

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chair Sharon Schwartz at 9:00 A.M. on January 9, 2007 in Room 514-S of the Capitol.

All members were present except:

- Representative Doug Gatewood- excused
- Representative Tom Sawyer- excused

Committee staff present:

- Alan Conroy, Legislative Research Department
- J. G. Scott, Legislative Research Department
- Becky Krahl, Legislative Research Department
- Matt Spurgin, Legislative Research Department
- Michele Alishahi, Legislative Research Department
- Reagan Cussimano, Legislative Research Department
- Amy Deckard, Legislative Research Department
- Audrey Dunkel, Legislative Research Department
- Julian Efird, Legislative Research Department
- Susan Kannarr, Legislative Research Department
- Aaron Klaassen, Legislative Research Department
- Ashley Holm, Legislative Research Department
- Heather O'Hara, Legislative Research Department
- Michael Steiner, Legislative Research Department
- Amy VanHouse, Legislative Research Department
- Jim Wilson, Office of the Revisor of Statutes
- Scott Wells, Research Fellow, Office of the Revisor of Statutes
- Nikki Feuerborn, Chief of Staff
- Shirley Jepson, Committee Assistant

Conferees appearing before the committee:

Others attending:

See attached list.

- Attachment 1 Legislative Fiscal Analyst Assignments
- Attachment 2 Committee Rules
- Attachment 3 State General Fund (SGF) Overview
- Attachment 4 SGF Receipts for FY 2007 and FY 2008
- Attachment 5 SGF Receipts July through December, FY 2007
- Attachment 6 SGF Receipts, Expenditures, Balances as Projected
- Attachment 7 Indebtedness of the State of Kansas

Representative Tafanelli moved to introduce legislation pertaining to (1) funding of the Legislature's commitment to increase support for education and (2) address the regent institutions and their deferred maintenance needs. The motion was seconded by Representative Pottorff. Motion carried.

Chair Schwartz introduced the Committee leadership and requested the members of the Committee to introduce and tell something about themselves.

Jim Wilson, Office of the Revisor of Statutes, noted that he will staff the Committee and introduced Scott Wells, who is a Revisor's Fellow in the Office of the Revisor's of Statutes. J. G. Scott, Legislative Research Department, introduced the Fiscal Analyst Staff and distributed a listing of assignments (Attachment 1). Chair Schwartz introduced her personal staff.

A copy of the Committee rules was distributed to the Committee (Attachment 2).

Alan Conroy, Legislative Research Department, presented an overview of the following:

- Current status of the State General Fund (SGF) (Attachment 3);
- Consensus Estimating Group's memo to the Governor and Legislative Budget Committee (Attachment 4);

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on January 9, 2007 in Room 514-S of the Capitol.

- Memo to Legislative Budget Committee on SGF receipts (Attachment 5);
- SGF Receipts, Expenditures and Balances as projected for FY2006 - FY2010 (Attachment 6)
- Indebtedness of the State of Kansas FY1997- FY2007 (Attachment 7).


Mr. Conroy noted that actual FY 2006 receipts were \$85.7 million above the estimate resulting in an improvement in the financial status of the State. There has been strong growth in individual income tax, corporation income tax and retail sales tax receipts.

Responding to Committee questions, Mr. Conroy stated that there are \$273 million in authorized bonds but unissued at this time, the majority of which are for funding of the Comprehensive Transportation Plan (CTP). These are open-ended bonds and can be issued at any time. Mr. Conroy also stated that the largest single item of the State's indebtedness are bonds for funding of the CTP. The Standard and Poor's bond rating for the State is somewhat lower than in the past. With regard to fuel tax, Mr. Conroy indicated that information will be provided on a comparison of Kansas fuel tax charged in surrounding states.

Mr. Conroy stated that there are 20 fee-funded state agencies who have biennial budgets. These budgets will need to be worked by the Budget Committees with their budgets for FY 2008 and FY 2009 included in this year's Appropriations bill.

Chair Schwartz reminded the Committee that their main responsibility is the budget of the State, noting it is important to spend the state's revenues for useful programs and in an efficient manner.

The meeting was adjourned at 10:05 a.m. The next meeting of the Committee will be at 9:00 a.m. on January 10, 2007.


Rep. Sharon Schwartz, Chair

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 195 El Dorado Correctional Facility
 313 Hutchinson Correctional Facility
 400 Lansing Correctional Facility
 408 Larned Correctional Facility
 581 Norton Correctional Facility
 660 Topeka Correctional Facility
 712 Winfield Correctional Facility
 626 Sentencing Commission
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 553 Racing and Gaming Commission
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 670 State Treasurer
 058 Commission on Human Rights
 206 Emergency Medical Services Board
 482 Board of Nursing
 488 Optometry Board
 102 Behavioral Sciences Regulatory Board
 167 Dental Board
 105 Board of Healing Arts
 266 Hearing Aid Examiners

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 328 Board of Indigents' Defense Services
 247 Governmental Ethics Commission
 100 Board of Barbering
 149 Board of Cosmetology
 204 Mortuary Arts Board

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 122 Citizen Utility Ratepayer Board
 709 Kansas Water Office
 055 Animal Health Department
 373 Kansas State Fair Board
 634 State Conservation Commission
 Coordinator, Water Plan Fund

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 325 Beloit Juvenile Correctional Facility
 355 Atchison Juvenile Correctional Facility
 412 Larned Juvenile Correctional Facility
 352 Kansas Juvenile Correctional Complex
 016 Abstracters Board
 543 Real Estate Appraisal Board
 549 Real Estate Commission
 663 Board of Technical Professions
 700 Board of Vet. Medical Examiners

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 610 School for the Deaf

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 246 Fort Hays State University
 379 Emporia State University
 367 Kansas State University
 367 KSU-Veterinary Medical Center
 367 KSU-Agricultural Extension
 385 Pittsburg State University
 682 University of Kansas
 683 University of Kansas Medical Center
 715 Wichita State University
 Coordinator, Joint Committee on State Building Construction

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 170 Health Policy Authority
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 494 Osawatomie State Hospital
 555 Rainbow Mental Health Facility
 363 Kansas Neurological Institute
 507 Parsons State Hospital
 Coordinator, Children's Initiatives Fund

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 694 Comm. Veterans Affairs/Soldiers Home/Veterans Home
 331 Insurance Department
 270 Health Care Stabilization Board of Governors
 261 Kansas Guardianship Program
 625 Securities Commissioner
 159 Department of Credit Unions
 028 Accountancy Board
 531 Board of Pharmacy

AMY VANHOUSE (6-4443)

264 Department of Health and Environment
 276 Department of Transportation
 034 Adjutant General
 280 Highway Patrol
 083 Attorney General-Kansas Bureau of Investigation
 234 Fire Marshal
 Coordinator, Fiscal Database

HOUSE APPROPRIATIONS

DATE 1-9-2007
 ATTACHMENT 1

LEGISLATIVE FISCAL ANALYST ASSIGNMENTS—FY 2008

Abstracters Board **MICHAEL STEINER (6-4181)**
 Accountancy Board **HEATHER O'HARA (6-7792)**
 Adjutant General **AMY VANHOUSE (6-4443)**
 Administration, Department of **JULIAN EFIRD (6-3535)**
 Aging, Department on **AMY DECKARD (6-4429)**
 Agriculture, Department of **BECKY KRAHL (6-3184)**
 Animal Health Department **BECKY KRAHL (6-3184)**
 Arts Commission, Kansas **AARON KLAASSEN (6-4396)**
 Atchison Juvenile Correctional Facility **MICHAEL STEINER (6-4181)**
 Attorney General **LEAH ROBINSON (6-4447)**

Bank Commissioner **ASHLEY HOLM (6-4404)**
 Barbering, Board of **MATT SPURGIN (6-4442)**
 Behavioral Sciences Regulatory Board **AARON KLAASSEN (6-4396)**
 Beloit Juvenile Correctional Facility **MICHAEL STEINER (6-4181)**

Citizen Utility Ratepayer Board **BECKY KRAHL (6-3184)**
 Commerce, Department of **AMY DECKARD (6-4429)**
 Corrections, Department of **REAGAN CUSSIMANIO (6-4418)**
 Cosmetology, Board of **MATT SPURGIN (6-4442)**
 Credit Unions, Department of **HEATHER O'HARA (6-7792)**

Dental Board **AARON KLAASSEN (6-4396)**

Education, State Department of **MICHELE ALISHAHI (6-4409)**
 El Dorado Correctional Facility **REAGAN CUSSIMANIO (6-4418)**
 Ellsworth Correctional Facility **REAGAN CUSSIMANIO (6-4418)**
 Emergency Medical Services Board **AARON KLAASSEN (6-4396)**
 Emporia State University **AUDREY DUNKEL (6-3183)**

Fair Board, Kansas State **BECKY KRAHL (6-3184)**
 Fire Marshal, State **AMY VANHOUSE (6-4443)**
 Fort Hays State University **AUDREY DUNKEL (6-3183)**

Governmental Ethics Commission **MATT SPURGIN (6-4442)**
 Governor **LEAH ROBINSON (6-4447)**
 Guardianship Program, Kansas **HEATHER O'HARA (6-7792)**

Healing Arts, Board of **AARON KLAASSEN (6-4396)**
 Health and Environment, Department of **AMY VANHOUSE (6-4443)**
 Health Care Stabilization Bd. of Gov. **HEATHER O'HARA (6-7792)**
 Health Policy Authority, Kansas **SUSAN KANNARR (6-3923)**
 Hearing Aid Examiners **AARON KLAASSEN (6-4396)**
 Highway Patrol **AMY VANHOUSE (6-4443)**
 Human Rights, Commission on **AARON KLAASSEN (6-4396)**
 Hutchinson Correctional Facility **REAGAN CUSSIMANIO (6-4418)**

Indigents' Defense Services, Board of **MATT SPURGIN (6-4442)**
 Insurance Department **HEATHER O'HARA (6-7792)**

Judicial Branch **MATT SPURGIN (6-4442)**
 Judicial Council **MATT SPURGIN (6-4442)**
 Juvenile Justice Authority **MICHAEL STEINER (6-4181)**

Kansas Bureau of Investigation (Attorney Gen.) **AMY VANHOUSE (6-4443)**
 Kansas Corporation Commission **BECKY KRAHL (6-3184)**
 Kansas Development Finance Authority **JULIAN EFIRD (6-3535)**
 Kansas Juvenile Correctional Complex **MICHAEL STEINER (6-4181)**
 Kansas Inc. **AMY DECKARD (6-4429)**
 Kansas Lottery **JULIAN EFIRD (6-3535)**
 Kansas Neurological Institute **SUSAN KANNARR (6-3923)**
 Kansas Public Employees Retirement System **JULIAN EFIRD (6-3535)**
 Kansas State University **AUDREY DUNKEL (6-3183)**

KSU-Agricultural Extension **AUDREY DUNKEL (6-3183)**
 KSU-Veterinary Medical Center **AUDREY DUNKEL (6-3183)**
 Kansas Technology Enterprise Corp. **AMY DECKARD (6-4429)**

Labor, Department of **HEATHER O'HARA (6-7792)**
 Lansing Correctional Facility **REAGAN CUSSIMANIO (6-4418)**
 Larned Correctional Facility **REAGAN CUSSIMANIO (6-4418)**
 Larned Juvenile Correctional Facility **MICHAEL STEINER (6-4181)**
 Larned State Hospital **SUSAN KANNARR (6-3923)**
 Legislative Coordinating Council **J. G. SCOTT (6-4397)**
 Legislative Research Department **J. G. SCOTT (6-4397)**
 Legislature **J. G. SCOTT (6-4397)**
 Lieutenant Governor **LEAH ROBINSON (6-4447)**

Mortuary Arts Board **Matt Spurgin (6-4442)**

Norton Correctional Facility **REAGAN CUSSIMANIO (6-4418)**
 Nursing, Board of **AARON KLAASSEN (6-4396)**

Optometry Board **AARON KLAASSEN (6-4396)**
 Osawatomie State Hospital **SUSAN KANNARR (6-3923)**

Parole Board **REAGAN CUSSIMANIO (6-4418)**
 Parsons State Hospital **SUSAN KANNARR (6-3923)**
 Pharmacy, Board of **HEATHER O'HARA (6-7792)**
 Pittsburg State University **AUDREY DUNKEL (6-3183)**
 Post Audit, Division of **J. G. SCOTT (6-4397)**

Racing and Gaming Commission **JULIAN EFIRD (6-3535)**
 Rainbow Mental Health Facility **SUSAN KANNARR (6-3923)**
 Real Estate Appraisal Board **MICHAEL STEINER (6-4181)**
 Real Estate Commission **MICHAEL STEINER (6-4181)**
 Regents, Board of **AUDREY DUNKEL (6-3183)**
 Revenue, Department of **AMY DECKARD (6-4429)**
 Revisor of Statutes **J. G. SCOTT (6-4397)**

School for the Blind **MICHELE ALISHAHI (6-4409)**
 School for the Deaf **MICHELE ALISHAHI (6-4409)**
 Secretary of State **LEAH ROBINSON (6-4447)**
 Securities Commissioner **HEATHER O'HARA (6-7792)**
 Sentencing Commission **REAGAN CUSSIMANIO (6-4418)**
 Social and Rehabilitation Services, Dept. of **SUSAN KANNARR (6-3923)**
 State Conservation Commission **BECKY KRAHL (6-3184)**
 State Historical Society **AARON KLAASSEN (6-4396)**
 State Library **AARON KLAASSEN (6-4396)**
 State Treasurer **AARON KLAASSEN (6-4396)**

Tax Appeals, Board of **AMY DECKARD (6-4429)**
 Technical Professions, Board of **MICHAEL STEINER (6-4181)**
 Topeka Correctional Facility **REAGAN CUSSIMANIO (6-4418)**
 Transportation, Department of **AMY VANHOUSE (6-4443)**

University of Kansas **AUDREY DUNKEL (6-3183)**
 University of Kansas Medical Center **AUDREY DUNKEL (6-3183)**

Veterans Affairs/Soldiers Home/Veterans Home **HEATHER O'HARA (6-7792)**
 Veterinary Medical Examiners, Board of **MICHAEL STEINER (6-4181)**

Water Office, Kansas **BECKY KRAHL (6-3184)**
 Wichita State University **AUDREY DUNKEL (6-3183)**
 Wildlife and Parks, Department of **JULIAN EFIRD (6-3535)**
 Winfield Correctional Facility **REAGAN CUSSIMANIO (6-4418)**

COMMITTEE RULES
2007
KANSAS HOUSE APPROPRIATIONS COMMITTEE

1. In any case where committee rules do not apply, House Rules shall govern. All powers, duties and responsibilities not addressed herein are reserved to the Chair.
2. Cellular phones are prohibited in the House Appropriations Committee room, unless audible tones or ringers are disabled.
3. A substitute motion is in order, but no additional substitute motion shall be in order until the prior substitute motion is disposed of.
4. Amendments to motions are not in order except upon consent of the member making the motion and his or her second.
5. A motion to table or take from the table shall be in order only when such item is on the agenda or is taken up by the Chair. The motion requires a simple majority and is, unless otherwise determined by the Chair, non-debatable.
6. The intent of all motions regarding provisos or policy shall be submitted in writing with copies available for Committee members and staff.
7. Adjournment is reserved to the Chair.
8. Calling for the question is reserved to the Chair.
9. Text messaging and use of cell phones during Committee is not allowed.

HOUSE APPROPRIATIONS

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ATTACHMENT 2

KANSAS LEGISLATIVE RESEARCH DEPARTMENT

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January 9, 2007

STATE GENERAL FUND OVERVIEW

FY 2006 Actual

- Actual FY 2006 State General Fund receipts and expenditures:
 - Receipts collected were \$85.7 million, or 1.6 percent, above the estimate for FY 2006.
 - Expenditures were \$27.5 million less than the total approved by the 2006 Legislature. However, \$22.9 million budgeted for FY 2006 is now authorized to be spent in FY 2007, *i.e.*, “shifted” to FY 2007. Actual FY 2006 expenditures were \$5.14 billion, an increase of \$449.3 million, or 9.6 percent, above the actual FY 2005 expenditures. Although, remember that the FY 2006 expenditure amount includes significant increases for state aid to local school districts.

FY 2007 and FY 2008 Receipts

- The Consensus Revenue Estimating Group met on November 3, 2006, and revised the FY 2007 State General Fund estimate of receipts and made the first official estimate for FY 2008.
 - Consensus Revenue Estimating Group meets twice a year – November and April;
 - **FY 2007 (current year)** State General Fund estimated receipts were increased \$299.4 million, or 5.7 percent. Significant adjustments were:
 - Individual income tax receipts increased \$146.3 million, or 6.0 percent;
 - Corporation income tax receipts increased \$68.7 million, or 22.4 percent;
 - Retail sales tax receipts were increased \$43.2 million, or 2.5 percent.
 - **FY 2008 (first estimate)** projected increased receipts of \$108 million, or 1.9 percent. However, it should be noted that sales and compensating use taxes are affected by 2004 legislation that deposits additional amounts in the State Highway Fund, rather than the State General Fund. Without this legislation, the State General Fund would receive an additional \$174.1 million in FY 2008, for an adjusted growth rate of 5.1 percent and \$282 million. Major changes in the FY 2008 estimate include:
 - Individual income tax receipts increase \$165 million, or 6.4 percent;

- Retail sales tax receipts decrease \$30 million, or 1.7 percent; and
- Corporation income tax receipts decrease \$20.0 million, or 5.3 percent.
- o Actual receipts at the end of December were \$60.4 million above the December estimate.
 - \$35.8 million in individual income taxes; and
 - \$25.1 million in corporate income taxes.

State General Fund Profile and Outlook

- State General Fund Profile

- o The actual State General Fund ending balance in FY 2006 was \$733.6 million, or 14.3 percent, of expenditures.
- o The current projected ending balance in FY 2007 (with SRS, Health Policy Authority, and Aging caseload increases and school finance savings) is \$754.2 million (second highest ever), or 13.5 percent, of expenditures.
- o The FY 2008 State General Fund profile assumes the following:
 - A 1.9 percent growth rate in receipts (Consensus Estimate);
 - State aid to local school districts increases \$149 million, as provided in the 2005 school finance law. Base state aid per pupil increases to \$4,374, an increase of \$58 per pupil. Special education excess costs increase \$29.3 million;
 - SRS, Health Policy Authority, and Aging caseloads increase \$53.0 million;
 - KPERS increased obligations (employer contribution and bond payments) are satisfied – \$50.6 million;
 - State General Fund-financed Comprehensive Transportation Plan debt service obligation is satisfied – \$11.0 million increase; and
 - Annualization of the state employee compensation (step movement) in FY 2007, which was granted on September 10, 2006 (part way through the fiscal year) – \$2.4 million increase.
- o The projected FY 2008 ending balance would be 9.9 percent of expenditures (\$579.3 million). Expenditures for FY 2008 would exceed receipts by \$174.9 million.
- o Some of the budget items that would not be addressed would include:
 - Any increase in Higher Education Reform Act funding

- Regents have requested a 6.0 percent increase for general support - \$45.2 million;
- No request for deferred maintenance - but early estimate is \$726.4 million and a projected need of \$84 million annually;
- Any increase in Department of Corrections
 - \$1.8 million for additional contract beds;
- State employee salary increases.
- FY 2010 possible demands include:
 - Start of another three-year local school finance plan;
 - Construction of a new correctional prison (\$125.0 million);
 - 1,800 additional projected beds over the next ten years;
 - Beginning of a new Comprehensive Transportation Plan;
 - Current plan ends in FY 2009, but construction will continue out until FY 2011.

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KANSAS

DIVISION OF THE BUDGET
DUANE A. GOOSSEN, DIRECTOR

KATHLEEN SEBELIUS, GOVERNOR

November 20, 2006

To: Governor Kathleen Sebelius and the Legislative Budget Committee
From: The Kansas Division of the Budget and the Kansas Legislative Research Department
Re: State General Fund Receipts for FY 2007 (Revised) and FY 2008

Estimates for the State General Fund are developed using a consensus process that involves the Division of the Budget, the Legislative Research Department, the Department of Revenue, and three consulting economists from state universities. These estimates are the base from which the Governor and the Legislature build the annual budget. The Consensus Group met on November 3, 2006, to revise the FY 2007 estimate and to develop the first estimate for FY 2008.

For FY 2007, the estimate was increased by \$299.4 million, or 5.7 percent, above the previous estimate (made in April and subsequently adjusted for legislation in June). The overall revised SGF estimate of \$5,592.3 million is 3.7 percent above FY 2006 receipts.

The initial estimate for FY 2008 is \$5,700.4 million, which is \$108.1 million, or 1.9 percent, above the newly revised FY 2007 figure. It should be noted that sales and compensating use taxes are affected by 2004 legislation that deposits additional amounts in the State Highway Fund, rather than the State General Fund. Without this legislation, the State General Fund would receive an additional \$175.0 million in FY 2008.

Table 1 compares the new FY 2007 and FY 2008 estimates with actual receipts from FY 2006. Table 2 shows the detailed changes in the FY 2007 estimate.

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ATTACHMENT 4

Economic Forecast for Kansas

The Kansas economy is expected to continue the trend of positive growth through calendar year 2008. Several key factors that affected the consensus estimates include high energy prices; increased business activities; a lower unemployment rate; an improved agricultural sector; and stabilizing retail sales.

The national economy is expected to grow at a slower pace over the next two years. Nominal Gross Domestic Product (GDP) is expected to finish 2006 at an annual nominal growth rate of 6.5 percent, then drop to 5.5 percent in 2007 and 2008. Real GDP is expected to grow by 3.4 percent, 2.9 percent, and 3.0 percent, respectively. U.S. personal income is expected to finish 2006 with a growth rate of 6.8 percent, but fall to 5.4 percent in 2007. In 2008, the growth rate is expected to be 5.3 percent. A listing of the key economic indicators is shown in the following table:

Key Economic Indicators

	2005	2006	2007	2008
Consumer Price Index for All Urban Consumers	3.4 %	3.4 %	2.6 %	2.5 %
Real U.S. Gross Domestic Product	3.2	3.4	2.9	3.0
Nominal U.S. Gross Domestic Product	6.3	6.5	5.5	5.5
Nominal U.S. Personal Income	5.2	6.8	5.4	5.3
Corporate Profits before Taxes	32.7	13.0	--	4.7
Nominal Kansas Gross State Product	6.6	5.6	4.8	4.7
Nominal Kansas Personal Income:				
Dollars in millions	\$90,433	\$96,200	\$101,300	\$106,550
Percentage Change	5.7 %	6.4 %	5.3 %	5.2 %
Nominal Kansas Disposable Income:				
Dollars in millions	\$81,133	\$86,100	\$90,575	\$95,200
Percentage Change	4.8 %	6.1 %	5.2 %	5.1 %
Interest Rate for State General Fund (based on fiscal year)	2.27	4.25	5.23	4.76
Kansas Unemployment Rate (based on fiscal year)	5.3	4.8	4.6	4.8

Inflation Rate

The rate of inflation, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), for 2006 is expected to finish the year at 3.4 percent. The inflation rate in 2007 is forecast to be lower at 2.6 percent and drop to 2.5 percent in 2008.

Kansas Personal Income

Nominal Kansas Personal Income (KPI) is expected to realize an annual growth rate of 6.4 percent in 2006. The growth rate is expected to decrease to 5.3 percent in 2007 and to decrease slightly again in 2008 to 5.2 percent.

Interest Rates

The Pooled Money Investment Board is authorized to make investments in U.S. Treasury and agency securities; highly rated commercial paper; as well as repurchase agreements and certificates of deposit of Kansas banks. In FY 2006, the state finished the year with an earned interest rate of 4.25 percent on its State General Fund portfolio. The average rate of return forecasted for FY 2007 is 5.23 percent. For FY 2008, the forecasted rate is 4.76 percent.

Employment

Labor market statistics indicate that unemployment in Kansas is down and experts believe that the employment outlook generally is expected to stabilize. The statewide unemployment rate for FY 2006 was 4.8 percent. The forecast for FY 2007 is 4.6 percent. In FY 2008, the unemployment rate is expected to increase back up to 4.8 percent.

Agriculture

The national All Farm Products Index of Prices Received in October was 117.0 percent of the 1990-92 base, down two points from September, but six points above October 2005. The All Farm Products Index of Prices received by Kansas farmers was 123 percent, which was up by 1 point from September and up 14 points from October 2005. The All Crops Index in October, at 133 percent, was down 1 point from September, but up 34 points from 2005. The Meat Animals Index, at 119 percent base, was down 2 points from both September and last year.

Wheat prices in mid-October, at \$4.99 per bushel, were up \$0.48 from September and \$1.51 above last October. Corn prices, at \$2.99 per bushel, were up \$0.56 from September and \$0.82 above last October. Farmers received an average of \$5.12 per hundred weight (cwt.) for sorghum grain in mid-October, which is up \$1.19 from September and \$2.22 above last October. Soybean prices, at \$5.38 per bushel, were up \$0.21 from September, but \$0.11 below last October.

All hay prices averaged \$102.00 per ton, which is down \$2.00 from September, but \$38.00 higher than last year. Alfalfa hay averaged \$115.00 per ton, up \$6.00 from September and \$44.00 higher than last October and other hay, at \$78.00 per ton, was up \$9.00 from September and \$28.00 above last October.

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All beef cattle brought an average of \$91.90 per cwt., which is down \$1.50 from September and \$1.20 below the price from last October. Steers and heifers averaged \$93.30 per cwt., and calf prices were \$132.00 per cwt., down \$5.00 from September and down \$8.00 from October 2005. The all hog price of \$43.70 per cwt. was down \$1.10 from September and down \$0.30 cents from last October.

Oil and Gas

The average price per taxable barrel of Kansas crude oil is estimated to be \$55 in FY 2007 and to remain at that level in FY 2008. Gross oil production in Kansas is expected to continue to remain steady at 35.0 million barrels throughout the forecast period (FY 2007 and FY 2008).

The price of natural gas is expected to decrease from the FY 2006 level of \$6.81 per mcf to \$5.50 per mcf in FY 2007 and then increase to \$6.00 per mcf in FY 2008. Natural gas production in FY 2006 was 373.9 million cubic feet. Production is expected to continue to decline for the foreseeable future as natural gas reserves, especially those in the Hugoton field, are depleted. The forecast is for 355.0 million cubic feet in FY 2007 and 335.0 million cubic feet in FY 2008.

State General Fund Receipts Estimates

Each individual SGF source was evaluated independently and consideration was given to revised and updated economic forecasts, and year-to-date receipts. Additional information was provided by the Department of Revenue, the Insurance Department, the State Treasurer's Office, the Pooled Money Investment Board, the Kansas Department of Labor, and Kansas Agricultural Statistics.

Tax Receipts

FY 2007. Estimated tax receipts for FY 2007 were increased by \$299.4 million. Individual income tax receipts account for \$146.3 million of the total increase, while corporation income tax receipts account for \$68.7 million, and financial institutions income tax accounts for \$4.0 million. Retail sales and compensating use account for \$62.5 million. The remaining \$17.9 million of the increase is attributable to receipts from financial institutions income tax (\$4.0 million), estate tax (\$3.0 million), motor carrier property tax (\$0.5 million), several excise taxes (\$2.0 million), and miscellaneous taxes (\$2.0 million). Other revenue sources also were increased.

The only tax source that decreased was the severance tax. Experts provided information that points to lower prices for both oil and gas during the forecast period. These lower prices translated to a \$5.9 million reduction in the natural gas severance tax

receipts. However, this decrease was partially offset by an expected \$3.8 million increase in oil severance tax receipts.

FY 2008. The initial estimate for FY 2008 is \$5,700.4 million, which is \$108.1 million, or 1.9 percent, above the newly revised FY 2007 figure. It should be noted that retail sales and compensating use tax receipts are affected by 2004 legislation that deposits additional amounts in the State Highway Fund, rather than the State General Fund. Without this legislation, the State General Fund would receive an additional \$175.0 million in FY 2008.

Other legislation also played a role in the growth between FY 2007 and FY 2008. A new transfer, referred to as "the slider" will begin in FY 2008. The slider is a transfer from the State General Fund that is intended to partially offset any reduction in property tax receipts to local governments that result from removing investment machinery and equipment from the tax roles. The slider will increase transfers made out of the State General Fund by \$28.3 million in FY 2008. In addition, other legislation affecting the deposit of certain taxes associated with water will reduce miscellaneous tax receipts by \$3.0 million. Legislation intended to begin the phase out the estate tax begins in FY 2008, as well. The effect of this new law is a reduction of \$9.0 million.

Accuracy of Consensus Revenue Estimates

For 31 years, State General Fund revenue estimates for Kansas have been developed using the consensus revenue estimating process. Besides the three state agencies identified on the first page, the economists currently involved in the process are Dr. Joe Sicilian from the University of Kansas, Dr. Ed Olson from Kansas State University (emeritus), and Dr. John Wong from Wichita State University.

The table on page 6 presents estimates compared to actual receipts since FY 1975, the fiscal year for which the current process was initiated. The process involves comparing the adjusted original estimate to actual collections and then the final estimate is compared to actual receipts.

Concluding Comments

Consensus revenue estimates are based on current federal and state laws and their current interpretation. The group will meet again in April to revise these estimates. Developments which occur between the November and April meetings will be taken into account at that time.

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ACCURACY OF STATE GENERAL FUND ESTIMATES

Fiscal Year	Adjusted Original Estimate*	Adjusted Final Estimate**	Actual Receipts	Difference from:			
				Original Estimate		Final Estimate	
				Amount	Percent	Amount	Percent
1975	\$ --	\$ 614.9	\$ 627.6	\$ --	-- %	\$ 12.7	2.1 %
1976	676.3	699.7	701.2	24.9	3.7	1.4	0.2
1977	760.2	760.7	776.5	16.3	2.1	15.8	2.1
1978	830.1	861.2	854.6	24.5	3.0	(6.5)	(0.8)
1979	945.2	1,019.3	1,006.8	61.6	6.5	(12.5)	(1.2)
1980	1,019.3	1,095.9	1,097.8	78.5	7.7	1.9	0.2
1981	1,197.1	1,226.4	1,226.5	29.4	2.5	0.1	--
1982	1,351.3	1,320.0	1,273.0	(78.3)	(5.8)	(47.0)	(3.6)
1983	1,599.2	1,366.9	1,363.6	(235.6)	(14.7)	(3.2)	(0.2)
1984	1,596.7	1,539.0	1,546.9	(49.8)	(3.1)	7.9	0.5
1985	1,697.7	1,679.7	1,658.5	(39.2)	(2.3)	(21.3)	(1.3)
1986	1,731.2	1,666.4	1,641.4	(89.8)	(5.2)	(25.0)	(1.5)
1987	1,903.1	1,764.7	1,778.5	(124.6)	(6.5)	13.8	0.8
1988	1,960.0	2,031.5	2,113.1	153.1	7.8	81.6	4.0
1989	2,007.8	2,206.9	2,228.3	220.5	11.0	21.4	1.0
1990	2,241.2	2,283.3	2,300.5	59.3	2.6	17.2	0.8
1991	2,338.8	2,360.6	2,382.3	43.5	1.9	21.7	0.9
1992	2,478.7	2,454.5	2,465.8	(12.9)	(0.5)	11.3	0.5
1993	2,913.4	2,929.6	2,932.0	18.6	0.6	2.4	0.1
1994	3,040.1	3,126.8	3,175.7	135.6	4.5	48.9	1.6
1995	3,174.4	3,243.9	3,218.8	44.4	1.4	(25.1)	(0.8)
1996	3,428.0	3,409.2	3,448.3	20.3	0.6	39.0	1.1
1997	3,524.8	3,642.4	3,683.8	159.0	4.5	41.4	1.1
1998	3,714.4	3,971.0	4,023.7	309.3	8.3	52.7	1.3
1999	3,844.7	4,051.9	3,978.4	133.7	3.5	(73.4)	(1.8)
2000	4,204.1	4,161.0	4,203.1	(1.0)	--	42.1	1.0
2001	4,420.7	4,408.7	4,415.0	(5.7)	(0.1)	6.4	0.1
2002	4,595.8	4,320.6	4,108.7	(565.6)	(12.1)	(211.7)	(4.9)
2003	4,641.0	4,235.6	4,245.6	(395.4)	(9.3)	9.9	0.2
2004	4,605.5	4,450.0	4,518.7	(56.8)	(1.9)	68.2	1.5
2005	4,490.5	4,793.8	4,844.3	350.8	7.8	47.5	1.0
2006	4,834.0	5,308.7	5,394.4	560.4	11.6	85.7	1.6

* The adjusted original estimate is the estimate made in November or December prior to the start of the next fiscal year in July and adjusted to account for legislation enacted, if any, which affected receipts to the SGF.

** The final estimate made in March or April is the adjusted original estimate plus or minus changes subsequently made by the Consensus Estimating Group. It also includes the estimated impact of legislation on receipts.

Table 1
State General Fund Receipts
(Dollars in Thousands)

	Consensus Estimate November 3, 2006					
	FY 2006 (Actual)		FY 2007 (Revised)		FY 2008	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Property Tax:						
Motor Carrier	\$22,056	7.8 %	\$23,500	6.5 %	\$24,000	2.1 %
General Property	55					
Motor Vehicle	1,875					
Total	\$23,986	7.8 %	\$23,500	(2.0) %	\$24,000	2.1 %
Income Taxes:						
Individual	\$2,371,253	15.6 %	\$2,585,000	9.0 %	\$2,750,000	6.4 %
Corporation	350,200	54.9	375,000	7.1	355,000	(5.3)
Financial Inst.	31,058	40.8	31,000	(0.2)	31,000	--
Total	\$2,752,511	19.7 %	\$2,991,000	8.7 %	\$3,136,000	4.8 %
Estate Tax	\$51,806	(0.1) %	\$55,000	6.2 %	\$46,000	(16.4) %
Excise Taxes:						
Retail Sales*	\$1,736,048	5.4 %	\$1,775,000	2.2 %	\$1,745,000	(1.7) %
Compensating Use*	269,250	10.0	290,000	7.7	290,000	--
Cigarette	117,899	(0.9)	115,000	(2.5)	115,000	--
Tobacco Products	5,093	1.1	5,200	2.1	5,400	3.8
Cereal Malt Bev.	2,090	0.6	2,000	(4.3)	2,100	5.0
Liquor Gallonage	16,676	6.0	17,000	1.9	17,500	2.9
Liquor Enforcement	44,234	5.6	46,500	5.1	47,500	2.2
Liquor Drink	8,009	7.6	8,500	6.1	8,700	2.4
Corp. Franchise	46,898	(0.4)	47,000	0.2	48,000	2.1
Severance	133,432	29.1	111,100	(16.7)	113,500	2.2
Gas	96,539	28.0	72,300	(25.1)	74,700	3.3
Oil	36,893	31.9	38,800	5.2	38,800	--
Total	\$2,379,629	6.5 %	\$2,417,300	1.6 %	\$2,392,700	(1.0) %
Other Taxes:						
Insurance Prem.	\$112,207	5.0 %	\$113,000	0.7 %	\$115,000	1.8 %
Miscellaneous	5,118	19.3	5,000	(2.3)	2,000	(60.0)
Total	\$117,325	5.6 %	\$118,000	0.6 %	\$117,000	(0.8) %
Total Taxes	\$5,325,257	12.9 %	\$5,604,800	5.2 %	\$5,715,700	2.0 %
Other Revenues:						
Interest	\$54,335	133.6 %	\$89,000	63.8 %	\$104,000	16.9 %
Net Transfers	(42,243)		(161,096)		(181,308)	
Demand to Revenue	(75,810)		(72,014)		(86,964)	
Other Transfers	33,567		(89,082)		(94,344)	
Agency Earnings	57,018	(24.9)	59,554	4.4	62,000	4.1
Total	\$69,110	(47.9) %	(\$12,542)	(118.1) %	(\$15,308)	42.0 %
Total Receipts	<u>\$5,394,367</u>	<u>11.3 %</u>	<u>\$5,592,258</u>	<u>3.7 %</u>	<u>\$5,700,392</u>	<u>1.9 %</u>

* 2004 legislation reduces the FY 2008 anticipated receipts by \$150.9 million for sales tax and \$24.1 million for compensating use tax.

Table 2
State General Fund Receipts
FY 2007 Revised
Comparison of November 2006 Estimate to June 2006 Estimate
(Dollars in Thousands)

	FY 2007 CRE Est. as Adj. for Legis.	FY 2007 CRE Estimate	Difference	
			Amount	Pct. Chg.
Property Tax:				
Motor Carrier	\$23,000	\$23,500	\$500	2.2 %
Income Taxes:				
Individual	\$2,438,740	\$2,585,000	\$146,260	6.0 %
Corporation	306,350	375,000	68,650	22.4
Financial Inst.	27,000	31,000	4,000	14.8
Total	\$2,772,090	\$2,991,000	\$218,910	7.9 %
Estate Tax	\$52,000	\$55,000	\$3,000	5.8 %
Excise Taxes:				
Retail Sales	\$1,731,806	\$1,775,000	\$43,194	2.5 %
Compensating Use	270,702	290,000	19,298	7.1
Cigarette	115,000	115,000	--	--
Tobacco Product	5,000	5,200	200	4.0
Cereal Malt Beverage	2,000	2,000	--	--
Liquor Gallonage	16,100	17,000	900	5.6
Liquor Enforcement	46,000	46,500	500	1.1
Liquor Drink	8,100	8,500	400	4.9
Corporate Franchise	47,000	47,000	--	--
Severance	113,200	111,100	(2,100)	(1.9)
Gas	78,200	72,300	(5,900)	(7.5)
Oil	35,000	38,800	3,800	10.9
Total	\$2,354,908	\$2,417,300	\$62,392	2.6 %
Other Taxes:				
Insurance Premium	\$113,000	\$113,000	\$ --	-- %
Miscellaneous	4,800	5,000	200	4.2
Total	\$117,800	\$118,000	\$200	0.2 %
Total Taxes	\$5,319,798	\$5,604,800	\$285,002	5.4 %
Other Revenues:				
Interest	\$84,200	\$89,000	\$4,800	5.7 %
Net Transfers	(172,290)	(161,096)	11,194	(6.5)
Demand to Revenue	(70,384)	(72,014)	(1,630)	2.3
Other Transfers	(101,906)	(89,082)	12,824	(12.6)
Agency Earnings	61,197	59,554	(1,643)	(2.7)
Total Other Revenue	(\$26,893)	(\$12,542)	\$14,351	(53.4) %
Total Receipts	\$5,292,905	\$5,592,258	\$299,353	5.7 %

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January 8, 2007

To: Legislative Budget Committee

STATE GENERAL FUND (SGF) RECEIPTS July through December, FY 2007

This is the second monthly report based on the revised estimate of SGF receipts in FY 2007 made by the Consensus Estimating Group on November 3, 2006. The figures in both the "Estimate" and "Actual" columns under FY 2007 on the following table include actual amounts received in July-October. Thus, the report essentially deals with the difference between the estimated and actual receipts in November and December.

Total receipts through December of FY 2007 were \$60.4 million, or 2.3 percent, above the estimate. The component of SGF receipts from taxes only was \$60.1 million, or 2.3 percent, above the estimate. Total receipts through November of FY 2007 were \$1.0 million, or 0.0 percent, above the estimate and taxes only were \$3.6 million, or 0.2 percent, above the estimate.

Generally, a comparison of only two months is of little value in identifying a trend for the remainder of the year, as the timing and processing of receipts substantially can affect comparisons of the estimate with actual receipts over such a short period of time. In addition, receipts through the end of January will include sales tax receipts on Christmas business and individual income tax estimated payments due in January. Both of these factors will make the January report more helpful in ascertaining a picture of SGF receipts.

Taxes that **exceeded** the estimate by more than \$1.0 million were: individual income (\$35.8 million, or 3.3 percent); corporate income (\$25.1 million, or 13.5 percent); motor carriers (\$1.9 million, or 13.2 percent); and financial institutions (\$1.2 million, or 9.2 percent).

Taxes that fell **below** the estimate by more than \$1.0 million were: compensating use (\$2.2 million, or 1.6 percent) and corporate franchise (\$1.2 million, or 12.2 percent).

Interest earnings and net transfers both fell below the estimate by \$0.7 million and \$1.2 million, respectively. Agency earnings were \$2.2 million greater than expected.

Total SGF receipts through December of FY 2007 were \$167.3 million, or 6.7 percent, above FY 2006 for the same period. Tax receipts only for the same period exceeded FY 2006 by \$212.8 million, or 8.7 percent. Individual income and corporate income taxes increased by \$116.7 million (11.5 percent) and \$66.0 million (45.8 percent), respectively, when comparing this period to the same period in FY 2006. Retail sales taxes increased by \$26.0 million (3.0 percent); again, comparing the July through December receipts of FY 2007 to FY 2006.

This report excludes the July 1 deposit to the SGF of \$200 million and the issuance of a certificate of indebtedness. This certificate will be discharged prior to

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STATE GENERAL FUND RECEIPTS
July-December, FY 2007
(dollar amounts in thousands)

	Actual	Estimate*	FY 2007		Percent increase relative to:	
	FY 2006		Actual	Difference	FY 2006	Estimate
Property Tax:						
Motor Carriers	\$ 13,283	\$ 14,050	\$ 15,910	\$ 1,860	19.8%	13.2%
Income Taxes:						
Individual	\$ 1,019,070	\$ 1,100,000	\$ 1,135,763	\$ 35,763	11.5%	3.3%
Corporation	144,225	185,200	210,252	25,052	45.8	13.5
Financial Inst.	11,922	13,300	14,524	1,224	21.8	9.2
Total	\$ 1,175,216	\$ 1,298,500	\$ 1,360,540	\$ 62,040	15.8%	4.8%
Estate Tax	\$ 26,020	\$ 30,000	\$ 30,931	\$ 931	18.9%	3.1%
Excise Taxes:						
Retail Sales	\$ 865,428	\$ 892,000	\$ 891,385	\$ (615)	3.0%	(0.1)%
Comp. Use	134,048	143,500	141,259	(2,241)	5.4	(1.6)
Cigarette	59,342	58,800	58,201	(599)	(1.9)	(1.0)
Tobacco Prod.	2,519	2,640	2,664	24	5.8	0.9
Cereal Malt Bev.	1,083	1,100	1,109	9	2.4	0.8
Liquor Gallonage	8,710	8,850	8,782	(68)	0.8	(0.8)
Liquor Enforce.	21,687	23,000	22,975	(25)	5.9	(0.1)
Liquor Drink	3,859	4,100	4,133	33	7.1	0.8
Corp. Franchise	10,150	9,500	8,343	(1,157)	(17.8)	(12.2)
Severance	64,290	56,500	55,937	(563)	(13.0)	(1.0)
Gas	46,930	35,100	34,474	(626)	(26.5)	(1.8)
Oil	17,360	21,400	21,463	63	23.6	0.3
Total	\$ 1,171,117	\$ 1,199,990	\$ 1,194,789	\$ (5,201)	2.0%	(0.4)%
Other Taxes:						
Insurance Prem.	\$ 46,145	\$ 43,000	\$ 43,187	\$ 187	(6.4)%	0.4%
Miscellaneous	3,337	2,300	2,577	277	(22.8)	12.0
Total	\$ 49,482	\$ 45,300	\$ 45,764	\$ 464	(7.5)%	1.0%
Total Taxes	\$ 2,435,118	\$ 2,587,840	\$ 2,647,934	\$ 60,094	8.7%	2.3%
Other Revenue:						
Interest	\$ 26,254	\$ 44,100	\$ 43,417	\$ (683)	65.4%	(1.5)%
Transfers (net)	(12,587)	(77,435)	(78,634)	(1,199)	—	—
Agency Earnings and Misc.	\$ 30,484	\$ 31,650	\$ 33,875	\$ 2,225	11.1	7.0
Total	\$ 44,151	\$ (1,685)	\$ (1,342)	\$ 343	(103.0)%	(20.4)%
TOTAL RECEIPTS	\$ 2,479,269	\$ 2,586,155	\$ 2,646,592	\$ 60,437	6.7%	2.3%

* Consensus estimate as of November 3, 2006.

Excludes \$200 million to State General Fund due to issuance of a certificate of indebtedness.

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

**Tax Reductions As Approved by the 2006 Legislature (Net SGF Impact, Including Transfers)
November Consensus Revenue Estimates for FY 2007 and FY 2008; 4.0 Percent Growth in FY 2009 - FY 2010
\$466.2 million in New K-12 Funding FY 2007 - FY 2009 - SB 549
FY 2007 Expenditures as Approved by the Legislature, Plus "Shifting" of \$22.9 Million from FY 2006**

**STATE GENERAL FUND RECEIPTS, EXPENDITURES AND BALANCES
AS PROJECTED FY 2006-FY 2010
In Millions**

	Actual FY 2006	Adjusted FY 2007	Projected FY 2008	Projected FY 2009	Project FY 2010
Beginning Balance	\$ 478.7	\$ 733.6	\$ 754.2	\$ 579.3	\$ 342.4
Tax Reductions Approved (Total SGF Impact Including Net Transfers)	0.0	0.0	0.0	0.0	0.0
Receipts (November 2006 Consensus) - 4.0 Percent Growth in FY 09 and FY 10	5,394.4	5,592.3	5,700.4	5,899.7	6,131.3
	0.0	0.0	0.0	0.0	0.0
Adjusted Receipts	5,394.4	5,592.3	5,700.4	5,899.7	6,131.3
Total Available	\$ 5,873.1	\$ 6,325.9	\$ 6,454.6	\$ 6,479.0	\$ 6,473.6
K-12 Additional Funding - \$466.2 Million Over Three Years - SB 549	-	194.5	149.0	122.7	-
Less All Other Expenditures	5,139.4	5,377.2	5,726.3	6,013.9	6,249.4
Total Expenditures	5,139.4	5,571.7	5,875.3	6,136.6	6,249.4
Ending Balance	\$ 733.6	\$ 754.2	\$ 579.3	\$ 342.4	\$ 224.2
Ending Balance as a Percentage of Expenditures	14.3%	13.5%	9.9%	5.6%	3.6%
Receipts Above Expenditures	255.0	20.6	(174.9)	(236.9)	(118.1)

- 1) Actual FY 2006 expenditures and FY 2007 expenditures are as approved by the 2006 Legislature, plus "shifting" of \$22.9 million in expenditures from FY 2006 to FY 2007, SRS and Aging caseload estimates, and school finance estimates, including special education.
- 2) FY 2007 and FY 2008 receipts reflect the estimates of the Consensus Revenue Estimating Group as of November 3, 2006.
- 3) FY 2009 and FY 2010 base receipts assume a 4.0 percent growth; and expenditures include out-year significant obligations (i.e., SRS and Aging caseloads, KPERS and KDOT bonds, etc.) Others areas of government are frozen at the FY 2007 level.
- 4) \$466.2 million in new K-12 Funding FY 2007 - FY 2009 - SB 549.
- 5) Tax reductions as approved by the 2006 Legislature (HB 2583; SB 432; and SB 404 - total impact on the SGF, including net transfers).

Kansas Legislative Research Department
November 22, 2006

Indebtedness of the State of Kansas*
FY 1997 - FY 2007

<u>Fiscal Year</u>	<u>Bonds</u>	<u>Loans Outstanding Pooled Money Investment Board</u>
FY 1997	1,152,418,451	22,990,547
FY 1998	1,160,485,487	20,702,751
FY 1999	1,320,116,565	15,958,280
FY 2000	1,427,911,190	11,113,248
FY 2001	1,781,202,105	8,375,230
FY 2002	2,506,059,479	6,775,233
FY 2003	2,334,940,984	5,700,380
FY 2004	2,519,100,301	3,314,541
FY 2005	3,713,838,876	4,861,506
FY 2006	3,830,183,786 **	727,995
FY 2007	<u>3,951,759,149</u>	2,875,000
Change FY 1997 to FY 2007	\$2,799,340,698	
Percent Change	242.9%	

* Principal balance as of the end of the fiscal year.

** In addition, there is authorized but unissued debt of \$272,856,607.

Source: *Comparison Report*, Kansas Division of the Budget.

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Bonded Indebtedness of the State of Kansas -- Detail*
FY 1997 - FY 2007

<u>Agency</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>Change - FY 1997 to FY 2007</u>
Department of Transportation	\$ 875,410,000	\$ 864,060,000	\$ 832,035,000	\$ 791,090,000	\$ 1,073,145,000	\$ 1,698,050,000	\$ 1,330,645,000	\$ 1,303,305,000	\$ 1,888,990,000	\$ 1,842,235,000	\$ 1,821,705,000	\$ 946,295,000
General Government ^a	50,020,169	44,398,312	44,821,981	99,211,422	97,367,534	113,371,603	194,665,204	224,896,384	738,940,610	740,915,302	855,540,000	805,519,831
Human Resources ^b	78,320,000	74,320,000	154,540,000	245,375,000	320,020,000	363,865,000	452,680,000	576,470,000	633,820,000	700,325,000	744,425,000	666,105,000
Regents	68,758,282	103,632,175	215,594,584	225,399,768	214,649,571	210,162,876	227,880,780	294,843,917	321,088,366	425,783,484	412,529,149	343,770,867
Public Safety ^c	79,625,000	73,885,000	73,125,000	66,835,000	76,020,000	120,610,000	111,500,000	102,645,000	104,075,000	95,045,000	92,760,000	13,135,000
Agriculture and Natural Resources ^d	285,000	190,000	-	-	-	-	17,570,000	16,940,000	26,925,000	25,880,000	24,800,000	24,515,000
TOTAL	\$ 1,152,418,451	\$ 1,160,485,487	\$ 1,320,116,565	\$ 1,427,911,190	\$ 1,781,202,105	\$ 2,506,059,479	\$ 2,334,940,984	\$ 2,519,100,301	\$ 3,713,838,976	\$ 3,830,183,786	\$ 3,951,759,149	\$ 2,799,340,698

* Principal balance as of the end of the fiscal year.

- a) General Government -- Department of Administration (including capital outlay equipment financing); KPERS bonds; Department of Commerce; Insurance Department.
- b) Human Resources -- Social and Rehabilitation Services; Department of Health and Environment (including local pollution control and water supply).
- c) Public Safety -- Corrections; Adjutant General; Juvenile Justice Authority; Highway Patrol; Kansas Bureau of Investigation.
- d) State Fair; Department of Wildlife and Parks.

Source: *Comparison Report*, Kansas Division of the Budget.