

Approved: July 21, 2006
Date

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:35 A.M. on March 16, 2006, in Room 123-S of the Capitol.

All members were present except:
Senator Carolyn McGinn- excused

Committee staff present:
Jill Wolters, Revisor of Statutes Office
Michael Corrigan, Revisor of Statutes Office
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Reagan Cussimanio, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Julian Efrid, Kansas Legislative Research Department
Carolyn Rampey, Kansas Legislative Research Department
Matt Spurgin, Kansas Legislative Research Department
Judy Bromich, Chief of Staff
Mary Shaw, Committee Secretary

Conferees appearing before the committee:
J. Michael Hayden, Secretary, Kansas Department of Wildlife and Parks
Randall Allen, Executive Director, Kansas Association of Counties
Doug Vance, Executive Director, Kansas Recreation and Parks Association
John McCabe, Walnut Valley Sailing Club, El Dorado State Park
Charles Benjamin, Ph.D., J.D., on behalf of the Kansas Chapter of the Sierra Club (written)
Ken Mark, Board Chairman, Tonganoxie Recreation Commission (written)
Ryan Sturdy, Recreation Director, Colby Recreation Commission (written)

Others attending:
See attached list.

Bill Introduction

Senator Teichman moved, with a second by Senator Emler, to introduce a bill enacting the asbestos compensation fairness act (5rs2311). Motion carried on a voice vote.

Information was provided by Senator Steineger regarding Teenage Accidental Deaths (Attachment 1).

Chairman Umbarger turned the Committee's attention to discussion of the following bill:

SB 578--Prohibiting possession of regulated animals except in limited circumstances; requiring registration; regulated animals include lions, tigers and bears

Staff briefed the Committee on the bill and the Revisor explained a balloon amendment (Attachment 2). The hearing on **SB 578** was held on March 14, 2006. The Revisor noted that she had added the new amendments to the old balloon that was presented a couple of days ago and the changes are in bold print.

Senator Betts moved, with a second by Senator Emler, to amend **SB 578** to add language, regarding local units of government to meet higher standards than what are met in the bill, on Page 7, Line 13, following the word "include" and insert the language " , but not be limited to," Motion carried on a voice vote.

Senator Taddiken moved, with a second by Senator Schmidt, a conceptual amendment to **SB 578**, add a New Section 3, to allow the Kansas Department of Wildlife and Parks the ability to adopt rules and regulations to implement provisions of the act. Motion carried on a voice vote.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:35 A.M. on March 16, 2006, in Room 123-S of the Capitol.

Senator Teichman moved, with a second by Senator Kelly, to amend **SB 578** to define definition and eliminate the language "poisonous animals and rear-fanged snakes" and adopt the language suggested by the Kansas Department of Wildlife and Parks as "non-native venomous snake". Motion carried on a voice vote.

Senator Emler moved, with a second by Senator Barone, to amend **SB 578** to delete the language regarding liability insurance and bonding only to have debate on the bill in the Senate on Page 3, Paragraph C, Section 4, lines 24-29. Motion carried on a voice vote.

Senator Emler moved, with a second by Senator Kelly, to adopt the balance of the balloon amendment for **SB 578** that were not previously addressed that are now in the balloon and allow Revisor technical cleanup. Motion carried on a voice vote.

Senator Barone moved, with a second by Senator Emler, to recommend **SB 578** favorable for passage as amended. Motion carried on a roll call vote.

Chairman Umbarger opened the public hearing on:

SB 583--Wildlife and parks funding; transfers from economic development initiatives fund; local government outdoor recreation grant program

Staff briefed the Committee on the bill.

Senator Teichman moved, with a second by Senator Wysong, to amend **SB 583** that if the money falls below the \$55 million that the money comes out of the State General Fund. Committee discussion followed.

Senator Barone moved a substitute motion, with a second by Senator Wysong, to amend **SB 583** to fund parks with \$5 million State General Fund dollars. Motion failed.

A vote was taken on the Teichman motion and the motion passed on a voice vote.

The Chairman welcomed the following conferees:

J. Michael Hayden, Secretary, Kansas Department of Wildlife and Parks (KDWP), testified as a neutral conferee on **SB 583** (Attachment 3). Secretary Hayden explained that funding for the operations of state parks operated by the Kansas Department of Wildlife and Parks has been under financed for a number of years, as support from the State General Fund has been reduced and revenue from increased park fees is not adequate to maintain the system. He noted that in addition, KDWP also appreciates the consideration of funding for the Local Government Outdoor Recreation Grant Program that was funded for three years (FY 1999-FY 2001) and was a well-utilized program by small to medium-sized cities.

Randall Allen, Executive Director, Kansas Association of Counties, spoke in favor of **SB 583** (Attachment 4). Mr. Allen expressed strong support for the allocation of \$1,000,000 in EDIF funds for the Local Government Outdoor Recreation Program Fund which was detailed in his written testimony.

Doug Vance, Executive Director, Kansas Recreation and Park Association, testified in support of **SB 583** (Attachment 5). Mr. Vance expressed support for **SB 583** which would restore the funding for the Local Government Outdoor Recreation Grant Program. He explained that it is a competitive grant program created by the 1998 Legislature to award funds to local governments for outdoor recreation facility renovation or development and all funds go to local communities.

John McCabe, Walnut Valley Sailing Club, El Dorado State Park, spoke in favor of **SB 583** (Attachment 6). Mr. McCabe mentioned that they are in support of the bill and listed various reasons in the written testimony. In closing, he noted that they feel it is essential for Kansas to continue to invest in facilities such as these in order to provide an attractive and wholesome environment in which to raise families.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:35 A.M. on March 16, 2006, in Room 123-S of the Capitol.

Written testimony was submitted in support of **SB 583** by:

- Charles M. Benjamin, Ph.D., J.D., on behalf of the Kansas Chapter of Sierra Club (Attachment 7)
- Ken Mark, Board Chairman, Tonganoxie Recreation Commission (Attachment 8)
- Ryan Sturdy, Recreation Director, Colby Recreation Commission (Attachment 9)

There being no further conferees to come before the Committee, the Chairman closed the public hearing on **SB 583**.

Senator Kelly moved, with a second by Senator Teichman, to recommend SB 583 favorable for passage as amended. Motion carried on a roll call vote.

Copies of the Kansas Legislative Research Department Budget Analysis Report for FY 2006 and FY 2007 were made available to the Committee.

Subcommittee budget reports on:

Kansas Department of Education (Attachment 10)

Subcommittee Chairman Duane Umbarger reported that the budget subcommittee on the Kansas Department of Education concurs with the Governor's recommendations in FY 2006 with exceptions and FY 2007 with exceptions.

Senator Schmidt moved, with a second by Senator Teichman, to amend the budget subcommittee report on the Kansas Department of Education, in FY 2007, Item No. 2, technical correction, last sentence, to change the word "on" to "from". Motion carried on a voice vote.

Senator Teichman moved, with a second by Senator Wysong, amend the budget subcommittee report on the Kansas Department of Education to consider Item No. 3, FY 2007, at Omnibus. Motion carried on a voice vote.

Senator Schmidt moved, with a second by Senator Teichman, to adopt the budget subcommittee report on the Kansas Department of Education in FY 2006 and FY 2007 as amended. Motion carried on a voice vote.

Kansas Department of Labor (Attachment 11)

Subcommittee Chairman David Wysong reported that the budget subcommittee on the Kansas Department of Labor concurs with the Governor's recommendations in FY 2006 with observation and FY 2007 with adjustments and observations.

Senator Wysong moved, with a second by Senator Kelly, to adopt the budget subcommittee report on the Kansas Department of Labor in FY 2006 and FY 2007. Motion carried on a voice vote.

The meeting adjourned at 11:55 a.m. The next meeting was scheduled for March 17, 2006.

SENATE WAYS AND MEANS GUEST LIST

Date March 16, 2006

NAME	REPRESENTING
Kennie Leffler	DOB
Julia Thomas	DOB
Doug Vance	KAPPA
JEREMY S BARCLAY	KDOC
Philip A. Hurley	Pat Hurley & Co
JD Murry	ADT
Alan Stank	KDWP
JOHN MCCABE	WVSC
George Vega	Dept of Administration
Kraig Knowlton	Dept of Administration
Patty Clark	Dept of Commerce
Doug Bowman	CCF&DS
MARK HEIM	SCC
Don M Rerac	S.E.A.K
Keith Hoxton	S.E.A.K
Jeanne Krehbiel	SEAK
Frank Meyer	KDWP
Jerry Hoover	KDWP

SB 578

Teenage Accidental Deaths

Motor Vehicle Accidents involving 15 to 18 year old drivers¹

	# of accidents	# injured	# killed
2004	14,884	5993	51
2003			
2002			
2001			
2000			

Unintentional Injury Deaths of 15 to 19 year olds²

	Motor Vehicle	Bitten/ struck/ crushed by a mammal	All others
2004	52	0	12
2003	77	0	10
2002	83	0	10
2001	86	0	7

¹ KDOT, Marci Ferrell

² KDHE, Greg Crawford

3/14/2006

Teenage Accidental Deaths.doc

Senate Ways and Means

03-16-06

Attachment

SENATE BILL No. 578

By Committee on Ways and Means

2-24

Proposed amendment
March 16, 2006
Senator Umbarger
Additional amendments in bold print.

Senate Ways and Means
3-16-06
Attachment 2

9 AN ACT concerning animals; imposing limitations on ownership and
10 possession of certain animals; requiring registration; providing criminal
11 penalties.
12

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

14 Section 1. As used in this act:

15 (a) "Person" means any individual, firm, partnership, corporation, as-
16 sociation or other business entity.

17 (b) "Wildlife sanctuary" means a not-for-profit organization exempt
18 from federal income taxation pursuant to section 501 (c)(3) of the internal
19 revenue code of 1986, as in effect on July 1, 2006, that:

20 (1) Operates a place of refuge where abused, neglected, unwanted,
21 impounded, abandoned, orphaned or displaced regulated animals are
22 provided care for such animal's lifetime;

23 (2) does not conduct any commercial activity with respect to any reg-
24 ulated animal possessed by the organization;

25 (3) does not sell, trade, auction, lease or loan regulated animals, or
26 parts thereof, which the organization possesses;

27 (4) does not breed any regulated animal of which the organization
28 possesses, except as an integral part of the species survival plan of the
29 American zoo and aquarium association;

30 (5) does not conduct any activity that is not inherent to the regulated
31 animal's nature;

32 (6) does not use the regulated animal for any type of entertainment
33 purposes; and

34 (7) operates a refuge in compliance with regulations promulgated by
35 the United States department of agriculture for regulated animals under
36 the animal welfare act, public law 89-544, as amended and in effect on
37 July 1, 2006, and the regulations and standards adopted under such act
38 in effect on July 1, 2006, relating to facilities and operations, animal health
39 and husbandry.

40 (c) "Possess" means to own, care for, have custody of or control

41 (d) "Regulated animal" means:

(1) Lions, tigers, leopards, jaguars, cheetahs and mountain lions, or
any hybrid thereof; and

dangerous

Dangerous

a live or slaughtered parts of

(2) bears or any hybrid thereof.

; and
(3) all poisonous animals including rear-fanged snakes

and includes the animal control officer, as defined by K.S.A. 47-1701, and amendments thereto, of such county or city. If the county or city does not have an animal control officer, for cities of the first class, the chief law enforcement officer shall have the local animal control authority duties and responsibilities pursuant to this act and for all other cities and counties, the county sheriff shall have the local animal control authority duties and responsibilities pursuant to this act

(c) "Local animal control authority" means an agency of the county or city that is responsible for animal control operations in such governmental entity's jurisdiction.

(f) "Designated approved handler" means a person who has the requisite training, experience and ability to care for, have custody or control over a regulated animal.

Sec. 2. (a) Except as provided in this section, it is unlawful for a person to possess a regulated animal.

(b) On and after October 1, 2006, a person who possesses a regulated animal shall be in compliance with regulations promulgated by the United States department of agriculture for regulated animals under the animal welfare act, public law 89-544, as amended and in effect on July 1, 2006, and the regulations and standards adopted under such act in effect on July 1, 2006, relating to facilities and operations, animal health and husbandry; and to provide adequate veterinary care for regulated animals.

(c) Except as provided in subsection (d), a person shall not take possession of a regulated animal or allow regulated animals in such person's possession to breed.

(d) A person who possesses a valid United States department of agriculture license and is in compliance with the United States department of agriculture animal welfare act, regulations and standards on July 1, 2006, may breed, purchase or otherwise acquire new regulated animals after July 1, 2006, in order to:

(1) Maintain the operating inventory of regulated animals possessed on July 1, 2006;

(2) sell regulated animals to other United States department of agriculture licensed and compliant facilities within Kansas for replacement purposes as provided in paragraph (1); and

(3) sell regulated animals outside Kansas.

Sec. 3. (a) On and after September 1, 2006, a person who possesses a regulated animal shall notify, in writing, and register the regulated animal with the local animal control authority.

(b) The notification shall include the person's name, address, telephone number and a complete inventory of each regulated animal that the person possesses. The inventory shall include the following information: Number and species of each regulated animal; the microchip identification number and manufacturer of such microchip for each regulated animal, if available; the exact location where each regulated animal is kept; the age, sex, color, weight, scars and any distinguishing marks of each regulated animal; and the name of any person who is a designated approved handler.

(c) When a person who possesses a regulated animal has a microchip

Registered

is registered or would be required to be registered pursuant to section 10, and amendments thereto

, slaughter, sell, purchase or otherwise acquire a dangerous

dangerous

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and, within 10 years preceding July 1, 2006, has not been convicted of a felony under the laws of Kansas or a crime under a law if another jurisdiction which is substantially the same as a felony,

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registered

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implanted in such animal for identification, the name of the microchip manufacturer and the microchip identification number shall be provided to the local animal control authority. If a regulated animal is sedated for any reason and such animal does not have a microchip implanted, a microchip shall be implanted in such animal. Within 30 days after the microchip is implanted, the name of the microchip manufacturer and the microchip identification number shall be provided to the local animal control authority. Within 30 days of acquisition, a person acquiring ownership of an offspring with a microchip implanted shall comply with microchip information reporting requirements of this subsection.

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(d) A local animal control authority may inspect the premises where regulated animals are physically located.

Sec. 4 (a) The local animal control authority may charge the following annual fees:

(1) Premises inspection fee not more than \$100.
(2) Regulated animal registration fee, per animal, not more than \$50. The maximum amount charged for such animal registration per person is \$500.

Dangerous

(3) Additional premise inspection fee, if the person acquires and possesses another type of regulated animal, not more than \$100.

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(b) A certificate of registration shall be issued by the local animal control authority to the person for each regulated animal and inspection upon payment of the fee.

(c) Any person who possesses a regulated animal shall maintain liability insurance coverage in an amount of not less than \$250,000 for each occurrence for liability damages for destruction of or damage to property and death or bodily injury to a person caused by the regulated animal. The person possessing the animal shall provide a copy of the policy for liability insurance to the local animal control authority.

or secure a bond

dangerous

or proof of the bond

Sec. 5. (a) A person who possesses a regulated animal shall meet the requirements set forth in this section.

(b) A person who possesses a regulated animal shall maintain health and ownership records on each regulated animal and shall maintain the records for the life of the animal. If possession of the regulated animal is transferred to another person, a copy of the health and ownership records shall accompany the animal.

(c) A person who possesses a regulated animal shall maintain an ongoing program of veterinary care which includes a veterinary visit to the premises at least annually.

(d) A person who possesses a regulated animal shall notify the local animal control authority in writing within 10 days of a change in address or location where the regulated animal is kept.

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(e) A person with a United States department of agriculture license

Any insurer shall notify the local animal control authority, in writing, of any expiration, reduction or cancellation of liability insurance, furnished as required by this subsection, not later than 10 days before the expiration, reduction or cancellation takes effect. Any surety company who secures the performance of the bond shall notify the local animal control authority, in writing, of any expiration, reduction or cancellation of the bond, furnished as required by this subsection, not later than 10 days before the expiration, reduction or cancellation takes effect.
(d) Any fees charged and collected shall be retained by the local animal control authority to be used to implement the provisions of this act.

for regulated animals shall forward a copy of such person's United States department of agriculture inspection report to the local animal control authority within 30 days of receipt of the inspection report.

(f) A person who possesses a regulated animal shall prominently display a sign on the structure where the animal is housed indicating that a regulated animal is on the premises.

(g) A person who possesses a regulated animal shall immediately notify local law enforcement officials of any escape of a regulated animal. The person who possesses the regulated animal is liable for any costs incurred by any person, city, county or state agency resulting from the escape of a regulated animal unless the escape is due to a criminal act by another person or a natural event.

(h) A person who possesses a regulated animal shall maintain a written recovery plan in the event of the escape of a regulated animal. The person shall maintain live traps or other equipment necessary to assist in the recovery of the regulated animal.

(i) If requested by the local animal control authority, a person may not move a regulated animal from such animal's location unless the person notifies the local animal control authority prior to moving the animal. The notification shall include the date and the location where the animal is moved. This subsection shall not apply to a regulated animal transported to a licensed veterinarian.

(j) If a person who possesses a regulated animal can no longer care for the animal, the person shall take the appropriate steps to find long-term placement for the regulated animal.

Sec. 6. (a) All regulated animals shall be confined within a cage of sufficient strength and design for the purposes of maintaining and housing or transporting the animal.

(b) No regulated animal shall be allowed to be tethered, leashed or chained outdoors, or allowed to run at large.

(c) A regulated animal shall not be mistreated, neglected, abandoned or deprived of necessary food, water and sustenance.

(d) A regulated animal shall not be allowed to come into physical contact with any person other than the person possessing the animal, the designated approved handler or a veterinarian administering medical examination, treatment or care.

(e) A regulated animal shall not be brought to any public property or commercial or retail establishment, except to bring the animal to a licensed veterinarian or veterinarian clinic.

Sec. 7. (a) Any regulated animal may be seized by the local animal control authority as provided in this section.

(b) The local animal control authority, upon issuance of a notice of inspection, shall be granted access at reasonable times to premises where

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The requirements for the sufficient strength of the cage shall be established by rules and regulations adopted by the secretary of wildlife and parks. **When such cage is permanently affixed to the premises, surrounding such cage shall be a fence or guard at least five feet from any part of such cage to prohibit physical contact with any person other than such persons listed in subsection (d).**

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registered

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the local animal control authority has reason to believe a violation of this act is occurring or has occurred.

(c) If a person who possesses a regulated animal is not in compliance with the requirements of this act, the local animal control authority shall take possession of the animal for custody and care, following the procedures in this subsection.

(d) Upon request of a person possessing a regulated animal, the local animal control authority may allow the animal to remain in the physical custody of the owner for 30 days, during which time the owner shall take all necessary actions to come in compliance with this act. During the 30-day period, the local animal control authority may inspect, at any reasonable time, the premises where the animal is kept.

(e) If a person who possesses a regulated animal is not in compliance with this act following the 30-day period described in subsection (d), the local animal control authority shall seize the animal and place it in a holding facility that is appropriate for the species for up to 10 days. The authority taking custody of an animal under this subsection shall provide a notice of the seizure by delivering or mailing it to the person possessing such regulated animal, by posting a copy of the notice at the premise where the animal is taken into custody, or by delivering it to a person residing on the premise. The notice shall include:

(1) A description of the animal seized; the authority for and purpose of the seizure; the time, place and circumstances under which the animal was seized; and a contact person and telephone number;

(2) a statement that a person from whom a regulated animal was seized may post security to prevent disposition of the animal and may request a hearing concerning the seizure and that failure to do so within five business days of the date of the notice will result in disposition of the animal;

(3) a statement that actual costs of the care, keeping and disposal of the regulated animal are the responsibility of the person from whom the animal was seized, except to the extent that a court or hearing officer finds that the seizure was not substantially justified by law; and

(4) a form that can be used by a person from whom a regulated animal was seized for requesting a hearing under this subsection.

(f) If a person from whom the regulated animal was seized makes a request within five business days of the seizure, a hearing must be held within five business days of the request to determine the validity of the seizure and disposition of the animal. The judge or hearing officer may authorize the return of the animal to the person from whom the animal was seized if the judge or hearing officer finds:

(1) That the person can and will provide the care required by law for the regulated animal; and

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(2) ~~the regulated animal is physically fit~~

(g) If a judge or hearing officer orders a permanent disposition of the regulated animal, the local animal control authority may take steps to find long-term placement for the animal with a wildlife sanctuary, or an appropriate United States department of agriculture licensed facility.

(h) A person from whom a regulated animal is seized is liable for all actual costs of care, keeping and disposal of the animal, except to the extent that a court or hearing officer finds that the seizure was not substantially justified by law. The costs shall be paid in full or a mutually satisfactory arrangement for payment shall be made between the local animal control authority and the person claiming an interest in the animal before return of the animal to the person.

(i) A person from whom a regulated animal has been seized under this subsection may prevent disposition of the animal by posting security in the amount sufficient to provide for the actual costs of care and keeping of the animal. The security shall be posted within five business days of the seizure, inclusive of the day of the seizure.

(j) If circumstances exist threatening the life of a person or the life of any animal, any law enforcement agency or the local animal control authority shall seize a regulated animal without an opportunity for hearing or court order, or destroy the animal.

(k) Upon proper determination by a licensed veterinarian, any regulated animal taken into custody under this section may be immediately euthanized when ~~the regulated animal is suffering~~ and is beyond cure through reasonable care and treatment.

(l) The agency or authority taking custody of the regulated animal may recover all costs incurred under this section.

Sec. 8. Exemptions to the provisions set forth in this act are as follows:

(a) Institutions accredited by the American zoo and aquarium association shall be exempt from sections 2 and 3, and amendments thereto.

(b) A wildlife sanctuary registered with the local animal control authority shall be exempt from section 2, and amendments thereto.

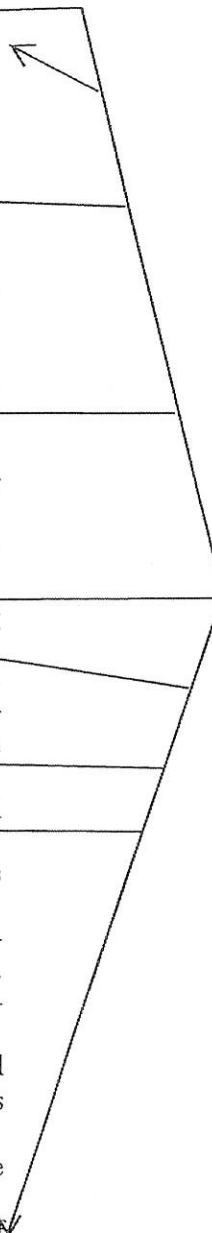
(c) The Kansas department of wildlife and parks, or a person issued a permit by the secretary pursuant to K.S.A. 32-952, and amendments thereto, shall be exempt from this act.

(d) A licensed or accredited research or medical institution shall be exempt from sections 2 and 3, and amendments thereto.

(e) A United States department of agriculture licensed exhibitor of regulated animals while transporting or as part of a circus, carnival, rodeo or fair shall be exempt from this act.

Sec. 9. Nothing in this act shall preclude a person who holds a valid United States department of agriculture license from selling or transfer-

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ing the entire business and the regulated animals covered by such license to another person who holds a valid United States department of agriculture license.

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Sec. 10. Annually, on or before April 1, a local animal control authority shall report to the secretary of the Kansas department of wildlife and parks on regulated animals registered with the local animal control authority during the preceding calendar year. The report shall include all registration information submitted to the local animal control authority under subsection (b) of section 3, and amendments thereto, and information on enforcement actions taken under this act.

(a)

dangerous

Sec. 11. A county or city may adopt resolutions or ordinances governing regulated animals that are more restrictive than this act. Such resolution or ordinance may include additional animals to the definition of regulated animal, additional caging standards, and stricter care and treatment provisions. If a county or city already has a resolution or ordinance in existence that is substantially the same or more restrictive, such county or city shall be in compliance with this act.

(b) It shall be a violation of this act for a person who does not own the **dangerous** regulated animal, to care for, have custody or control of such animal unless such person is a registered designated handler. Any such person applying for a designated handler registration shall file an application on a form prescribed by the local animal control authority. Application for such registration shall be accompanied by an application fee not exceeding \$25. If the local animal control authority finds the applicant to be qualified to be a registered designated handler after meeting the training, experience and ability requirements determined by the secretary of wildlife and parks, the local animal control authority shall issue a designated handler registration which shall expire at the end of the calendar year.

Sec. 12. Any person who knowingly violates this act is guilty of a class A nonperson misdemeanor.

Sec. 13. This act shall take effect and be in force from and after its publication in the statute book.

(c) The secretary of wildlife and parks shall adopt rules and regulations:
(1) Establishing training, experience and ability requirements for registered designated handlers; and
(2) creating and conducting educational training programs for the local animal control authority concerning the handling of dangerous regulated animals.

dangerous

**Testimony on SB 583 relating to Transfer of EDIF funds to the
KDWP for support of Kansas State Parks
To
Senate Ways and Means Committee**

**By J. Michael Hayden
Secretary
Kansas Department of Wildlife and Parks**

March 16, 2006

The funding for the operations of state parks operated by the Kansas Department of Wildlife and Parks (KDWP) has been under financed for a number of years, as support from the State General Fund has been reduced and revenue from increased park fees is not adequate to maintain the system. KDWP has discussed this concern with the state legislature several times. Inadequate revenue does not allow for the parks to be maintained at a level necessary to provide an appropriate level of public service. Items such as building maintenance and replacement of equipment continue to be deferred. Increasing costs for fuel and utilities further reduce the funds available for state parks operations.

Senate Bill 583 will amend existing state law to provide funding from the Economic Development Initiatives Fund (EDIF) to the KDWP, to assist in supporting operations of the state parks. In addition, the bill would provide EDIF funding to finance the Local Government Outdoor Recreation Grant Program authorized by KSA 32-1201 through 32-1203. This program has not been funded since FY 2001.

The FY 2007 Governor's Budget Report provides for continued operations of the state parks, by allowing the use of \$1,000,000 in Road Funds transferred from the Kansas Department of Transportation. The KDWP appreciates the consideration of

the Senate Ways and Means to consider alternative methods of providing dedicated funding, in adequate amounts, to assure the continued operation of the state parks. In addition, KDWP also appreciates the consideration of funding for the Local Government Outdoor Recreation Grant Program. This program was funded for three years, FY 1999 – 2001, and was a well-utilized program by small to medium size cities.

The issue of determining appropriate sources to provide continued and long-term funding for operations of the state parks is a critical issue and needs to be addressed. At the present time, KDWP supports the FY 2007 budget as recommended by the governor. However, KDWP is available to discuss various options and thanks the committee for their discussion on the issue.



TESTIMONY

concerning Senate Bill No. 583

re. Local Government Outdoor Recreation Grant Fund

Senate Ways and Means Committee

Presented by Randall Allen, Executive Director

Kansas Association of Counties

March 16, 2006

Chairman Umbarger and members of the committee, thank you for the opportunity to present testimony *in strong support of SB 583* and specifically, the allocation of \$1,000,000 in EDIF funds for the Local Government Outdoor Recreation Grant Program Fund.

For the brief period of time that the Local Government Outdoor Recreation Grant Program Fund received state funding, I was asked by the Kansas Department of Wildlife and Parks to sit on a committee to review applications for funding. Although my files are missing some documents relating to the program, this is what I remember about the program:

- The most recent year the program was funded was FY 2001, in the amount of \$500,000.
- The program was funded for three consecutive years (FY 1999, FY 2000, and FY 2001), each in the amount of \$500,000 for a total of \$1,500,000.
- The program required a 50% cash match from the grant applicant, which could be a city, county, or township.

Beyond the specific legal criteria for evaluating and approving grants, this is what I remember about the program:

1) the program benefited several small, medium and larger communities and leveraged way more than the 50% required cash match of the city, county, or township through private, philanthropic, or community-based fund raising efforts;

2) often, there were substantial private donations which were used to meet the local government's cash match requirement or to supplement the local government's cash match. I specifically remember the long-term project of Ms. Devore in the community of Eskridge to collect aluminum cans, the proceeds of which were placed into a fund which was eventually used to provide local match for a grant from this program to build a community swimming pool;

3) the program provided hope for communities that were (and are still) working to retain younger people in communities and to provide recreational opportunities for families and persons of all ages, including younger persons and senior citizens;

4) the program was administered with a reasonable but not overly burdensome amount of red tape. The goal was to place the funds in communities

300 SW 8th Avenue
3rd Floor
Topeka, KS 66603-3912
785•272•2585
Fax 785•272•3585

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03-16-06
Attachment 4

with great needs for outdoor recreational opportunities. The fact that there was some source of outside support was a catalyst for communities coming together around good projects;

5) the program enabled some communities to address compliance concerns with the Americans with Disabilities Act (ADA) so that all Kansans could enjoy our outdoor recreational opportunities; and

6) the program encouraged groups within a community to work together for the greater good of the community; as such, project applications which demonstrated strong cooperation among cities, counties, civic groups, recreational programs; and others were particularly well-received.

I realize that SB 583 carries a price tag for the State of Kansas. I also know that in economic development study after study, people tell us that the availability of community recreational opportunities is a major factor for employers in determining where to site businesses. All work and no play does make us more boring person as a society, not to mention that our lethargy means that we are more obese, less productive at our jobs, and less apt to participate in community. For these reasons, we strongly support SB 583 and urge the committee to report the bill favorably for passage. Thank you for the opportunity to provide testimony on this bill.

The Kansas Association of Counties, an instrumentality of member counties under K.S.A. 19-2690, provides legislative representation, educational and technical services and a wide range of informational services to its member counties. Inquiries concerning this testimony should be directed to Randall Allen or Judy Moler by calling (785) 272-2585.

Kansas Recreation and Park Association

Senate Ways and Means

Senate Bill 583

*Doug Vance, Executive Director
Kansas Recreation and Park Association*

Thank you Mr. Chairman and committee members. I'm Doug Vance, Executive Director of the Kansas Recreation and Park Association. I'm here to offer my strong support of Senate Bill 583 which would restore funding for the Local Government Outdoor Recreation Grant Program.

LGORGP is a competitive grant program created by the 1998 Legislature to award funds to local governments for outdoor recreation facility renovation or development. It provides 50% matching funds for eligible and approved outdoor recreation projects and creates partnerships between state and local units. All funds go to local communities.

During the three years of its previous existence – from 1999 through 2001 – the LGORGP support provided 120 grants to Kansas communities to fully or partially fund projects related to playgrounds, swimming pools, tennis courts, trails, ball fields, campgrounds, park shelters, restrooms and ADA compliance. During that time, 265 applications requesting a total of \$7.37 million were received.

These projects ranged from simple but essential items like covering the ball field dugouts in Wakeeney to protect the players from sun and stray balls, to building a small swimming pool in Eskridge with most of the matching money coming from the cans that 82-year-old Maizie DeVore had collected for 30 years.

This program is an investment in the quality of life for Kansas communities. It helps our communities give families places to play, attract tourists, retain businesses, create jobs for youth, make facilities accessible to all and restore pride. A strong park system is essential for a thriving community. The potential benefits resulting from the passage of this bill to many Kansas communities – particularly smaller communities- are significant in helping enhance the quality of life for all of our citizens.

There are many communities around Kansas where playgrounds, pools, ball fields are in desperate need of repair or upgrade. Equipment is often outdated and in disrepair creating safety hazards for the children that use them.

To advance park and recreation opportunities that enhance the quality of life through education, communication and advocacy.

It's important to remember that this funding can have a direct impact in helping us enhance a healthy lifestyle and fight obesity issues. This is a significant issue for kids. You may have seen an editorial in the *Topeka Capitol-Journal* last week which gave us this reminder about obesity – According to the International Journal of Pediatric Obesity, by the time the decade is out, nearly half the children in North and South America will be overweight, up from about 28 percent today.

In Kansas, according to statistics provided by the Department of Health and Environment, 61% of adults in Kansas are overweight. In addition, 26% of adults in this state engage in no leisure time activity. SB 583 gives us the resources to encourage our citizens, our families and our young people to get healthy.

This is a low-cost, high-return investment that stimulates community development and contributes significantly to the quality of life in Kansas communities.

On behalf of all of the park and recreation agencies throughout the state, we appreciate your serious consideration of this bill.

S B 583

I am Gene Nold from Wichita, Ks. I am representing the Walnut Valley Sailing Club located at El Dorado Lake of which I have been an active member for over 20 years.

Our Club is over sixty years old beginning its activities in 1937. In 1985, we obtained a concessionaire's license from the State of Kansas to build and operate a marine facility on El Dorado Lake. The purpose of which is to promote the sport of sailing and to provide accommodations for family activities and sailboat racing. The Club provides a youth boating safety, training and education program for kids from 7 to 17 years of age and also trains in the Boater Education program now required for all young boaters.

Since 1985, we have invested in excess \$500,000 in both on land and on the water facilities. Our current annual operating budget averages \$100,000. The entire cost of the facilities including all additions, improvements, operations and upkeep is privately funded by our members and we receive no state funds for our existence. Additionally, we estimate that we generate in excess of \$50,000 per year of revenues for the state and local governments through our concessionaire's license, user fees, park and camping permits and state and local taxes. We contribute to the state and local economy from the dollars spent by our members in and around the El Dorado area. Our current membership totals 250 individuals or 106 families. The Club is home to over 100 different sailing craft of various size and classes.

We are here today in support of SB 583 for the following reasons:

- The success of our continuing operations depends, to a very large extent, on the quality of the facilities at El Dorado Lake. In the past we have felt the local state personnel have done very well in building and maintaining the park. However, we are very concerned about the deterioration beginning to take place due to the lack of funding to maintain the facilities at the same level as in the past.
- Our membership includes a large percentage of young families with limited budgets. The increasing annual fees are forcing some to question whether they can afford to continue to visit the lake.
- The ever increasing cost of daily permits limits the number of guests willing or able to pay the entrance fee just to visit our club.
- Many of our members have joined our club upon relocating to Wichita and Kansas and, we feel the Lake and our Club provide attractive recreational activities for new comers to the area. Several have been surprised that water activities exist in Kansas and that our Midwest area is actually a very good place to sail.

We feel it is essential for Kansas to continue to invest in facilities such as these in order to provide an attractive and wholesome environment in which to raise our families.

John McCabe
Walnut Valley Sailing Club
El Dorado State Park

Contact: Gene Nold
Walnut Valley Sailing Club
4106 Sweet Bay
Wichita, Ks 67226
(316)-636-2091

Senate Ways and Means
03-16-06
Attachment 6

Charles M. Benjamin, Ph.D., J.D.
Attorney at Law
P.O. Box 1642
Lawrence, Kansas 66044-8642
(785) 841-5902
(785) 841-5922 facsimile
chasbenjamin@sbcglobal.net

Testimony in Support of S.B. 583
Transfer EDIF funds to Kansas Department of Wildlife and Parks

On Behalf of the Kansas Chapter of Sierra Club
Before the Kansas Senate Ways and Means Committee
March 16, 2006

Mr. Chairman, members of the Committee, thank you for the opportunity to testify in Support of S.B. 583 on behalf of the Sierra Club the world's oldest and largest grass roots environmental organization with over 750,000 members, including over 4,000 in Kansas.

One of the major activities of Sierra Club members is to participate in "outings" in state and federal parks and recreation areas. These outings include hiking, camping and observing wildlife. Sierra Club volunteers also participate in outings that include trail maintenance, installation of mile markers, trash clean-up and other activities to improve park infrastructure in cooperation with professional park staff. These are ideal types of family activities wherein parents can teach their children about nature and individual responsibility to maintain parks and scenic areas for future generations.

The Kansas Chapter of Sierra Club would like to have more opportunities to use Kansas parks for these types of activities. Unfortunately Kansas is very limited, compared to other states, in the amount of public lands available for hiking and camping. Therefore, a lot of Sierra Club members in Kansas and others who enjoy these types of activities travel to Missouri, Arkansas, Colorado and Oklahoma. However, with the increasing costs of gasoline it is becoming cost prohibitive to travel to other states. That is why Sierra Club is particularly interested in having more public lands in Kansas but, more importantly, doing what we can to improve the state parks that we already have. Volunteer activities can only go so far to maintain and improve our state parks. At some point we Kansans need to invest more money into our state park system.

S.B. 583 amends existing state law to provide funding from the Economic Development Initiatives Fund (EDIF) to the KDWP to assist in supporting state park operations and to finance the Local Government Outdoor Recreation Grant Program. Sierra Club wishes to thank the Senators on this Committee for their support of the Kansas Department of Wildlife and Parks and urges you to support S.B. 583.

Thank you for your attention. I will stand for questions when appropriate.

Senate Ways and Means
03-16-06
Attachment 7

Tonganoxie Recreation Commission

Senate Ways and Means

Senate Bill 583

Ken Mark, Board Chairman

On behalf of the Tonganoxie Recreation Commission, I would like to express my support of Senate Bill 583. I believe strongly in restoring the Local Government Outdoor Recreation Grant Program.

The budget of the Tonganoxie Recreation Commission, while it is much larger than when I came on board in 1992, is still not big enough to easily provide programs and facilities for our citizens.

The grants we received enabled us to complete projects in Chieftain Park sooner than if we had to come up with the money from our budget. With these funds, we were able to provide benches, a parking lot, and other needed items. These funds allowed us to complete projects in a timely matter without having to go heavily into lease purchase arrangements.

The Tonganoxie Recreation Commission in the next year will be involved in building new ball fields on property where a new middle school is being built. In addition, we are providing basketball goals, a trail, and an exercise area that will be utilized by school children as well as the community. Grant money would enable us to provide more facilities sooner for our citizens.

If there is any further information you need, please let me know. TRC does not get involved with the pool in town. But, I can tell you that it was built in the 1920's and it always needs work. The city, I am sure, could use grant money very much for this.

Senate Ways and Means
03-16-06
Attachment 8

Senate Ways and Means
Senate Bill 583
Ryan Sturdy, Recreation Director
Colby Recreation Commission

Thank you Mr. Chairman. I am Ryan Sturdy, Recreation Director for the City of Colby.

I am writing to offer my support of Senate Bill 583 to restore funding for the Local Government Outdoor Recreation Grant Program.

LGORGP helped fund a playground project in Fike Park in 1999. LGORGP funded \$42,000 of the \$89,467 total project cost. \$18,000 came from the local budgeted funds and the remaining \$29,467 was raised in a fund drive from Beta Sigma Phi Sorority.

The complete project enhanced the appearance and use of the park. Many events are held in the park annually. Attendance at the events has increased in the project has been completed. Some of these events include: Santa City, Colby Rod Run, Prairie Heritage Days, Picnic in the Park, St. Jude's annual bike-a-thon, Annual EMS 9-Run-Run marathon, annual swim Club meet, Spring Easter Egg hunt, Colby High School Alumni Picnic, weddings and receptions, and various school, college, family and organizational picnics.

The Recreation Department is located next to the park. We have utilized the park on many occasions for numerous programs. The after school program takes the participant to the park to unwind after a long day at school.

The LGORGP if restored could be used to help upgrade the sports complex in town. We have many local tournaments each year. If we are able to enhance the complex with the help of the LGORGP we can draw a large base to utilize the park and increase participation in recreation programs. Increased numbers in our program means more healthy citizens in our community. The City Swimming Pool would also be another area than could use the assistance. The current pool was built in the 1930's and renovated in the early 1990's. A more updated pool could help increase numbers and draw from the surrounding areas.

We strive to keep Colby a safe and attractive place to live, visit, and play. With the continued support of the community and aid from programs like LGORGP we can continue to make the Colby the "Oasis on the Plains."

On behalf of the City of Colby and Colby Recreation Commission, we appreciate your serious consideration on Senate Bill 583.

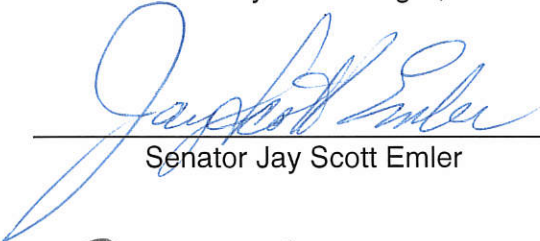
Senate Ways and Means
03-16-06
Attachment 9

FY 2006 and FY 2007
SENATE WAYS AND MEANS SUBCOMMITTEE

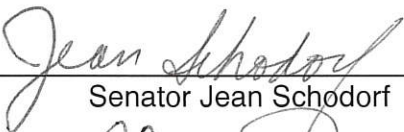
State Department of Education



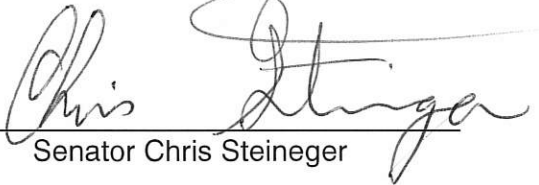
Senator Dwayne Umbarger, Chair



Senator Jay Scott Emler



Senator Jean Schodorf



Senator Chris Steineger



Senator Ruth Teichman

Senate Ways and Means
03-16-06
Attachment

House Budget Committee Report

Agency: State Department of Education

Bill No. HB 2958

Bill Sec. 44

Analyst: Rampey

Analysis Pg. No. Vol. II-771

Budget Page No. Vol. II-139

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2006</u>	<u>Governor's Recommendation FY 2006</u>	<u>House Budget Committee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 2,603,446,421	\$ 2,596,791,293	\$ 461,649
Other Funds	489,521,956	489,422,016	0
TOTAL	<u>\$ 3,092,968,377</u>	<u>\$ 3,086,213,309</u>	<u>\$ 461,649</u>
FTE Positions	211.8	211.8	7.0
Non FTE Uncl. Perm. Pos.	51.2	51.2	0.0
TOTAL	<u>263.0</u>	<u>263.0</u>	<u>7.0</u>

Agency Estimate

The State Department of Education estimates expenditures of \$3,092,968,377 for FY 2006, of which \$2,603,446,421 is from the State General Fund. Major items in the current year budget are the following:

- State General Fund savings of \$21,280,313 in general and supplemental general state aid, which the State Department requests be reappropriated for FY 2007.
- A requested supplemental appropriation of \$10,589,356 from the State General Fund for special education in order to fund excess costs at the statutory level of 89.3 percent.
- A requested supplemental appropriation of \$42,500 from the State General Fund for the Declining Enrollment State Aid Program.
- A requested supplemental appropriation of \$685,461 from the State General Fund for the Juvenile Detention Facilities Program.
- A requested supplemental appropriation of \$1,293,919 from the State General Fund for the Capital Outlay State Aid Program.

Governor's Recommendation

The Governor recommends \$3,086,213,309 for FY 2006, of which \$2,596,791,293 is from the State General Fund. Major items in the Governor's recommendation include the following:

- The Governor lapses \$21,280,313 in State General Fund savings in general and supplemental general state aid.
- The Governor recommends requested supplemental appropriations from the State General Fund of \$10,589,356 for special education, \$42,500 for Declining

Enrollment State Aid, and \$685,461 for the Juvenile Detention Facilities Program. The Governor recommends a supplemental appropriation of \$1,197,016 from the State General Fund for the Capital Outlay State Aid Program, which is \$96,903 less than requested.

House Budget Committee Recommendation

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

1. Reappropriate State General Fund savings of \$21,280,313 for general and supplemental general state aid to FY 2007 rather than lapse them.
2. Add \$96,903 from the State General Fund for the Capital Outlay State Aid Program in order to fully fund the program in FY 2006.
3. Add \$364,746 from the State General Fund to begin a three-year project to develop the Enterprise Data Warehouse, a project to integrate various databases within the Department, streamline federal reporting, decrease the reporting burden on schools, and position the Department to develop Growth Modeling, which involves tracking the academic progress of individual students longitudinally. Recommended funding includes salaries for 7.0 FTE positions.

House Committee Recommendation

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

1. The House Committee recommends that the expenditure of \$364,746 from the State General Fund for the Enterprise Data Warehouse be subject to review by the Joint Committee on Information Technology. In addition, change the 7.0 FTE requested by the Budget Committee to non-FTE unclassified permanent positions (employees who are hired only for the direction of a project).
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-

Senate Subcommittee Report

Agency: State Department of Education

Bill No. SB 570

Bill Sec. 44

Analyst: Rampey

Analysis Pg. No. Vol. II-771

Budget Page No. Vol. II-139

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2006</u>	<u>Governor's Recommendation FY 2006</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 2,603,446,421	\$ 2,596,791,293	\$ 461,649
Other Funds	489,521,956	489,422,016	0
TOTAL	<u>\$ 3,092,968,377</u>	<u>\$ 3,086,213,309</u>	<u>\$ 461,649</u>
FTE Positions	211.8	211.8	0.0
Non FTE Uncl. Perm. Pos.	51.2	51.2	7.0
TOTAL	<u>263.0</u>	<u>263.0</u>	<u>7.0</u>

Agency Estimate

The State Department of Education estimates expenditures of \$3,092,968,377 for FY 2006, of which \$2,603,446,421 is from the State General Fund. Major items in the current year budget are the following:

- State General Fund savings of \$21,280,313 in general and supplemental general state aid, which the State Department requests be reappropriated for FY 2007.
- A requested supplemental appropriation of \$10,589,356 from the State General Fund for special education in order to fund excess costs at the statutory level of 89.3 percent.
- A requested supplemental appropriation of \$42,500 from the State General Fund for the Declining Enrollment State Aid Program.
- A requested supplemental appropriation of \$685,461 from the State General Fund for the Juvenile Detention Facilities Program.
- A requested supplemental appropriation of \$1,293,919 from the State General Fund for the Capital Outlay State Aid Program.

Governor's Recommendation

The Governor recommends \$3,086,213,309 for FY 2006, of which \$2,596,791,293 is from the State General Fund. Major items in the Governor's recommendation include the following:

- The Governor lapses \$21,280,313 in State General Fund savings in general and supplemental general state aid.
- The Governor recommends requested supplemental appropriations from the State General Fund of \$10,589,356 for special education, \$42,500 for Declining

Enrollment State Aid, and \$685,461 for the Juvenile Detention Facilities Program. The Governor recommends a supplemental appropriation of \$1,197,016 from the State General Fund for the Capital Outlay State Aid Program, which is \$96,903 less than requested.

Senate Subcommittee Recommendations

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

1. Add \$96,903 from the State General Fund for the Capital Outlay State Aid Program in order to fully fund the program in FY 2006.
2. Add \$364,746 from the State General Fund to begin a three-year project to develop the Enterprise Data Warehouse, a project to integrate various databases within the Department, streamline federal reporting, decrease the reporting burden on schools, and position the Department to develop Growth Modeling, which involves tracking the academic progress of individual students longitudinally. The recommended funding includes salaries for 7.0 non-FTE unclassified permanent positions. (Non-FTE unclassified permanent positions are special or temporary positions which would give the State Department flexibility to terminate positions that are only needed to implement but not maintain the new system.) In addition, specify that the expenditure of the \$364,747 by the State Department be subject to review by the Joint Committee on Information Technology and that the State Department shall report to appropriate committees of the 2007 Legislature on progress to implement the Enterprise Data Warehouse, including a report on the Joint Committee on Information Technology's review.

House Budget Committee Report

Agency: State Department of Education **Bill No.** HB 2968

Bill Sec. 34

Analyst: Rampey

Analysis Pg. No. Vol. II-771

Budget Page No. Vol. II-139

Expenditure Summary	Agency Request FY 2007	Governor's Recommendation FY 2007	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 2,754,407,016	\$ 2,672,394,934	\$ (1,592,133)
Other Funds	476,159,763	484,705,656	(47,800)
TOTAL	\$ 3,230,566,779	\$ 3,157,100,590	\$ (1,639,933)
FTE Positions	213.8	213.8	7.5
Non FTE Uncl. Perm. Pos.	49.3	49.3	0.0
TOTAL	263.1	263.1	7.5

Agency Request

The State Department requests a total of \$3,230,566,779, of which \$2,754,407,016 is from the State General Fund. Major items include the following:

- \$56,114,000 from the State General Fund to increase Base State Aid Per Pupil (BSAPP) by \$98.
- \$10,000,000 from the State General Fund to increase the at-risk weighting from 0.193 to 0.211.
- \$323,071,024 from the State General Fund to fund special education excess costs at the statutorily-set level of 92 percent.
- \$8,500,000 from the State General Fund to fully fund the state's share of the Professional Development Program.
- \$109,388 from the State General Fund for 2.0 FTE Application Designer II positions to help develop the Enterprise Data Warehouse and Growth Modeling.
- \$99,300, of which \$26,367 is from the State General Fund, to replace seven vehicles.

Governor's Recommendation

The Governor recommends a total of \$3,157,100,590, of which \$2,672,394,934 is from the State General Fund. Major items in the Governor's recommendation are the following:

- \$1,880,850,000 to fully fund general state aid at the current BSAPP rate. All funding is from the State General Fund except for \$5,304,045 which is from the Children's Initiatives Fund and is earmarked for programs for four-year-old at-risk children.

- \$323,071,024 to fund special education excess costs at the statutory level of 92.0 percent. Of the amount, \$1,225,000 is from the Children's Initiatives Fund and the remainder is from the State General Fund.
- \$3,000,000 from the State General Fund for the Professional Development Program.
- \$65,100, of which \$17,300 is from the State General Fund, to replace five vehicles with more than 100,000 miles. (The State Department requested funding for seven vehicles.)
- \$109,388 from the State General Fund, as requested, for two new positions.
- \$250,000 from the State General Fund to continue school district accountability studies.

House Budget Committee Recommendation

The House Budget Committee concurs with the recommendations of the Governor, with the following exceptions and observations:

1. **FY 2007 Baseline Budget.** To establish a baseline FY 2007 budget, the FY 2006 budget, as approved by the 2005 Legislature, was adjusted to reflect salary adjustments (removal of the 27th payroll period funding included in FY 2006, annualization of the FY 2006 phased in 2.5 percent base salary adjustment and statutorily required adjustments for Kansas Public Employees Retirement System (KPERs) rates, KPERs death and disability insurance, and longevity). In addition, adjustments were made for required debt service payments, revenue transfers, and consensus items including school finance funding and caseload estimates for the Department of Social and Rehabilitation Services, the Department of Administration, the Department on Aging, and the Board of Indigents' Defense Services. Finally, adjustments were made for one-time items which impact specific agency budgets.

For the State Department of Education, the FY 2006 approved budget totaled \$3,052,052,980, including \$2,586,511,945 from the State General Fund. The approved budget was adjusted by an additional \$87,357,710, including \$82,720,925 from the State General Fund, to establish a baseline budget for FY 2007. The State General Fund adjustments included a reduction of \$112,168 for salary adjustments and an increase of \$82,833,093 for consensus estimates to fully fund school finance, special education, and KPERs-School.

2. **Comparison of FY 2007 Baseline Budget to Governor's Recommendation.** The table below reflects the difference between the Governor's recommendation and the baseline budget.

	SGF	All Funds
Governor's Recommendation	\$ 2,672,394,934	\$ 3,157,100,590
Baseline Budget	2,669,232,870	3,139,410,690
Difference	<u>\$ 3,162,064</u>	<u>\$ 17,689,900</u>
<i>Percent Difference</i>	0.1%	0.6%

The following table reflects items included in the Governor's recommendation which differ from the baseline budget.

	SGF	All Funds
Base Salary Adjustment	\$ 149,477	\$ 320,503
Professional Development	2,000,000	2,000,000
Vehicle Replacement (5)	17,300	65,100
2.0 FTE Positions	109,388	109,388
Juvenile Detention Facilities	685,461	685,461
Federal Food Assistance	0	11,453,315
State Assessments	0	3,462,365
Net Other Adjustments	200,438	(406,232)
TOTAL	<u>\$ 3,162,064</u>	<u>\$ 17,689,900</u>

3. Delete \$65,100, of which \$17,300 is from the State General Fund, recommended by the Governor to replace five vehicles and consider the State Department's request for a total of seven replacement vehicles in the Omnibus Bill.
4. Delete \$2,000,000 from the State General Fund recommended by the Governor for the Professional Development Program, and fund the program at the same level as in FY 2006 (\$1,000,000).
5. Delete \$250,000 from the State General Fund recommended by the Governor for ongoing school district accountability studies. (The funding was not requested by the State Department.)
6. Add \$375,167 from the State General Fund for the second year of a three-year plan to develop an Enterprise Data Warehouse which will be used to support Growth Modeling. The recommended amount of money augments the \$109,388 from the State General Fund recommended by the Governor for 2.0 FTE Application Developer II positions to implement, maintain, and link the State Department's numerous databases and would permit the State Department to add one additional position, for a total of 8.0 FTE positions in FY 2006 and FY 2007 combined.
7. Add \$300,000 from the State General Fund to continue the Kansas Academy for Leadership in Technology (KAL-Tech), which has been funded for the last four and one-half years with a grant from the Bill and Melinda Gates Foundation and federal funds. The State Department has held nine academies and trained more

than 1,400 superintendents and principals in best practices, innovation in school planning and improvement efforts, enhancing learning and student achievement, and the integration and effective use of information technologies. The recommended funding will allow the State Department to add 1.5 FTE positions to administer the academies and expand them to include teachers with leadership skills.

8. Require that funding generated by special education students age three to five be earmarked for early childhood programs for children with disabilities.

House Committee Recommendation

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

1. Delete \$300,000 from the State General Fund for KAL-Tech, including the deletion of 1.5 FTE positions (Item 7).
 2. Amend Item 6 by deleting the words "for the second year" and replacing them with the words "to complete the implementation of the first year."
 3. Recommend that the expenditure of \$375,167 from the State General Fund for the Enterprise Data Warehouse be subject to review by the Joint Committee on Information Technology. In addition, change 2.0 positions recommended by the Governor as FTE positions to non-FTE unclassified permanent positions (employees who are hired only for the direction of a project).
 4. In Item 8, replace the word "require" with the word "recommend" in order to avoid the necessity of making a statutory change.
 5. Add a proviso stating that before children are provided intervention services, school districts should encourage parents of at-risk children to have eye examinations to see if the children have conditions which impair their ability to read.
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Senate Subcommittee Report

Agency: State Department of Education **Bill No.** SB 573

Bill Sec. 34

Analyst: Rampey

Analysis Pg. No. Vol. II-771

Budget Page No. Vol. II-139

Expenditure Summary	Agency Request FY 2007	Governor's Recommendation FY 2007	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 2,754,407,016	\$ 2,672,394,934	\$ (624,833)
Other Funds	476,159,763	484,705,656	0
TOTAL	<u>\$ 3,230,566,779</u>	<u>\$ 3,157,100,590</u>	<u>\$ (624,833)</u>
FTE Positions	213.8	213.8	(0.5)
Non FTE Uncl. Perm. Pos.	49.3	49.3	8.0
TOTAL	<u>263.1</u>	<u>263.1</u>	<u>7.5</u>

Agency Request

The State Department requests a total of \$3,230,566,779, of which \$2,754,407,016 is from the State General Fund. Major items include the following:

- \$56,114,000 from the State General Fund to increase Base State Aid Per Pupil (BSAPP) by \$98.
- \$10,000,000 from the State General Fund to increase the at-risk weighting from 0.193 to 0.211.
- \$323,071,024 from the State General Fund to fund special education excess costs at the statutorily-set level of 92 percent.
- \$8,500,000 from the State General Fund to fully fund the state's share of the Professional Development Program.
- \$109,388 from the State General Fund for 2.0 FTE Application Designer II positions to help develop the Enterprise Data Warehouse and Growth Modeling.
- \$99,300, of which \$26,367 is from the State General Fund, to replace seven vehicles.

Governor's Recommendation

The Governor recommends a total of \$3,157,100,590, of which \$2,672,394,934 is from the State General Fund. Major items in the Governor's recommendation are the following:

- \$1,880,850,000 to fully fund general state aid at the current BSAPP rate. All funding is from the State General Fund except for \$5,304,045 which is from the

Children's Initiatives Fund and is earmarked for programs for four-year-old at-risk children.

- \$323,071,024 to fund special education excess costs at the statutory level of 92.0 percent. Of the amount, \$1,225,000 is from the Children's Initiatives Fund and the remainder is from the State General Fund.
- \$3,000,000 from the State General Fund for the Professional Development Program.
- \$65,100, of which \$17,300 is from the State General Fund, to replace five vehicles with more than 100,000 miles. (The State Department requested funding for seven vehicles.)
- \$109,388 from the State General Fund, as requested, for two new positions.
- \$250,000 from the State General Fund to continue school district accountability studies.

Senate Subcommittee Recommendations

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

1. Delete \$1,000,000 from the State General Fund for Professional Development, leaving a total of \$2,000,000 from the State General Fund. In addition, add a proviso to the appropriation specifying that the State Department may expend up to \$300,000 and add 1.5 FTE position to continue the Kansas Academy for Leadership in Technology (KAL-Tech), which has been funded for the last four and one-half years with a grant from the Bill and Melinda Gates Foundation and federal funds. The State Department has held nine academies and trained more than 1,400 superintendents and principals in best practices, innovation in school planning and improvement efforts, enhancing learning and student achievement, and the integration and effective use of information technologies.
2. Add \$375,167 from the State General Fund to complete the implementation of the first year to develop an Enterprise Data Warehouse which will be used to support Growth Modeling. The recommended amount of money augments the \$109,388 from the State General Fund recommended by the Governor for 2.0 FTE Application Developer II positions to implement, maintain, and link the State Department's numerous databases. The Senate Subcommittee adds one additional non-FTE unclassified permanent position and changes the positions added by the Governor from regular FTE positions to non-FTE unclassified permanent positions, for a total of eight such positions for FY 2006 and FY 2007 combined. In addition, specify that the expenditure of the \$375,167 by the State Department be subject to review by the Joint Committee on Information Technology and that the State Department shall report to appropriate committees of the 2007 Legislature on progress to implement the Enterprise Data Warehouse, including a report on the Joint Committee on Information Technology's review.
3. The Subcommittee strongly supports all-day kindergarten and endorses the following plan to phase in the program:

- FY 2007—For purposes of counting students for school finance purposes, increase the count for kindergarten students from .50 FTE pupil to .65 FTE pupil, at a cost of \$15,400,000;
- FY 2008—Increase the count for kindergarten students to .80 FTE pupil, at a cost of \$23,500,000; and
- FY 2009—Increase the count for kindergarten students to 1.0 FTE pupil, at a cost of \$30,800,000.

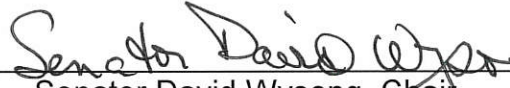
To implement all-day kindergarten would require a statutory change in the school finance law. The Subcommittee requests that the Senate Education Committee consider amending the school finance act to accomplish the Subcommittee's recommendation so that funding for the program can be added in the Omnibus Bill.

4. Concur with the Governor's recommended amount of \$65,100 (\$17,300 from the State General Fund) for the purchase of five replacement vehicles, instead of the seven requested by the State Department. However, it is the Subcommittee's intent that the State Department be allowed to purchase the two additional vehicles if it has sufficient money within available resources.

FY 2006 and FY 2007

Senate Subcommittee Report

Department of Labor



Senator David Wysong, Chair



Senator Jim Barone



Senator Mark Taddiken

House Budget Committee Report

Agency: Department of Labor

Bill No. 2958

Bill Sec. 38

Analyst: Spurgin

Analysis Pg. No. Vol. II-1203

Budget Page No. 271

Expenditure Summary	Agency Estimate FY 2006	Governor's Recommendation FY 2006	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 419,154	\$ 419,154	\$ 0
Other Funds	352,618,597	352,618,597	0
Subtotal - Operations	<u>\$ 353,037,751</u>	<u>\$ 353,037,751</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
Other Funds	854,650	1,204,650	0
Subtotal - Capital Improvements	\$ 854,650	\$ 1,204,650	\$ 0
TOTAL	<u>\$ 353,892,401</u>	<u>\$ 354,242,401</u>	<u>\$ 0</u>
FTE Positions	600.2	600.2	0.0
Non FTE Uncl. Perm. Pos.	26.0	26.0	0.0
TOTAL	<u>626.2</u>	<u>626.2</u>	<u>0.0</u>

Agency Estimate

The **agency** estimates current year operating expenditures of \$353,037,751, a decrease of \$60,114,290 (14.6 percent) below the approved amount. The agency estimates FY 2006 State General Fund expenditures of \$419,154, an increase of \$76,706 (22.4 percent) above the approved amount. The revised current year budget request reflects the transfer of the America's Joblink Alliance Program from the Kansas Department of Labor to the Kansas Department of Commerce to more closely follow the workforce development programs that had already been transferred to Commerce as part of 2004 ERO No. 31.

- \$43,092 of reappropriated funds from the State General Fund are budgeted in the Unemployment Insurance Program;
- The agency has budgeted \$33,614 of State General Fund KSIP money, as well as \$979,044 in KSIP funds from the Workers Compensation Fee Fund (\$876,955) and the Workers Compensation Fee Fund Industrial Safety (\$102,089).

The agency's Unemployment Insurance benefit payments projection has decreased by \$57.2 million dollars. The agency credits an improving economy and lower unemployment in the reduced estimate of Unemployment Insurance benefit payments.

The America's Joblink Alliance Program was transferred to the Department of Commerce on July 3, 2005. This transfer further reduced the estimated operating expenditures.

Governor's Recommendation

The **Governor** concurs with the agency's estimate for FY 2006.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation, with the following observation:

1. The Budget Committee notes that the agency has purchased the Eastman Building on the grounds of the former Topeka State Hospital. The Budget Committee notes that once this building is remodeled and ready for occupancy, it will house the Topeka call center for the Unemployment Insurance Division. This operation is currently working in leased space at the Ramada Inn in Topeka, which costs the agency \$74,112 per year. There is also the possibility that this building could be utilized to consolidate all call center operations into a location owned by the agency. While the agency owns the building where the Wichita call center is located, the Kansas City call center is in leased space which costs about \$54,000 per year.

House Committee Recommendation

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

Senate Subcommittee Report

Agency: Department of Labor

Bill No. SB 570

Bill Sec. 38

Analyst: Spurgin

Analysis Pg. No. Vol. II-1203

Budget Page No. 271

Expenditure Summary	Agency Estimate FY 2006	Governor's Recommendation FY 2006	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 419,154	\$ 419,154	\$ 0
Other Funds	<u>352,618,597</u>	<u>352,618,597</u>	<u>0</u>
Subtotal - Operations	<u>\$ 353,037,751</u>	<u>\$ 353,037,751</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>854,650</u>	<u>1,204,650</u>	<u>0</u>
Subtotal - Capital Improvements	\$ 854,650	\$ 1,204,650	\$ 0
 TOTAL	 <u>\$ 353,892,401</u>	 <u>\$ 354,242,401</u>	 <u>\$ 0</u>
FTE Positions			
FTE Positions	600.2	600.2	0.0
Non FTE Uncl. Perm. Pos.	<u>26.0</u>	<u>26.0</u>	<u>0.0</u>
TOTAL	<u>626.2</u>	<u>626.2</u>	<u>0.0</u>

Agency Estimate

The **agency** estimates current year operating expenditures of \$353,037,751, a decrease of \$60,114,290 (14.6 percent) below the approved amount. The agency estimates FY 2006 State General Fund expenditures of \$419,154, an increase of \$76,706 (22.4 percent) above the approved amount. The revised current year budget request reflects the transfer of the America's Joblink Alliance Program from the Kansas Department of Labor to the Kansas Department of Commerce to more closely follow the workforce development programs that had already been transferred to Commerce as part of 2004 ERO No. 31.

- \$43,092 of reappropriated funds from the State General Fund are budgeted in the Unemployment Insurance Program;
- The agency has budgeted \$33,614 of State General Fund KSIP money, as well as \$979,044 in KSIP funds from the Workers Compensation Fee Fund (\$876,955) and the Workers Compensation Fee Fund Industrial Safety (\$102,089).

The agency's Unemployment Insurance benefit payments projection has decreased by \$57.2 million dollars. The agency credits an improving economy and lower unemployment in the reduced estimate of Unemployment Insurance benefit payments.

The America's Joblink Alliance Program was transferred to the Department of Commerce on July 3, 2005. This transfer further reduced the estimated operating expenditures.

Governor's Recommendation

The **Governor** concurs with the agency's estimate for FY 2006.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation, with the following observation:

1. The Subcommittee notes that the agency did not have a complete debt services schedule available for the bonds issued on the Unemployment Insurance Information Technology Upgrade Project at the time the budget request was submitted. The agency expects the additional debt service payments to be addressed in a Governor's Budget Amendment.

House Budget Committee Report

Agency: Department of Labor

Bill No. HB 2968

Bill Sec. 27

Analyst: Spurgin

Analysis Pg. No. Vol. II-1203

Budget Page No. 271

Expenditure Summary	Agency Request FY 2007	Governor's Recommendation FY 2007	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 337,744	\$ 368,141	\$ 0
Other Funds	365,472,967	367,857,231	(66,454)
Subtotal - Operations	365,810,711	368,225,372	(66,454)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	467,000	467,000	0
Subtotal - Capital Improvements	\$ 467,000	\$ 467,000	\$ 0
TOTAL	\$ 366,277,711	\$ 368,692,372	\$ (66,454)
FTE Positions			
FTE Positions	600.2	600.2	0.0
Non FTE Uncl. Perm. Pos.	26.0	26.0	0.0
TOTAL	626.2	626.2	0.0

Agency Request

The **agency** requests budget year operating expenditures of \$365,810,711, an increase of \$12,772,960 (3.6 percent) above the revised current year estimate. The FY 2007 request for State General Fund expenditures is \$337,744, a decrease of \$81,410 (19.4 percent) below the FY 2006 estimate.

The State General Fund expenditures requested by the agency are a decrease of \$81,410 (19.4 percent) below the revised FY 2006 estimate. The request for FY 2006 reflects several one-time expenditures such as \$43,092 State General Fund expenditures from reappropriated funds as well as \$33,614 in KSIP expenditures. Additionally, the FY 2006 budget included \$7,661 from the State General Fund for the 27th payroll period in FY 2006. Excluding the reappropriated funds, KSIP expenditures, and the additional payroll expenses from the State General Fund in the FY 2006 estimate, the FY 2007 State General Fund expenditures reflect an increase of \$2,957(0.9 percent).

The agency's Unemployment Insurance (UI) benefit payments projection for FY 2006 increased by \$15,000,000 (3.6 percent) above the revised current year estimate. The agency reports most of this increase being attributed to an increase in the average weekly benefit amount.

The requested amount has budgeted \$270,000 of federal Reed Act funds to pay the State Treasurer for handling unemployment benefit warrants and electronic fund transfers.

Governor's Recommendation

The **Governor** recommends operating expenditures of \$368,225,372 for FY 2007, an increase of \$15,187,621 (4.3 percent) above the current year recommendation. The increase is partially offset by the fact that FY 2007 will have the customary 26 payroll periods, and not the additional 27th payroll period that occurs in FY 2006; however, the recommendation for salaries and wages still reflects an increase of \$184,286 (0.7 percent).

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation with the following adjustments and observations"

1. **FY 2007 Baseline Budget.** To establish a baseline FY 2007 budget, the FY 2006 budget, as approved by the 2005 Legislature, was adjusted to reflect salary adjustments (removal of the 27th payroll period funding included in FY 2006, annualization of the FY 2006 phased in 2.5 percent base salary adjustment and statutorily required adjustments for Kansas Public Employees Retirement System (KPERs) rates, KPERs death and disability insurance, and longevity). In addition, adjustments were made for required debt service payments, revenue transfers, and consensus items including school finance funding and caseload estimates for the Department of Social and Rehabilitation Services, the Department of Administration, the Department on Aging, and the Board of Indigents' Defense Services. Finally, adjustments were made for one-time items which impact specific agency budgets.

For this agency, the FY 2006 approved budget totaled \$413,152,041, including \$342,448 from the State General Fund. The approved budget was reduced by a net total of \$62,026,944 including \$3,796 from the State General Fund to establish a baseline budget for FY 2007. The reductions included \$749,482 in salary adjustments, and \$167,412 in one-time adjustments, partially offset by an increase of \$51,474 for debt service payments.

2. **Comparison of FY 2007 Baseline Budget to Governor's Recommendation.** The table below reflects the difference between the Governor's recommendation and the baseline budget.

	SGF	All Funds
Governor's Recommendation	\$ 368,141	\$ 367,857,231
Baseline Budget	338,692	351,125,097
Dollar Difference	\$ 29,449	\$ 16,726,134
<i>Percent Difference</i>	<i>8.0%</i>	<i>4.5%</i>

The following table reflects items included in the Governor's recommendation which differ from the baseline budget.

	<u>SGF</u>	<u>All Funds</u>
Base Salary Adjustment	\$ 5,397	\$ 594,875
Debt Service Principal and Interest	0	1,943,849
Unemployment Insurance Benefit Increases	0	15,000,000
Other Net Adjustments	<u>24,052</u>	<u>(812,590)</u>
TOTAL	<u>\$ 29,449</u>	<u>\$ 16,726,134</u>

3. Delete \$66,454 from special revenue funds recommended by the Governor to replace five vehicles. The Budget Committee recommends reviewing vehicle purchases at Omnibus.

House Committee Recommendation

The House Committee concurs with the Budget Committee's recommendation with the following adjustment:

1. Delete \$594,875, including \$5,397 from the State General Fund, to remove the 2.5 percent base salary adjustment recommended by the Governor. The funding will be redistributed based on the House Committee's recommended pay plan adjustment.
2. Delete \$1,488, all from Special Revenue Funds, to remove the funding for the building trades incentive adjustment recommended by the Governor. The trade retention incentive funding will be redistributed based on the House Committee's recommended pay plan adjustments.



Senate Subcommittee Report

Agency: Department of Labor

Bill No. SB 573

Bill Sec. 27

Analyst: Spurgin

Analysis Pg. No. Vol. II-1203

Budget Page No. 271

Expenditure Summary	Agency Request FY 2007	Governor's Recommendation FY 2007	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 337,744	\$ 368,141	\$ 0
Other Funds	365,472,967	367,857,231	79,476
Subtotal - Operations	365,810,711	368,225,372	79,746
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	467,000	467,000	0
Subtotal - Capital Improvements	\$ 467,000	\$ 467,000	\$ 0
TOTAL	\$ 366,277,711	\$ 368,692,372	\$ 79,476
FTE Positions	600.2	600.2	0.0
Non FTE Uncl. Perm. Pos.	26.0	26.0	0.0
TOTAL	626.2	626.2	0.0

Agency Request

The **agency** requests budget year operating expenditures of \$365,810,711, an increase of \$12,772,960 (3.6 percent) above the revised current year estimate. The FY 2007 request for State General Fund expenditures is \$337,744, a decrease of \$81,410 (19.4 percent) below the FY 2006 estimate.

The State General Fund expenditures requested by the agency are a decrease of \$81,410 (19.4 percent) below the revised FY 2006 estimate. The request for FY 2006 reflects several one-time expenditures such as \$43,092 State General Fund expenditures from reappropriated funds as well as \$33,614 in KSIP expenditures. Additionally, the FY 2006 budget included \$7,661 from the State General Fund for the 27th payroll period in FY 2006. Excluding the reappropriated funds, KSIP expenditures, and the additional payroll expenses from the State General Fund in the FY 2006 estimate, the FY 2007 State General Fund expenditures reflect an increase of \$2,957(0.9 percent).

The agency's Unemployment Insurance (UI) benefit payments projection for FY 2006 increased by \$15,000,000 (3.6 percent) above the revised current year estimate. The agency reports most of this increase being attributed to an increase in the average weekly benefit amount.

The requested amount has budgeted \$270,000 of federal Reed Act funds to pay the State Treasurer for handling unemployment benefit warrants and electronic fund transfers.

Governor's Recommendation

The **Governor** recommends operating expenditures of \$368,225,372 for FY 2007, an increase of \$15,187,621 (4.3 percent) above the current year recommendation. The increase is partially offset by the fact that FY 2007 will have the customary 26 payroll periods, and not the additional 27th payroll period that occurs in FY 2006; however, the recommendation for salaries and wages still reflects an increase of \$184,286 (0.7 percent).

Senate Subcommittee Recommendation

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

1. Add \$79,476 from special revenue funds to fund six vehicles in addition to the five recommended by the Governor. The Subcommittee notes that the agency expects to have more than eleven vehicles past the 100,000 mile mark by the time these vehicles are able to be purchased.
2. The Subcommittee notes that the agency did not have a complete debt service schedule available for the bonds issued on the Unemployment Insurance Information Technology Upgrade Project at the time the budget request was submitted. The agency expects the additional debt service payments to be addressed in a Governor's Budget Amendment.