	Dr. Rosallyn Inniss	Pruitt v. Guard	\$10,000.00	\$10,000.00
A0500036	Alan M. Josephson	Aid for Women	\$15,000.00	\$15,000.00
A0500037	Jeff Swanson	Aid for Women	\$12,000.00	\$12,000.00
Totals:			\$1,054,700. 00	\$466,370.25

*Balance of available money is as of March 16, 2005, comparing what bills we owe to date.

University Research Development and Enhancement Corporation Bonding Increase

The Corporation was established during the 2002 legislative session by the University research and development enhancement act K.S.A. 76-777 through 76-788.

The Corporation has eight appointed members: Clay Blair (Chairman), Dean Ferrell (Vice Chairman), Dan Craig, Jim Grier, Lloyd Lavin, Mike Daniels, Rocky Nichols, and Joe Fritton (Ex-Official).

The Corporation is tasked with construction three facilities and a deicing tunnel with a total program cost of \$120 million. The program costs of the facilities are as follows.

- \$65 Million – Biological Research Facility at KUMC
- \$40 Million – Biological Security Facility at Kansas State
- \$15 Million – Engineering Complex and Deicing Tunnel at Wichita State

The Corporation's insistence on the facilities generating enough research funds to pay debt service and operations lead to an increase in scope at the Kansas State project. To fund this increase, Kansas State obtained \$ 13.5 million of federal funds and other grants. This has enabled construction of a \$52 Million facility while using only \$38.5 Million of the bonding authority.

The Corporation's oversight has resulted in significant savings in the program costs of the projects with a savings in the total bonding authority of \$15.28 Million

\$6 Million of this savings has been given to KUMC for equipment in the Biological Research Facility. This has enabled KUMC to use foundation funds previously earmarked for the equipment to construct a needed parking garage.

The remaining savings in bonding authority is \$9.28 Million. The Corporation has received requests for the additional bonding authority to match outside funds for three projects. The requests are as follows:

- Kansas State - \$8.3 Million to match a \$25 Million National Institute of Health Grant
- Pittsburg State - \$2 Million to match a \$2 Million grant for a National Polymer Research Facility
- Wichita State - \$4 Million to construct a larger deicing tunnel with would provide increased research revenue.

Accepting all of these requests would require an additional \$5 Million of bonding authority and reference to the projects be provided in K.S.A 76-777 et sec.

The Corporation has shown positive results in leveraging bonding authority to maximize facility construction and to take advantage of outside funding sources. Currently, the Corporation is constructing facilities meeting or exceeding program requirements while having a savings of bonding authority of \$9.18 Million and enabling the construction of a parking garage.

Providing the corporation with an additional \$5 Million of bonding authority will enable the corporation to further leverage outside funding sources and construct \$180 Million of facilities with only \$125 Million of bonding authority.

Senate Ways and Means
3-18-05
Attachment 11